

9 Essential Steps to Effective Online Marketing

Your roadmap to *managing* your online
marketing and *enhancing* your success.

Best Practice
Guide

LEARN:

If Search Engine Marketing is right for your company
Measure success in your online marketing campaigns
Effectively identify how your prospects use the Internet

(800) 381-2471
(212) 670-0309
info@limaconsulting.com
www.limaconsulting.com

Traditional Marketing vs. Internet Marketing

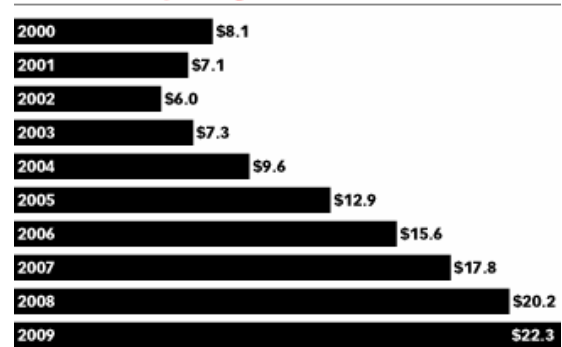
“HALF THE MONEY I SPEND ON ADVERTISING IS WASTED; THE TROUBLE IS I DON'T KNOW WHICH HALF.” – JOHN WANAMAKER, THE FATHER OF THE DEPARTMENT STORE AND THE FATHER OF MODERN ADVERTISING

Since John Wanamaker began advertising the products of his department stores in newspapers, no form of advertising since has offered marketers the insights offered by Internet Marketing. But the father of modern advertising wouldn't be surprised to learn that in 2005, search engines were used about 5 billion times in the US alone, up 27.5% from the year before.¹

Approximately 25% of those searches are local customers searching for local products and services.

It's no wonder businesses are increasing their online advertising budgets.

US Online Ad Spending, 2000-2009 (in billions)



Note: eMarketer benchmarks its US online ad spending projections against the Interactive Advertising Bureau (IAB) - PricewaterhouseCoopers (PwC) data, for which the last full year measured was 2004
Source: eMarketer, May 2005

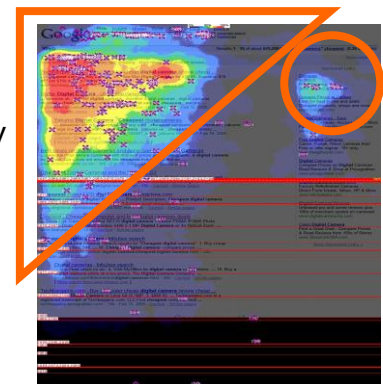
064498 ©2005 eMarketer, Inc.

www.eMarketer.com

<p>The Internet is the most common method that consumers use to search for information along with researching products and services. Place your ads in the right locations and your clients will find you.</p>	<p>Advertisers gain additional insights into the effectiveness of their marketing investments that they could not pinpoint with traditional advertising. Apply what you learn online and apply it to traditional forms of advertising.</p>

How Important Are the Top Positions?

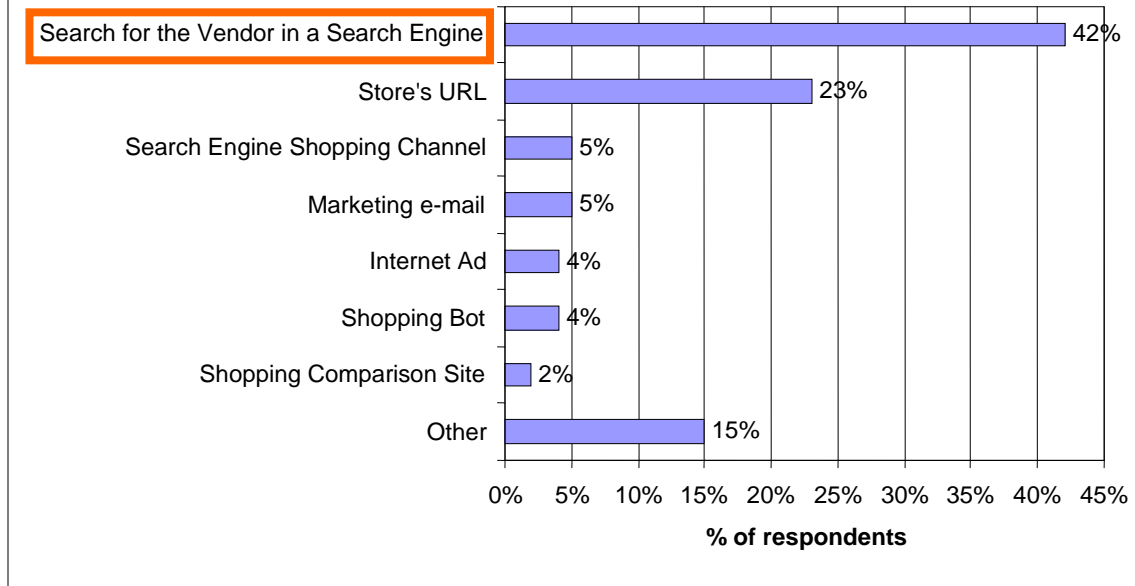
Eye Tracking Studies, called heat maps, consistently verify the importance of page position and rank in both Organic and PPC search results for visibility and click through.² In the study results on the right, the warmer the color, the more time users spend looking at that area of the screen. The triangle in the upper left is viewed by 100% of survey respondents. Companies that either rank in the first 3 positions have a 100% impression rate, and companies appearing in the first 3 Paid locations have up to a 50% impression rate (represented by the circle).



