

Search Engine Marketing / SEM Best Practices

1. **SEM is very different from SEO.** Search engine marketing (SEM) is a pay per click methodology to drive users to your website – it is a paid ad that usually sits on the top and side-banner of search engine results page. This is not to be confused with SEO – which boosts organic, or free, traffic.
2. **Combine your Search Engine Optimization and Search Engine Marketing (or Pay Per Click) strategies to improve your referrals from search pages.** Search Engine Optimization (SEO) or “natural search” and Search Engine Marketing (SEM) or “paid search/pay per click” have advantages and disadvantages. Together, they make an effective strategy that should be built in tandem around each discipline. It is analogous to combining print, radio and television in traditional advertising. Your business strategy should effectively leverage both.
3. **Continually monitor SEM to evaluate your ROAS.** Different SEM bidding strategies using different engines, keywords and products will yield vastly different ROAS. Monitor your ROI, reallocating your budget to areas that achieve your organizational goals (e.g., ROAS, profit margin, reducing inventory, product launch, brand awareness).
4. **If you outsource SEM to an agency, make sure they meet your goals and ROI.** Outsourcing your SEM program to a digital agency can be an effective approach as SEM firms have industry expertise in this space. However, there are still costs and you’ll need to realize your ROAS. Monitor these costs and raise issues when the ROI is not high enough.
5. **Experimenting with SEM is a must.** Experiment with different keywords, bidding strategies and engines. Identify alternative keywords and phrases that your customers may use to find your products in addition to product and local inventory ads (PLA’s and LIA’s). Some bids may be lower vs. more commonly used terms and could improve your traffic, ROI and other goals. Different engines have different bid rates; try all of them across desktop and mobile.
6. **With SEM, conversion is everything; don’t let Google fool you.** They offer all kinds of tools to promote increased clicks. More clicks may not be best; it is quality traffic that matters. Make sure you spend the time and invest in analytics to determine what drives your conversions from SEM. Analyze at the campaign and ad level, and optimize for the best performing keywords, PLA Auto Targets and geo-locations!
7. **Divide your SEM campaigns into as many logical groups as you can feasibly manage.** Google rewards the relevance of your SEM ads (“quality scores”) by giving higher positions at a lower cost-per-click. The only way to achieve this, however, is to make sure the content in the ad/banner matches the search term as well as your landing page content. Having a number of ad groups is the best way to take advantage of this.
8. **Google gives you a limited number of characters per line; make them count.** Write the ads yourself. You know what’s special about your product. You can “a/b” test for the most effective verbiage. But remember, it is the number of conversions, not clicks, that counts.
9. **Create landing pages for specific SEM ad groups.** People who click on your ads are hot prospects with a want or need. They’re looking for products in your vertical. Context-specific Landing pages drive engagement and sales.
10. **Have keyword contracts with your affiliates.** Affiliates sometimes buy your branded keywords, bid up the CPC rates, and send you the traffic to make the sale. This will make you pay more for their sale, higher PPC and the affiliate rev share fee. Unless approved by the brand, this is an unscrupulous practice that some affiliates may use. Make sure you have contracts with terms on placement of particular branded keywords that are off limits.
11. **Make sure your analytics work.** Without analytics, you cannot track any SEM effectiveness.

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eCommerce Diligence™ Checklist

SEM Key Questions to Ask Providers

Company

1. How long have you been in this business?
2. How many clients in my industry category do you manage?
3. What size or types of clients fall into your “sweet spot”?
4. Do they have clients in your vertical?

Products/Services

1. Do you offer the entire suite of services around search (SEM, search engine optimization, display media management, consulting, social marketing, etc.) or a subset of those services?
2. Is your service based on the expertise of one or two key individuals whose attention I’ll only have for a short period? Or is it based on scalable systems and techniques independent of your subject-matter experts?
3. Which segment does your product better serve, enterprise-level business or small to mid-sized business?
4. Is SEM your primary business or a subset offered to support other digital agency services?
5. What happens when I discontinue service with your company? Will I be able to manage PPC myself or will it be impossible for me to take over?

Solution Features

1. Where is your competitive advantage and or value proposition?
 2. What do you do to improve conversion rates? Do you use any third-party tools?
 3. How can you demonstrate ROI for your efforts?
 4. To what analytic packages have you integrated?
 5. Do your services tend more towards statistical analyses that rely on the laws of big numbers or more of an agency approach, requiring new content creation at many levels?
 6. Do you provide services to help integrate my SEM efforts into my existing systems, such as CRM, lead scoring/analytics, order entry, help-desk/trouble ticketing and customer management? If not, how do I integrate?
 7. With which search engines does yours integrate (e.g., Google, Bing)? Please provide a full list.
 8. Do you provide SEM services or a solution?
 - a. How do you become expert enough to understand the nuances of my product positioning to get good clicks with high conversion rates? How do other clients communicate with you and share new product introductions, value proposition, company initiatives?
 - b. If I’ve been managing my own SEM for a while, will I lose all the knowledge and trends you’ve been following so far?
- If solution:**
- a. Do you have your own proprietary bid management software or do you license one?
 - b. What tools does your solution provide to manage SEM campaigns?
 - c. What reporting is available? Is it real-time, batch, ad hoc? Please provide a list of reports.
 - d. What guidance do you give to help me use your solution effectively?
 - e. What reporting is available? Is it real-time, batch, ad hoc? Please provide a list of reports.
- If services:**
- a. Who writes the text ads and builds the ad groups? Who manages my account?

Pricing

1. SEM account management pricing usually involves a monthly minimum fee or a monthly percentage of total SEM spend. How do you justify fees after the start-up effort?
2. Are you incentivized to get me to maximize clicks, not conversions?
3. Do you offer any pay-for-performance approaches? Cost per qualified lead? Cost per sale?

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