The growth marketing guide to search for SMBs and startups
Your customers have changed. They no longer look for information on just one channel or even one device. The factors that influence their purchasing decisions are more abundant than ever. Because of this, the customer journey has become more complex and fragmented. There isn’t a single formula for how to reach them. Therefore, you must market to them in meaningful places.

**Definition:** The customer decision journey is all the steps consumers take on their way to a purchase, from initiation and research to comparison, purchasing (transaction) and post-purchase interactions (customer service requests, additional purchases).

How do today’s business owners and marketers create a strategy that can connect with the customers who matter to you, deliver bottom-line results and ensure your business is on track for long-term success? The key is search engine marketing (SEM).
SEM is a versatile tool for businesses

Search is still an essential way for people to discover what they need and how they can get it, and SEM puts businesses in the right place at the right time to capture those potential customers. SEM maximises your reach to your target audience, providing robust analytics that help you to make the most of your marketing budget. A best-practice SEM strategy bridges the gaps between various stages and channels in the customer’s journey, better increasing the chances of conversion.

Transform your marketing with the intelligence of Bing

In this best practices guide, business owners and their marketing managers will learn how a strong foundation of SEM, the right channel and intelligent SEM tools can transform your digital marketing strategy.

**Definition:** Conversion is the act of transforming someone who is browsing your site or store into a paid customer. Conversion may also refer to other favourable actions influenced by marketing, like signing up for a newsletter.
SEM delivers value across the decision journey

As today’s consumers’ behaviour evolves, your marketing strategy must evolve along with it. Many businesses miss out on significant opportunities to attract new business by failing to invest in new ways to target and engage the right audiences at the right time.

Here are six best practices that help SEM deliver value to your business’s bottom line:

- **Understanding the customer decision journey**
  Learn the five stages all customers have in common.

- **Setting effective goals**
  Align your campaign goals to your business goals.

- **Optimising the marketing funnel**
  Expand your marketing reach.

- **Growing your audience**
  Take your audience targeting to the next level.

- **Synergising channels**
  Lift other media investments with paid search.

- **Tracking performance**
  Balance your budget for the best ROI with the right data.
Strategy starts with understanding the customer decision journey

For years, paid SEM has centred around clicks: getting the most clicks, getting the highest click-through rate (the percentage of people who click on an ad) and getting the most clicks for the lowest cost. But who are the customers behind all those clicks? And what are they really looking for?

Research and intelligent AI tools integrated into Bing Ads now allows businesses to better understand their customers and where they are in the customer decision journey (CDJ). Such insights not only help businesses optimise their campaigns, they also help affirm search as the consumers’ personal assistant of tomorrow.

All consumers go through five distinct stages: **initiation**, **research**, **comparison**, **transaction** and **experience**. These vary according to the type of purchase: For different types of journeys, each stage has a different level of importance, depending on cost of failure, frequency, cost and complexity of each task, and the type of shopper. Whether a customer is hopping online to replace a broken espresso machine or they unpleasantly find themselves in the market for a new water heater, they experience the same five CDJ stages.

For the espresso machine, for example, the CDJ will probably be minimal, and the journey will get under way as they start to compare models for an immediate purchase. For the water heater, they will need much more time to educate themselves before making a decision. Who knew the future of water heaters was tankless? And that a tankless water heater could save you hundreds each year? Only after learning this information will they be ready to enter the comparison stage.

**INITIATION**

**Goal:** Get background information and buying landscape to become a more informed researcher.

**Source:** Local Services Human Powered and Assistance Scenarios Qualitative Report, July 2015.

User Decision Journey Across Commercial Segments

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**RESEARCH**

**Goal:** Explore buying guides, recommendations and products that meet basic criteria.

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**COMPARE**

**Goal:** Compare a handful of products that meet my criteria, including ratings, reviews, features and cost.

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**TRANSACTION**

**Goal:** Find where to buy, see pricing and promotions, availability and local shops.

---

**EXPERIENCE**

**Goal:** Get customer service, ask maintenance questions and make additional purchases.
Align your campaign goals with your marketing business goals

SEM can impact and help you measure your business goals, so be sure to align your SEM strategy to your marketing campaign goals, whether that’s increasing foot traffic in your shop, making more online sales of particular products or boosting appointments for your service business.