¹ MarketingSherpa.com Search Marketing Benchmark Guide 2005-2006

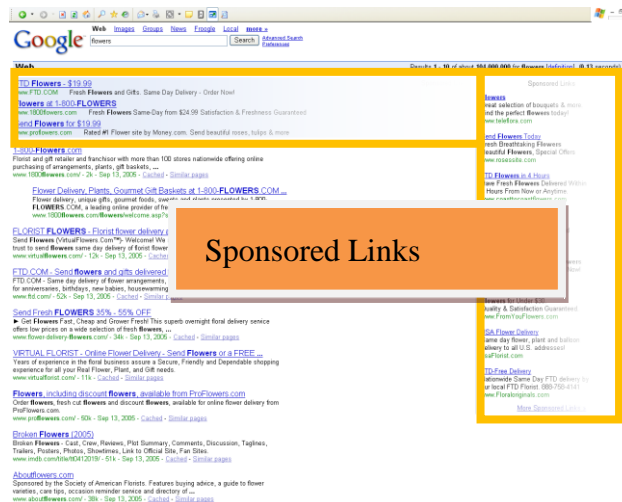
² Did-it, Enquiro, and Eyetools uncover Search's Golden Triangle: <http://www.enquiro.com/eye-tracking-pr.asp>

Most Common Methods of Finding Vendors Online



What is Pay Per Click Advertising?

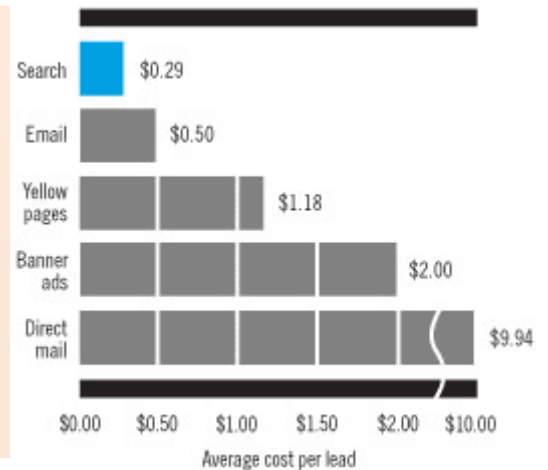
When an internet user clicks through an advertisement posted on the internet, the advertiser pays a fee to the technology company that presented the ad. The price of the ad is run like an auction, with advertisers selecting a reserve price. Generally the more competitive the keyword the more expensive it will run. In practice, Google and Yahoo! list their Sponsored Links on the right of their search engine.



The Benefits of Pay Per Click Advertising:

So you launched your website and are wondering how to drive more traffic to it. Pay Per Click advertising is the most targeted, effective advertising medium available to small businesses because advertisers:

can reduce their cost per lead
 connect with prospects at the exact moment they are looking for your services and products
 identify which ads produce the best results
 run advertisements in their local geography
 run ads during the times of the day that make the most sense
 only pay for the ad when a prospect takes action and clicks on it. This is called "Pay For Performance" marketing.
 Turn ads on and off depending on the cyclical nature of your business or inventory



Even though internet marketing provides new venues, the time tested strategies of traditional marketing still hold true.

1 Define Success

Within your company it is the marketing executives, not the technologists, who should define how the campaign's effectiveness will be measured from the start. Once the business objectives are established determine strategies to drive traffic to accomplish the following performance indicators such as leads or sales.

