



Your town. Your news. Your take.

**Connecting small  
businesses with the  
substantial search engine  
consumer audience.**

So, you have a great website.  
How will customers find it?



# Connecting Small Businesses with the Substantial Search Engine Consumer Audience

## It's a dynamic, online local business marketplace

Beginning in 2000, keyword-based online advertising reinvented the fledgling Internet advertising industry by introducing a significant promotional opportunity to businesses large and small around the world. Leading search engines Yahoo! and Google developed advertising programs where businesses could create short, text-based ads, and bid on keywords relevant to their business in an auction-style environment. It launched a billion dollar revolution that has driven millions of new customers to small businesses worldwide.

Now, imagine this scenario: a fallen traffic signal leads to a three car collision in a heavily trafficked area of Chicago's West Side. The victims in this accident have minor injuries; their cars get the majority of the damage. Insurance companies will need to be notified. The cars will require repair. One driver will need a chiropractor to dissolve soreness in her neck. Some will need attorneys to address the hazard of the fallen traffic light with the city.

The victims of this accident will need assistance from a variety of small businesses to resolve this accident. They will ask for auto repair referrals from their insurance company, consult with friends for attorney suggestions, and may even find the Yellow Pages helpful in finding a good chiropractor.

Today, a search for a chiropractor in Chicago is as easy as typing "chiropractor Chicago" into Google, Yahoo!, or any of a network of search engines that make up a virtual local business marketplace online.

A 2006 survey by Nielsen//NetRatings and WebVisible found that consumers often turn to popular search engines to find local professionals for hire. The landmark survey demonstrated that:

- 36% of those that had used search engines to find a local business had searched for a medical specialist, like a chiropractor.
- 32% had searched for automotive services or repair.
- 11% had searched for legal services in the past three months alone.

If you have ever used search engines to search for something similar, you are in the majority of today's Internet users.

## Advertising everywhere, all at once

The modern small business marketer has an enormous challenge to produce advertising that is where consumers are looking, at the time they are looking for it. There is an endless variety of advertising options available, but each requires a significant effort to make it effective with a reasonable return on investment.

If you manage advertising for a small business - a retail store, professional office, or e-commerce website, you have probably grown comfortable with your Yellow Pages ad or Sunday newspaper insert. It is automatic at this point. You probably know that a coupon in the Sunday paper means a 2:1 return on its cost to your business (or some clear metric from your experiences).

In recent years, you may have noticed a small decline in the response you get from your traditional advertising efforts. It is likely because the audience for your local advertising is moving online.

Online media measurement group comScore recorded an astounding 808 million searches for local businesses in April 2007. That means consumers are searching their local towns and cities for places to shop or services to hire. If they do not find you there, they will probably find one of your competitors.

Advertising on search engines is a necessary component to a well-rounded advertising strategy. It is not meant to replace or compete with other popular forms of advertising; however, advertising on search engines, with the ability to serve users with exactly the information they are actively seeking, is an opportunity to connect to a rapidly growing consumer audience that is ready to transact with your business.

From Nielsen//NetRatings and WebVisible's 2007 study *Why Search Matters to Local Business*:

- 78% of consumers use the Web to find local business more today than 2 years ago.
- 25% of consumers use the Internet to find a local business once or more per week.

## How online advertising works

There are many forms of online advertising, but they typically involve delivering a specific, targeted advertisement to a user (or consumer) based on where they are on the Web, and what they're

doing, reading, or actively seeking. For example, someone checking sports scores online may see ads for Nike running shoes, new golf clubs, or a subscription to *Sports Illustrated*. On the Web, there is a virtual connection between consumer and advertiser.

The most popular form of online advertising is pay-per-click, though it goes by other names as well, including search engine marketing, or SEM. Pay-per-click advertising is sold by search engines – Google being the most popular – where a consumer searches for a “chiropractor in Chicago” (for example) and gets back many pages of search results. Among these results are paid ads that run on top of and to the right of the organic (or natural) search results.

When the consumer interested in finding a chiropractor near her home in Chicago clicks on an ad citing, “Board Certified Chiropractor: specializing in accident recovery,” that individual chiropractor advertiser is charged a small fee for the lead and the searcher is connected to the chiropractor’s website, where she will spend a few moments learning more information that will likely lead her to becoming the chiropractor’s next phone call or appointment. Based on the advertiser’s desire for many or a few targeted visitors (as described above), he can dedicate a monthly budget to pay-per-click that works for his business.

## The misconceptions of advertising online

The Internet is a wonderfully simple place where consumers are free to window shop the virtual local marketplace from their office or home, from a Blackberry or a laptop, in the middle of the day or late at night. The Web is always open, always available.

The chiropractor advertising online should understand that there are misconceptions about the way people use the Web. Consumers are often expected to react to online advertising as they would to a Yellow Pages ad, coupon mailer, or similar print advertising.

### ***Misconception #1: Five hundred clicks to my ad means five hundred new customers.***

An advertiser may believe that this statement is true since a click to their ad indicates a customer who is interested in what the ad is promoting. After all, the consumer went so far as to arrive at the advertiser’s website. Window shopping on the Web is a more casual activity than some care to believe, and it makes for a less decisive consumer. Many purchases, especially expensive ones, are exhaustively researched online prior to making a transaction. Some experts say clicks to an ad may not end in a purchase until as many as 90 days later, if at all. Clearly, no form of advertising promises a 100% conversion rate. Additionally, this misconception illustrates how important it is to provide a strong first impression to your website’s visitors.