**Brand awareness and perception.** Non-brand searches (generic terms like ‘espresso machine’) are the key to starting a journey: 72% of brand ad clicks had a non-brand or conquest term (when a customer searches for your competitor) in the user journey preceding the brand click.² Searchers were 30% more likely to search on a branded term after seeing a brand ad on a generic search query or a competitor’s branded query.³

Furthermore, searchers on the Bing Network who saw a branded ad for non-branded search terms demonstrated an increase in brand metrics that include recalling a brand without being prompted (unaided awareness), purchase intent and perception that a brand has market leadership.⁴

**Best practice:** Be sure to bid competitively on your non-brand, brand and competitor’s keywords.

<table>
<thead>
<tr>
<th></th>
<th>Exposed to branded SERP ad only</th>
<th>No ad (control)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top-of-mind unaided awareness</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>Top unaided awareness</td>
<td>63%</td>
<td>51%</td>
</tr>
<tr>
<td>Purchase intent</td>
<td>33%</td>
<td>25%</td>
</tr>
<tr>
<td>Market leadership</td>
<td>60%</td>
<td>46%</td>
</tr>
</tbody>
</table>

**Win new customers.** As consumers begin to research and consider purchasing a product or service, search engines can help with every stage of the decision process. When it comes to the start of their journey, 60% of consumers begin by using a search engine to find the products they want.³

**49% of consumers** begin by using a search engine to find the products they want.

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**Consumers rely on search to inform purchase decisions**

‘Which of the following sources of information do you typically use to research brands, products or services you’re considering buying?’

- Search engine: 49%
- A visit to the manufacturer’s or brand’s website: 38%
- A visit to an (offline) store: 36%
- A visit to an online store: 35%
- Speaking with a friend, family member or colleague: 33%
- Consumer review website: 26%
- I don’t typically research products prior to purchase: 13%
- The manufacturer’s or brand’s social media page: 13%

Source: Forrester Consumer Technographics Survey, Q1 2015.
**Drive sales.** SEM's strength is driving conversions, i.e. transforming searchers into purchasers. In a research study Bing Ads conducted with Pepperjam on retail advertisers, not only do the conversion rates of paid search ads outperform other marketing channels across devices, but purchase paths that include Bing Ads have higher average order values (AOVs) on average than other search engines. This is true for all scenarios that include Bing Ads in the customer journey:

**Scenarios**

1. When Bing Ads is the first step (3.4% higher-than-average search ads AOV)
2. When Bing Ads is the final step
3. When Bing Ads closes a sale after just one step (8% higher-than-average search ads AOV)

In fact, 58% of the time, search is the final or only event in the purchase path.

**Display Ad Benchmarks Worldwide: Conversion Rates, by Format & Device, Q3 2016. Among campaigns analysed by Marin Software.**

<table>
<thead>
<tr>
<th>Format</th>
<th>Smartphone</th>
<th>Desktop</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>Search</td>
<td>4.81%</td>
<td>8.55%</td>
<td>7.13%</td>
</tr>
<tr>
<td>Social</td>
<td>.98%</td>
<td>1.95%</td>
<td>--</td>
</tr>
<tr>
<td>Display</td>
<td>2.35%</td>
<td>4.78%</td>
<td>3.62%</td>
</tr>
</tbody>
</table>

Enter new markets. The ubiquity of search allows you to launch an international marketing strategy. The Bing Network has a presence in 37 markets worldwide. Additionally, Bing Ads is built to drive your other key goals, or KPIs.

<table>
<thead>
<tr>
<th>If your goal is to . . .</th>
<th>Bing Ads has you covered with . . .</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drive foot traffic</td>
<td>Location Extensions that make it easy for local customers to find your business on the go – and that make customers on the Bing Network 75% more likely, on average, to come into your shop.⁸</td>
</tr>
<tr>
<td>Get more phone calls</td>
<td>Call Extensions that give searchers using mobile devices a convenient, one-click option to phone your shop for directions or other information.</td>
</tr>
<tr>
<td>Increase ad clicks</td>
<td>Sitelink Extensions to jump-start your ads’ click-through rates – delivering an average improvement of 16% over text ads without Sitelink Extensions.⁹</td>
</tr>
</tbody>
</table>

**Definition:** Key Performance Indicators (KPIs) are used to measure and benchmark the effectiveness of how well your business is meeting an important business objective. For marketing campaigns, a KPI might be click-through-rates (CTR), sales conversions or an increase in phone calls.
Search is our constant companion. We turn to it at all times and in all places – on our desktops, laptops, tablets and smartphones. We use it to discover, learn, act and connect. It’s part of our lives.

