

V4.1 2013

> DOSSIER

INSIDE:



Marketing as Applied
Science pg 6

CRITICAL ADVISORIES

- > GOOGLE ENHANCED CAMPAIGNS: A FLAWED STEP IN THE RIGHT DIRECTION
- > NAVIGATING THE DISPLAY AD TECHNOLOGY LANDSCAPE
- > BRAND-DRIVEN SEO
- > INTERNATIONAL SEO STRATEGY FOR TRAVEL
- > YOU HAVE TO PAY TO 'PLAY'

RKG

WELCOME NEW CEO GEORGE GALLATE

CUSTOMER INTENT - OR WHY I JOINED RKG

AUTHOR [GEORGE GALLATE]



I started in direct marketing at Ogilvy 28 years ago. Early on I was taught the importance of targeting. I learnt, through a combination of success and failure, the importance of testing.

After a few years I joined what is now Havas, a global communications group and stayed for more than 26 years. I left as the Global Chairman of Havas Digital, a network I started and helped to build globally.

Initially my focus was direct marketing. Building on the foundation of targeting and testing, I came to realize that for my clients to be successful, the programs we created had to be repeatable and scalable. A test is only a test unless it is actioned.

The success my clients enjoyed in direct, particularly Intel, led to a global leadership role in advertising. I enjoyed the larger scale and budgets, but I missed the rigor and discipline of daily measurement.

Then came digital. The accountability of direct combined with the emotion and potential brand building of TV. I started one of Havas' first digital agencies in 1996.

We grew quickly, indeed for five years we were ranked as the largest digital network globally by Adweek.

Through the privilege of working on clients like IBM, Unilever, Hershey's, Intel, Dell, ASUS and Volvo, I came to appreciate the accountability of digital and that

the marriage of creativity and technology is truly powerful. But again, something was missing...

We remained focused on measurement. We were looking back and inferring from what had happened, what could be repeated and scaled. "If this set of prospects took this action, could lookalike prospects be expected to take the same action?"

Isn't there a better way?

As marketers it stares us all in the face. Search is what's important to me now. Social is what's important to people like me (think collaborative filtering) or people I like (think Facebook and Twitter).

Understanding the intersection of Search and Social is the sweet spot – it shows true 'customer intent'.

At the intersection of Search and Social, facilitating both, is Content.

Smart people, using smart technology allow us to find that intersection and to mine Customer Intent.

And that's why I'm at RKG.

To the clients of RKG, thank you and I look forward to meeting you. To our competitors who read Dossier and to the industry, I look forward to our collaboration moving the industry forward. And, to my new colleagues, thank you for the privilege of joining you.

Keep up to date on our thoughts and research of these and other subjects at www.RKGblog.com.

V4.1 2013
> DOSSIER

V4.1 2013

> DOSSIER

TITLE
TABLE OF CONTENTS



2 GOOGLE ENHANCED CAMPAIGNS:
A FLAWED STEP IN THE
RIGHT DIRECTION



4 NAVIGATING THE DISPLAY AD
TECHNOLOGY LANDSCAPE



6 MARKETING AS APPLIED
SCIENCE



11 BRAND-DRIVEN SEO



15 INTERNATIONAL SEO STRATEGY
FOR TRAVEL



19 YOU HAVE TO PAY TO 'PLAY'

TITLE

GOOGLE ENHANCED CAMPAIGNS: A FLAWED STEP IN THE RIGHT DIRECTION

AUTHOR [MARK BALLARD]

In February of this year, Google announced major changes to the functionality of AdWords with Enhanced Campaigns. And this is a major change – probably the biggest change to AdWords in the last five years or so.

At a high level, Enhanced Campaigns is a step in a direction RKG has requested a number of times in the past. Instead of duplicating campaigns and keywords multiple times in order to segment certain keyword bids and ad copy, advertisers will be able to apply a bid multiplier to their campaigns based on device type, time, and location, and we will have the option to run different ad copy from the same campaign based on device type.

That's all great, and we've been anticipating those changes for a while now, but in gaining these new capabilities and others, we may be losing functionality of greater value.

NOT ALL TABLETS ARE EQUAL TO EACH OTHER, OR DESKTOPS

For example, advertisers will no longer be able to distinguish between desktop and tablets under Enhanced Campaigns. They will be grouped together by default and irrevocably. Google's announcement of Enhanced Campaigns suggests a reasoning in that, "as devices converge, consumer

behaviors on tablets and desktops are becoming very similar."

The problem is, not all tablets are converging with desktop equally. A year ago, we first showed that Android tablets, including the popular Kindle Fire, had far lower conversion rates than the iPad. As tablet traffic has grown to over 10% of all paid search clicks and the iPad has seen its share slip a bit, drawing the distinction between those two broad tablet categories is no longer inconsequential for many advertisers. Unfortunately, with Enhanced Campaigns, advertisers will not be able to act upon the clear inferences of their OS-specific tablet data.

LIMITED SMARTPHONE-ONLY OPTIONS

With smartphones, advertisers face another hurdle with this change to AdWords. Enhanced Campaigns will not provide an option to run a smartphone-only campaign. Instead, advertisers will have to tailor their desktop/tablet campaigns to smartphones utilizing the bid multiplier and device-specific

copy options mentioned previously.

For many advertisers, this will be a welcome change that simplifies the management of their paid search program. For others though, it will decrease the precision with which they segment smartphone traffic.

In aggregate, we might find that smartphone revenue per click is say, a quarter that of desktops and tablets on average, but there will be plenty of individual keywords that differ from that average with statistical significance, and we will want to adjust our bids accordingly. Unfortunately, that will no longer be easily accomplished.

Without the ability to create a smartphone-only campaign, advertisers will not be able to utilize different ad landing pages based on device at the keyword level. Instead, it appears that mobile landing pages will be ad level, another step back for management precision.

Advanced advertisers will be able to find workarounds to scenarios like this, but it will require the type of needlessly complex campaign structures and duplication that we were hoping to be able to move beyond.

THE FIX

In the past when we've advocated for a change to AdWords in the direction Enhanced Campaigns is going, our hope was that it would be a purely additive layer that would truly enhance and simplify certain processes.

