

## Search Engine Optimization vs. Pay-Per-Click

### Why Sponsor Keywords When Natural Search Results are Free?

Does it make sense to spend money on Paid Placement, often referred to as Pay-Per-Click (PPC) advertising, when you can get free traffic to your site from the search engines? Our clients often ask us this question. After all, why would anyone pay for a click that brings a prospect to your website, when you can get that same click, and that same prospect, to your website for free?

There are actually a number of very good reasons to pursue either or both strategies. But we can begin to console ourselves by the fact that, if paying for something you can get for free is dumb, then there sure must be a lot of dumb people out there. Industry estimates are that search marketing revenues, roughly \$1.9 Billion in 2003, are expected to increase to \$5.4 Billion in 2005. In a cautious economy, where marketing is viewed as a closely-watched investment rather than an open-ended expense, a lot of marketers are able to justify paying for clicks by demonstrating a positive return on the investment.

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So when does it make sense to optimize your site, as opposed to sponsoring some search terms? Or, should you do both? Let's look at each approach and review the pros and cons.

### Getting High Rankings in the Natural Search Results

Everybody likes relevant traffic. Every company wants to attract targeted visitors by having their site come up near the top of the Search Engine Results Page (SERP) for a particularly popular but relevant search term on a major search engine. Trouble is, the more popular the term, the harder it is to get that high ranking.

Search engine results are a zero-sum game. If you get your site listed in the top-10 for a particular term, you do so by bumping out a site listing that is already there. There is no win-win. Depending on the category, competition can be pretty fierce.

Search Engine Optimization, or SEO, is a combination of strategies that are employed in an attempt to obtain high rankings on relevant, popular search terms. In a nutshell, here's how it's done.

First, your site must contain keyword-rich copy, so that a search engine can determine what it is about. Pictures, audio and video may entertain your visitors, but the search engine crawlers that periodically visit to inventory your site are pretty much blind and deaf to anything other than text. In SEO, page titles, META descriptions, headings and copy are all carefully edited to include the search terms you want to optimize your site around.

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But how do you pick the best search terms to optimize on? Before you can even develop keyword-rich copy, you need to do some keyword research. Keyword research helps you discover relevant search terms that you might not have thought of, and gives you data about not only their search

popularity (i.e., how often those terms are being searched on) but also data about the competition for those terms, and therefore the likelihood of ranking near the top in the SERPs for those terms. If you don't start with keyword research, you could waste months optimizing your site around unpopular or irrelevant terms that won't bring you any useful traffic.

Second, your site must be "crawler-friendly" so that those search engine robots can navigate around on your site. Flash intros, frames, dynamically-generated pages, and other cool stuff must be applied very judiciously, lest you put up barriers that block the crawlers from getting to all that content you worked on in step one.

Third, the engines must already know that your site exists, otherwise they won't even know they should send their crawlers over to your site. If you have a fairly new site, you'll want to submit your site to the search engines and directories. This is also where you may start stepping into the gray area between natural search and Pay-Per-Click, called Paid Inclusion, because some engines won't index your site unless you pay them to. And, no, we're not talking about paying some company to "submit your site to thousands of search engines" because the only thing you'll notice after you do that is a BIG increase in spam in your email box.

Fourth, you need to work on your backlinks. Backlinks are links to your site from other sites, and the quality – in the eyes of the search engines – is important here. Link popularity is an entire subject in its own right, but suffice it to say here that we are NOT talking about joining a link-exchange where your site gets cross-linked with hundreds or thousands of other, random sites. Rather, link popularity is about putting content on your site that is so useful that other webmasters will be convinced they should link to your site because it will benefit the visitors to their own sites. Link popularity is important because, if done properly, it will drive relevant visitors from other sites to yours as well as boost your rankings in the major search engines like Google.

If all of this sounds like a lot of work, you're absolutely right, and yet we've only just skimmed the surface of the issues that will determine whether your site will be sent a steady stream of potential prospects by the search engines. In addition to hard work, you'll also need to be patient because the cycle between changes to your website and a bump upwards in your search rankings takes months.

