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## The Best And Worst Of Paid Search In 2009

Forrester Applies Its Search Marketing Review To 300 Keyword Ads

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### EXECUTIVE SUMMARY

Forrester applied an adjusted version of its Search Marketing Review methodology to 300 paid search ads from the retail, travel, consumer packaged goods (CPG), media and entertainment, financial services, and business services industries. Despite some bright spots — primarily in retail and travel — the majority of ads failed. Retail, travel, and CPG companies must improve their calls to action; media and entertainment companies should screen out irrelevant clickers; financial services firms should mention keywords searched in their ads and landing pages; and business services marketers should learn paid search basics. All marketers can improve their paid search return by applying search for short- and long-term goals and across a customer's entire purchase process.

### Paid Search Campaigns Still Need Improvement

In order to help interactive marketers move beyond the basics of search marketing, we introduced Forrester's Search Marketing Review in January of 2008 as a tool to help diagnose search program strengths, defects, and ways to improve effectiveness.<sup>1</sup> Although our original review is a comprehensive methodology that encompasses both user experience and internal business processes, this study focuses just on the best and worst of paid search ads. To complete our reviews, we:

- **Adjusted the review methodology.** Forrester's published Search Marketing Review evaluates if and where a keyword ad shows up in search results as well as its value to users. For this report, we didn't judge search engine optimization (SEO) results, an ad's rank, or marketers' keyword selection or bid strategies. We focused instead on evaluating paid search ads exactly as a consumer would experience them.
- **Reviewed 300 keyword ads.** Since we don't have visibility into marketers' specific keyword selections, we chose five common search terms across six different industries and evaluated the first 10 Google AdWords ads that appeared. This gave us a total of 300 ads to consider.<sup>2</sup>
- **Played consumers.** We put on our user hats to see how well keyword ads attracted our attention, related to our keyword search, convinced us to click, and fulfilled our goal once we clicked through.

### PAID ADS ARE EXECUTED INCONSISTENTLY ACROSS INDUSTRIES

We evaluated each keyword ad on five criteria relating to its ad copy, calls to action, and landing pages (see Figure 1). Possible scores for each criteria ranged from a -2 (severe fail) to +2 (best practice). The lowest possible ad score was a -10, the highest a +10, and a passing grade equates to a +5 or greater.

**Figure 1** Adjusted Paid Search Marketing Review Scorecard

**Each review question is scored on a scale of -2 to 2:**

+2	<b>Strong pass:</b> Exemplary; establishes or embodies an industry best practice
+1	<b>Pass:</b> Competent performance; business process is effective and users can accomplish their goals
-1	<b>Fail:</b> A hindrance; may interfere with business processes and prevent users from accomplishing their goals
-2	<b>Strong fail:</b> A major flaw; necessary process, functionality, or content is missing

**1. Does the keyword appear in the paid search ad title and description?**

**Your score**

-2	Does not appear in either the ad title or copy, and the ad copy is not relevant to the keyword	<input type="text"/>
-1	Does not appear in either the ad title or copy, but the ad copy is relevant to the keyword	
+1	Appears in either the ad title or copy	
+2	Appears in both the ad title and copy	

**2. Does the ad copy “pre-qualify” clickers?**

-2	So difficult to understand that it dissuades clicks	<input type="text"/>
-1	Contains an aggressive offer that applies to almost anyone	
+1	Weeds out searchers who obviously do not fit the ad or offer	
+2	Provides a unique message/offer intended to generate clicks from a specific group of users	

**3. Does the ad contain a compelling call to action?**

-2	Does not provide any call to action	<input type="text"/>
-1	Includes a call to action that is confusing or not related to the users’ search	
+1	Contains a general call to action that is relevant to the keyword	
+2	Contains a specific call to action or offer, such as “download a white paper,” “see new products,” or “get free shipping”	

**4. Is the landing page content relevant to the keyword?**

-2	Does not relate to the keyword	<input type="text"/>
-1	Is relevant to the keyword but does not contain the keyword	
+1	Contains the keyword in the site content	
+2	Prominently features the keyword in site bullets and/or headlines	

**5. Does the landing page employ Scenario Design practices to aid user experiences?**

-2	The landing page is not functional.	<input type="text"/>
-1	The landing page is live but is difficult to read or takes considerable effort to view and understand.	
+1	The landing page is designed to help searchers complete their primary tasks easily.	
+2	The landing page is designed to help searchers complete their primary tasks easily, plus the site employs design best practices like bread crumb navigation, informative hyperlinks, and clear and exclusive category names.	

