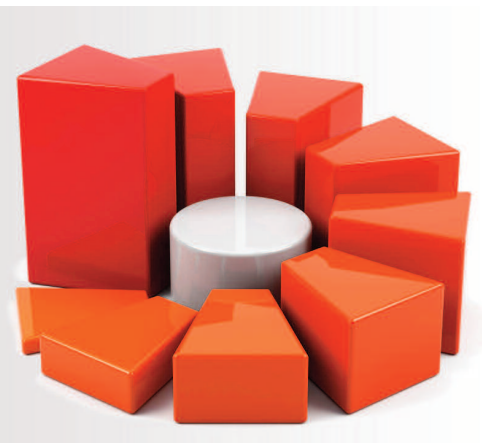


Successful Paid Search Tactics The Top CPG Brands Use To Grow Market Share And Build Loyalty

A Joint Experian Hitwise-AdGooroo Study

September, 2010

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Key Findings

- Virtually all CPG brands are leaving a sizable amount of paid search traffic on the table. Their campaigns are throttled not by a lack of funds, but rather their ability to grow a scalable campaign that captures more share than their competitors’.
- While all of the CPG brands in our consideration set executed well in at least one paid search tactic, the most successful campaigns were characterized by operational excellence in multiple areas, such as keyword selection, coverage management, campaign structure and landing page design.
- The majority of CPG brands had above 50% coverage, the percentage of the time which a particular advertiser appears in paid listings for their targeted keyword phrases, indicative of reasonably well-run campaigns. Increased ad copy split testing can help lead to higher quality scores with search engines and improved coverage.
- CPGs seeking to drive engagement through thematic keyword campaigns face new paid search challenges from non-traditional sets of competitors. Personalized M&Ms created a new revenue stream along with new keyword competitors in the e-commerce arena while Kraft may bid on keywords for diabetes along with pharmaceutical companies.

About the Top 10

Among the Top 10 CPG websites, the food manufacturers, Betty Crocker, Kraft Foods and Pillsbury captured the largest share of visits in April 2010 and accounted for 78% of the total. Arguably, each of these websites probably has the widest target audience and appeal to attract visitors as compared to some of the others with a narrower target such as Pampers or Enfamil for new moms.

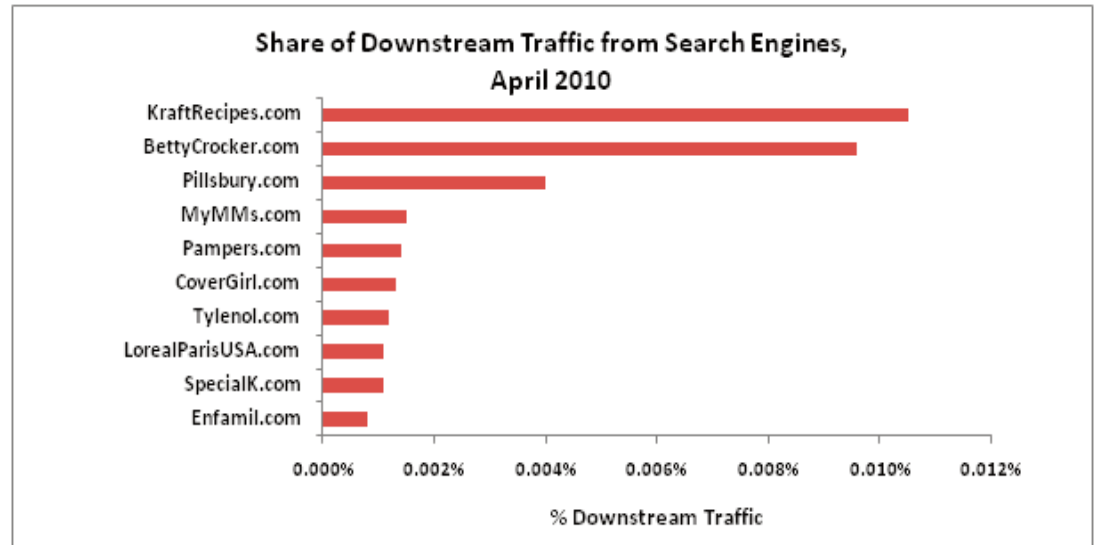
Figure 1: The Top 10 CPG Websites, Ranked by Share of Visits in April 2010

Top CPG Websites, Ranked by Share of Visits in April 2010			
Rank	Company/Brand	Domain	April 2010
1	Betty Crocker	www.bettycrocker.com	31%
2	Kraft Foods USA	www.kraftrecipes.com	31%
3	Pillsbury	www.pillsbury.com	17%
4	Pampers	www.pampers.com	5%
5	M&Ms	www.mymms.com	3%
6	Kellogg's Special K	www.specialk.com	3%
7	L'Oréal Paris USA	www.lorealparisusa.com	3%
8	Cover Girl	www.covergirl.com	3%
9	Tylenol	www.tylenol.com	2%
10	Enfamil	www.enfamil.com	2%

Source: Experian Hitwise

Often directly related to the size and overall traffic of a website is the share of downstream search received. Larger websites will typically have a higher number of paid and organic listings, thus garnering more attention in the SERPs. This metric for each of the top 10 CPG websites puts into perspective the share of visits received immediately following a visit to a search engine, including both paid and organic traffic. During April 2010, KraftRecipes.com and BettyCrocker.com received more than 2x the volume of traffic to their websites from search engines than the 3rd ranked Pillsbury. Coupons and discounts are typically a strong driver of traffic and frequently appear in search queries for many of the CPG websites.

