

Yahoo!

Ask the Engines |

12th November 2009



YAHOO!®

Agenda

- Yahoo! & our search offering
- Best Practice techniques for Yahoo! search marketing
- Case studies:
How you can improve the ROI of your Yahoo! search marketing account



“Yahoo! –where millions of people go everyday to see what’s happening to the people and things that matter most to them”



Yahoo! Search

Looking for something?

Yahoo! Search enables you to find what you want, when you want, the way you want.

Yahoo! Search is the starting point for millions of users on their online journey, with 1.3m users using it each and every day.

Demonstrating our commitment to continued innovation in the search experience, Yahoo! is testing a new search results page, aligned with the design of the new Yahoo! homepage:

- Results filtering option
- Intelligent search
- Search assist
- Search pad



Source | Comscore MediaMetrix August 2009

The screenshot shows the Yahoo! Search interface for the query "holiday to benidorm". The search bar is at the top, with the "Search" button and "Options" link. Below the search bar, there are radio buttons for "the Web", "only in UK", and "only in Ireland". The search results are displayed in a grid format. On the left side, there is a "Search Pad" section with "SafeSearch - Off" and a list of filters: "Thomson", "Directline Holidays", "Flightline", "Deal Checker", and "Pack Your Bags". The main search results area shows several sponsored results for "Benidorm Holiday Deals" and "Benidorm Holiday" from various travel websites like lowcostholidays.com, firstchoice.co.uk, portlandholidays.co.uk, onthebeachholidays.com, thomson.co.uk, and flightline.co.uk. The results include titles, descriptions, and URLs. The right side of the page also shows sponsored results for "Benidorm Holiday" from travel supermarket.com, holidayrooms.com, and monstertravel.co.uk.

What's Next?

Best practice techniques for Y!SM

Creative Best Practices

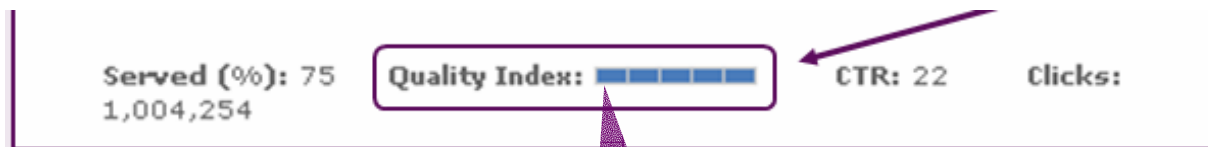
STRUCTURE - lays the foundation for creating the best-managed, most-efficient accounts & understanding the technical differences between Yahoo! & other engines will have a dramatic impact on performance.

- Remove duplicates; they cause internal competition which may inflate CPCs
- Organize keywords by term type and impression volume
 - Isolate top-performing keywords
 - Separate high volume vs. low volume
 - Separate brand vs. unbranded
- By granularly structuring ad groups, more targeted copy can be assigned to a more relevant set of keywords, lifting CTR and making higher ad positions cheaper
- By lining up the ads and landing pages, conversion rates should increase



Quality Index Explained

Yahoo!'s ad-ranking model is a combination of bid and quality



- A measure of how well an ad is performing (in terms of CTR), on average, for all keywords in an adgroup relative to other advertisers' ads.
- The score is given on a range of one to five, where five is the highest.
- Since rank is a product of bid price and QI, ads with a higher QI may pay a lower CPC and receive a better rank.



The QI takes CTR into account for all keywords in an ad group. Because high-volume keywords are displayed more often, they can affect your quality index more than low-volume keywords.

Best Practices: Managing Your Quality

How to track your quality

- **Look at your quality index; this appears on the ads tab in the ad group section of the account interface.**

Write Better Ads

- **Include the bidded keyword in the title and description – typically CTR improves up to 50%**
- **Use keyword insertion to place users' search terms in your ad text, which can increase quality score.**

Ad Testing with Optimisation

- **Improve the quality and performance of your ad groups with ad testing, which potentially can help reduce your minimum bid.**



How Bids/Ad Quality Affect Position

The minimum bid is the bid required for the advertiser with the best ad quality to obtain that position.

