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Searching for Answers on Search Engine Marketing?
By **Mitch Bernstein**

Search Engine Marketing, also known as SEM, is one of the hottest topics in interactive marketing today. At a recent ePharma Summit conference in Philadelphia (May 2004), search was discussed a number of times in presentations.

More importantly, according to recent figures from the Internet Advertising Revenue Report of the Interactive Advertising Bureau (IAB), search represented more than 35% of total online advertising revenues in 2003, a $7.3 billion dollar market.

Other estimates vary, but predict continued growth in SEM. A May 14, 2004, *Washington Post* article, for example, states "Yahoo Inc. officials said … that the market for Internet searches will grow from $3 billion to $11 billion over the next five years, as computer users increasingly look for more local and product information online."

Search Engine	Share of Searches
Google	42.4%
Yahoo!	30.5%
MSN	14.1%
AOL	7.9%
Ask Jeeves	1.9%

Source: comScore qSearch, Worldwide English-Speaking Internet Users, February 2004.

These figures help explain Yahoo's record earnings and why Google's IPO is such a hot financial story, but they also announce an important trend that is changing the way marketers think about the interactive channel.

Benefits Abound
What many marketers are discovering is that search is a medium where users self-qualify, providing valuable insights about the products they

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Search Glossary

Algorithm - In the context of search engines, it is the mathematical programming system used to determine which web pages are displayed in search results.

Cost-per-click - The cost-per-click (CPC) is the amount you pay each time a user clicks on your ad.

Keyword - Keywords are the words users type in to define a search. The keywords you choose for a given ad are used to target users searching on those keywords and thus deliver your ads to potential customers.

Link Popularity - A count of the number of links pointing (inbound links) at a website. Many search engines now count linkage in their algorithms.

Natural Search Optimization (NSO) - The process of matching code to Search Engine algorithms, so that website content can be fully spidered and indexed by the leading search engines.

PageRank - The search engine Google is based upon link counting. The more quality links that a website has, the better its "page rank" (PR). PageRank values can range from 0 to 10.

Search Engine Spam- The submission of pages that are intended to rank artificially high by various unethical techniques. These can include submitting hundreds of slightly different pages designed to rank high, small invisible text, or word scrambled pages.

Spider - The main program used by search engines to retrieve web pages to include in their database.

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seek, as well as what they see as relevant on their way to researching and buying those products. That is, online searchers self-qualify by the keywords they search for and when they click on paid relevant ads or natural search results, they are automatically sent to the most appropriate pages within the advertiser's web site. Once at the site, the actions of visitors can be tracked to learn what they find relevant or not.

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As opposed to buying banner ads and other types of online advertising, SEM allows advertisers to pay for ads that "perform" in terms of delivering traffic. With paid search, often called "keyword buys" or "pay per click," advertisers only pay for prospects who are actually interested in learning more about a product or service. These payments are sometimes determined by a blind auction model, where marketers can enter a maximum price that they are willing to pay for placement of their keyword ad.

A Dark Side?

Of course, there is a flip side to what marketers are quickly latching onto as the next big thing. Some organizations are critical of search engines and fear that their algorithms can be manipulated by marketers to lead unwary consumers to fraudulent information. Others worry about trademark infringement and privacy issues (see box).

SEM for Pharma

With 550 million searches being conducted daily in the US, search provides tremendous opportunities to build brand awareness and drive sales while learning about what sort of keyword terms your audiences find relevant to your products.

For OTC products, search marketing is an efficient way to drive sales online, and increase overall awareness of your brand. For DTC Rx pharmaceutical advertisers, it's an ideal vehicle to capture the attention of Internet users searching for information on a disease state, especially those who have yet to commit to a particular product.

No matter what your brief, search will provide you with a cost-effective strategy for building brand awareness and capturing the attention of consumers who are hungry for information and in a decision-making mindset. This proactive mindset is the key to delivering results that can raise eyebrows—and budgets.

By focusing on a customer who has already self-identified as a qualified lead, advertisers both large and small are seeing impressive results. With more than 63% of consumers saying they've conducted a health related search online within the last year, marketers can use search to drive online sales, information downloads, participants for a promotion, database registrants, or virtually any other objective.

Issues that Search Engine Marketers Need to be Concerned About

Trademark Poaching: Several trademark owners have expressed concern that paid listings in search engines (such as Google's AdWords) allow rivals to bid for terms that compete with their marks, poaching traffic from their sites. The law is unclear about the responsibility of search engines to police trademarks in paid search. Google says in its terms and conditions that advertisers themselves "are responsible for the keywords and ad text that they choose to use."

Privacy Issues: Google has introduced a new service called GMail, which is a free, search-based webmail service that includes 1,000 megabytes of storage. Google inserts relevant text ads within GMail messages, which are scanned by automated software to find keywords bought by advertisers. If a match is found, a relevant ad is included in the message before it is sent on the recipient. Although Google claims no human will read GMail messages, some people may still find it too intrusive.