Understanding how people search at different points in their purchase journey opens the door to let you engage this new audience. Let’s take a closer look at the types of searches people conduct:

**INITIATION**

**Goal:** Get background information and buying landscape to become a more informed researcher

- Category searches
- Tangential Searches

**RESEARCH**

**Goal:** Explore buying guides, recommendations and products that meet basic criteria

- Category searches
- Tangential Searches
- Competitor Searches

**COMPARISON**

**Goal:** Deep comparison of a handful of products that meet my criteria, including ratings, reviews, features, cost

- Category searches
- Tangential Searches
- Competitor Searches
- Brand Searches

**TRANSACTION**

**Goal:** Find where to buy, see pricing and promotions, availability, local shops

- Category searches
- Tangential Searches
- Competitor Searches
- Brand Searches

**EXPERIENCE**

**Goal:** Get customer service, ask maintenance questions, make additional purchases

- Brand Searches
Search delivers influence throughout the customer journey. It’s not just about clicks and conversions any more. Search is an engine of insights. It is an opportunity to entice, educate and entertain. And its ability to influence at moments that matter is earning it a place at any small business marketer’s table.

In this example of a footwear purchase, the Bing Network delivered results for tangential search (marathon training), category search (long-distance running shoes), and brand and competitor searches (athletic brand A and athletic brand B), influencing the buyer’s ultimate choice.

Businesses should ensure that they have SEM campaigns targeted to the types of terms customers search for at every stage in the journey.

### Journey to the marathon

- **Sunday 10.00 a.m.**
  - Visit running enthusiasts’ website *(7 desktop interactions)*
  - Search (mobile): marathon training

- **INITIATION**
  - London Marathon *(4 interactions)*

- **RESEARCH**
  - Search (desktop): long distance running shoes
  - Foot Locker website *(4 interactions)*

- **COMPARISON**
  - Search (mobile) Nike running shoes

- **TRANSACTION**
  - Search (mobile) Brooks running shoes
  - Search (desktop) Brooks running shoe deals

- **EXPERIENCE**
  - Brooks website *(1 desktop interaction)*
  - Search (running trails)

- **Tuesday 4.38 p.m.**
  - Search (running trails)
Take your audience targeting to the next level

With one ad buy through Bing Ads, you can reach 138 million unique searchers on the Bing Network who represent 5 billion monthly searches. You also can reach 58 million searchers not reached on Google. But to ensure you are reaching the people who matter most to your business with the personalised, relevant experiences they’re searching for, modern businesses must elevate their audience targeting.

**Step 1:** Better target your ideal customers by considering these factors:

- **Behavioural:** Past behaviours are useful for understanding consumers’ interests and their likelihood to purchase. To better measure user behaviour, the Microsoft Audience Intelligence Graph powered by Bing analyses activities across websites, searches and content.
- **Demographic:** Buying preferences are influenced by basic but important factors like age, gender and location.
- **Contextual:** Consumers often search in the moment. Analysing where, when and how they search can provide useful context so you can create more effective ad campaigns.

Bing Ads lets you target by all three of these factors – and boosts the intelligence of both the targeting functions and the results that end searchers receive. The Bing Network seamlessly integrates AI to improve targeting by all three factors – behavioural, demographic and contextual. Demographic bidding, in particular, helps you focus on your key target consumers by adding a bid adjustment for gender and age group to your base bid, as well as adjust for location.
Step 2: Connect to the people who matter to you at each stage of the customer’s decision journey. Select keywords that align with the key stages for your target customer, as well as their mindset at those stages, so your campaigns successfully help them along their journey.

Let’s use the journey model we shared earlier, but dive deeper into the customer mindset and keyword options that may work best.

### INITIATION
Consumers are looking for background information to become more informed researchers.

**Keywords such as ‘What is’ and ‘Benefits of’ work best at the Initiation stage.**

### RESEARCH
Consumers are exploring buying guides, recommendations and products that meet basic criteria.

**Keywords such as ‘Buying guide’ and ‘Models’ work best at the Research stage.**

### COMPARE
Consumers compare a handful of products/options that meet the consumers’ criteria, including ratings, reviews, features and cost.