In the area of location targeting, where performance data can get spread very thin, very

quickly, Enhanced Campaigns seems to get it about right. Advertisers gain some abilities without sacrificing existing core functionality.

Around mobile, however, it is disappointing that this initial incarnation appears to strip away much of the progress Google has made in the last few years in allowing sophisticated advertisers to segment traffic as the data suggests it should be.

If anything, Enhanced Campaigns should have allowed for greater segmentation, not less. Device type matters, operating system matters, OS version matters, browser matters, etc. and, interestingly, Display-only campaigns will still allow targeting based on most of those areas.

Fortunately, even with the downsides to this change, it could very well be a step in the right direction if Google is willing to address some of these issues and iterate towards a model that not only improves advertisers ease of use, but control of AdWords as well. Enhanced Campaigns may reduce barriers to entry for some SMBs, but that shouldn't need to come at the expense of experienced AdWords users.

We're getting Enhanced Campaigns, maybe Advanced Campaigns can follow.

[MARK BALLARD heads RKG's research efforts, which includes managing the production of RKG's quarterly Digital Marketing Reports. He is also the primary editor of the RKG-Blog.]



...advertisers will no longer be able to distinguish between desktop and tablets under Enhanced Campaigns. They will be grouped together by default and irrevocably.

Navigating the Display Advertising Technology Landscape

ADVERTISERS

Producers of goods or services who want to advertise online with display to find new customers or stay top-of-mind with current customers.

RKG

RKG is an agency that helps advertisers drive more incremental revenues and profits through display. Serving as a single point of contact, RKG develops and implements a cohesive strategy for this complex channel and incorporates insights from attribution to ensure that display is utilized optimally within the multichannel landscape.

AD SERVERS

Streamline creative and targeting changes across different initiatives and integrates campaigns to reduce attribution issues.

CREATIVE SHOPS

NEED HELP MAKING BANNERS? Static, Animated, Dynamic with Product insertion – there are creative shops to help make that possible and flow seamlessly with different platforms.

adacado COGNITIVE MATCH

PROSPECTING & DATA FIRMS

Use look-a-like modeling or internal databases of user profile information to target users who haven't been to your site before with ads.

quxntcast + AddThis

DISPLAY AD PLATFORMS

Vehicles for running display campaigns with different targeting methods and bidding controls.

RETARGETING ONLY PLATFORMS

Targets your ads to users who have been to your site and have shown interest in certain products or services.

criteoL. TellApart

DSPs (DEMAND SIDE PLATFORMS)

Can do various levels of retargeting and prospecting with 3rd party data to show ads using RTB (real time bidding) technology. In some cases, DSPs can also target specific sites to show ads, instead of people.

MediaMath thetradedesk

acoordantmedia

The company logos shown are only a sampling of the companies that RKG works with in each category.

AD EXCHANGES

The stock market of online display advertising. Ad Exchanges are the markets where the bidding takes place to buy and sell ad space.

facebook
rm rightmedia
casalex

pulsepoint
double click

SITES CAN ALSO
SELL SPACE
DIRECTLY TO
ADVERTISERS

AD NETWORKS

Similar to the big TV networks that own a multitude of smaller stations, ad networks own or control several smaller websites or groups of websites. Ad networks utilize exchanges to auction off inventory that hasn't been accounted for or sold yet. Individual sites can auction off their space on exchanges as well... as long as they have a seat on the exchange.

Microsoft Advertising Google AOL

WEBSITES WITH AD SPACE

YOUR CUSTOMERS

People looking for your products & services who need ads to show them where to go!

RKG

info@
rimmkaufman.com

RKGblog.com

@rimmkaufman

The display landscape is a complex system with an almost limitless number of options for any single ad impression. From the creatives we use, to the audiences we target, to the bids we set and all of the potential players involved in the process, the possibilities can be daunting without an experienced guide.

RKG can help you to better understand the options for your display program and will develop a strategy that is unique to your organization and its goals. By combining your display program with RKG's dynamic attribution platform, you'll also get a more precise view of the incremental impact of display within your larger marketing program.

Marketing as Applied Science

AUTHORS [GEORGE MICHIE & ADAM AUDETTE]

A new year brings new opportunities for marketers. As we explore the ever increasing array of marketing vehicles available it is critically important that we also re-think some of the fundamentals of our core marketing efforts.

Companies that learn how to apply the scientific method to every aspect of marketing will find business success today and beyond.

WE MUST ALL BECOME MARKETING SCIENTISTS

We must reject Wannamaker's conundrum as an immutable truth. We have more tools at our disposal than ever to answer the hard questions about what marketing activities and combinations of activities drive our businesses.

The scientific method brings practices and mindsets that are tremendously valuable to marketers. We must all resolve to:

- **1. Let empirical evidence, not faith, habit, or aesthetics drive decisions.** Scientists do not "believe in" theories, they accept that which the evidence supports until new evidence is discovered that challenges that theory. Too often marketing budgets are set through habit and personal persuasion rather than rigorous examination of what works and

what doesn't. Sacred cows are dangerous. The best marketers must be above vested interests and seek to put money where it is best used, not simply where it's always gone.

- **2. Encourage curiosity, creativity and innovation.** We cannot allow the day-to-day grind to prevent us from exploring new frontiers, pushing the envelope and developing new ways to test and re-test our assumptions. Developing hypotheses, creating a methodology, conducting tests carefully, reading results and implementing the findings all take time, time that must be protected from punching through task lists.
- **3. Apply the same rigor to brand advertising and offline media as we do to direct marketing.** Biology and Chemistry may be different disciplines, but courses in biochemistry wouldn't exist if the distinction weren't pretty blurry at some level. Why would offline media and brand advertising (online and off) be exempt from rigorous testing and optimization? The payoff time frames and success metrics may differ, but what can be measured should be, and moving marketing dollars towards the media that produces better metrics has to be beneficial.
- **4. Abolish silos and institutional barriers that prevent teams from working for the good of the company as a whole.** Science has a way of breaking down doors. Statistical analysis has turned on its head 100 years of baseball wisdom as Michael Lewis documented in *Moneyball*. This has been a long drawn out battle between the conventional wisdom and math. Math is slowly winning the battle through



The difference between science and art isn't creativity. Scientists must be tremendously creative to be successful.

demonstrable performance differences. Those same types of institutional barriers and an unwillingness to have long standing practices challenged have made the birth of marketing as applied science a more difficult delivery than it should have been. The baby isn't waiting any longer.