**Scoring:**

The top score possible is a 10, the worst possible is a -10, and a score of 5 or higher would be considered an overall passing grade.

## More Than Half Of Ads Fail

With an average score of only +3, the ads we reviewed fell short of the best practices articulated in our search marketing review. Fifty-eight percent of the ads we reviewed — 174 out of 300 — failed to achieve a passing score (see Figure 2). Only 2% — like Expedia’s ad for the search term “cruise” — scored a +2 on all of our evaluation criteria. Here is where keyword ads need the most improvement:

- **Keyword mentions.** More than one-quarter of the ads we reviewed failed to include the keyword searched in either the ad title or copy — a practice that helps users know the ad is relevant to their search. Business services are the biggest offenders here: Half of them fail. In contrast, 90% of retailers pass this test. Forty-six percent — including Victoria’s Secret and Sears — mention the keyword searched in *both* ad title and copy.
- **Conversions.** Search ad copy should screen out irrelevant clickers *and* compel relevant ones to take action in order to keep marketers from burning their budgets on clicks from customers who don’t buy. Few ads do both of these well. For instance, 82% of the CPG ads we reviewed targeted specific consumer groups: For example, Procter & Gamble’s Secret deodorant offered “All-Day Odor Control for Women.” But 66% of ads failed to entice people to click through. Financial services had the strongest results here: 80% of ads screened out irrelevant clicks, and 68% included a call to action. For instance, American Express’ credit card keyword ad invites searchers with good credit to “apply now and receive a decision in less than a minute.”
- **Landing pages.** Many ads — especially from business services companies — had landing pages that included either not enough content or too much detail about the keyword searched. For example, several “lead management” ads landed on pages that solicited contact information but offered no context about the lead management product promoted in the ad. Furthermore, “database marketing” ads took us to pages with an overwhelming amount of content too dense to scan. Better to take Zappos.com’s approach to landing page design that features easy-to-find ways to research or buy the item searched.

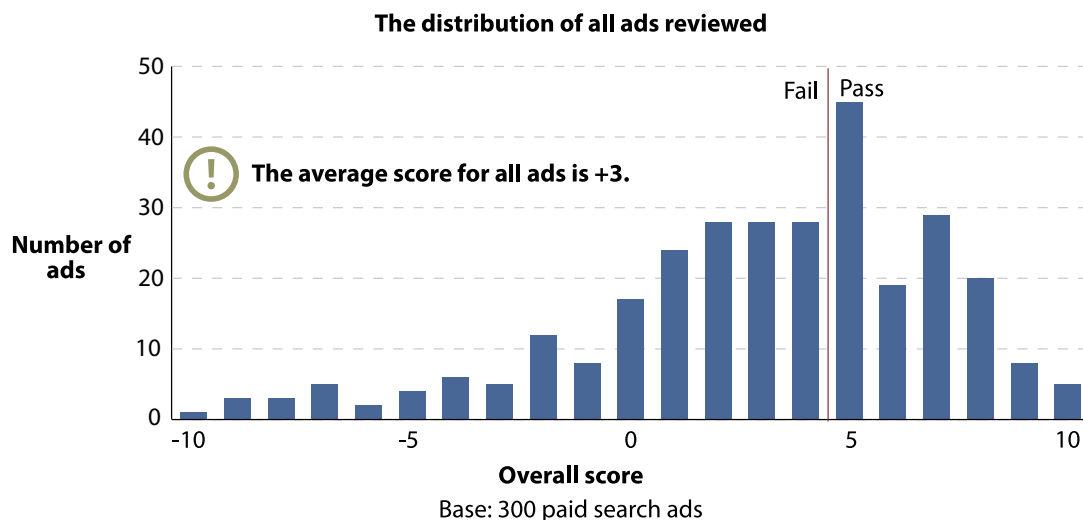
## How To Make Your Keyword Ads More Effective

Not surprisingly, retail and travel ads — likely designed by direct marketers with long search tenure — scored the best (see Figure 3). But even these did not consistently pass our review. All industries have room for improvement (see Figure 4). Here are our recommendations by industry group:

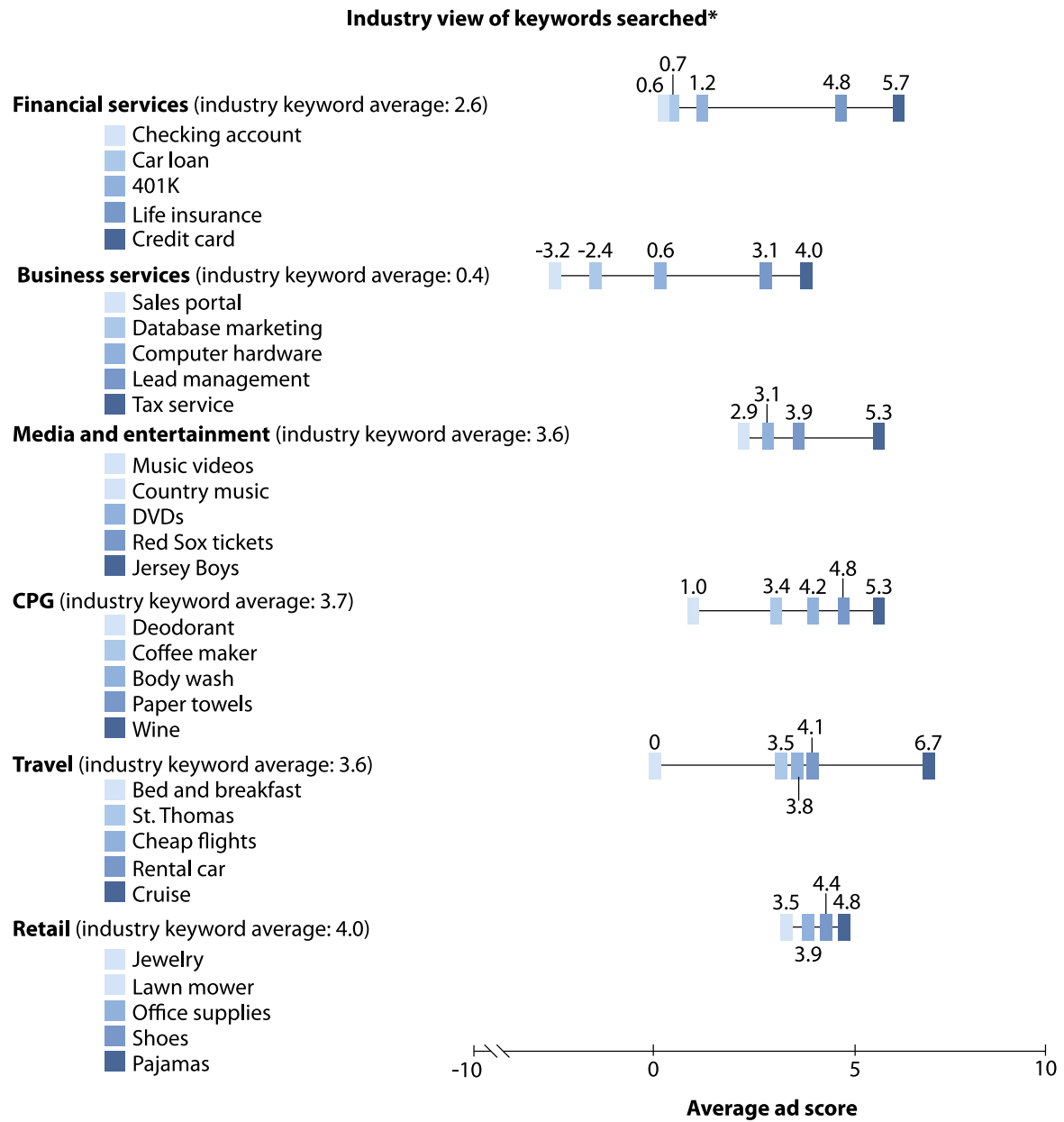
- **Retail, travel, and CPG: Improve calls to action.** Ads in these industries received passing marks in several areas, including strong keywords, ad copy, and relevant landing pages. But poor calls to action are their Achilles’ heel. Firms in these industries should follow the lead of OfficeMax, which advertised free shipping on orders of \$50 or more for searchers who “click to buy now.” And National Car Rental creates urgency with its call to action: “Reserve now for last minute travel specials & Internet only deals!”