### ***Misconception #2: Consumers that search online buy online.***

Another popular misconception is that online advertising is only

for businesses that sell products over the Web. About 50% of small businesses have a website, but not all websites are capable of the e-commerce transactions like those of Amazon.com or eBay. Or perhaps their business is not suited for online transactions, such as an attorney or consultant. Many small businesses have websites that simply act as sales brochures for their companies, offering business hours, contact info, products and services, etc. A website of this type should not shy away from online advertising, as studies show that the vast majority of purchases involve online window shopping, then offline purchasing at a merchant’s physical store or office.

### ***Misconception #3: Having a website is good enough, so there is no need to advertise it.***

Is having a website a form of online marketing? Technically, yes. But having a website without online advertising is like having a storefront without telling anyone about it. Fundamentally, you need to advertise to invest in getting customers to visit your store or office. The same rules apply to websites. There are millions of consumers searching online, but they may not be able to find you! You need to utilize the Internet as a very targeted advertising medium and let it bring local, interested shoppers to you.

### ***Misconception #4: Search engine organic listings are free, so why pay to advertise?***

When a woman searches for a “chiropractor in Chicago” she will get two types of search results: ads and organic results. Organic (also known as natural) results appear in the center of most search engine results pages. Search engines rank these results according to complex algorithms that attempt to give searchers the most mathematically relevant results to their query. Many businesses benefit greatly from this algorithmic placement, while others hire expensive Search Engine Optimization (SEO) professionals to help their websites gain the best placement in Google’s top 10 though a myriad of legitimate and illegitimate tactics. Ultimately, nothing is free. If you want your business to receive top placement in the organic rankings, prepare to pay a hefty toll in website modifications and professional assistance - and once you are happy with the results, know that Google may change its algorithm and unravel your hard work, sending your website from 3rd ranked to 199th. Organic traffic is a great way to drive consumers to your website, but it is not the only way, nor is it often the most manageable and predictable way to achieve online success.

It has also been said that many of the organic results are research oriented and not specific enough for online consumers looking for something to buy. You be the judge.

## The role of a website is to turn shoppers into buyers

Websites come in 3 different styles: the good, the great, and the ugly. It is important to know what a good website looks like and what it can do when determining the value of an online advertising campaign, as businesses with quality websites will gain the highest return on investment. Businesses with less effective websites are

still candidates for online advertising campaigns, but they should consider making enhancements to their site or contemplate a landing page to get more activity from their campaigns. An efficiently and effectively designed website is like an inviting storefront. It will determine whether or not a consumer wants to shop with you. But ultimately, website opinions can be subjective. The best tool for determining if your website is capable of turning shoppers into customers is your own trained eye and intuition. Use these tips to evaluate your website's ability to turn browsers into buyers:

- Does your website accurately reflect your business and your strengths?
- Can your customers find what they are looking for easily?
- Are your hours of operation easy to find? What about your phone number, address, or driving directions?
- How many clicks does it take to find a phone number? Every page of your site should prominently display contact information such as your email address and phone number.
- Are sales incentives or calls-to-action posted? Coupons? Online specials or pricing deals? Offer online incentives and sale prices as you would to your walk-in customers.
- Do you offer "online only" specials to track your website-specific activities?

## Making sense of it all for the busy small business marketer

Make your move, but move cautiously.

Pay-per-click advertising is available to the small business marketer in the following forms:

**Do-It-Yourself (DIY):** Do-it-yourselfers are small business marketers who take the time to learn the complicated process of creating and managing their own pay-per-click campaigns. They directly log onto the major search engines, set up individual accounts, and bid on and buy keywords through an elaborate keyword bidding process. When a searching consumer enters keywords "chiropractor" and "Chicago," the highest bidders' ads appear favorably in the sponsored ads column of the search results pages.

**Agencies or Agents:** Agents work on behalf of the business owner by manually managing the business's pay-per-click campaign for a monthly fee, plus advertising costs.

In each case, the DIY and agents create ads and buy keywords directly from search engines. Google's AdWords program is the most popular, second is Yahoo! Search Marketing, but there are nearly as many advertising programs as there are search engines. These programs require that the person managing the campaign have advanced knowledge of each search engine's unique rules and

procedures, their type of consumer users, and a firm grasp on navigating the campaign's online management interface, not to mention a talent for ad copywriting and keyword selection.

If you are thinking that this is a time consuming process, you are absolutely right. Most small business owners are busy managing their store and simply do not have the time.

According to the eMarketer report, "Pay-Per-Click Not-So-Easy," businesses choose to manage their online pay-per-click campaigns in the following ways:

- 100% use Google.
- 90% use Yahoo! and Google.
- 76% use MSN and Google.
- 27% use Ask.com and Google.
- 59% manage keyword bidding with internal resources.
- 18% outsource to agents or service vendors.
- 4% use a combination of internal and outsourced solutions.

eMarketer goes on to say, "somewhat amazingly, 99% of those that manage pay-per-click campaigns in-house have three or fewer people working on the job. A third of the executives spend 21 or more hours a week managing PPC campaigns, and a third spent five or less hours a week."

## About Topix LLC

Topix is the leading news community on the Web, connecting people to the information and discussions that matter to them in every U.S. town and city.

A Top 20 online news destination (ComScore, November 2007), the site links news from 50,000 sources to 360,000 lively user-generated forums. Topix also works with the nation's major media companies to grow and engage their online audiences through forums, classifieds, publishing platforms and RSS feeds.

Based in Palo Alto, Calif., Topix LLC is a privately held company with investment from Gannett Co., Inc. (NYSE: GCI), The McClatchy Company (NYSE: MNI) and Tribune Company.

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