**Keywords such as ‘Reviews’ and ‘Features’ work best at the Compare stage.**

### TRANSACTION
Consumers want to find where to buy, access pricing and promotions, product availability and information on local shops.

**Keywords such as ‘Where’ and ‘Coupon’ work best at the Transaction stage.**

### EXPERIENCE
Post-purchase: This stage occurs when consumers want customer service information, have maintenance questions or are looking to make additional purchases.

**Keywords such as ‘Support’ and ‘Experience’ work best at the Experience stage.**

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**Extend your reach**

By using the right ad extensions on your Bing Ads, you can target customers throughout their journeys with the information they need most in that moment.

- **Call extensions:** Increase calls with a clickable phone number that makes it simple for searchers to immediately contact you.
- **Location extensions:** Searchers who are ready to shop can use a clickable map link to visit the location of your business nearest to them – boosting your foot traffic.
- **Review extensions:** For customers in the ‘Compare’ stage, reviews provide trustworthy information from peers.
- **Structured snippet extension:** These free extensions add more information to your ads, like the brands you carry, making it easy for customers who are researching to know if your site is worth a click.
Lift other investments with SEM

According to a recent Forrester study, search is a powerful standalone channel, and it is even more effective when used to amplify the message of other marketing channels you may be using.

Here are a few ways SEM amplifies your other marketing activities:

**SEM and social:** Social is an excellent channel for early-stage marketing to new customers, and social channels can have direct business impacts. Customers who click on both your paid search and social ads are more likely to buy and spend more.12

In a study Bing Ads performed with Pepperjam, purchase paths involving Bing Ads had 3% better conversion rates than any other search engine and resulted in 14% higher average order value.13

**Strategy session: Why pay for search ads when I show up in search results for free?**

As a small or midsized business owner with a tight budget, it may be tempting to opt for organic search only – after all, nothing is more budget-friendly than free. But if you are not combining organic search tactics with a paid SEM strategy, you’re not truly optimising your SEM efforts.

When customers turn to search engines at the start of their buying journey, 75% expect to find what they want at the top of the results page, and the same percentage don’t navigate past the first page. By opting for SEM, you gain more control over the placement of your results, so customers can find your business fast and first.

Even more compelling is the lift your business can experience when your ads display with organic search results. Retail brands, for example, saw total clicks increase 31% when an ad appeared alongside organic search results; an almost equal proportion of those clicks were divided between paid and organic results.14

**Impact of search and social touch points in the buying journey**

![Chart showing conversion rates and revenue per click for social only, search only, and search and social touch points](chart.png)

Social can also present some challenges. Targeting can be tricky. Social platforms cannot interpret a potential customer’s intent in order to serve the most appropriate message, and measuring return on investment (ROI) from social channels can be a very inexact science.

Using paid search alongside social channels can help to minimise these issues. For example, marrying your social media marketing efforts with SEM, and then reporting on conversions, can give you a more accurate assessment of social marketing impact.

### LIFT OTHER INVESTMENTS WITH SEM

<table>
<thead>
<tr>
<th>WEEKLY AVERAGE</th>
<th>BEFORE DISPLAY</th>
<th>DURING DISPLAY</th>
<th>AFTER DISPLAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMPRESSIONS</td>
<td>12,129</td>
<td>17,577</td>
<td>11,895</td>
</tr>
<tr>
<td>CLICKS</td>
<td>349</td>
<td>470</td>
<td>462</td>
</tr>
<tr>
<td>CTR</td>
<td>2.88%</td>
<td>2.67%</td>
<td>3.88%</td>
</tr>
<tr>
<td>CONVERSIONS</td>
<td>12</td>
<td>25</td>
<td>11</td>
</tr>
<tr>
<td>CONVERSION RATE</td>
<td>3.53%</td>
<td>5.37%</td>
<td>2.38%</td>
</tr>
</tbody>
</table>

**SEM and display ads:** Display ads, often referred to as banner ads, are the online advertisements that run on websites and apps, rather than search engines. Using both can be good for your business: Conversion rates increased by 52%, while display and search ads were running simultaneously. Not only did conversion metrics increase, but campaign reach (ad impressions) increased by 45% as well.
**LIFT OTHER INVESTMENTS WITH SEM**