Objective	Success Metric
Branding: Build Awareness and Educate Prospects	Targeted Impressions Qualified Visitors to the site
Generate Leads and Identify Prospects	Event Registrations Newsletter Registrations
Generate Sales and Acquire New Customers	Sales Conversions Site Registrations Catalogue Requests

2 Identify Your Target Market

The ability to identify your target market has improved with online marketing. Start with identifying your existing client base. Identify the characteristics of those clients that you would like to see visiting your websites and try and understand why they would visit your website. If you do have access to traffic reports, use traffic reports to determine who is visiting the website and try to understand why they visit. Time spent in articulating the targeted segment will pay big dividends later.

Tip: Do not forget to evaluate both psycho-demographic and demographic segmentations. Run contextual ads and use the google segmentation tool to run your ads based on these segments:

Age
Income
Region or Neighborhood
Education
Price elasticity (i.e. Bargain Hunters or Brand Seekers) - avoid shopping comparison sights
Willingness to pay for services – display ads on sights offering advice of any kind

Geographic Targeting

Ads can be displayed in specific regions and cities. Based on the physical address and internet addresses (called an IP address) your campaign can **display ads** to surfers who are searching from a computer located **inside the targeted geography of your choosing**. You can even select to have the ads display within a radius of your business location or locations.

③ Find the Keywords Your Prospects Are Using

In a discussion with the Chief Marketing Officer of an established company that dominates the sheet music industry they asked why they should advertise online. They told me that whenever someone wants their product, they just go to the company website. Since they distributed sheet music, I suggested that maybe people look for the product and find their company. They immediately saw the difference. Think as the client thinks.

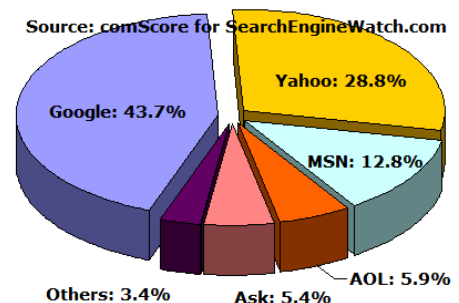
Find the keywords that your clients use. There are some free tools that can offer insights into the way that your consumers use the internet. Since you only pay when users click on the keyword, there is little harm in developing a long list of terms. Over time, you can improve the performance of the best performing words.



TIP: Go to <http://www.pixelfast.com/overture/> to see how often words are searched, and how much advertisers are paying per click.

④ Google or Yahoo?

The paid advertising sections of the major search engines are powered by two companies that reach approximately 80% of internet traffic. Google AdWords and Yahoo! power search engines such as MSN, Alta Vista, Ask Jeeves, AOL, and many others.



The more affluent and educated the target market, the more likely that Google will be the search engine they use. For B2C market share, Google leads the pack with 43% market share. For B2B searches, Google maintains an overwhelming lead at nearly 80% of searches.



Tip: Select Yahoo if you are targeting a younger audience, or middle to lower income.

5 Create Compelling Ads for Your Ideal Prospect

Ever pick up a magazine because you were interested in the “top 5 ways to...” or “mistakes to avoid”. Writing compelling ads may only bring a 1% increase in visitors, but remember in marketing terms that can translate into a tremendous impact since those visitors are actively searching for the services and products you are providing.

Ads generally consist of a title of 25 characters and two descriptive lines of 35 characters.



Tip:

Use the keywords your prospect will use in the Ad
If you have endorsements, use them (Recommended by ...)
If you have promotions, use them (Free Shipping)
Create as many ads as you need, you do not pay more for each one you write
Create separate “ad campaigns” within Google and Yahoo for each ad theme
Avoid superlatives and descriptions of your products and services
Develop a “call to action” that entices the type of prospect you want to find to click on the ad. In this ad from Amazon, they are attracting visitors who plan on spending over \$25.

[Ipod at Amazon.com](#)

Low prices on **ipod**.
Qualified orders over \$25 ship free
[Amazon.com](#)

6 Have a Conversion – Ready Website

When prospects show up at your website, be ready. Design the website so that visitors are clearly able to find what they are looking for. Marketers call a successful visit such as a lead, or an e-commerce transaction, a conversion. Good websites have clear navigation that moves the visitor through the path that leads to the conversion.

Create a landing page, which is a special page, usually not the homepage that relates to the pay per click advertisement. Some of the best websites for e-commerce have very little graphics, (think ebay or amazon) while others are not meant to sell, but are designed to capture leads. Go back to step one and make sure the website is prepared according to your definition of success.