There will be howls of protests to wit: "Marketing is both science and art!"

We respectfully disagree.

The difference between science and art isn't creativity. Scientists must be tremendously creative to be successful. Edison famously quipped that "I've not failed. I've just found 10,000 ways that don't work" when inventing sustainable electric lighting. He even tried a hair from his assistant's beard as a filament before hitting on the need for an oxygen-free environment.

Instead, the real difference between science and art is how success is judged. Art is judged by popularity, by the opinion

of critics, by individual aesthetic taste, by the degree to which it influences other art, or any combination thereof. There is no consensus on what is good art or bad art, and different experts will reach different conclusions as a result.

Science is judged by concrete evidence that supports or rejects its claims. All scientists may not reach the same conclusion from complex data sets and complex problems, but every scientist recognizes that ultimately their view will be guided by data, not by opinion, tradition or vested interests.

Sacred cows are dangerous. The best marketers must be above vested interests and seek to put money where it is best used, not simply where it's always gone.

Architecture is art. People will have different opinions about whether a building is interesting, beautiful, fitting, etc. Engineering is science. That the building withstands an earthquake, has consistent heating and

cooling, is energy efficient are objectively measurable facts with which it is difficult to disagree.

We, as marketers, must pledge to be judged as scientists are judged: by the outcomes we control, not by opinions. Ultimately, we must be accountable to the corporate P & L statement. This perspective cannot just apply to paid search, but must

equally apply to SEO, display advertising, social media marketing, print, TV, radio and the intersections between them all.

Fundamental changes have occurred in many online marketing channels that require us to revise our thinking and more importantly our practices.

MEASURING SUCCESS

We MUST get smarter about how we measure marketing success.

TOO MANY MARKETERS:

- Evaluate orders or leads rather than the value of those orders and leads;
- Give 100% credit to the last touch regardless of preceding touch paths;
- Ignore display impressions rather than measuring their non-zero value;
- Measure SEO success/failure by keyword ranking reports rather than the value SEO contributes. Ranking reports have their uses as diagnostic tools, but ranking isn't the goal revenue is the goal.

TOO FEW MARKETERS:

- Create feedback loops to understand the types of customers driven by different marketing channels;
- Recognize and incorporate smartphone success metrics like "click to call" and "get directions";



We, as marketers, must pledge to be judged as scientists are judged: by the outcomes we control, not by opinions.

- Track call-center spillover value back to the ad;
- Consider customer lifetime value in their efficiency targets.

We cannot maximize effectiveness if we aren't measuring performance well to begin with. Imagine, for example, measuring a baseball pitcher's performance by the total number of pitches thrown in a season. It might have some directional validity – to throw a great many pitches you have to pitch in a great many innings, and likely the manager wouldn't let a lousy pitcher do that – but there are much better success metrics to use (ERA, strikeouts per nine innings, walks per nine innings, home runs allowed per batters faced). The manager who uses the wrong metrics will optimize for the wrong performance; the ones that use smarter metrics will make smarter trades and end up with greater success.

Marketers are strapped for time and stretched across too many disparate activities. Changing the metrics used to measure success is hard. It involves learning new ways to think about data, it requires connecting dots in ways that haven't been done before, it involves dumping those keyword rank reports in favor of URL traffic reports, and finding smart ways to shed light into new blind spots (like those introduced by iOS 6). Most importantly, it involves education throughout the organization of what is changing and why. That education is crucial because changing the scorecard torques the YOY comparisons leading to confusion and resistance.

We cannot let the difficulties stand in the way of the benefits of getting this right.

WE MUST ADAPT OUR PRACTICES TO NEW REALITIES

Just to tick off a few of the key changes to core programs that must be addressed:

PAID SEARCH

PLAs cannot be an after-thought. They are a huge piece of the game in ecommerce and must be treated as such. Device targeting isn't a 'best practice' it's a fundamental requirement. Search retargeting is here, and is awesome. Are you on it?

SEO

Things not strings: entities and aspects are the future of Google's ranking algorithms. The Knowledge Graph and authorship have already changed the fundamentals of SEO, and you can bet those changes will only accelerate. It isn't about keyword ranking reports, laborious keyword research, and the number of indexed pages and backlinks a site has anymore. It's about providing truly compelling content and creating value, and doing smart outreach to give it eyeballs.

SOCIAL MEDIA

It isn't just buying ads on Facebook or promoted Tweets. Status updates can't solely focus on promotions. The game is not counting fans, it's measuring engagement. Your brand is no longer what you say about yourself, it's what your customers say about you to their friends.

DISPLAY

Keyword targeting on the GDN matters. All visitors should not be retargeted the same way. In any audience-buying medium, the game is won by those who segment smartly and execute based on the measured performance of those segments. How people get to your site (brand search? non-brand search? email?), how many times they've been to your site, and what they did when they were there should impact how you target. The Facebook Exchange opens up a whole new arena of opportunity. Does your AOR pay attention to this or do they simply spend all of the budget and ask for more? Are all the lines on your display media plan coordinated?

COMPARISON SHOPPING ENGINES

The quality of the feed makes a huge difference in performance, yet many treat this channel as set it and forget it. Google Shopping is no longer free, c'est la vie. Amazon, eBay and other market-places are increasingly important. Managing these well is the new imperative.

MOBILE WEBSITES

Responsive design helps, but smartphone users have fundamentally different needs. Only a site designed to meet those unique needs will produce the best outcome for the user and for the business. The chicken and egg discussion of "I'll build a mobile site when mobile matters" is over. It matters, invest now.

RKG is currently developing and producing a number of white papers – lab reports, if you will – on the above themes, as well as others that highlight how the application of marketing science positively impacts results.

2013 will be the year of marketing as science. Are you ready for it?

[GEORGE MICHIE is a widely acknowledged thought-leader in online marketing. He helped develop RKG's proprietary technology platform and continues to play a role in its evolution.]