The maximum bid is what it will take the advertiser with the worst ad quality to obtain that position.

With higher ad quality you may receive a lower minimum bid and/or you may be able to achieve better ad positions for the same price.

Position	Min Bid	Max Bid
1	£ 3.00	£ 5.00
2	£ 2.80	£ 4.75
3	£ 2.70	£ 4.50
4	£ 2.50	£ 4.30
5	£ 2.00	£ 3.75
6	£ 1.75	£ 3.45
7	£ 1.60	£ 3.15
8	£ 1.50	£ 2.80
9	£ 1.25	£ 2.60
10	£ 1.10	£ 2.40



What's Next?

Case studies:

how best practice can improve your ROI

Account background

- Large media account within the telco sector.
- Account initially converted directly from competitor search engine.
- Over 500 terms with no thematic relationship.
- Mixture of high & low volume terms.
- No targeted ad copy.
- No ad rotation.
- No use of Dynamic Keyword Insertion.



Yahoo! account management strategy

- Sub-divided existing campaign into ad groups
- Groupings were defined thematically and by volume
- Created multiple ads per ad group
- Implemented dynamic keyword insertion (DKI)



Results

Campaign	Avg. CPC (£)	Impressions	CTR (%)	Clicks	Cost
Before	0.36	584,944	0.41	2,379	845.21
After	0.27	741,739	1.7	12,633	3,351.75
% Change	-25%	127%	415%	511%	397%

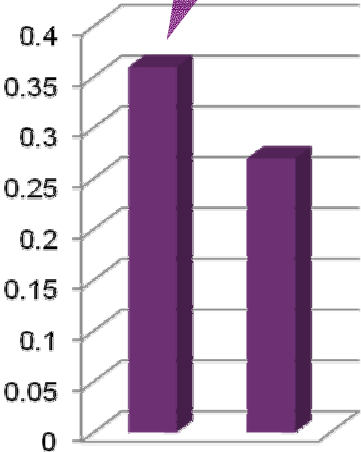


Clicks increased by 232%
Spend increased by just 189%

Results

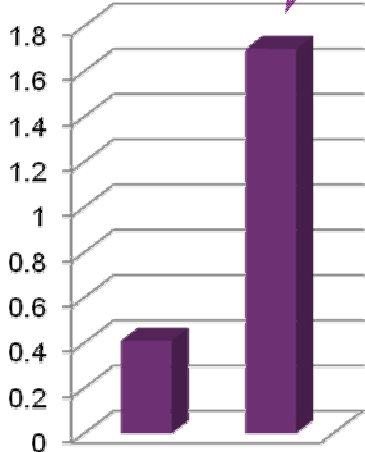
CPC decreased by 25%

Avg. CPC (£)



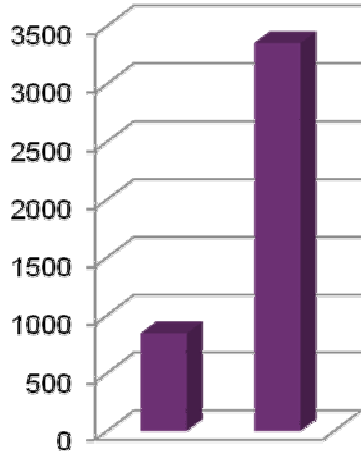
CTR increased by 315%

CTR (%)



The savings were reinvested

Spend (£)