### **Driving Traffic With Paid Placement or Pay-Per-Click**

As we mentioned, SEO is a zero-sum game. PPC advertisers must also live with a similar pecking order. The difference is that with PPC, how much you pay impacts your placement. Where getting to the top of the natural search results takes more work than money (and a lot of time), the logical conclusion is that getting your ad to the top of the PPC rankings for a term takes more money than work. True, getting visitors from PPC is much quicker, but the rest of the formula is not quite that simple.

First of all, a thorough keyword analysis is even more critical before you invest in a PPC campaign than it is for SEO. Most players who are new to PPC make the mistake of sponsoring a small number of obvious, broad terms. Broad terms are ones that get a lot of searches (which is good) but are not precisely targeted. Not only is the competition for and the cost of those terms generally much higher than for highly focused terms, but the visitors they deliver are more likely to "bounce" quickly off your site because they don't find exactly what they are looking for. Sure,

you'll get plenty of clicks, but you'll pay dearly for them, and very few if any will convert into prospects or buyers. It's the worst of both worlds.

Experienced PPC managers know that the key to success is to run many highly targeted ads that appeal to small niches. Each ad can and should sponsor as many highly specific search terms as possible, and avoid broad terms. Each niche ad should ideally drop the person who clicks onto a custom "landing page." This approach dramatically reduces the cost per click and also improves the conversion rate of the visitors that do click, a double-win.

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Developing a successful PPC campaign takes time to build plus constant monitoring and tweaking. The initial terms you sponsor may not all pan out. The major search ad engines like Google's AdWords and Yahoo's Overture will disable your keywords and ads if you don't get a minimum number of click-throughs or if there isn't sufficient continuity of relevance between the keywords you're sponsoring and the ad and landing page copy.

You should also continually test and improve on your click ads. It's amazing that even small changes to your ads can make a huge difference in the percentage of people who click on them. This is especially important on Google's AdWords platform, because Google rewards ads that have higher Click-Through-Rates (CTRs) with higher placement. In other words, if you bid 51 cents for a keyword, and your competitor bids \$1.00 for the same term, your ad will appear before theirs if your CTR is at least twice theirs.

Once again, that may sound like a lot of work, and it is! Plus, it takes money to pay for clicks.

### **Tracking, Measurement and Self-Improvement**

Pay-Per-Click advertising provides the fastest, most dynamic platform for direct marketing available today. Where direct mail may take weeks or months to design, write, print, mail, and tabulate results, the same can be accomplished literally within a few days using PPC.

On Google, your click ad appears almost instantly. On Yahoo, it may take a few days because Yahoo manually reviews each ad before posting. Each PPC engine has its own advantages, disadvantages, policies and user interface. But in general, once your ad appears, you'll start collecting information on the number of people who see your ad and what percentage click on it. Tweak your copy and watch the results to see if it improved or not. Keep the better version and try to improve it again.

If you are tracking visitors on your site -- as you should -- you can also learn which ads and even which keywords have higher conversion rates, not just click-through rates. It's important to measure not only clicks but buyers as well. After a few weeks, you should have a feel for the copy and the keywords that seem to work.

### **SEO vs. PPC Recommendations**

We recommend PPC as an excellent and relatively inexpensive tool for selecting and narrowing down the list of search terms you want to focus your SEO work on. Remember, when you make changes to your site, it can take months for those changes to have an effect in your rankings.

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Don't risk wasting those months chasing after poor search terms when you can test those terms in real life, on your own website, first.

PPC also gives you the ability to write your own ad copy. True, you don't get a lot of space for copy, but if you can grab someone's attention enough to "buy" a click, hopefully the page they land on will expand on the momentum. You don't have nearly as much control over the snippet of text that appears in your natural search listings. It's a bit like advertising vs. PR. Pay-Per Click is advertising with a twist, because it can be so incredibly targeted. Natural search results are like getting an article about your company, product or service placed in a magazine. It's great for business, but it takes a long time and you generally have to give up editorial control to someone else.

Because you can write your own copy in PPC, you should use the opportunity to refine and improve on your value proposition messaging as well. Consider it part of your market research.

Need leads tomorrow? The choice is simple: Paid Placement. Then, over time, if your hard work at optimizing your site pays off, you'll be able to back off on the paid clicks and enjoy the free ones instead.

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