Figure 2: Share of Downstream Traffic from Search Engines, April 2010

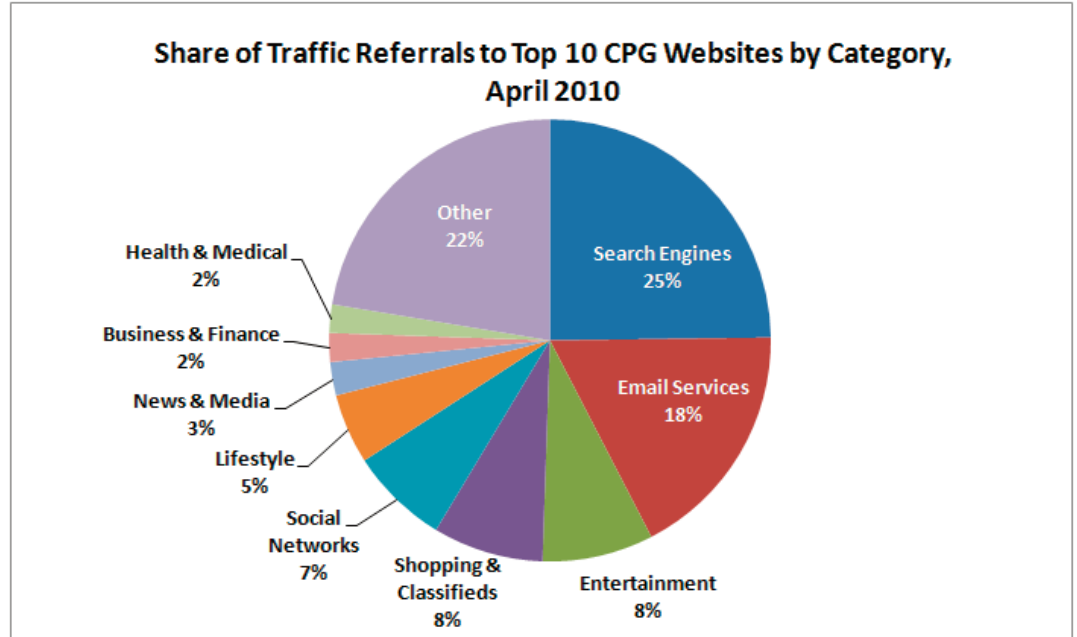


Source: Experian Hitwise

Importance of Growing Search Referrals

Like the majority of categories online, search represents one of the largest sources of traffic referrals to CPG websites, making search a critical component of any marketing mix. In April 2010, one quarter, or 25% of the upstream traffic to the Top 10 CPG websites was the result of a visit to a Search Engine immediately before the website. The share of traffic referrals from search increased 15% in April 2010 as compared to the previous year, highlighting the increasing importance of search for CPG brands.

Figure 3: Share of Traffic Referrals to Top 10 CPG Websites by Category, April 2010



Source: Experian Hitwise

Tylenol.com and Enfamil.com may be the smallest websites in terms of overall visits as compared to the Top 10 CPG websites, but search represented the highest percentage of traffic referrals in April 2010. For Tylenol, product recall related searches helped to drive increased search activity taking place in April and the company wisely purchased paid listings to send searchers directly to their website for information.

Figure 4: Top CPG Websites, Ranked by Share of Referrals from Search Engines, April 2010

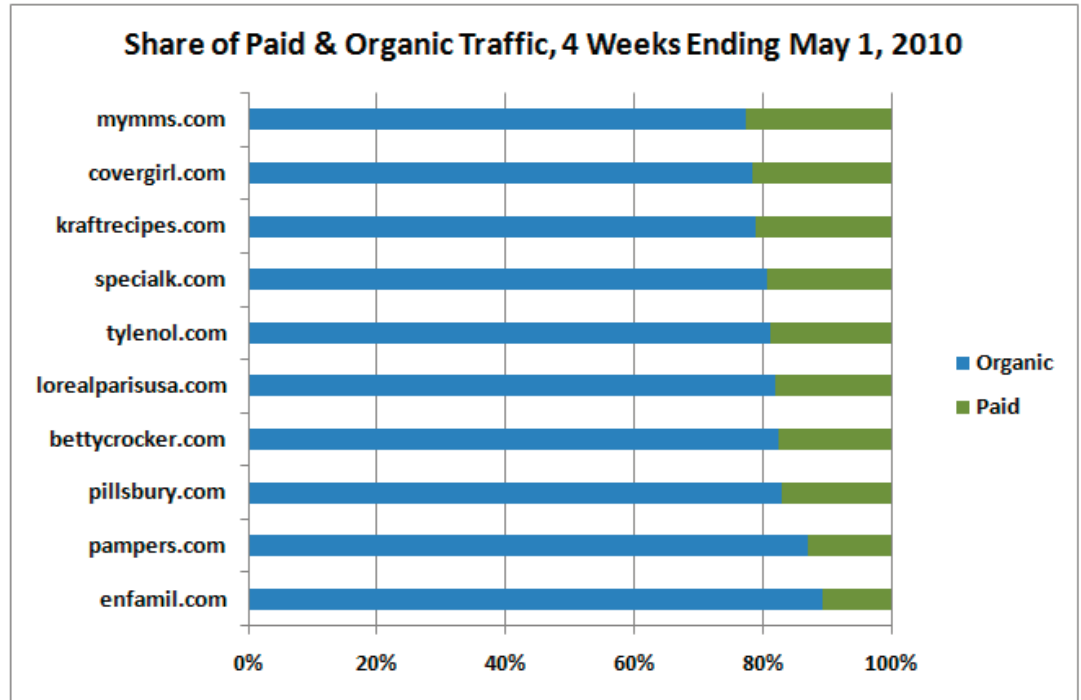
Top CPG Websites, Ranked by Share of Traffic Referrals from Search Engines, April 2010			
Rank	Company/Brand	Domain	April 2010
1	Tylenol	www.tylenol.com	43%
2	Enfamil	www.enfamil.com	31%
3	M&M	www.mymms.com	30%
4	Kraft Foods	www.kraftrecipes.com	27%
5	Cover Girl	www.covergirl.com	26%
6	Betty Crocker	www.bettycrocker.com	24%
7	Kellogg's Special K	www.specialk.com	24%
8	L'Oréal Paris USA	www.lorealparisusa.com	22%
9	Pillsbury	www.pillsbury.com	20%
10	Pampers	www.pampers.com	18%

Source: Experian Hitwise

Paid Search Reliance

An additional important metric is the ratio of paid and organic traffic to the websites. Among the Top Ten CPG websites, MyMMS.com, CoverGirl.com and KraftRecipes.com received the highest share of traffic from paid search.