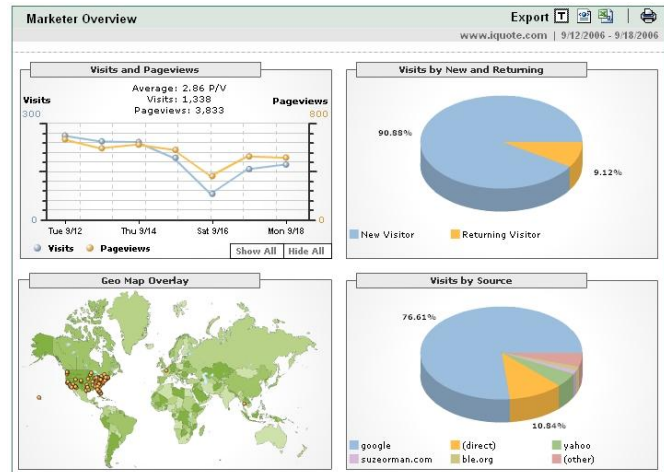
Tips for developing landing pages that increase conversions:

Develop specific landing page for your ad(s)
If you have a promotion, be sure users can view it without having to scroll
Simple is best
Remove links that will not move the user through the “funnel”. If you feel the need to allow users to see more about your company, then have a link to the homepage as a way to find more information, and remove all links not related to the funnel.
Post the call to action more than once on the landing page

7 Track Conversions

When a visitor to your site converts; they perform the desired call to action (i.e. downloads a brochure, signs up for a newsletter, etc...), and you can track these activities. Google acquired a web analytics company and now offers the analytics service free. Yahoo has similar features that are also free. Setup the tracking funnel feature so you can calculate your return on marketing investment.

The insights you gather can also be applied to all your company's marketing efforts.



Tip for professional services business: If you are looking for leads, consider setting up a unique 800 phone number that is revealed only at the website. You will be able to track leads based on the unique phone with the confidence in knowing they only way it could have been obtained was through the paid ad.

8 Test, Learn and Refine EVERYTHING

John Wanamaker's problem about wasted ads now has a solution. Through the analysis of your ads, you can see which ads resulted in sales, which keywords worked, which landing pages were most effective, what websites the users came from, and what visitors did when they got to the website.



Tip: Remember that even though this is a new form of advertising, traditional marketing strategies still apply. Bring what you learn back to the traditional marketing channels and realize improvements throughout all of your marketing efforts.

9 There is help, and There are More Strategies

With the advent of search engine marketing, there is an industry of Search Engine Marketing (SEM) firms that specialize in managing Pay Per Click Advertisements. There are also additional methods of conducting Search Engine Marketing including Search Engine Optimization, Paid Media Placements, E-Mail Marketing, and the use of newer technologies such as Blogs, and Video Blogs. There are constant innovations which have given rise to a specialized group of marketers who stand ready to assist you in developing the appropriate strategies and techniques of effective online marketing.





Tip: When selecting a company to help you with your online marketing, choose a company that has both marketing strategists and technology experts. While only 31% of firms use a Search Engine Marketing firm (SEM), SEM's account for 51% of the online advertising budgets. "The SEM agencies that ... use extensive data to create campaign strategy, are typically able to generate better results for their advertisers."³

Additional Resources

Google: <https://adwords.google.com>

Yahoo: <http://searchmarketing.yahoo.com>

MSN: <http://advertising.msn.com/microsoft-adcenter>

Actual Results

❶ The Hub City View, an event conference center began with a modest budget of \$115 per month to canvas the Center City Philadelphia area and booked over \$40,000 of revenue within the first month. They received 64 visits to their website, nine phone calls, and 17 e-mails and requests for tours of their facility. www.thehub.com

❷ BMW Dealer who implemented a Pay Per Click campaign through WSI Ad Works over 43 days received 224 phone calls, 34 e-mails for test drives, and resulted in \$15,000 profit on an investment of \$1,000.

1 800 381 2471

www.limaconsulting.com
info@limaconsulting.com



500 Fayette Street, Suite 200
 Conshohocken, PA 19428

Lima Consulting Group, LLC (LCG) serves organizations that seek lasting improvements through the strategic management of information technology. LCG offers a range of professional services that complement its strategy consulting services, including online marketing, web development, technology purchasing consulting, implementation services, business process consulting and project management. Our clients benefit from our experience across many industries, multi-disciplinary thinking and our relentless commitment to exceeding their expectations. Our customers include AmeriGas, Lazard Alternative Investments and Longevity Alliance.

www.limaconsulting.com

This document is protected under the copyright laws of the United States and other countries. Any use or disclosure in whole or in part of this information without the express written permission of Lima Consulting Group, LLC is prohibited.
 © September 2006 Lima Consulting Group, LLC All rights reserved.

³ Search Engine Marketing Agency Constellation, Nate Elliot, Jupiter Research Vendor Evaluation, November 30th 2004