[ADAM AUDETTE oversees client strategy for SEO and contributes to the strategic direction of paid search. He also drives the development of proprietary SEO toolsets and is a widely recognized industry leader.]



We cannot maximize effectiveness if we aren't measuring performance well to begin with.

TITLE

BRAND-DRIVEN SEO

AUTHOR [TODD MCDONALD]

Once upon a time, a marketing tactic was born in a dark corner of the world where geeks rule, techno music abounds, killing zombies is an accepted recreational activity, and all that was needed for success was an internet connection, a website, and some geeky smarts.

Search Engine Optimization, or SEO, represented a sort of Eureka! moment for the digital age. Suddenly, marketers had themselves a set of virtual road maps out in the wild, wild web – maps they hoped could ultimately lead coveted customers their way and help them stand out in a marketplace that moved faster than any we had ever known before.

We learned quickly that SEO was not a magic potion. It took time to grow, to earn its rightful place in the big, wide, digital marketing world.

Today it's more than safe to say that SEO has arrived. Deployed properly and responsibly, it is a beast of a tactic that can yield measurable results unmatched by many, if not most, of its marketing relatives. That's not to say that the evolution

of SEO has been a smooth one. Powerful tools tend to attract the good guys and the, well, not-so-good guys almost equally. In the not-so-recent past, SEO bullies nearly mastered the art of SEO manipulation, and threatened to push the powerful tool near the point of irrelevance.

Lucky for today's marketers and consumers, the good guys seem to be winning today's SEO battle, exerting a strong and positive influence on its development and helping it grow into a healthy, robust, and important part of our marketing arsenals.

So, with this battle behind us, the most important question we can ask ourselves as marketers is how we can make SEO work for us? The answer lies in our ability to understand how our brands fit into our carefully crafted SEO equation. Those who find and put this synergy to work for them will reap short and long-term benefits.

UNLEASH THE POWER IN YOUR BRAND

You spend a good deal of time and effort building and strengthening your brand. As well you should. Brands are the engines that

In the not-so-recent past, SEO bullies nearly mastered the art of SEO manipulation, and threatened to push the powerful tool near the point of irrelevance.

power our businesses. Today's world gives us more opportunities than ever to shape and promote these brands, but in order to do it well we must pay attention to the way we integrate our brands into our deep marketing tactics, including SEO. Warning: this is not always as easy as it seems! Here are some crucial, and perhaps even surprising areas where your brand connects with SEO.

> The personal connection

Building relationships online, like in the real world, is a two-way street. Yet unlike in the real world, it is nearly always done blindly. Think about it – every single day we set out to introduce ourselves to thousands of virtual strangers, with very little in the way of background or knowledge about the people we are talking to. Sure, we can rely on advanced demographic information to help us target those who might be interested in who we are and what we do, but that can only take us so far.

Even more importantly, we are in the dark when it comes to knowing what our potential customers actually think of us. And we all know that these perceptions, deserved or not, will likely drive and define nearly all of the interactions that will (or won't) follow.

So in essence, we've become the most prolific cold callers in marketing history. We

» **The practice and science of SEO are evolving by the minute. But the basic fact remains that building relationships is a crucial component to building links.**

all know the best cold callers are only as good as the power of their message allows them to be. Once you dial the number, knock on the door, or receive that critically important first click, that first interaction is going to be driven by one thing, and one thing only: your brand.

Your brand remains the single most powerful tool you have to make the right first impression with a potential customer and to build the kind of positive connections that result in either direct sales or reputation enhancement.

The practice and science of SEO are evolving by the minute. But the basic fact remains that building relationships is a crucial component to building links. And links remain a critically important factor in your SEO success, and, for the foreseeable future, will carry weight in organic rankings.

Here's a quick example:

One of the most common things we do is to connect clients with those interested



Building relationships online, like in the real world, is a two-way street. Yet unlike in the real world, it is nearly always done blindly.

in reviewing or giving away their products. For every ten contacts we make for link development as part of an outreach campaign, it's not uncommon to receive two responses and achieve one "conversion" for businesses that don't have a recognized AND loved brand. Add in a positive brand association and suddenly the success rate shoots closer to eight responses and seven "conversions". This is huge in many areas and could save your SEO team days of link development time.

> "Knowledge" is (very) good

One of the hot topics in the SEO world right now is the introduction of Google's Knowledge Graph. Essentially, it signals a new level of ability for Google to understand the connections between people, businesses, concepts, and things. The idea is that now, instead of relying on strings like keywords and content on the page to determine rankings, Google uses an enhanced ability to understand who is more important in a field, or who knows the most about topic x to determine which businesses should really be trusted and rank for a particular keyword.

Thus far, while the technology is not overpowering, it is definitely driving change.

» **One of the hot topics in the SEO world right now is the introduction of Google's Knowledge Graph.**

This new landscape makes it even more important to be known, properly understood, and associated with the right concepts. We continue to have the power to drive this



While the connection of search and social is still in its infancy, there isn't much doubt that it's a key part of the future.

understanding through our brands themselves, the content we create and share to support them, what other people say about our brands, and more.

So it stands to reason that the more information Google can access about our businesses, the better their understanding of how to position us in search results. Sentiment analysis is real and can be seen in many forms, from the click of a back button to a true text analysis for sentiment.

> The world is talking about you, and it matters

While the connection of search and social is still in its infancy, there isn't much doubt that it's a key part of the future. Social engagement with our businesses is being monitored and data is being gathered that will help search engines determine what people think of us, and who should be returned in certain situations. And it's worth noting that this



Finding this combination of quality, brand-driven content and the right social and SEO mix will pay off in a number of important ways.

doesn't even take into account the current impacts of social on our link building practices.

One of the catalysts in driving social engagement is the way we use content to tell of our brand's story. Brands must use those stories to engage directly with people in a way that drives key social interactions and signals. This helps to positively shape the ongoing story that Google will be reading about your brand in a way that can have a positive impact on their algorithmic "opinion."

CONTENT - WHERE BRAND, SOCIAL AND SEO MEET

Now that we have an understanding of where our brands connect to SEO, let's look at how we can bring them together. This is where content takes center stage.