The Electronic Frontier Foundation (EFF) raises another privacy issue with GMail. According to EFF, "While the media has largely focused on the fact that Gmail will scan the contents of your email messages in order to target ads, the more serious problem from a privacy perspective is Google's ability to link your Gmail account information with your Google web searches. By linking your complete Google search history - tagged with your name and personal details - to your email records, Google can create a highly nuanced picture of you as a reader and as a person. Such pictures present irresistible targets for government investigators, civil lawsuit plaintiffs, and even identity thieves. A single attack or disclosure could release deeply sensitive details about your life to the world without your knowledge or consent."

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SEM Tips

So how can pharmaceutical marketers navigate this medium to take advantage of SEM to drive action on their websites?

TIP 1. Optimize your Web site for Natural Search. Optimizing your Web assets (aka, Search Engine Optimization or SEO) requires more than simply "tweaking" your site. It takes an ongoing effort to make sure that the site content is optimized for search engine algorithms, which are constantly updated to prevent "gaming" the system.

While Paid Search has generated a lot of the buzz in marketing circles, Natural Search results are actually responsible for as much as 80-85% of Search related traffic. Natural results are not labeled as "Paid," "Featured," or "Sponsored" and are not for sale. Competition for first page visibility is fierce, and is determined by a combination of content, brand relevance and a whole host of technical factors that include linking strategies, coding style, and keyword density. Natural Search results are generated by complex and constantly evolving algorithms, or "spiders", unique to individual search engines, and the results can change frequently. To stay ahead, companies must develop sophisticated content strategies to win the war of visibility.

Unethical SEO

Marketers may be tempted to use SEO techniques that "game" search engine algorithms to their advantage. Some of these techniques run the risk of Search Engines delisting Web sites that employ them.

One such techniques is called "cloaking" and involves delivering different content to search engine spiders than to regular site visitors using browsers. Cloaking techniques are forbidden by major search engines, which regularly change their spider programs to thwart cloaking software.

Another trick is called "spamdexing," in which spam Web pages are created with inbound links to the marketing Web site. This is intended to increase the marketing Web site's relevance.

Ethical SEO stays within the guidelines found within search engines' terms of service agreements. When choosing a search engine marketing provider, it would be wise to keep this in mind.

TIP 2. Buy keywords. While almost anybody can buy paid media keywords, you'll want to make sure that ad copy is crafted to your audience, that you're managing bids on the different engines, and that response tracking systems are in place to measure the impact.

A good search marketing campaign will feature keyword lists built with proper derivatives, and website copy that is drafted directly to that cohort. When a particular keyword or string performs well, marketers can then leverage the intelligence behind that data to drive brand awareness and sales in the short term, making your program more successful.

Fully 80% of adult Internet users, or about 93 million Americans, have searched for at least one of 16 major health topics online. This makes the act of looking for health or medical information one of the most popular activities online, after email (93%) and researching a product or service before buying it (83%).

PEW Report (Health Internet Resources, July 16.

TIP 3. Hire an experienced SEM provider. For many people, the simplest option is to hire an expert. When seeking an SEM provider, be sure that they blend multiple strategies to drive results. Paid Search encompasses both CPC Keyword advertising through Google, Overture, Kanoodle, FindWhat, and Enhance Interactive, as well as Paid Inclusion. CPC keyword ads are set apart from the "natural" results from a search and are labeled as such by their placement. Paid Inclusion results are listings that look like Natural or Algorithmic results, but are actually paid for by marketers. Instead of pricing that works on an auction system, paid inclusion results are generally set at a fixed price per click, depending on the type of term being bought.

Metrics, Metrics, Metrics!

My firm icrossing, which specializes in search marketing, has had the chance to work with several leading pharmaceutical firms, as well as Fortune 100 companies in a number of other industries. While the most effective results usually come a few months into a campaign, paid search can often drive results in far less time. Whether you are using existing or custom measurement packages to track your results, it is important to tie your campaigns to specific metrics. We have seen some impressive results, such as:

- Doubling the revenue objectives of the campaign online
- Increasing total leads 483%
- Decreasing Cost per lead by 87%
- Increasing Lead conversion rate by 43%
- Decreasing cost per click by 60%

These figures are taken from various product-specific case studies available on our website (www.icrossing.com).

Successful SEM strategies invariably involve both approaches - Paid and Natural – blended in a fashion that meets your overall objectives. Well-executed SEM programs will not only drive brand awareness and sales, it will help the company and its products stay relevant to your most desirable audiences, which is invaluable on its own.

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Contributing Author

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Resource List

The following resources were consulted in the preparation of this issue or cited within this issue.

- IAB Internet Advertising Revenue Report. http://iab.net/resources/adrevenue/pdf/IAB_PwC_2003.pdf (accessed 18 May 2004).
- Gmail and Privacy. What Google has to say about the issue. See https://gmail.google.com/gmail/help/more.html (accessed 18 May 2004).
- Pew Internet and American Life Project - Internet Health Resources (July 2003) - This Pew Internet & American Life Project report is based on the findings of a daily tracking survey on Americans' use of the Internet and an online survey about Internet health resources. The findings should be of interest to pharmaceutical marketers interested in reaching consumers online. See http://www.pewinternet.org/reports/pdfs/PIP_Health_Report_July_2003.pdf (accessed 19 May 2004)

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