**SEM and other channels:** When only Bing Ads leads a customer to buy, purchases have a 27% higher average order value (AOV) than purchases not including Bing Ads.① Bing Ads generates value when paired with other channels as well, increasing AOV 12% when teamed with affiliate sites, 14% when teamed with organic search and 14% when used with social media.②

When paired with email, in particular, Bing Ads not only drive 14% higher AOV, but also shortens the purchase path by 19.99%.③ Additionally, conversion rates were 2% higher when customers engaged with both email and Bing Ads search campaigns.④

**AOV difference when Bing Ads is in the path**

<table>
<thead>
<tr>
<th>Channel</th>
<th>AOV Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliate</td>
<td>12%</td>
</tr>
<tr>
<td>Banner ads</td>
<td>-2%</td>
</tr>
<tr>
<td>Comparison</td>
<td>-4%</td>
</tr>
<tr>
<td>Direct</td>
<td>27%</td>
</tr>
<tr>
<td>Email</td>
<td>14%</td>
</tr>
<tr>
<td>General traffic</td>
<td>-1%</td>
</tr>
<tr>
<td>Organic</td>
<td>14%</td>
</tr>
<tr>
<td>Network sites</td>
<td>3%</td>
</tr>
<tr>
<td>Social media</td>
<td>14%</td>
</tr>
</tbody>
</table>
Forge stronger customer relationships with Artificial Intelligence

The secret to SEM isn’t just being found. It’s being helpful. The more your search result can help customers accomplish what they set out to do, the more likely the conversion and the stronger your relationship with them will be.

The Bing Network seamlessly integrates Artificial Intelligence (AI) in a variety of ways to help you understand and serve your customers better.

1. Better understand your customers
Context is everything. The more you can understand where a customer is in their buying journey, the more useful information you can provide. The Bing Network uses powerful AI to crunch consumer data from across billions of searches to better understand user attributes and intentions. Our Microsoft Intelligence Graph powered by Bing then gives you the contextual data you need to refine your website content and ad campaigns. Meanwhile, Cortana Intelligence and Bing Predicts use AI to provide forecasting that helps you gauge the reception of new ad campaigns, products and offerings.

2. Personalise marketing at scale
Your staff works hard to get to know customers, tailor products and be a proactive resource. AI lets you create these same hyper-relevant customer experiences during the search process. For example, AI can let you promote products, offers and content based not only on search terms, but also on the specific customer’s past behaviours and preferences. The best part is these experiences are delivered instantly and automatically without the need for extra work on your part.

3. Optimise campaign performance
AI takes the hard work out of advertising, so you can focus on the real work of your business. For example, the Bing Network uses AI to suggest changes you should make to your ads to increase effectiveness based on predictive analysis, while automation can perform tasks like manage bids in real time based on a wide set of useful platform signals.

More specifically, these AI-powered features from the Bing Network can help you hone in on the highest-value audience from our vast pool of searchers for your business:

- **Device targeting**: Connect with customers on smartphones, tablets and PCs.
- **Day and time targeting**: Connect with customers at a specific time of a specific day.
- **Location targeting**: Narrow or expand your reach by displaying ads to consumers based on their location. Target customers by locations such as country, county, postcode or a specified radius.
- **Remarketing in paid search**: Engage customers who may have visited your website before.

Our intelligent search is fuelled by contextual data from the many products where Bing powers search – from the Microsoft Office suite and Cortana to Bing.com. Here are three ways AI and the Microsoft Audience Intelligence Graph powered by Bing can help enrich your interactions, improve your efficiency and craft more successful campaigns.
Take the guesswork out of your marketing budget allocation with hard data

SEM has earned a key position in the modern marketing mix. SEM campaigns drive business growth, improve the performance of other marketing channels and provide the foundation for mobile marketing.

SEM, however, still competes with other channels for a share of your marketing budget. It’s up to you to determine where your budget is best spent. And there’s no better way to make that decision than to look at the hard data that connects the dots between SEM and business benefits.

This is also true when deciding how to divide your SEM budget between Google AdWords and Bing Ads.