Healthy digital content strategies with the appropriate mix of paid, owned, and earned media give us the best chance to enhance our brands by distributing our messaging to the right people, at the right time and through the right combination of channels (SEO, social media, etc.). Finding this combination of quality, brand-driven content and the right social and SEO mix will pay off in a number of important ways. These include providing natural insulation from algorithmic changes in search engines, driving higher-converting leads and bringing unprecedented level of data into our store houses that can be reinvested for very profitable returns.

The road to the right combination might be a little different for every business. But what ties all these journeys together is the fact that they start and finish at the same place. Your brand is the key connector that allows you to maximize your deep marketing efforts. It is what empowers your content, what helps you build bridges to important relationships that can transform your business, what makes people know and care more about you, and what pushes you toward the search results you need to compete and thrive in today's marketplace.

[TODD MCDONALD is responsible for high-level link strategy development, analysis, and campaign implementation. Todd also helps develop internal tools and processes related to off-page SEO.]



> International SEO Strategy for Travel

AUTHOR [PAUL PANTELEON]

When it comes to your SEO strategy, there is one question you must be asking yourself these days. Do you speak international?

Any brand hoping to capture some of this international business clearly needs a solid strategy when it comes to international SEO.

The Internet explosion has shattered most traditional business barriers, and our highly mobile culture has the power to literally make the world our marketplace. Just look at the numbers. The percentage of English speaking Internet users grew somewhere in the neighborhood of 300% from 2000-2011. During that same period, the percentages of

Chinese and Spanish speaking users grew by 1,478% and 807% respectively.

Any brand hoping to capture some of this international business clearly needs a solid strategy when it comes to international SEO.

Perhaps there is no industry where this is as vitally important as in hospitality, where most large brands feature international properties and where guests are regularly searching for locations around the globe.

Any good strategy discussion should start with the goals. In this case, the goals are fairly straightforward. You want to create a site that presents the correct language to the correct users, and to rank well based on where the user is searching.

For example, if a user in Spain were searching for hotels, you'd want your Span-

ish language site to be returned on page one in the SERPs. This goal supports the larger goal of driving natural search traffic to the site, which ultimately converts and brings in dollars via the online channel.

The primary benefit of using the TLD strategy is that it's most effective at lining up location signals correctly.

The challenge lies in the tactics. How you make use of the ever-increasing number of marketing tools and methods that are now available?

That's where RKG comes in. I recently brought this question to our outstanding Client Services team here at RKG. You should

know that throwing a question like that out to a collection of experts like these elicited a barrage of ideas, opinions and suggestions that had me mightily struggling just to keep up!

Now that I have sufficiently shaken off my writer's cramp and reviewed my notes, I will share some highlights from that discussion that cover some of the most important tactics for a successful international SEO strategy.

DOMAIN STRATEGY

Ideally a single domain strategy with regards to TLDs (Top Level Domains, e.g. .au, .de, .cn) would be chosen and implemented consistently across international sites.

Hilton for example is using a consistent TLD domain strategy across three international sites.

Links to international sites from the Hilton.com footer (Fig 1)

These link to:

<http://www.hilton.com.cn/>

<http://www.hilton.de>

<http://www.hilton.co.jp>

One benefit of choosing the Hilton.de country code TLD type structure is that the correct geo-location is automatically set within Google Webmaster Tools. Using subdomains or subfolders means you'll need to verify the country specific website in Google Webmaster Tools and choose the appropriate country preference.

The primary benefit of using the TLD strategy is that it's most effective at lining up location signals correctly. A site is much more likely to rank well in the targeted regional search engine when TLDs are used. However, subdomains can be a viable option, as can subfolders, but these should be considered second and third options.

COUNTRY SPECIFIC HOSTING

Hosting a website from the same country the website represents can be very beneficial in that it sends a strong signal to the search engines that the site is relevant to the user's search query. By looking at the IP address of a site relative to that of the user doing the searching, the search engine determines they are in the same country and will be more likely to serve that website in the search engine results pages.

Using the Hilton example top right, I found the IP address of <http://www.hilton.co.jp> is 92.123.64.41. Using a WHOIS search to run a quick check on that IP address shows that the country of origin is in the EU.

FIG. 2

```
inetnum:      92.123.64.0 - 92.123.67.255
netname:      AKAMAI-PA
descr:        Akamai Technologies
country:      EU
admin-c:      NARA1-RIPE
tech-c:       NARA1-RIPE
status:       ASSIGNED PA
mnt-by:       AKAM1-RIPE-MNT
Mnt-routes:   AKAM1-RIPE-MNT
source:       RIPE # Filtered
```

Preferably the site would be hosted in Japan, but sometimes hosting each global site from its respective country may not be feasible for reasons technical or otherwise.

HREFLANG TAG

Now on to one of the more complicated tactics in an international SEO strategy. Our Chief Knowledge Officer Adam Audette recently covered Hreflang Tags in a blog post on our site "Advanced International SEO with rel="alternate" hreflang="x". I highly recommend reading that article, as it's a great example of how RKG breaks down even the most cutting-edge strategies to help you decide what is best for you and your business.

Here's how it works...let's say a company wants to get a site to rank in a specific region. Their site uses international subdomains, but the majority of their content is not translated and appears as a duplicate of the default English site.

What this tag does is it uses the rel="alternate" hreflang="x" tag to let Google know there are region specific versions of the website available, which should be returned when appropriate.

Now let's look at how Four Seasons Hotels and Resorts might make use of this tactic to improve its international SEO efforts.

There are now two ways to use the hreflang tag; 1) in the HTML on each page via meta tags and 2) in the XML sitemap. The XML sitemap flavor is much easier to implement, so we'll focus on that method.

First off, Four Seasons needs a well-optimized XML sitemap on their root domain,

where the rel="alternate" and hreflang="x" tags will be listed along with the standard URLs we'd generally expect to see.

Once the XML sitemap is in place we'll add the following:

```
<url>
  <loc>http://www.fourseasons.com</loc>
  <xhtml:link
    rel="alternate"
    hreflang="zh"
    href="http://www.fourseasons.com/zh/welcome/"
  />
  <xhtml:link
    rel="alternate"
    hreflang="de"
    href="http://www.1.fourseasons.com/de/prague/"
  />
  <xhtml:link
    rel="alternate"
    hreflang="es"
    href="http://www.1.fourseasons.com/es/prague/"
  />
  <xhtml:link
    rel="alternate"
    hreflang="ru"
    href="http://www.1.fourseasons.com/ru/prague/"
  />
</url>
```

Note: This is just an example, and every individual language represented on the Four Seasons site will need to be included.