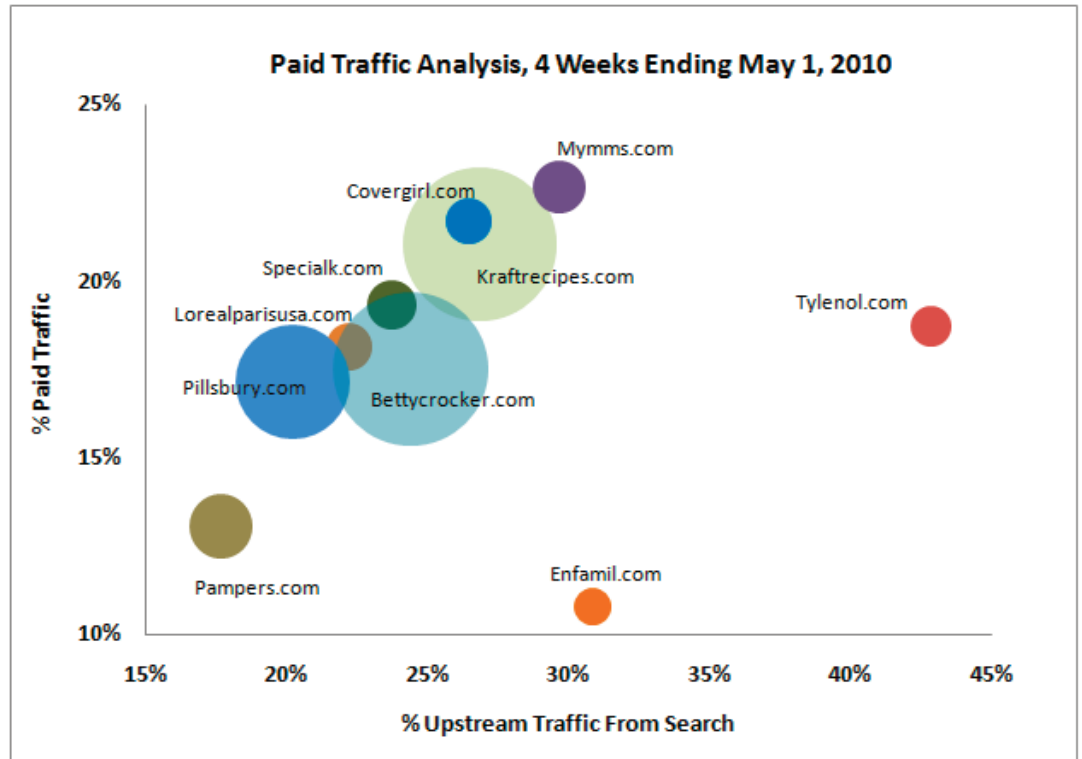
Figure 5: Share of Paid & Organic Traffic, 4 Weeks Ending May 1, 2010



Source: Experian Hitwise

When the share of upstream traffic from search is combined with share of paid traffic, it portrays the overall impact sponsored ads have upon the share of traffic referrals in comparison to other websites. The x-axis represents the share of upstream traffic from search, so being further over to the right signifies a higher share traffic referral from search engines. Along the y-axis is the ratio of search traffic from paid ads & sponsored links, thus the higher a website appears in chart, the greater the amount of paid search traffic they received. The size of the bubbles represents the overall share of visits to the website for the month of April 2010, so the bigger the bubble, the higher the traffic.

Figure 6: Paid Traffic Analysis, 4 Weeks Ending May 1, 2010



Source: Experian Hitwise, Size of bubbles indicate market share of visits to the website

The dependence upon paid search is not necessarily bad – just possibly expensive, particularly as a result of significant competition. For example, among 64 recipe websites, Allrecipes.com and Foodnetwork.com capture the highest share of search clicks for the 4 weeks ending May 1, 2010; however, very little of this traffic is coming from paid search. Kraft and Betty Crocker are both highly engaged in paid search to capture clicks among this competitive set and are the only 2 websites in the top 10 that received a significant share of traffic from paid search. For the CPG players, this may be a case of buying placement amidst competitors highly optimized for organic search results.

Figure 7: Comparison of Organic Search Clicks and Paid Search Traffic in Recipes Category, Ranked by Organic Search Clicks, 4 Weeks Ending May 1, 2010

Rank	Websites in Recipes - 4 Rolling Weeks ending May 1, 2010	Domain	Overall Share of Search Clicks Within Recipes Category	% Paid Search Traffic to Website
1	allrecipes.com	www.allrecipes.com	23%	0.21%
2	Food Network	www.foodnetwork.com	15%	0.42%
3	Cooks.com	www.cooks.com	15%	0.26%
4	About.com - Southern Food	southernfood.about.com	6%	0.11%
5	RecipeZaar	www.food.com	6%	0.12%
6	GroupRecipes	www.groupprecipes.com	3%	0.02%
7	Simply Recipes	www.simplyrecipes.com	2%	0.37%
8	CDKitchen	www.cdktichen.com	2%	0.15%
9	Kraft Foods USA	www.kraftrecipes.com	2%	21%
10	Betty Crocker	www.bettycrocker.com	2%	18%

Source: Experian Hitwise

When we look at the websites in the recipes category ranked by the share of paid search clicks, Kraft and Betty Crocker received the highest share and accounted for 43% of all of the paid clicks for the 4 weeks ending May 1, 2010. Additionally, the sub-domain for Betty Crocker recipes captured an additional 12% of paid clicks and Kraft Foods' Spanish language recipe website, Comida Kraft, captured nearly 3%. The 4 CPG websites combined captured 58% of the total paid clicks.

Figure 8: Comparison of Organic Search Clicks and Paid Search Traffic in Recipes Category, Ranked by Paid Search Clicks, 4 Weeks Ending May 1, 2010

Rank	Websites in Recipes - 4 Rolling Weeks ending May 1, 2010	Domain	Overall Share of Paid Search Clicks Within Recipes Category	% Paid Clicks Driving Traffic to Website
1	Kraft Foods USA	www.kraftrecipes.com	25%	21%
2	Betty Crocker	www.bettycrocker.com	18%	18%
3	Kitchen Daily	www.kitchendaily.com	15%	36%
4	Betty Crocker	recipes.bettycrocker.com	12%	24%
5	Recipe4living.com	www.recipe4living.com	7%	29%

Source: Experian Hitwise

Among their peers in the food category, Kraft and Betty Crocker captured the highest share of search clicks among 80 CPG Food websites. Overall, the share of paid traffic to the category was 13%, so websites like Kraft, Betty Crocker and Pillsbury are outperforming many of the other CPG Food websites in attracting clicks to sponsored links. Combined, the three websites captured 64% of all paid search clicks to CPG Food websites during the 4 weeks ending May 1, 2010.

Figure 9: Comparison of Organic Search Clicks and Paid Search Traffic in CPG Foods Category, Ranked by Organic Search Clicks, 4 Weeks Ending May 1, 2010