AdWords may be the bigger SEM option, but Bing Ads consistently punches above its weight – and it’s important to understand how this impacts overall SEM performance.

Your budget decision-making process should involve three elements:

• Picking the right metrics to measure SEM impact
• Separating SEM impacts from other channels
• Applying the same process to allocate budget between AdWords and Bing Ads
Choose your metrics to measure SEM impact

Metrics provide an easy way for you to see what’s working and what’s not. You can test, change and optimise your brand’s SEM strategy for better results. This includes knowing which keywords are working and determining whether the customers you want are responding best to generic searches, exact match searches or brand searches.

Focus your reporting by identifying and tracking key performance indicators (KPIs) that reflect your business goals. For example, for the business goals discussed on page 9, consider the following KPIs:

<table>
<thead>
<tr>
<th>Business Goal</th>
<th>KPIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquire new customers</td>
<td>Percentage of new customers</td>
</tr>
<tr>
<td></td>
<td>Conversion rates</td>
</tr>
<tr>
<td>Drive foot traffic</td>
<td>Offline conversions</td>
</tr>
<tr>
<td>Get more phone calls</td>
<td>Number of clicks to local shop addresses/directions</td>
</tr>
<tr>
<td>Increase ad clicks</td>
<td>Increase in call volume</td>
</tr>
<tr>
<td></td>
<td>Call conversions</td>
</tr>
<tr>
<td>Build your brand trust</td>
<td>Number of visitors</td>
</tr>
<tr>
<td></td>
<td>Number of calls generated per week/month</td>
</tr>
<tr>
<td>Expand cross-border strategy</td>
<td>Visitor loyalty</td>
</tr>
<tr>
<td></td>
<td>Visitor recency</td>
</tr>
<tr>
<td></td>
<td>Change in share of search</td>
</tr>
<tr>
<td></td>
<td>Number of visitors per market</td>
</tr>
<tr>
<td></td>
<td>Conversion rate per market</td>
</tr>
</tbody>
</table>

These KPIs, by the way, reflect an important but often-overlooked fact about SEM: its ability to impact online as well as offline (in-store) sales. One recent study, which analysed the impact of increased Bing Ads spending on holiday-season offline and online conversions for a large retailer, found that such a Bing Ads increase could triple the amount of in-store transaction revenue being attributed to Bing Ads. This represents yet another powerful testament to the relationship between a retailer’s Bing Ads investments and its ability to boost in-store conversions for profitability and long-term growth.
Use attribution to give marketing credit where it’s due

Marketing attribution is the process of understanding which channels are driving your marketing results. Attribution is rarely as simple as assigning a closed sale to a single channel. Instead, each sale is the culmination of a series of marketing touches that may involve several channels over the course of days or even weeks.

Here’s an example. Let’s start by understanding that search engines very often serve as the first touch of a customer purchase path: Bing Ads here is the closer 28% of the time, while an affiliate marketing channel is the closer 22% of the time, an organic search is the closer 17% of the time, direct navigation is the closer 18% of the time and email is the closer 11% of the time.

What this means is for the 22% of customer purchase journeys in which Bing Search Ads is the introducer, 72% of the time it is another channel that closes the sale. If these sales closed by other channels were attributed to Bing Ads, it would increase Bing Ads’ real attribution by 16 points, from a 62% attribution to a 78% attribution – a 25.8% increase in attribution.

Attribution can get quite complex at times. This example, however, shows that even a relatively simple attribution process can show you which marketing channels are most often associated with closed sales or other key events. Bing Ads, it turns out, is the starting point for more than its share of completed sales – and better yet, Bing Ads tends to make other channels perform better as well.

By uncovering the data and proving that marketing campaigns incorporating paid search deliver ROI and bottom-line results, you can learn where it’s best to focus your budget – and perhaps devote even more to aim for your most ambitious marketing goals.

With Bing Ads as the introducer in the customer purchase journey, the sale is closed:

- 28% of the time by Bing Ads
- 22% of the time by an affiliate marketing channel
- 17% of the time by an organic search
- 18% of the time by direct navigation
- 11% of the time by email

Decide how to divide your total SEM budget

The last piece of the SEM budget puzzle falls into place when you learn that Bing Ads is an essential element of any SEM campaign — and in many cases, it's the star performer.