FIG. 1

Global Sites: China | Germany | Japan

Links to international sites from the Hilton.com footer

For more information on hreflang tag implementation in an XML sitemap directly from the source, visit: rkg.co/hreflangtag.

Meta content tags are another way to let the search engines know which language is being targeted. You can simply place a tag such as the one below on each page.

```
<meta http-equiv="content-language"
content="ru">
```

If multiple languages are spoken within the same country it's a good idea to create content in each language, as well as using the hreflang tag to make sure the correct language is served up.

LINK BUILDING

The overall approach to link building is the same around the world as it is here in the U.S. Developing high-quality, relevant links from the correct region can be very helpful. For example, the site <http://www.marriott.co.jp/default.mi> would ideally have many great backlinks coming from other '.co.jp' sites.

This is a very strong signal to the search engines and plays a key role in maximizing our international SEO efforts.

BOTTOM LINE

To ensure the right version of the site is returned to the right users, it's important to give every signal possible to the search engines, making it clear which version of the site to return. Give us a call to find out how RKG can help you create an international SEO strategy that fits within your overall marketing and SEO efforts.

Want to learn more about how you can make link building work for you both at home and around the world? Our RKG experts have plenty to say on the topic! Feel free to reach out to us at info@rimmkaufman.com or peruse our blogs on the topic at rkgblog.com.

[PAUL PANTELEON is responsible for developing RKG's CRM and marketing automation systems, as well as expanding our role as thought leaders in the industry through email and social channels. Prior, as an SEO Specialist then as an Account Manager, Paul identified and improved SEO opportunities for client sites.]

To ensure the right version of the site is returned to the right users, it's important to give every signal possible to the search engines, making it clear which version of the site to return.

TITLE

YOU HAVE TO PAY TO 'PLAy'

AUTHOR [MIA BRENNAN]

It's no secret that Product Listing ads (PLAs) are rapidly changing the Paid Search landscape for retailers. Google fully launched their monetized comparison shopping platform utilizing the existing PLA format in October 2012. In Q4, 2012 RKG observed an average jump in traffic of 319% over Q4 2011. Across RKG's retail clients, PLAs comprised an average of 28% of the non-brand Google traffic during this time.

Almost overnight, powerful and cost-effective PLA's have become an absolute must for anyone looking to remain competitive in their retail vertical. So if you are not there yet, we suggest you get there, and quickly. And if you are already in the game, make sure you continually mold and refine your program to make sure it continues to push high quality traffic your way.

> HIGH QUALITY, LOW(ER) COST TRAFFIC

Your first step is getting over the fact that Google is now making you pay for traffic that was once free. What you get back, however, is a level of control and customization you've never had before. Through the old Google Product Search platform, your traffic depended almost entirely on feed quality, with maybe a hint of domain

authority. You basically sent your listing out into the world and hoped for the best. This worked well for some, and not so well for others. And getting support or advice for Google Merchant Center concerns was close to impossible.

However, in the new PLA environment you enjoy much more control in creating quality, strong ROI PLA ads. You can:

- **Improve your current feed with support from your AdWords representative,**
- **Manage the search queries that PLAs show for with negative keywords.**
- **Influence which items show by raising/lowering item level auto-target bids**
- **Add promotional ad copy that will update on the SERP almost instantly.**

Quality and control benefits like these should offer more than enough reasons to



PLA traffic is inherently tail heavy, as most queries are product related. Tail traffic is generally lower cost, and higher converting.

jump in, right? But the benefits don't stop there.

We see that PLAs drive 70% new-to-file customers, which is about 5% higher than non-brand Google text ads. We also see that PLA CPCs are consistently lower than their non-brand Google text ad counterparts. We

attribute this divergence to several factors:

PLA traffic is inherently tail heavy, as most queries are product related. Tail traffic is generally lower cost, and higher converting. The problem is, there aren't as many folks searching for long tail. There is also less competition as PLAs take more resources and knowledge to set up. Folks are trying to figure it all out, while the game continues to change as Google keeps testing new layouts and releasing new features. *Fig. 1*

> WHAT'S THE CATCH?

By now you are probably thinking this whole thing sounds too good to be true. And you may be right. Unfortunately, not all of the PLA traffic can be seen as incremental. The PLA auction is entirely separate from the text ad auction. This makes PLAs a matter of "and" and not "or" when it comes to the endless quest to own a SERP.

In fact, these days we often see a website with a text ad, a PLA (or two!) and an organic listing all in the same Google SERP. So do you need all three? If you want to

FIG. 1

PLA CPC RELATIVE TO NON-BRAND GOOGLE CPC

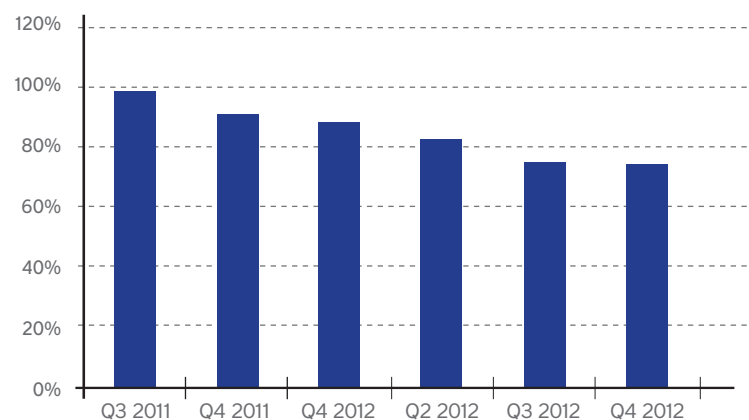
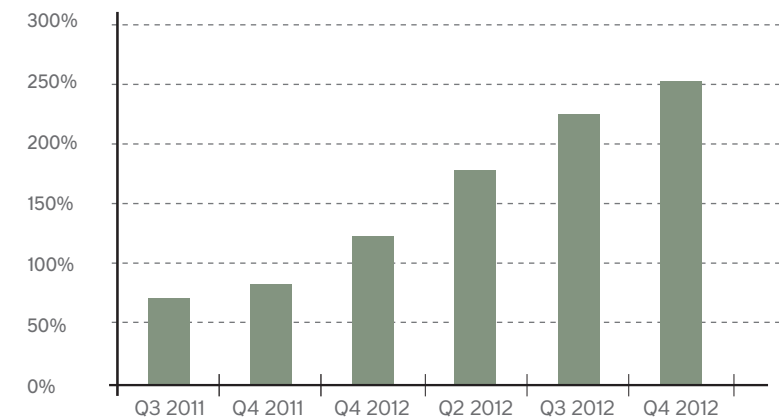