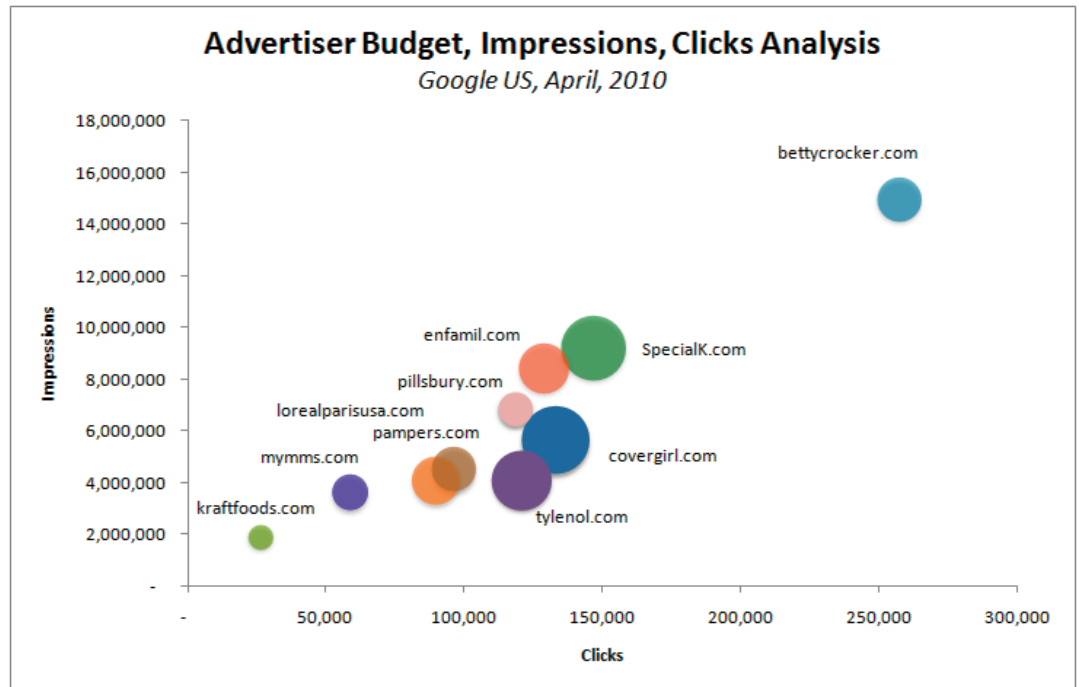
Rank	Websites in CPG Foods - 4 Rolling Weeks ending May 1, 2010	Domain	Overall Share of Search Clicks Within CPG Foods Category	Overall Share of Paid Search Clicks Within CPG Foods Category	% Paid Clicks Driving Traffic to Website
1	Kraft Foods USA	www.kraftrecipes.com	20%	31%	21%
2	Betty Crocker	www.bettycrocker.com	17%	23%	18%
3	Pillsbury	www.pillsbury.com	8%	10%	17%
4	M&Ms Global	www.mymms.com	5%	6%	15%
5	Nabisco World	www.nabiscoworld.com	4%	N/A	0.17%

Source: Experian Hitwise

Surveying the Competitive Landscape

Our first step in understanding the CPG PPC paid search landscape begins with the **Budget Chart**. This chart plots clicks, impressions, and ad spend on a single graph and enables us to make apples-to-apples comparisons of different advertisers' paid search campaigns.

Figure 9: Analysis of Estimated Advertiser Budgets, Impressions, and Clicks, April 2010



Source: AdGooroo

We start constructing this chart by plotting impressions on the Y-axis. For direct (performance-based) advertisers, impressions may not be particularly important. This is not the case for brand advertisers however. Every ad shown – even those that are never clicked – contributes to brand awareness and recall. The more impressions a brand advertiser can garner, the stronger their long-term advantage.

Clicks are the next step toward engagement with the consumer and are plotted on the X-axis. The landing page searchers see when they click an ad is often the first experience they have of that brand. Not only is this the best opportunity to establish positioning, it's also important that the landing page connects with the consumer on their level. This is why product-based strategies often take a back seat to campaigns which focus instead on the visitors' intentions. The best campaigns carry the "scent" (theme) of their visitors' searches through to the landing page and fulfill the promise of the ad.

Finally, we need to measure the total ad spend required to generate each advertiser's impressions and clicks (Ad spend is depicted in our chart by the relative size of the circles.) But herein lies a critical distinction between paid search and other forms of advertising. Success in paid search cannot be bought simply by throwing more money into advertising (*Usually*. There are rare exceptions which occur when a well-funded brand lacks capable competition. We'll see one example later in this report.) In fact, most Pay-Per-Click advertisers usually find that they are unable to spend their entire budget. **Their campaigns are throttled not by a lack of funds, but rather their ability to grow a scalable campaign that captures more share than their competitors'.**

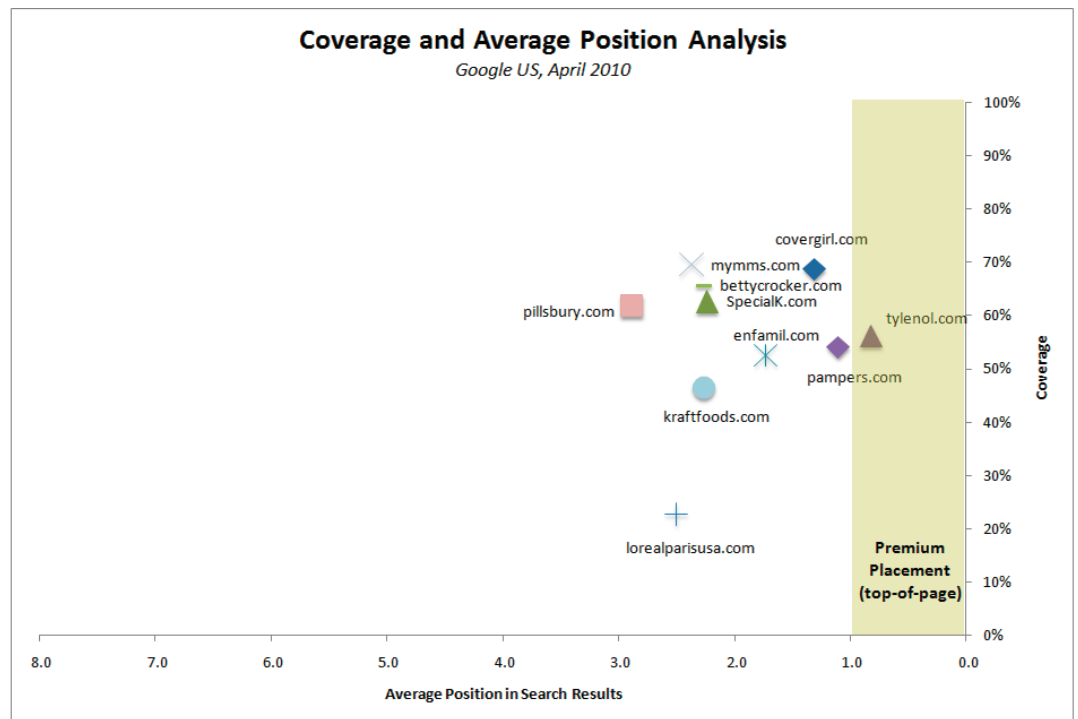
The measure of success of any PPC campaign lies in its ability to *maximize impressions and clicks while minimizing ad spend*. The Budget Chart exposes all three metrics and gives an outsider the ability to assess the SEM management of any PPC advertiser. However, it does not present any clues or provide context as to how they succeed (or fail). For this, we'll have to dig deeper into their campaigns to divine the underlying factors.

The essence of the Budget Chart is that it shows outcomes – which brands are most successful at using these tactics to engage with the widest audience at the lowest possible cost? In the case of CPG brands, we find that it's BettyCrocker.com (by a wide margin.)

