

AdWords Insider

Tech BtoB: September 2005

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Searching for Answers About Tech BtoB Advertising? John Topping, Director of Tech B2B

How does search advertising fit in the context of your overall marketing plans? How does it work with the various stages of the purchase process? John Topping addresses some of the most common questions being asked by technology BtoB marketers, and discusses how research is now providing answers. Read more.

The Role of Search in Tech BtoB

New research from Millward Brown helps demystify the role of search advertising in technology BtoB. This first-of-its-kind survey provides long-sought-after insight into fundamental marketing questions such as: How important is search to buyers? What types of keywords work best? And what types of messages appeal to searchers? Read more.

Side Notes

Please take this survey to help us understand how technology marketers allocate dollars across alternative advertising channels, and how search advertising is managed and measured inside the organization. The survey will only take five to ten minutes of your time to complete and your answers will remain completely anonymous.

In appreciation of your time and consideration, you will be invited to receive a summary of the results when our study is complete. Thank you!

"The cost per acquisition, combined with the global boost, gave us an ROI that was unbelievable."

Maureen Flaherty Manager, Corporate Marketing InterSystems Corporation

InterSystems Corporation Reduces Cost Per Lead by 93% Using AdWords

InterSystems wanted to reach new prospects and improve on traditional cost per acquisition. See how AdWords helped the company not only reduce cost per lead by 93 percent, but also

reach customers globally. Read more.

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Searching for Answers About Tech BtoB Advertising?

BtoB technology marketers tend to have similar questions when it comes to search advertising:

- What are the most effective uses of the platform in meeting advertising and demandgeneration marketing objectives?
- How can I most effectively connect with prospects at various stages of the purchase process?
- How are others using the platform most effectively?

New research conducted for Google by Millward Brown helps to demystify many of the biggest questions our market has about search advertising. The study outlines the role of search in the purchase process versus other media and non-media resources and offers practical guidance on keyword usage and message resonance.

The findings are outlined in this edition of the Tech BtoB newsletter to give you concrete ideas of how to think about search advertising in the context of your overall marketing efforts and how to map your plans to search usage patterns. In addition, we have included a link to a whitepaper titled "Demystifying Search Advertising in the Technology BtoB Space" which couples the themes brought out in the research with real-world best practices of technology BtoB companies most effectively using the platform.

An example of a company effectively utilizing the search advertising platform is InterSystems Corporation. In a recent campaign aimed at C-level executives and IT decision makers, InterSystems was able to achieve a cost per lead of \$35 versus \$500 to \$1,000 with more

traditional online and offline methods. Read on to learn more.

As always, please feel free to send your comments, questions and suggestions to techbtob.feedback@google.com.



About the Author

As director of Google's BtoB Technology Vertical, John Topping is responsible for developing communications and partner development strategies for Google's advertising offerings to technology companies. Topping works closely with Google's national sales team and technology advertising customers on building successful global advertising partnerships with Google. John has been a featured speaker for BtoB Magazine, the Direct Marketing Association, the Business Marketing Association, Comdex, Networld + Interop, and Baptie & Company's Market, Channel and Direct Focus conferences. In September 2003, Topping was awarded the most valued speaker award at Baptie & Company's Direct Focus event September 2003.

Topping joined Google from IDG's Computerworld, where he was vice president of sales. Before Computerworld, Topping was a publisher for technology media companies, including CMP Media's Network Magazine and Hypermedia Communications' NewMedia Magazine and newmedia.com.

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The Role of Search in Tech BtoB

How important is online search to buyers of Tech BtoB—especially when compared with other sources of information? And what types of search ads do these buyers find most appealing?

In an effort to answer these questions and help demystify the role of search advertising in Tech BtoB, Google recently commissioned market research firm Millward Brown to survey 900 business technology influencers with corporate purchase involvement in enterprise application software, security software, or storage for servers.

What'd They Find?

- Search ranked #1 among all media, through all three phases of purchase—research to consideration to final purchase.
- During the research/engagement phase, search was #1 as a first source of information even when compared with nonmedia sources such as manufacturer's websites, colleagues, and IT consultants.

More complete results of the research are available <u>here</u> and a free webinar on the topic is available <u>here</u>. These resources include more details, such as differences based on job function, company size, and product category. But the overall impact of search and manufacturers' websites—at all stages of the purchasing cycle—cannot be overstated.

Business technology influencers' preference for search is especially significant, given that media is one of the areas that marketers can affect most.

How do marketers best take advantage of search? And what types of ads are most compelling to buyers?