- Conversions increased by 12%
- CPA decreased by £6

Travel case study

Keyword	Duplicates Result	Impressions	CTR	Clicks	CPC	Cost	Avg Position
paradise island	<island paradise> ACCOUNT	2,145	0.05%	1	0.24	0.24	5.52
paradise island	<island paradise> ACCOUNT						
holidays to sri lanka maldives	<holiday lanka maldives sri> ACCOUNT	30	0.00%	0		0	3.37
holidays to sri lanka maldives	<holiday lanka maldives sri> ACCOUNT	45	2.22%	1	0.37	0.37	3.20
holiday paradise island	<holiday island paradise> ACCOUNT	550	0.18%	1	0.59	0.59	3.31
paradise island holiday	<holiday island paradise> ACCOUNT	297	1.01%	3	0.34	1.01	3.35
dubai all inclusive	<dubai inclusive> CAMPAIGN	3,317	0.84%	28	0.31	8.55	6.43
all inclusive dubai	<dubai inclusive> CAMPAIGN	226	0.88%	2	0.27	0.53	4.08
holidays dubai mauritius	<dubai holiday mauritius> ACCOUNT	42	4.76%	2	0.23	0.45	1.19
holidays dubai mauritius	<dubai holiday mauritius> ACCOUNT	24	4.17%	1	0.29	0.29	1.00
maldives dubai holidays	<dubai holiday maldives> ACCOUNT	10	0.00%	0		0	3.00
dubai maldives holidays	<dubai holiday maldives> ACCOUNT	121	0.00%	0		0	2.81
holidays maldives dubai twin	<dubai holiday maldives twin> ACCOUNT						
twin holidays maldives dubai	<dubai holiday maldives twin> ACCOUNT	3	0.00%	0		0	1.00
all inclusive holiday dubai	<dubai holiday inclusive> CAMPAIGN	1,353	2.00%	27	0.30	8.16	4.88
all inclusive holidays to dubai	<dubai holiday inclusive> CAMPAIGN	298	0.67%	2	0.27	0.53	4.73
christmas hotel cuba	<christmas cuba hotel> CAMPAIGN	3	0.00%	0		0	2.00
xmas hotel cuba	<christmas cuba hotel> CAMPAIGN	16	0.00%	0		0	1.56



Duplicates were artificially inflating this clients' CPCs. The CTR was being shared between 2 terms, 1 of which was costing over £8. We need to optimise to 1 keyword.

The First Restructure

Egypt Holidays



Date	Impressions	CTR (%)	Clicks	Avg. CPC (£)	Cost (£)
19/03/09 - 31/05/09	479,531	0.83	3,967	0.32	1,285.99
19/03/08 - 31/05/08	158,334	0.77	1,220	0.36	438.78
18/02/09 - 18/03/09	250,149	0.84	2,102	0.39	810.47
19/03/09 - 16/04/09	175,278	0.88	1,537	0.34	526.33



Best Practices

Scenario: Cost-per-click has increased.

Possible causes:

1. **Higher bids on the keyword.**
2. **Competition may have increased on the keyword.**
3. **Your quality may have declined.**

What you can do:

1. **Focus on improving quality. If quality improves, CPCs may decrease. The next time we update your minimum bid, you potentially may receive a lower minimum bid.**
2. **Evaluate your keyword portfolio – ensure current keywords meet your metrics.**



Best Practices

Scenario: Clicks have declined

Possible causes:

1. **Competition may have increased on the keyword, thereby causing a decline in position.**
2. **Minimum bids may have caused keywords to become inactive.**

What you can do:

1. **Ensure your important keywords are still active (track via watch list)**
2. **Increase bids on keywords to meet minimum bids**
3. **Improve the quality and performance of your ad groups with ad testing, which potentially can help reduce your minimum bid.**
4. **Add additional keywords that can meet your budget and cost guidelines.**



To sum up...

- Your Y!SM account should be treated as a separate marketing channel.
- Group relevant keywords together however move general keywords into new ad groups so they don't affect the quality of your ad groups.
- Monitor your quality index as this can reduce your spend, improve your position & drive the ROI of your account.



- The structure of an account lays the foundation for creating the best-managed, most-efficient accounts & understanding the technical differences between Yahoo! & other engines will have a dramatic impact on performance.

Thank you!

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Advanced Account Structuring

- QI, CPC & Rank are determined on an Ad Group level
- High & Low volume KWs in the same Ad Group (despite similar KW meaning) is a bad idea
- High & Low volume KWs should be put in separate Ad Groups
- Grouping high, low and top performing KWs in separate Ad Groups is the most cost effective way to operate a CPC campaign
- Sample Grouping (monthly)
 - 0 searches – Long Tail Terms
 - 1-249 searches Tail Terms
 - 250-999 searches Low Volume Terms
 - 1,000+ High Volume Terms
 - 10,000+ Top Terms

High Volume & Top Term Ad Groups should be decided ad hoc on an account by account basis

