

The wide wide world of search

Frank Orman, LeadGenerators, examines the shifting opportunities offered by today's competitive search engine scene, and points up some lessons for advertisers

THE INTERNET HAS become such a vital part of our lives that it's easy to forget just how new and revolutionary the online marketplace still is. However, as with many routes to market, it has proved all too easy for marketers to put their blinkers on and carry on doing the same thing, in the same way, on the same engine as they did yesterday. The danger of this, particularly in such a young discipline as online marketing, is that such a narrow view will lead inexorably to ever-diminishing returns. The solution? Those interested in making the most out of marketing online need to raise their heads out of the trench and take a broader view.

Many companies today are scurrying around desperately trying to get to the top of Google. What many do not appreciate is that Google is not the only important search engine on the internet, and is not always the most appropriate place to advertise.

Although Google has such strong branding that the word has entered the vocabulary as a synonym for internet search itself, the creative and prudent web marketer would not put all their eggs in one basket, but would instead find a range of alternative methods for bringing people to the site. This includes both taking a look at other search engine systems, and also investigating other useful, underrated sources of traffic such as directories, portals and other vertical marketplaces.

The searcher and their engine

Today, the top search engines are the most popular sites on the internet. Most users would be lost without them, and, on any given day, 56% of the online population use at least one engine. Using search is now on a par with emailing as the most common online activity.

The three largest search engines are Google, Yahoo! and MSN. Together they make up 85-90% of all searches carried out in the UK. Currently, Yahoo! Search Marketing (formerly known as Overture) provides results to Yahoo!, MSN, AltaVista and many other smaller search engines and portals, whereas Google AdWords does the same for Google, ASK, AOL and a whole host of other engines, portals and sites.

Not all search engines were created alike

It may now be apparent that the internet does not begin and end with Google: there is in fact a whole family of engines out there with the intention of aiding the user in reaching their destination. These include second-tier networks, directories and portals, and shopping engines.

1. Second-tier search networks

First, the search engines can be categorised in different ways; of which perhaps the clearest definition is between 'pure' search engines, of which Google is the most successful, and the so-called 'web portals', such as Yahoo! and MSN. Their definitions derive from the fact that pure search engines, such as Google, are purely search-based, whereas the web portal is often part search, part directory.

There are also hordes of further, second-tier search advertising networks, of which the better known are MIVA, Mirago and LookSmart. These are networks that distribute to directories and verticals, as opposed to distributing to search engines, and can be a useful source of clicks when you have saturated Yahoo! and AdWords.

2. Directories and verticals

The substantial difference between search engines on the one hand, and directories and verticals on the other, is that directories and verticals are created by humans, whereas search engines use algorithms, a formula of criteria by which a search engine ranks your site to create their search results pages. Directories are often industry- or subject-specific and tend to have a more dedicated readership. They provide the same service as trade titles offer in the offline world: a chance to communicate your message to members of a specific industry, interest group or vertical market.

3. The shopping engines

Shopping engines are simply search engines specifically for shopping. They are a consolidator of the products of many different companies. Good examples of established vertical search engines devoted to retail include kelkoo, shopzilla.com and shopping.com. Added together, the

total traffic of major shopping engines accounts for roughly 6-8% of total searches. This rises fairly steadily by a percentage point or so every year, as more consumers discover them during the holiday season and then become addicted to using them for shopping-specific searches.

So who uses what engine?

Despite the obvious diverse wealth of advertisement opportunity that has been illustrated above, it has become commonplace for marketers to treat all the engines, portals and directories as if they offered better or worse versions of the same product to the same market. This is a dangerous misconception that ignores the vital differences between the different engines and the users who rely on each for their search results.

The differences between search engine users may not be as great as the divergences between some offline media users, but the variations are certainly substantial enough to mean the difference between success and failure. Thus the challenge for online marketers is to recognise the different user profiles and to fine-tune their campaigns accordingly to achieve the best possible results.

Search engine demographics

Statistics show that users increasingly trust their search engines. Search engines such as Google, Yahoo! and MSN also engender very strong brand loyalty. Most searchers have reached the stage of relying on one or, less frequently, two different engines to search for all their queries.

A UK study carried out recently by Hitwise showed that 55% of Google users are male, whereas 58% of MSN users were female. Ask Jeeves and AOL were also more favoured by women than by men, and Yahoo! searches were favoured by both men and women, though with slightly more male users. The percentage differences may seem small, but when you're talking about the entire internet population, the numbers soon add up.

