

Best Practices for Using Online Search Marketing to Drive Energy Efficiency Program Results

Melissa Keane, Marketing Drive
Cindy Jolicoeur, Marketing Drive

ABSTRACT

Consumers are becoming increasingly concerned about energy consumption and the impact on their wallets. Further, they are looking for answers to help fight global warming. The fragmentation of media and consumers' limited time make it increasingly difficult for advertisers to break through to their target audiences. As a result, advertisers are shifting their resources from traditional media to more segmented and non-traditional forms of media.

Online media is promising to be one of the most popular and cost effective methods of reaching a brand's audience due to its ability to reach a more engaged consumer audience with increased measurability compared to traditional media. From Sponsored Search to Search Engine Optimization, a variety of tactics are available to provide effective and efficient online communications strategies. The proven results, cost effectiveness and unique measurability associated with online marketing make it a key strategy to empower Energy Efficiency Program Administrators to reach targeted audiences, influence energy efficient behaviors and drive program results.

Emergence of Online Media Tactics

Over the past 10 years, marketers have increasingly looked to online media tactics to engage target audiences with their brands. The reasons for this trend are simple: 84% of American consumers are online, and most favor the internet as their leading source for the most recent and relevant information¹. By targeting their messages to consumers online, marketers are able to engage specific target audiences with a pertinent message, rather than using mass media to broadcast a message to a wide variety of consumers who may or may not be interested. Based on this efficiency, marketers are increasingly shifting their spending from traditional to segmented and non-traditional forms of media. In fact, a recent study demonstrated that marketers are expecting to increase online spending by 31%².

The precision with which online marketing allows a brand to target specific individuals with particular messages, and manage and modify their approach based on real time results, makes online marketing uniquely cost efficient and effective.

Relevance to Energy Efficiency Program Sponsors

The rich opportunities inherent in online marketing are not unique to traditional marketers. Increasingly, leading Energy Efficiency Program Sponsors are using online marketing to engage their rate payers, influence efficiency behaviors and drive program results.

As concerns about rising energy costs and global warming continue to escalate, consumers are increasingly more active online, searching out answers for reducing the impact of their lifestyles on their wallets and the planet. In fact, a recent study found that 68% of consumers cite online as a source of

¹ MRI, 2008

² U.S. Online Ad Revenue Hit \$21.2B in 2007, Juan Carlos Perez, IDG News Service, PC World 5/15/08

information on living more sustainably, versus 72% which list “Traditional Media” in aggregate³, turning most frequently to portal websites such as Yahoo and MSN (51%) and online search (44%).

Like any general marketing strategy, the best online marketing strategies employ an integrated approach, which leverage a number of distinct tactics which work synergistically to deliver optimal results. Some of the most critical tactics for inclusion are Sponsored Search, Contextual and Search Engine Optimization.

Sponsored (Paid) Search Advertising

Sponsored (paid) search advertising is attractive because it reaches an audience which is actively seeking specific information on key search engines, such as Google, and delivers a link to the advertiser’s website in the search results. It may be considered a “Fish where the fish are biting” strategy- by reaching a target audience during the “search and gather” stage of the decision making process, advertisers are best able to engage prospects and drive results.

Search engine advertising creates more awareness about websites than any other form of advertising, and is vastly more measurable compared to traditional media due to its ability to track exposure to the advertiser’s message, monitor response to the message and measure overall cost efficiency associated with delivering the target audience to the sponsor’s website. Industry experts estimate that search marketing tactics have the ability to offer about 35% return on investment, compared to 13% for print advertising⁴.

Sponsored search is the online advertising method of targeting, bidding, and paying for specific words or phrases, referred to as “keywords,” which are associated with an advertiser’s products and/or services to deliver the advertiser’s website in search results on search engines and content sites across the internet.

When a user searches for information on a particular search engine, they are presented with relevant marketers’ advertising copy and website links. These results are often displayed as “Sponsor Results” or “Sponsored Links” on a results page and typically appear in a section of the page that is made to stand out with either different colors or enhanced text. Based on the result’s perceived relevance to their search, users can then decide if they want to click through to the advertised website.

Sponsored search campaigns are typically negotiated on a “cost per click” basis, so that the advertiser only pays an advertising fee for those consumers who have actually “clicked through” to their website directly from the ad. Prices start at \$0.10/click, but average over \$0.70/click. Of particular interest to Energy Efficiency Program Sponsors, sponsored search can be geo-targeted to a particular Designated Market Areas (DMA), mile radius around a specific location, or even a specific zip code. On average, 40% of all clicks occur within sponsored results (percentage varies by search engine).