Measuring Management Efficiency in Paid Search

Next, we use the **Coverage Chart** to eliminate the effect of keyword traffic and directly measure the management efficiency of the campaigns in our target vertical. Campaigns located in the upper-right of this chart typically have more effective ad copy, make better use of keyword selection, and have well-aligned landing pages.

Figure 9: Analysis of Advertiser Coverage and Average Position, April 2010



Source: AdGooroo

Coverage measures the percentage of the time which a particular advertiser appears in paid listings for their targeted keyword phrases. It differs from the more well-known impression share in that it ignores the effect of traffic. That is, all keywords are treated equally.

Impression share suffers from the disadvantage that it can be overly influenced by a few keywords with high traffic. Take for instance a campaign which targets a single broad traffic keyword receiving one million impressions per month along with an additional 100 keywords each receiving less than 10 impressions per month. Your performance on the broad keyword will determine 99.9% of your impression share metric and thus you cannot use it to spot problems with the low-traffic tail terms. In other words, impression share hides campaign problems. Coverage does not suffer from this shortcoming and thus is an important indicator of a well-run campaign.

Why might an advertiser have low coverage? The most usual reason is a lack of ad copy split testing. This leads to poor quality scores and as a result, their ads are passed over and valuable impressions are awarded instead to competitors with higher quality ads. Another reason might be poor alignment between an ad and the landing page. The solution for this is to run multiple search campaigns, each with their own targeted landing page.

Ad coverage over 80% is generally considered excellent (and extremely difficult to attain). The vast majority of advertisers have less than 10% ad coverage. **In our survey of CPG brands, we found that most had above 50% coverage, which indicates reasonably well-run campaigns.** Brand advertisers usually have access to high budgets and can easily outbid competitors, while direct marketers tend to prefer the more economical placements near the bottom of the page. Figure 9 shows that this is indeed the case

Implementing Successful PPC Campaigns

Some of the most important factors which determine the success of a PPC campaign include employing the following tactics:

- **Increase relevancy and volume of targeted keywords** – Advertisers need to conduct careful research into the types of keyword phrases their target audience will enter into the search engines. This requires additional research and expansion into long keyword lists, typically numbering in the thousands.

For example, although the term “recipes” generates a huge number of impressions in any given month, it will be very difficult for an advertiser to capture a meaningful portion due to lack of relevancy (and the clicks which are generated will tend to be very expensive). A better approach would be to target a larger set of niche keywords based off of this term, such as “casserole recipes” (good) or “green bean casserole recipe” (better). The broader term “casserole recipes” had a 72% success rate in April, meaning 72% of the searches on that term resulted in a visit to a website, while 28% either performed another search or abandoned the task altogether. In comparison, 100% of the searches on “green bean casserole recipe” resulted in a visit during the same time frame.

Figure 10: Share of Searches and Success Rate For Selected "Recipe" Terms, April 2010

Search Terms	Share of Searches for Variations of "recipe"	Success Rate
recipe	0.11%	57%
casserole recipes	0.05%	72%
green bean casserole recipe	0.01%	100%

Source: Experian Hitwise

This should be supplemented with negative keyword matching to eliminate off-target searches from consideration. Although this approach requires more management overhead, it invariably results in more traffic, higher engagement, and lower campaign costs.

- **Drive engagement through thematic campaigns** – A common aspect we discovered is that brand advertisers who converse with consumers about their self-image have greater traffic opportunities than those who advertise exclusively along product lines. Consumers are obsessed with weight loss, beauty, and masculinity — not products. Consumers are more likely to engage with Kellogg’s Special K as a result of searching on weight-loss and dieting related terms than they are through searches related to protein bars.
- **Increase the number of campaigns** – Consumers interact with brands on many different levels, so it’s best to maximize your chance of engagement with a portfolio of campaigns. Enfamil provides an example: they run multiple campaigns based along product lines, concerns of new mothers, and even special occasions such as baby showers.
- **Optimize ad copy efforts** – The more ad copy split-testing a campaign manager performs, the higher the quality score they’ll receive. This process (slowly) leads to additional exposure opportunities on the search engines. The average brand advertiser in our study ran over 500 different ads while Betty Crocker had the most (around 2400).
- **Align landing pages to reflect intent** – Sending visitors to the brand homepage is no longer a viable strategy. The most successful brand advertisers have dozens of different landing pages for search engine visitors. When consumers search for “weight loss” and click on a Special K ad, they aren’t taken to a page about cereal. They are instead invited to sign up for the Special K Challenge.
- **Implement data-driven changes** – You cannot improve what you don’t measure. There’s no excuse for running a paid search campaign without the ability to measure and improve results. Cover Girl spends a small fortune on search advertising, but without tracking codes in their ads, they will find it difficult to optimize that spend.
- **Monitor competitive intelligence** – Managing a paid search campaign without seeing what your competitors are up to is a lot like driving a high-performance sports car with your eyes closed. It may seem like you’re going pretty fast until a few people pass you by. Pillsbury is one of the top 10 CPG brands on Google AdWords, but their campaign generates only 46% of the traffic of direct competitor, Betty Crocker. Access to competitive intelligence would allow them close this gap.

#10 – Kraft Foods



Figure 11: Highlights of KraftRecipes.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$26,000 • CTR: 1.4% • Avg CPC: \$0.99 • Avg Position: 2.3 • Coverage: 46% • Keyword count: 380 • 79% of ads appear in premium positions 	<ul style="list-style-type: none"> • diabetes • diabetic • diabetic diet • diabetics • diabetes type 2 • type 2 diabetes • diabetes 2 • green bean casserole • diet diabetes • 2 diabetes type 	<ul style="list-style-type: none"> • 27% of upstream traffic from Search Engines • 82% of visitors from Search Engines were new to the site • 21% of search traffic from paid clicks • 18% of upstream traffic from Google • 81% of visitors from Google were new to the site

Source: Experian Hitwise, AdGooroo

As we'll see throughout this study, brand advertisers who take the direct approach with their online presence are rarely able to break through the noise with paid search. Rather, the most successful brands develop a theme that engages consumers on the topics that matter most to them. If Kraft limited the conversation to food products, their website would wind up as little more than a product catalog. And let's face it, while we may all love Jell-O, not many of us are searching online for it.

Instead, Kraft connects with searchers on important matters such as diabetes. And along with that diabetic-friendly cookie recipe, you'll receive an invitation to subscribe to their newsletter where you can find tips, videos, and of course, coupons for Kraft products. Their strategy – a proven one – is to connect with people in a meaningful way and keep the sales pitches to a minimum.

Of course, none of this is news to veteran brand managers (especially the marketing wizards at Kraft). What might surprise even them however, is just how much traffic they are leaving on the table. KraftRecipes.com competes for placement on hundreds of the same recipe-related terms as Betty Crocker, yet captures only a small percentage of the impression share (we estimate that Betty Crocker receives nearly eight times the exposure as Kraft Foods).