FIG. 2

PLA CTR RELATIVE TO NON-BRAND GOOGLE CTR



maintain or grow traffic, the answer is yes! Just look at it this way – if you're not there, your competition certainly will be.

The more presence you have on the SERP, the more your traffic will get spread out across your different marketing initiatives. This can make CTR look like it's on the decline in the silo view of each channel. In fact, for many clients we've seen a decline in competitive/non-brand Google CTR over the last quarter, particularly for terms that are lower on the page (and continue to get bumped further down the page by the presence of PLAs). *Fig. 2*

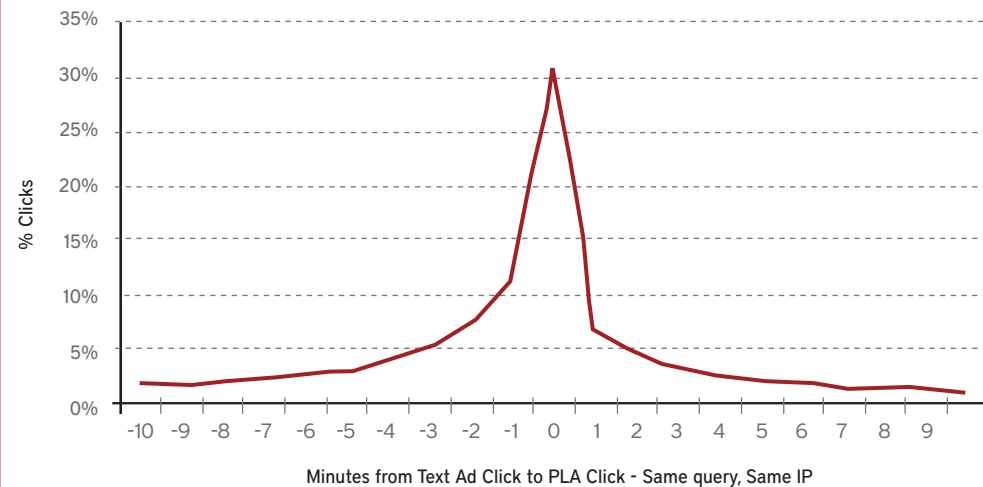
> HOW MUCH OVERLAP IS THERE?

Ahhh, so here is the million dollar question. One way to answer it is to focus on the data we can actually record. And that is, who clicked? To study this, we isolated instances where a text ad and PLA ad were both clicked by someone with the same IP address within 10 minutes of each other. This shows us that the interaction peaks when the clicks are within the same minute of each other – likely representing one search with multiple clicks. While this



The more presence you have on the SERP, the more your traffic will get spread out across your different marketing initiatives.

FIG. 3



interaction only represents a small subset of overall traffic, we can infer from this data that if clicks overlap this much, then impressions do too. *Fig. 3*

We know that this overlap is definitely affecting the incremental power of PLAs. But that is no reason to keep you out of this important space. As we noted earlier, you can pretty much guarantee that if you are not there, your biggest competitor will be. And on top of that, we have plenty of evidence that shows PLAs are working. Without them, search ad volume for many retailers would have been flat (or slightly down) in Q4 2012.

The low CPCs and prominent position on the page, plus their power to increase CTR provide more than enough reasons to get in

this game, and to do it now. And on top of that, Google is undoubtedly working right now to find new ways to refine this product (and raise CPC's).

In the end, the question of "To PLA or not to PLA" is hardly a question at all. There are just too many benefits to be had. Just think of it like the lottery (but with far better odds). In today's online retail world, you have to PLA to win.

[MIA BRENNAN is responsible for helping to shape technology solutions to address new engine offerings. She also works to identify synergies between PPC, SEO, and attribution.]

TITLE

THE ECONOMICS OF PROMOTIONS

AUTHOR [GEORGE MICHIE]

We've written extensively over the years about the importance of anticipating seasonal changes in user behavior, and of analyzing those changes from the perspective of first touch, rather than last touch attribution.

Seasonal effects can lead to significantly higher or lower conversion rates, average order value, and the lifetime value of new customers acquired, all of which impact how much we are willing to pay for our marketing traffic. Retailers, for example, see dramatic shifts during the holiday season that require carefully-tuned anticipatory bidding strategies.

In a similar fashion, and often in conjunction with those seasonal shifts, promotional events can both impact user behavior and change the underlying economics of paid search and other marketing channels in a number of different ways:

> Promotional Ad Copy:

- Increases Click Through Rate, improving Quality Score and bringing in some combination of more traffic and lower CPCs
- Can pull in lower quality bargain hunting traffic that converts less well than average

> Promotional Deals on the Site:

- Increase conversion rates, as demand elasticity suggests that the same group of people will be more likely to buy when prices fall.

- Impact AOV, either increasing the shopping basket size or decreasing it. Your mileage will vary based on your vertical and the type of promotion.
- Lower margin per sale dollar. Whether the AOV goes up or down, the marketing income per dollar of sale is reduced.

This combination of factors can move the needle in either direction, meaning that the smart marketer might either bid up or down, depending on how the anticipated values shake out.

Let's throw out the algebra here for clarity:

BVPC = Base Value Per Click. The anticipated value per click not counting the promotion

CRD = Conversion Rate Delta. How much and in what direction will the conversion rate change because of the promo?