Contextual Search Advertising

Related to sponsored search, contextual search places advertising next to relevant keywords within information sites working with search engines like Google. These sites sell online ad space to Google, which allows Google to deliver sponsored search ads on these sites to supplement their advertiser’s online presence. A contextual advertising system scans the text of a website for keywords, and returns advertisements to the webpage based on what the user is viewing. For example, if a user is viewing a website about home improvement, and that site uses contextual advertising, the user may see advertisements for home improvement products and services. Traditionally, contextual search provides lower a click

³ Yahoo! Green Study, 2008

⁴ MarketingSherpa, Search Marketing Benchmark Survey, 2008

through rate, at a lower cost, but offers the benefit of “free” impressions” and therefore acts as a good supplement to paid search efforts.

Search Engine Optimization

Search Engine Optimization (SEO) is a critical step to building a Paid Search Campaign which delivers maximum results. SEO works to deliver top search engine positions organically (unpaid) by considering how search engines work and what keywords people use in their searches. Recent eye tracking studies have shown that searchers scan a search results page from top to bottom and left to right (for left to right languages), looking for a relevant result. Accordingly, ad placement at or near the top of the rankings will increase the number of searchers who will visit a site⁵.

Optimizing a website involves strategically evaluating the keywords associated with how people search for one’s products and/or services, editing one’s website content to give prominence to those keywords, and addressing design and architecture to remove barriers to the indexing activities of search engines. Effective SEO will deliver online advertisers the ability to achieve top position in search engine results, and also deliver a steady stream of organic search traffic from highly-qualified visitors.

A successful search campaign should integrate both search engine optimization and sponsored search. This will ultimately yield higher overall click-through rates, greater penetration of search engine results, and listings in Google search results, which is by far the most frequently used of any search engine.

Campaign Management

Among the chief benefits of online search campaigns are its immediate measurability, which enables advertisers to leverage learnings in real time and make changes to optimize campaign results. Regular analysis of site traffic logs, including keyword word and ad copy performance, will provide an opportunity for proactive trend spotting and campaign maximization. For example, when certain keywords words are underperforming, campaign managers can choose to eliminate them from the mix and/or replace them with others.

In addition to daily and weekly trending, annualized search marketing results should be compiled over time in order to drive continual improvement. Search marketing is not a responsibility which should shift hands with any regularity—the longer your campaign manager studies your results, the more learning they accrue to inform future efforts.

Examples of Successful Energy Efficiency Search Campaigns

A number of leading Energy Efficiency Program Sponsors, across a variety of programs, have executed successful paid search campaigns to deliver strong program results. The Sponsors of the Northeast Lighting & Appliance Initiative provide an excellent case study.

The Northeast ENERGY STAR Lighting & Appliance Initiative is a consortium of electric utilities and energy efficiency program sponsors (EEPS) established to help New Englanders save energy and money in their homes through the use of ENERGY STAR qualified lighting and appliance products and more energy efficient behaviors. The Sponsors bring their programs to rate payers through in-store product rebates and special pricing, online sale of lighting products and a robust and informative educational website, myenergystar.com.

⁵ Chris Sherman, "[A New F-Word for Google Search Results](#)". [Search Engine Watch](#) (March 8, 2005)

From March to May of 2008, the sponsors launched an online campaign to drive traffic to myenergystar.com. The three month plan included a combination of paid and contextual search, search engine optimization and was geo-targeted to residents in Massachusetts and Vermont.

Leveraging learnings from early 2007, the Sponsors optimized nine pages on myenergystar.com for approximately 101 keywords in June, 2007. By February of 2008, this optimization effort proved to increase overall search engine visibility by 117%.

Ad copy and keywords words were constantly monitored to ensure optimal performance and ongoing campaign management ensured consistent improvements in results. In February of 2008, 29 out of 101 keywords (29%) implemented were ranking within the first 3 pages of the major search engines. Keywords were carefully analyzed and slight site design modifications made, resulting in a 58% ranking in the first 3 pages by September. This level of ongoing campaign analysis and management resulted in extremely high cost efficiency, with over 95% of the budget spent on keywords that generated at least one conversion (well above the industry standard of about 80%). Proactive campaign management also delivered a 34% decrease in click cost, which is significant because traffic increased while costs decreased; in other words, Sponsors achieved stronger results at a lower price. What's more, specific conversion rates against key sponsor objectives of driving sales results were as high as 21% for "Find a Retailer" and 7% for "Lighting Catalog", versus average industry conversion rates of 2-4%.

The Sponsors also discovered a key link between other media support and search advertising. When the search campaign ran on its own, myenergystar.com experienced a traffic increase of 50%. However, when the campaign was enhanced with a short burst of radio support directing consumers to learn more at myenergystar.com, website traffic increased 330%.