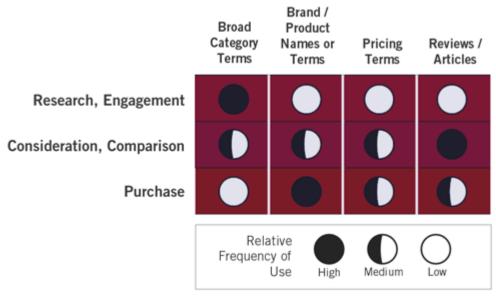
Key Findings About Keyword Use

In the second part of the survey, Millward Brown used a series of tests to determine what keywords and messages work best. The findings indicate that searchers do in fact use different keywords throughout the buying cycle:

- Broad category terms ("network storage" or "network security") are used more frequently
 in the research/engagement phase, then consistently drop off as people move through
 the consideration/comparison and purchase phases.
- Brand and product names are used more in the final purchase phase, less in the consideration phase, and least during research.
- Pricing terms ("blade server prices" or "cost-effective storage") are used with equal frequency in the consideration/comparison and purchase phases, but rarely during the research/engagement phase.
- Review terms ("storage reviews") are used most during consideration/comparison, less

during final purchase, and least during research/engagement.

Chart 1: Keyword Usage



Messages that Work

In addition to keyword usage throughout the purchase process, what types of messages do searchers find most appealing?

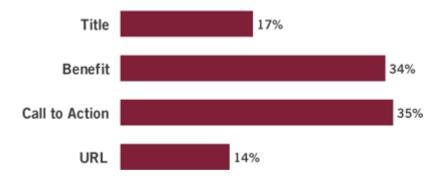
The simple answer: A clear benefit statement and a strong call to action tend to elicit the most clicks on an ad during the consideration phase.

For instance, with ads for enterprise application software (in the consideration phase):

- The call to action accounts for roughly one-third of the influence on choice of a particular sponsored link.
- The benefit statement also accounts for one-third of the influence.
- The presence or absence of a brand in the URL accounts for roughly one-sixth to one-seventh of the influence, as does the presence or absence of a brand in the title of the link.

Findings in the security and storage areas have almost identical findings to those of enterprise application software.

Chart 2: Influencers of Click Behavior in Enterprise Applications



In fact, all tested benefit statements had a positive effect on getting a user to click on an ad. The only negative element was not including a benefit statement at all. Calls to actions—such as "compare prices," download a demo," "download a whitepaper," and "learn more"—all had positive effects, while "view a webinar" with no call to action had a negative effect.

Again, small to medium sized businesses (SMB) reacted differently to benefit statements than large companies—specifically, an explicit message of "for medium-size and small business" was most valued by respondents who were SMB.

The results validate what many online marketers have known all along—that classic marketing principles work as well for online ads as they do for offline promotions.

Know your customers. Use the right keywords. And use messages with a clear benefit statement and a strong call to action.

We should all take this advice to heart. Please download Google's white paper <u>"Demystifying Search Advertising in the Technology BtoB Space"</u> to learn more about the principles and best practices of how search advertising can not only generate leads, but also build awareness.

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InterSystems Corporation Reduces Cost Per Lead by 93% Using AdWords

For 25 years, InterSystems Corporation of Cambridge, Massachusetts has been in the business of providing innovative software that enables the rapid development and fast integration of high-performance applications. More than 4 million users in 88 countries benefit from the performance of Caché, the post-relational database from InterSystems. Recently the company also launched Ensemble, an integration product that enables businesses to join heterogeneous IT applications in a coherent infrastructure.

In addition to online marketing, InterSystems uses direct mail and runs print ads in targeted trade and business publications to reach the right prospects, who are IT managers, database administrators, application developers, and system integrators.

Challenge

Because InterSystems' products are complex, highly technical, and require a significant investment, the typical sales cycle is about 18 months. Decision makers are likely to be C-level executives and influencers, IT buyers, or specialist users of the data. For these reasons, marketing campaigns are designed to increase awareness of the products and generate leads, which are passed on to a sales group where they are qualified.

It can be difficult to combine a mass reach with the depth of trade publications. Traditional banner ads don't consistently generate many leads, and it costs InterSystems about \$500 to acquire a new prospect this way. (Print advertising can cost \$1,000 per lead.)

Plus, InterSystems has a global customer base. "We typically introduce a product in the U.S. first," says Maureen Flaherty, manager of corporate marketing. "Only then do the regions roll out marketing efforts to support an international launch."

In an effort to reach new prospects, and hoping to improve on traditional cost per acquisition, Flaherty added Google AdWords to the marketing mix. When the company introduced a product called Ensemble, InterSystems developed a campaign to generate leads through a combination of an online demo, a whitepaper download, and a proof-of-concept offer.

Results

InterSystems immediately saw tremendous gains in ROI, starting with cost per acquisition: A qualified lead responding to an AdWords ad cost \$35, a savings of 93 percent over InterSystems' original online ads program.

The company also benefits from the global reach of AdWords. "Within weeks, more than 20 percent of responses were coming from outside the U.S.," says Flaherty. "We were thrilled to see that customers we would not have otherwise reached so easily were responding to this product. The cost per acquisition, combined with the global boost, gave us an ROI that was unbelievable."

Flaherty also comments that the company ran its AdWords campaign across search and the Google Network of content sites. "Search delivered very qualified leads, because prospects are actively looking for the solution and are thirsty for information, which our whitepaper provides. And the content network gives us depth and reach we would not otherwise get," says Flaherty.

InterSystems continues to increase its investment and results with AdWords, and is now looking to improve web analytics through additional Google products.

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