The reason for this are poorly optimized ads (we recorded only 123 unique ads in April – well below most of the brands we studied) and limited keyword selection (Betty Crocker ads appear on at least four times as many keywords as Kraft). Furthermore, Kraft's ad coverage is only 46% which indicates that their ads aren't appearing consistently – even for those keyword phrases they are targeting.

Additionally, by focusing a thematic campaign with diabetes, Kraft is competing for paid clicks from sponsored ads, putting them up against the pharmaceutical companies like Merck for Januvia and Bristol Meyers Squibb for Onglyza – also with deep pockets for marketing budgets, as well as health websites like Everyday Health.

Figure 12: Comparison of Websites Targeting Diabetes Terms, April 2010

4 Weeks Ending 05/01/2010		
Websites	Domain	Share of Paid Clicks from Top Keywords
Januvia	www.januvia.com	35.00%
Onglyza	www.onglyza.com	11.74%
Kraft Foods USA	www.kraftrecipes.com	8.21%
Cymbalta	www.cymbalta.com	7.70%
Go Insulin	www.goinsulin.com	7.13%
Everyday Health	www.everydayhealth.com	5.15%

Source: Experian Hitwise

Like many brands, Kraft excels at marketing strategy but falls short when it comes to paid search tactics. KraftFoods.com performs well enough to put them in the top ten, but there is plenty of room for improvement.

#9 – M&M's



Figure 13: Highlights of mymms.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$52,000 • CTR: 1.6% • Avg CPC: \$0.90 • Avg Position: 2.4 • Coverage: 70% • Keyword count: 257 • 78% of ads appear in premium positions 	<ul style="list-style-type: none"> • Graduation party • birthday gifts • gift ideas • m&ms • customized m&m's • personalized gifts • birthday gift • personalized gift • m and m • gifts for him 	<ul style="list-style-type: none"> • 30% of upstream traffic from Search Engines • 91% of visitors from Search Engines were new to the site • 23% of search traffic from paid clicks • 21% of upstream traffic from Google • 91% of visitors from Google were new to the site

Source: AdGooroo, Experian Hitwise

The foray into e-commerce has been a successful one for the M&M brand, creating a new set of competitors within the personalized gift market. For the top keywords, M&M is bidding against retailers like Personalization Mall and Things Remembered, where both are also actively buying sponsored search ads. However, while the traditional retailers received 11% and 10% of the paid search clicks from the top keywords to their websites, respectively, M&M successfully captured the highest share.

Figure 14: Comparison of Top Personalized Gift Websites, April 2010

4 Weeks Ending 05/01/2010		
Websites	Domain	Share of Paid Clicks from Top Keywords
MY M&M'S	shop2.mms.com	26%
M&Ms Global	www.mms.com	19%
PersonalizationMall.com	www.personalizationmall.com	11%
Things Remembered	www.thingsremembered.com	10%
Personal Creations	www.personalcreations.com	8%

Source: Experian Hitwise

Like other great brands, MyMMs.com has figured out that it's better to sell an experience than a product. Head to their website and they'll show you dozens of ways to make any event a little more special. Whether it's a birthday, wedding, graduation, or the Super Bowl – you can find personalized M&Ms to mark the occasion.

This strategy is executed beautifully in their search campaigns. Rather than limit their targeting to the variants of their core brand term ("M&Ms"), they drive a significant amount of traffic by targeting keywords related to special occasions ("graduation party," "mother's day crafts for kids," "baby shower favors"). By doing so, they've succeeded in breaking out of a tiny niche and created an impressive marketing machine which exposes their brand to at least 60,000 additional consumers a month in the US alone.

#8 – L’Oreal Paris

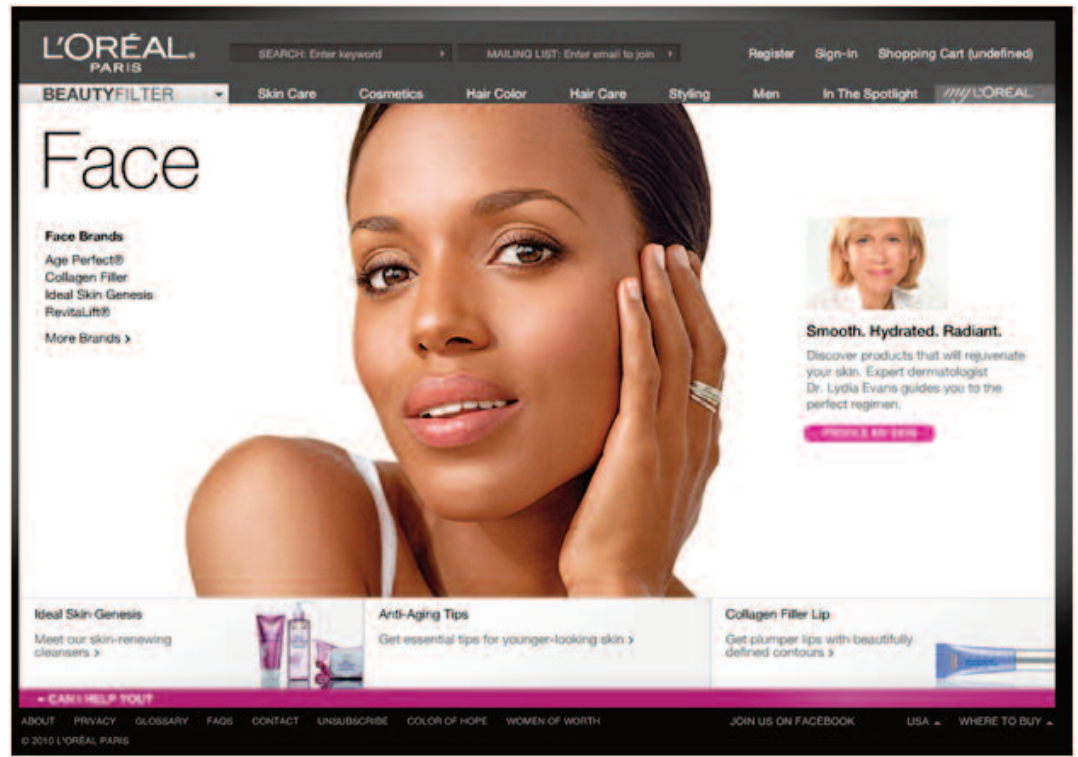


Figure 15: Highlights of lorealparisusa.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$94,000 • CTR: 2.2% • Avg CPC: \$1.05 • Avg Position: 2.5 • Coverage: 23% • Keyword count: 1,003 • 80% of ads appear in premium positions 	<ul style="list-style-type: none"> • loreal • make up • cosmetics • hair color • shampoo • hair care • hair dye • nails • hair products • hair colors 	<ul style="list-style-type: none"> • 22% of upstream traffic from Search Engines • 92% of visitors from Search Engines were new to the site • 18% of search traffic from paid clicks • 15% of upstream traffic from Google • 92% of visitors from Google were new to the site

Source: Experian Hitwise, AdGooroo

To their credit, L’Oreal Paris USA departs from the usual product-targeting strategy. Instead, their paid search campaigns read off like an anatomy chart - skin, face, lips, eyes, and hair - thus putting them in front of buyers when they’re just starting to think about changing their hair color (not just when they’re ready to check out.) This strategy also creates a mix of direct competitors like Cover Girl and Clairol, as well as content players like Marie Claire and Cosmopolitan to compete for search traffic. In some cases, the traffic going to content providers can be complementary and offer additional opportunities to put a message in front of the target consumer through display ad buys.