By employing strong, ongoing strategic campaign management and building upon accumulated learnings from prior years, the Sponsors continue to innovate and drive better online marketing success year upon year, outperforming industry averages and their own past results.

Best Practices for a Successful Search Campaign

There is no doubt that search marketing can deliver results in a cost effective fashion. However, running a successful search campaign requires an informed approach, leveraging proven best practices.

1- Determine your Audience. It's important to know and understand unique market dynamics and plan your outreach accordingly. Understand your audiences and their key motivators, demographics, and any other unique indicators that might influence your approach and ability to reach a target audience. In this case, one size does not always fit all.

A successful demonstration of this was the regional marketing efforts supported by US EPA's ENERGY STAR program in support of regional "Home Performance with ENERGY STAR" (HPwES) programs. ENERGY STAR works with regional program sponsors to help successfully launch HPwES programs across the country. Based on experience and results, search campaigns are always a key part of the marketing mix, however implementation varies according to market. Each distinct market is always individually analyzed to determine the appropriate media mix to support the partner's effort, taking into consideration budget, media availability and individual dynamics. For example, when conducting a target audience and media analysis in Colorado Springs, it was found that certain segments of the market housed the large, but transient military population. Because transient populations are unlikely to conduct as

significant a home improvement as HPwES, these locations were eliminated from the geo-targeting efforts, thereby maximizing the online budget by focusing efforts where they were most likely to bear results. Given the conservative tone of the community, some tactics used successfully in other markets, such as National Public Radio and alternative print, were found to be inappropriate for Colorado Springs. Instead, the plan focused on content related to homes and a robust, geo-targeted paid search program to maximize media spend and drive consumers to the program sponsor's website. The result of this program was a 420% increase in traffic to the regional program sponsor's website.

2- Select Appropriate Keywords. It's also important to know what messages users are searching for and mimic your keyword selections to ensure maximum conversion. For example, in testing HPwES messages, we found that ads using terms such as "save money and energy," "lower energy costs" and/or "lower energy bills" outperformed the ads that did not mention any kind of monetary savings. In addition, we found that the terms "Efficiency/Efficient" and "Audit" and "Whole House Humidifier" were top search terms in Colorado, thereby enabling us to structure a geographically relevant campaign to engage our target audience. Understanding this information is critical to adjusting and garnering highest results.

3- Develop Relevant Ad Copy. In conjunction with selecting and purchasing relevant keywords words, it's important to write corresponding ad copy that will appear to the user in a search browser, letting them know that the website is relevant to them. Simple but important practices, such as developing ad copy that reflects content on the site's landing page, using the search keyword in the ad copy's title and description, and including a geographic reference (where applicable), can help to ensure qualified customers click through to a sponsor's website.

4- Optimize your Website. For maximum usability and conversions, program websites should be optimized to ensure users are getting what they're looking for and to increase the overall number of leads. Optimization will be different for every site and program, but certain components should always be considered, such as editing website text edits to include keywords words on all relevant pages, building appropriate content placement throughout site architecture, and ensuring the proper Metadata (Title, META Description and META Keywords which are read by search engines to deliver results) and ALT text recommendations (references to relevant visual images) are present. Website optimization is often a good time to screen your site for optimal design. For example, place important information and images on the top left to match findings of eye tracking studies; organize content/hierarchy so users get what they want in three clicks or less to avoid losing them; remove pop-ups and pop-unders which can be considered intrusive; and create simple processes/forms for users to complete transactions.

5- Conduct Ongoing Campaign Management. As previously noted, one of the key benefits of online search advertising is its unique ability to provide real time results, and to make immediate adjustments to leverage those learnings and enhance campaign success. Ongoing campaign management is key to delivering lower cost per clicks and higher conversion rate.

6- Build an Integrated Campaign. A recent study reported that consumers were most motivated to begin an online study after learning about a website after an advertisement in another form of media. Among them, magazines (47.2%), newspapers (42.3%), television ads (42.8%) and written articles in (43.7%) scored most highly. With online media, as with traditional media, the more times a user is exposed to a message, the more likely they are to take action.

Conclusion

Search has proven to be a viable marketing vehicle for increasing web traffic and generating leads for energy efficiency programs, either nationally or in specific geographic regions. Search campaigns are most successful when composed of both sponsored search and search engine optimization and especially when integrated as part of a larger marketing campaign. With the appropriate support and resources and proactive campaign management, Energy Efficiency Program Administrators to reach targeted audiences, build awareness of their program offerings, influence energy efficient behaviors and drive program results. Programs ranging from Residential Products, to Home Performance with ENERGY STAR to ENERGY STAR Homes have implemented online search campaigns with great success, and with each success come learning that helps to pave the way for even stronger results in the future.