Let's start by analysing the paid click share and query share each SEM option represents within your industry.

As you will see in the below chart, Bing acquires a strong share of search queries in key industries. Taking a closer look, you will also find that overall click share for Bing Network’s paid ads outperforms query averages for these industries. So not only will you be able to get your business in front of a large audience through the Bing Network, you will also have confidence that your paid ads will lead to clicks.

Share of paid clicks outperforms share of queries on Bing Ads (percentage by industry)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Share of queries</th>
<th>Share of paid clicks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>32%</td>
<td>35%</td>
</tr>
<tr>
<td>Travel</td>
<td>28%</td>
<td>35%</td>
</tr>
<tr>
<td>Financial services</td>
<td>39%</td>
<td>42%</td>
</tr>
<tr>
<td>Automotive</td>
<td>26%</td>
<td>39%</td>
</tr>
<tr>
<td>Health &amp; wellness</td>
<td>31%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Source: comScore qSearch (custom), U.S., December 2016; industry categories based on comScore classifications.
This is a straightforward calculation. Assuming customers in your industry conduct searches largely on their PCs, the percentage of paid clicks is a sound guide for how much budget share to assign to SEM. If your customers tend to conduct searches on their mobile devices, use the percentage of paid clicks as a starting point, but consider adjusting your SEM budget share down.

Sometimes, though, all things are not equal. Consider the cost per click (CPC) for each search engine, again focusing on your industry:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Google</th>
<th>Bing</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>$2.03</td>
<td>$1.96</td>
<td>-3.5%</td>
</tr>
<tr>
<td>B2B Services</td>
<td>$2.28</td>
<td>$1.27</td>
<td>-56.9%</td>
</tr>
<tr>
<td>Education</td>
<td>$4.23</td>
<td>$2.76</td>
<td>-42.1%</td>
</tr>
<tr>
<td>Finance</td>
<td>$2.17</td>
<td>$2.38</td>
<td>+9.23%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>$3.00</td>
<td>$2.48</td>
<td>-19%</td>
</tr>
<tr>
<td>Retail</td>
<td>$0.72</td>
<td>$0.79</td>
<td>+9.27%</td>
</tr>
<tr>
<td>Technology</td>
<td>$1.29</td>
<td>$0.93</td>
<td>-32.4%</td>
</tr>
<tr>
<td>Travel</td>
<td>$0.90</td>
<td>$0.65</td>
<td>-32.3%</td>
</tr>
</tbody>
</table>


These CPC figures illustrate what we mean by an SEM option ‘punching above its weight’. For most industries, every pound allocated to Bing Ads delivers more click-through potential – which, in turn, begins a process that eventually results in a greater bottom-line impact.
SEM is the backbone of the modern marketing mix. With so many marketing channels and more fragmented customer journeys, you simply cannot afford to put all your marketing money in one search ad network any more. The real challenge comes in ensuring your activities are helping you engage the people most important to your business wherever they browse, at the right time and through the right device, so you can accelerate the customer journey.

By following these best practices, your business can maximise the reach, impact and value of SEM, and ensure that campaigns drive bottom-line results for your business.
1 Bing Ads, *Local Services Human Powered and Assistance Scenarios Qualitative Report, July 2015, User Decision Journey Across Commercial Segments*
4 Ibid.
5 Forrester, *Consumer Technographics Survey, Q1 2015*
6 Bing Attribution Analysis with Pepperjam, *Jan 2015 – May 2016*
7 Ibid.
8 comScore, 15Miles and Neustar: *7th annual Local Search Study, 2014*
9 Internal Microsoft study, 818 accounts, 2014
10 comScore qSearch (custom), June 2016. The Bing Network includes Microsoft Search sites, Yahoo Search sites and AOL Search Network sites worldwide.
11 comScore qSearch, Explicit Core Search (custom), June 2016. Bing Network includes Microsoft sites, Yahoo sites (searches powered by Bing) and AOL sites in the United States.
12 The Multiplier Effect of Integrating Search and Social Advertising, Marin Software, 2017
13 Bing Attribution Analysis with Pepperjam, Jan 2015 – May 2016
15 Search Engine Watch, July 2015. *’How the Google Display Network Boosts Search PPC Performance: A Case Study’*
16 Ibid.
17 Ibid.
18 Ibid.
19 Ibid.