- **Media and entertainment: Screen out irrelevant clickers.** Very few media and entertainment ads targeted a specific *type* of consumer, meaning all ads welcomed clicks from anyone, even unqualified customers. For example, almost all sellers of “Red Sox tickets” highlighted competitive prices. But FrontRowTickets.com offered premium seats to appeal to affluent or avid fans willing to pay top dollar.
- **Financial services: Improve ad and landing page relevance.** While most financial services ads we reviewed did include calls to action, one-third failed to include the keyword searched in the ad copy or title. And financial services landing pages also missed the mark. The Teachers Insurance and Annuity Association — College Retirement Equities Fund’s ad for “401K” brought us to a site promoting IRAs but didn’t mention “401K” or explain its relationship to an IRA. For inspiration, financial services search marketers should look to other industries. Orbitz, whose ad mentions St. Thomas in response to that keyword, has navigable landing pages that include island information and the ability to customize several vacation packages.
- **Business services: Master the basics.** According to our searches for terms like “database marketing,” business services ads fail most criteria. Ad copy and landing pages commonly did not reference the keyword searched — “gain search top search engine placement” — or used language that left the ad’s intent unclear: For example, “buyers receive 10% closing credit” was an ad for a real estate company. Tax service providers stand out as best in class here because of their consistently strong landing pages. For example Intuit’s TurboTax brand brings searchers to a page that allows them to choose from five clearly described tax preparation packages that they can trial for free.

**Figure 2** Most Ads We Reviewed Fell Short



**Figure 3** Retail Ads Are Most Consistent But Still Fail Overall



Base: 300 total reviewed ads

\*Average score of ads reviewed per industry  
 The individual scores on the bar graph represent the average score of the 10 ads reviewed for a given keyword.  
 The industry keyword average is the average of all 50 ads reviewed in each industry.

**Figure 4** How Industries Scored Across All Review Criteria

**The average score\***

■ Passes    ■ Fails

	All	Retail	Travel	CPG	Media and entertainment	Financial services	Business services
1. Does the keyword appear in the paid search ad title and description?	0.8	1.3	1.1	1.0	1.1	0.4	0.1
2. Does the ad copy "pre-qualify" clickers?	0.6	1.0	0.9	0.9	-0.1	1.0	0.0
3. Does the ad contain a compelling call to action?	0.0	-0.6	-0.2	-0.3	0.7	0.5	0.0
4. Is the landing page content relevant to the keyword?	0.6	1.2	0.5	0.9	1.1	0.3	-0.1
5. Does the landing page employ Scenario Design practices to aid user experience?	0.9	1.1	1.4	1.4	0.8	0.4	0.5

\*Each criteria was graded on a -2 (strong failure) to +2 (strong pass).

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Source: Forrester Research, Inc.

## RECOMMENDATIONS

### THINK OUTSIDE THE CLICK

To avoid a piecemeal approach that results in an uncoordinated or inconsistent search strategy, marketers should make sure to:

- **Plan for short- and long-term business goals.** Interactive marketers love the instant gratification of paid search ads. But immediate returns should not be prioritized over long-term customer relationships and Return On Marketing Investment (ROMI). With its search synergy methodology, search analytics, and optimization, Covario can help find the optimal balance between SEO and paid search — even if that means sacrificing short-term click volumes from paid ads.
- **Use search across users' purchase processes.** Consumers use search to research and buy, but many paid search strategies focus exclusively on driving sales. As new tools — like Yahoo! Web Analytics' Path Analysis — develop to help measure the contribution of one keyword ad on a conversion that ultimately happens through another keyword ad, marketers will be better equipped to buy keyword ads that *influence* as well as convert customers.

## ENDNOTES

- <sup>1</sup> Our original Search Marketing Review encompasses not only the user experience — paid and organic search — but also the internal business processes like governance, process, team, and measurement. For more information, see the January 2, 2008, “[The Search Marketing Review](#)” report.
- <sup>2</sup> Since the majority of consumers use Google for search — and we weren’t judging an ad’s placement in a search engine — we conducted our searches only in Google. A company’s keywords, ad copy, and calls to action should be consistent on each search engine.