Although the demographics of those using paid search and those using natural

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search are very different, only 40% of searchers were actually aware of the difference between paid and natural results. Women are more likely than their male counterparts to click on the paid ads than on the organic, or natural, ads. In the survey, we also see that just over a third of men click on the paid search, whereas women are 25% more likely to do so. This is partly explained by female reluctance to read more than one page of results. However, both sexes claim to favour organic over sponsored search.

To take another example and split internet demographics by age, Yahoo! and Google are the most popular sites with searchers under the age of 34, whereas internet users over 55 tend to prefer MSN. Again, without generalising too much, younger users tend to be more at ease with the more heavily branded tools such as Google, whereas the older surfer is more likely to be content with the pre-installed software of their internet provider (which often points to MSN).

Even when ignoring the vast plethora of networks and channels that are available to internet users, and merely concentrating on the well-known search engines, there are big differences that need to be tapped into by the e-marketer. Those who take all search engines for granted as one vision of are grossly wrong and could be paying a high price for this mistake.

Buying rate by search engine

So you have worked out who is searching online and you can market your campaign accordingly. But search is only the first step in the shopping process: who out there is actually buying online?

A Nielsen/NetRanking survey showed that the most likely click-through destination from portals such as Yahoo!, Wanadoo, Microsoft and AOL was retail. The same survey showed that the most common search destinations from Google tended to be information-orientated searches rather than purchase-orientated. This included searches in education and government as the most frequented.

However, studies also indicate that these engines are used in different ways. Users of portal search engines such as Yahoo!, MSN and AOL tended to put in simpler search queries, of just one or two words. Google users often put in more complex queries, using a string of four, five or more keywords. The more general searches are typically carried out at the early stage of the buying process where the user is gathering information, whereas the more precisely-targeted searches may indicate that the user is closer to making a purchase. Of course, consumers using shopping engines tend to be further down the sales cycle and more likely to be ready to buy now.

To put this huge amount of data into practice, we can take the example of typical Joe and Joanna Homeowner: he works in a desk job and she is a housewife. Their home computer was probably purchased from one of the large high-street stores. It loads up by default to the computer's pre-configured home page, which is most likely to be a consumer lifestyle portal, such as MSN or AOL. When they plan their holiday, they do it together around their home computer, either by searching for their specific holiday or by going directly to one of the travel shopping engines available, such as Yahoo!'s FareChase and kayak.com.

Despite the increasing consumer awareness of the Google brand, many home users, including our Joe and Joanna, will search from home using the search option on the pre-configured home page. These search brands, such as Wanadoo, BT and Tiscali, are sometimes referred to as consumer portals, and people who search for results from these sources are more likely to be searching for consumer products. When Joe is at work, in his free time, he may want to look up restaurants for meeting clients in or around the area from his work PC using Google, or simply look up the local weather forecast.

The shape of things to come

This is a pretty typical generalisation of an ever-changing rule, as consumers become more knowledgeable about ways of searching. Here, more than ever, it pays to do your

market research and be ready to embrace any changes that may come your way.

Currently, a huge 79% of adspend on paid searches in the UK is densely concentrated within just four vertical sectors: retail, financial services, travel, and media and entertainment. Search is just beginning to evolve, and those companies investing time and advertising budget in specialist vertical engines will see greater rewards later, as these sectors are forecast to double in size over the next five years.

We must also remember that sponsored search is still in its infancy. AdWords was launched less than six years ago, at a time when AltaVista and AllTheWeb were among the most used engines. The picture is likely to undergo fundamental change again soon, as MSN is set to fully launch AdCenter, its own pay-per-click service, later in the year (a beta version is already available in certain territories).

So what does this all mean for your online marketing?

Research relevant engines. Most companies should be running campaigns on all the major PPC engines to determine which search engine is generating the most cost-effective response and best converting visitors. Ultimately, the information generated from your own campaign is the best market research.

Also, consider your creatives. By understanding the common characteristics of your customers and writing PPC ads well targeted at the search engine's usage demographics, you are more likely to connect with your audience and improve your website conversion. Also, make a special note that women are more likely to click on paid ads, and are more likely to buy as well.

The internet is a vast expanse of different information. It should not be treated as one entity in itself, merely an overall body that holds hundreds of thousands of different marketing opportunities. It will take some working at, but eventually you should be able to find a way of capitalising on the potentially huge opportunity the internet has to offer for your business. •

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