Still, L’Oreal Paris has the lowest coverage of any CPG brand we studied, indicative of the same kind of campaign quality problems that Kraft suffers from (poorly optimized ads and limited keyword selection). This is a company that could easily double their search traffic with just a little more effort.

#7 - Pampers



Figure 16: Highlights of pampers.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$80,000 • CTR: 2.1% • Avg CPC: \$0.83 • Avg Position: 1.1 • Coverage: 54% • Keyword count: 719 • 68% of ads appear in premium positions 	<ul style="list-style-type: none"> • baby diapers • potty training • baby diaper • baby stuff • baby names • free baby products • ovulation • morning sickness • pampers • pampers coupons 	<ul style="list-style-type: none"> • 18% of upstream traffic from Search Engines • 71% of visitors from Search Engines were new to the site • 13% of search traffic from paid clicks • 12% of upstream traffic from Google • 71% of visitors from Google were new to the site

Source: AdGooroo, Experian Hitwise

Pampers engages new moms and moms-to-be with dozens of different campaigns and matching landing pages, including a baby name finder (see screenshot above), pregnancy calendar, potty training kits, baby safety guides, and so on. This broad-reaching strategy appears to be paying off – Pampers is the second largest CPG kids brand in search (see Enfamil later in this study). Still, there's room for growth. We measured Pampers' coverage at only 54%. With just a few tweaks, this capable advertiser could easily raise their coverage to 80% and increase their traffic by nearly half.

Pampers is doing a good job at attracting visitors to the website through the top keywords with paid and organic search and their website received 2.4x more traffic than the 2nd ranked American Pregnancy Association. During the 4 weeks ending May 1, 2010, Pampers was successfully competing among websites hoping to attract new moms like the American Pregnancy Association and BabyCenter.

Figure 17: Comparison of Sites For New Moms, April 2010

4 Weeks Ending 05/01/2010		
Websites	Domain	Share of Clicks from Top Keywords
Pampers	www.pampers.com	18%
American Pregnancy Association	www.americanpregnancy.org	8%
Potty Training Concepts	www.pottytrainingconcepts.com	5%
BabyCenter	www.babycenter.com	5%
ThePottyTrainer.com	www.thepottytrainer.com	4%

Source: Experian Hitwise

#6 - Tylenol

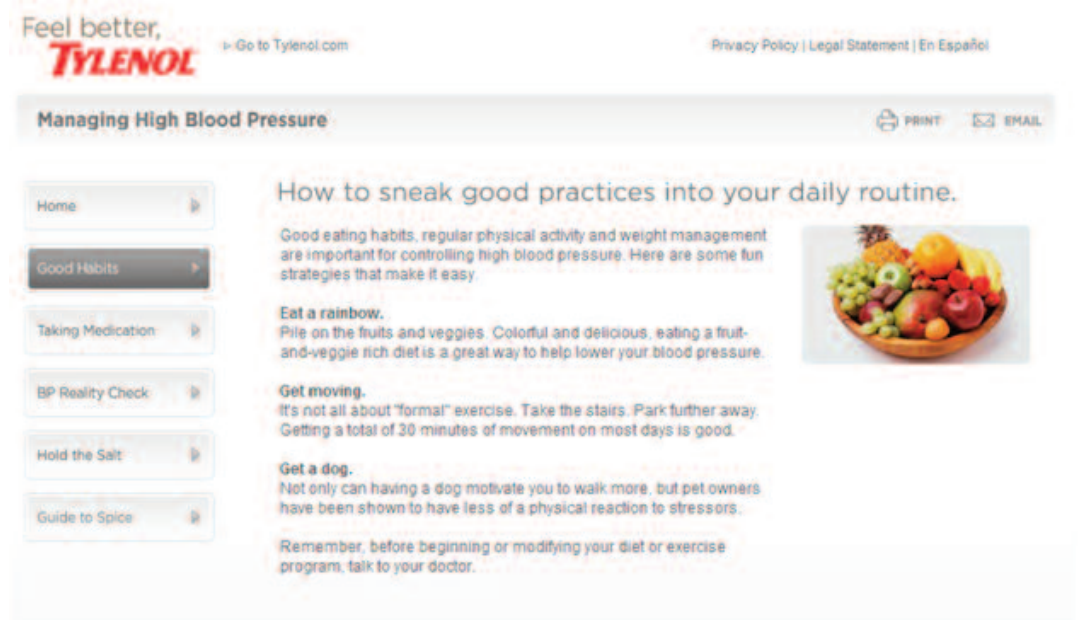


Figure 18: Highlights of tylenol.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$146,000 • CTR: 2.9% • Avg CPC: \$1.21 • Avg Position: 0.8 • Coverage: 56% • Keyword count: 554 • 63% of ads appear in premium positions 	<ul style="list-style-type: none"> • pain relief • pain • high blood pressure • arthritis • migraine • blood pressure • headaches • pain treatment • tylenol • acetaminophen 	<ul style="list-style-type: none"> • 43% of upstream traffic from Search Engines • 93% of visitors from Search Engines were new to the site • 19% of search traffic from paid clicks • 29% of upstream traffic from Google • 92% of visitors from Google were new to the site

Source: Experian Hitwise, AdGooroo

Despite being one of the larger CPG brands in Pay-Per-Click (fourth largest in terms of ad spend), there is considerable opportunity which remains untapped in Tylenol's search program. We recorded a small number of ad variations relative to other brands (only 168) and just six major campaigns (Sinus, Allergy, Headache, Blood Pressure, Liver, and Generic). And at just 56% ad coverage, Tylenol is also missing out on some easy traffic opportunities. Nevertheless, high bids and low competition conspire to give Tylenol.com ads top of page placement and extremely high clickthrough rates (2.9%).

