www.clickz.com/experts/search/results/article.php/3490991

Local Search: Convert and Win

By <u>Fredrick Marckini</u> March 21, 2005

"My ROI on local search advertising is literally 10 times better than my Yellow Pages ad."

With those words, my dad changed my opinion of local search.

Truth be told, I've never been a fan of local search. Local search prophets actually annoyed me. I didn't believe them.

I watched local search conferences emerge and scoffed at the research. I believed their growth figures were self-serving and grossly exaggerated. Local search was myth, a market hyped by those hoping to profit from carving out a niche using location. Its professed power didn't accurately reflect the market's reality.

Man, was I wrong.

My dad operates <u>Boston Environmental</u>, an environmental services company that specializes in mold removal, site assessments, soil and groundwater testing, indoor air quality testing, and the like. He spends \$600 dollars a month on two Yellow Pages ads, which generate about five phone calls per week.

Last November, he finally got someone to build him a new Web site for his business. Due to a pending acquisition, a busy travel and speaking schedule, and a ClickZ column, I was just too busy to help him with a search engine marketing (SEM) campaign, or even to help optimize the site for natural search.

After months of his nagging, I finally asked our paid search team to do me a favor, "Can you guys do some paid search to get my dad off my back?"

Though we've made significant investments in our automated bidding agent technology, the team elected to manage my dad's account by hand, setting and forgetting bids on about 35 keywords. Campaign optimization consisted of raising the bids on a few keywords that my dad indicated were more in-demand services, such as mold and indoor air quality testing, to the point at which the ads were consistently in higher positions.

Then, they turned their backs on the campaign for a couple months and just let it run. No optimization, no tweaking creative, no changing bids. Just monitoring to ensure it was spending roughly \$100 a month.

Very quickly, something remarkable began to happen. Callers were telling my dad they found him online using search. Not just one or two callers, but the majority. And he's selling them lots of services.

Within a few weeks, my father told me, "I'm getting nearly 25 calls per week from people who say they found me on the Internet!"

The Yellow Pages were only producing around five calls a week. "I'm still absolutely stunned by the volume of calls I'm receiving from the Internet," my dad remarked.

My dad now spends about \$130 per month. That's it. The campaign runs on Google's and Yahoo!'s local search products. It's limited as closely as possible to searchers within Massachusetts Zip Codes or queries that include a local town's name. The campaign's average CPC (define) is around \$0.65 and generates about 200 clicks a month. The CTR (define) is solid for a search ad campaign at 5 to 6 percent.

Here's the kicker: there was no online conversion option on his old site (the new one has a form, but it just launched). There was no form for anyone to fill out, no white paper to download, no newsletter to subscribe to. Just a phone number. In spite of this, the campaign is incredibly successful. In fact, our paid search group elected to run the campaign manually precisely because there was no conversion event toward which the agent could optimize the campaign.

As the <u>Overture/comScore study</u> revealed, the greatest conversion opportunity in some markets is in targeting keywords that don't convert on the Web site. On a micro scale, my dad's site may further support that finding.

I'd doubted local search, both in terms of the volume of people who were searching with local intent, and the opportunity for marketers to benefit from local targeting. Personal experience made me a believer.

If you operate a classic Yellow Pages-oriented business, build a Web site, even if it's just a single page, and experiment with local search advertising. It's still very affordable, and you may find more prospects than you expect replaced their use of the Yellow Pages with that of search engines. That's what my dad found out.

"Right now, four out of every five phone calls I answer are from people who tell me they found me in search. It's really incredible," my dad told our extended family at a dinner recently. I love it when he's excited, and I love it when he gushes. Most of all, I love the targeting power of search marketing.