AOVD = Average Order Value Delta. If AOV is measured in sales dollars (rather than margin), then we also need the next factor, MPSDD

MPSDD = Margin Per Sales Dollar Delta.

PVPC = Promotional Value Per Click

It probably goes without saying, but just in case: Combining influences is a multiplicative effect, not additive.

If we imagine a scenario in which the anticipated conversion rate bump is 50%, the expected AOV hit is negative 10% and the expected margin per sales dollar hit is 20% then...

This is the WRONG way to combine those effects:

$$PVPC = BVPC + 50\% - 10\% - 20\% = BVPC + 20\% \quad \text{X}$$

This is the RIGHT way to combine those effects:

$$PVPC = BVPC * (1 + .50) * (1 - .10) * (1 - .20) = 1.08 * BVPC \quad \checkmark$$

It's also not hard to argue that a 10% off sale that cuts the MPSDD by 20% (assuming a 50% gross margin) isn't likely to lift conversion rates by 50%. If we pencil in a 20% conversion rate bump we see that the PVPC drops 14% as a result of the promotion.

$$PVPC = BVPC * (1 + .20) * (1 - .10) * (1 - .20) = .86 * BVPC$$

Does that mean we should bid 14% less in the case above?

That's a harder question. If we want the advertising cost to margin ratio to stay fixed, the answer might be yes. *Sidebar: While it's true that we put dollars in the bank, not percentages, few advertisers I know can meaningfully move the margin ratio negatively and increase profits because they're already pretty close to the bone in profitability.*

One might even argue that you should reduce bids more than that because the lifetime value of the incremental customers is probably lower than average.

One might even argue that you should reduce bids more than that because the lifetime value of the incremental customers is probably lower than average.

But profitability isn't always the goal. Creating buzz, driving the top line, ginning up brand awareness may be part of the objective of the promotion, and sometimes margin rates are deceiving.

At the end of a given season, unloading inventory at a "loss" is often more profitable than the alternative. When inventory is perishable (hotels, tickets, food) insisting on profitability can be horrendously unprofitable. If the inventory is a sunk cost, any revenue is better than no revenue.

KEY TAKEAWAYS

- Remember that promotions affect not only the AOV but also the margin per dollar of sale.
- Consider whether the goal of the promotion is to drive more profits, drive top line sales, unload inventory, or some combination of the above.
- Use historical performance data to anticipate these influences as best you can.

[GEORGE MICHIE is a widely acknowledged thought-leader in online marketing. He helped develop RKG's proprietary technology platform and continues to play a role in its evolution.]

TITLE CONTRIBUTORS



George Michie

CO-FOUNDER
& CHIEF MARKETING SCIENTIST

George is a widely acknowledged thought-leader in online marketing. He helped develop RKG's proprietary technology platform and continues to play a role in its evolution.



George Gallate

CEO

George joined RKG with over 25 years of experience at Havas Worldwide Digital, where he established and ran one of the first digital networks in the advertising industry and led its expansion globally.



Adam Audette

CHIEF KNOWLEDGE OFFICER

Adam oversees client strategy for SEO and contributes to the strategic direction of paid search. He also drives the development of proprietary SEO toolsets and is a widely recognized industry leader.



Mark Ballard

SENIOR RESEARCH ANALYST

Mark heads RKG's research efforts, which includes managing the production of RKG's quarterly Digital Marketing Reports. He is also the primary editor of the RKGBlog.



Mia Brennan

DIRECTOR OF PPC TESTING
& ANALYTICS

Mia is responsible for helping to shape technology solutions to address new engine offerings. She also works to identify synergies between PPC, SEO, and attribution.



Todd McDonald

DIRECTOR OF LINK STRATEGY

Todd is responsible for high-level link strategy development, analysis, and campaign implementation. Todd also helps develop internal tools and processes related to off-page SEO.



Paul Panteleon

DIGITAL MARKETING
MANAGER

Paul is responsible for developing RKG's CRM and marketing automation systems, as well as expanding RKG's role as thought leaders in the industry, through email and social channels.



Michelle Ulizio

PRODUCT MANAGER, DISPLAY

Michelle leads RKG's display advertising team by testing platforms, developing internal tools, and creating targeted strategies to optimize performance. She guided the display infographic on p. 6-7.

MORE INDUSTRY RESOURCES AVAILABLE FROM RKG

RKG Digital Marketing Reports

Interested to benchmark your success each quarter? RKG analyzes mountains of digital performance data to share insights each quarter in the RKG Digital Marketing Report. Visit RKG.co/dmr to download the latest or sign up for the next release.

RKGblog.com

RKGblog.com is one of the most popular and influential online marketing blogs in the business. Launched in 2006 and regularly updated with multiple posts per week, RKGblog.com provides insight, up-to-the-minute research and analysis unrivaled in online marketing.

MEET RKG

March 11-13 – SMX West – San Jose, CA

March 13-15 – NEMOA – Boston, MA

March 18-19 – EyeForTravel: Social Media & Mobile San Francisco, CA

March 25-28 – SES New York – New York, NY

April 9-10 – AdTech San Francisco – San Francisco, CA

May 20-22 – RKG Summit – Charlottesville, VA

For more details or to meet up, email us: events@rimmkaufman.com
Learn more about RKG's Roadshows at www.RKGroadshow.com

DID YOU KNOW

RKG can help you implement all of the tactics we write about in Dossier?

Every single day RKG works with today's top online advertisers to drive sales, lower costs and engage with more customers through our full-service management for Paid Search, Search Engine Optimization, Social Media, Comparison Shopping, Display Advertising and Multichannel Attribution solutions.

PAID SEARCH

SEO

SOCIAL MEDIA

DISPLAY

CSEs

ATTRIBUTION

RKG works with organizations ranging in size from young startups to established Fortune 500 companies, including more than 40 of the Top 500 Retailers. Our talented and creative marketing analysts leverage unmatched proprietary technological capabilities to create the industry's most efficient and effective data-driven online marketing solutions. We'd love to share our ideas on how we can help you too.

RKG



FOR MORE INFORMATION CONTACT RKG TODAY

Ryan Gibson, VP OF MARKETING

RYAN@RIMMKAUFMAN.COM

(434) 970-1010

WWW.RIMMKAUFMAN.COM