#5 - Pillsbury

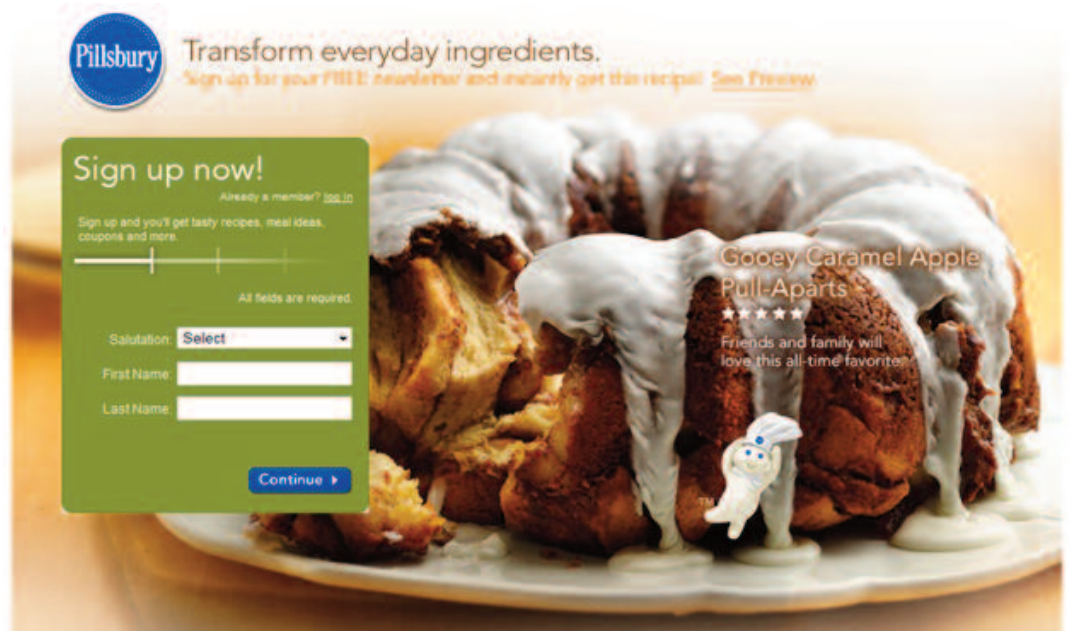


Figure 19: Highlights of pillsbury.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$48,000 • CTR: 1.7% • Avg CPC: \$0.40 • Avg Position: 2.9 • Coverage: 62% • Keyword count: 705 • 94% of ads appear in premium positions 	<ul style="list-style-type: none"> • pillsbury • turkey • fish • pizza • stuffing • fruit salad • rice • cake recipes • chicken • chicken breast 	<ul style="list-style-type: none"> • 20% of upstream traffic from Search Engines • 83% of visitors from Search Engines were new to the site • 17% of search traffic from paid clicks • 12% of upstream traffic from Google • 82% of visitors from Google were new to the site

Source: AdGooroo, Experian Hitwise

Pillsbury provides one of the most instructive brands in our study. By comparing their paid search campaign with that of a direct competitor, Betty Crocker, we clearly see the difference that small changes in campaign tactics can make. Both brands make use of targeted campaigns as well as extensive ad copy optimization. Both have inviting websites full of recipes, coupons, and personalization features.

Yet Pillsbury receives 46% less paid search traffic than BettyCrocker.com. Furthermore, Pillsbury pays 29% more on average for every visitor, although Pillsbury received a higher share of new visitors (those who have not visited the website in the past 30 days) from search – 83%, than the 78% for BettyCrocker.com. One positive caveat for Pillsbury may be stronger customer acquisition through search while Betty Crocker may be paying for a higher share of returning visitors.

There is no one single element that accounts for this disparity between the two campaigns. Rather, it's due to the compounding effect of multiple optimizations. Pillsbury has 22 campaigns, while Betty Crocker has 29. Pillsbury has 1800 distinct ads, while Betty Crocker has 2400. And we found Betty Crocker ads on over 1500 keywords while Pillsbury appeared only on around 700.

The takeaway is clear: there is no one single, magic bullet that guarantees success. To succeed in paid search, you have to press every advantage (even small ones) at your disposal.

#4 – Cover Girl



Figure 20: Highlights of covergirl.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$187,000 • CTR: 2.4% • Avg CPC: \$1.40 • Avg Position: 1.3 • Coverage: 69% • Keyword count: 431 • 67% of ads appear in premium positions 	<ul style="list-style-type: none"> • eyeliner • cosmetics • make up • eye makeup • beauty products • lip gloss • concealer • eyeshadow • mascara • lipstick 	<ul style="list-style-type: none"> • 26% of upstream traffic from Search Engines • 89% of visitors from Search Engines were new to the site • 22% of search traffic from paid clicks • 18% of upstream traffic from Google • 88% of visitors from Google were new to the site

Source: Experian Hitwise, AdGooroo

Cover Girl is a global brand with deep pockets that seems ready-made for search marketing. So we were surprised to see how much potential lies untapped in their campaigns. We tracked 31 distinct landing pages, but fewer than 250 ad copy variations (most of the CPG brands we studied had over 500). What's more, Cover Girl doesn't appear to track their paid clicks – a cardinal rule in search advertising (you can't improve what you can't measure.)

Yet in spite of these shortcomings, the Covergirl.com campaign ranked #3 in terms of overall clicks and they clocked in at a respectable 69% coverage (the highest we recorded in this study was 82%). It seems likely that this is one of those rare cases where a big budget seems to have made up for a lack of proper management.

#3 - Enfamil



Figure 21: Highlights of enfamil.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$103,000 • CTR: 1.5% • Avg CPC: \$0.80 • Avg Position: 1.7 • Coverage: 53% • Keyword count: 443 • 86% of ads appear in premium positions 	<ul style="list-style-type: none"> • baby • free baby products • babies • enfamil • baby food • baby products • baby bottles • baby formula • baby stuff • bottle feeding baby 	<ul style="list-style-type: none"> • 31% of upstream traffic from Search Engines • 90% of visitors from Search Engines were new to the site • 11% of search traffic from paid clicks • 19% of upstream traffic from Google • 86% of visitors from Google were new to the site

Source: AdGooroo, Experian Hitwise

Like the other winning brands in this study, Enfamil isn't taking the easy way out by limiting themselves to product-related keyword phrases. True, their top keywords are directly related to baby formula. However, they augment this core campaign with two others. The first targets common concerns shared by many new mothers (such as "baby food allergies", "baby spitting up", and "baby crying"), while the second focuses on baby baskets and other gifts for first-time parents. These campaigns are skillfully executed with well-matched landing pages containing product information, free samples, and coupons.

Original? No. But very effective. Enfamil is the third leading CPG brand in both clicks and impressions and they achieve this at a surprisingly low CPC (\$0.80). This is how it's done.

#2 - SpecialK.com

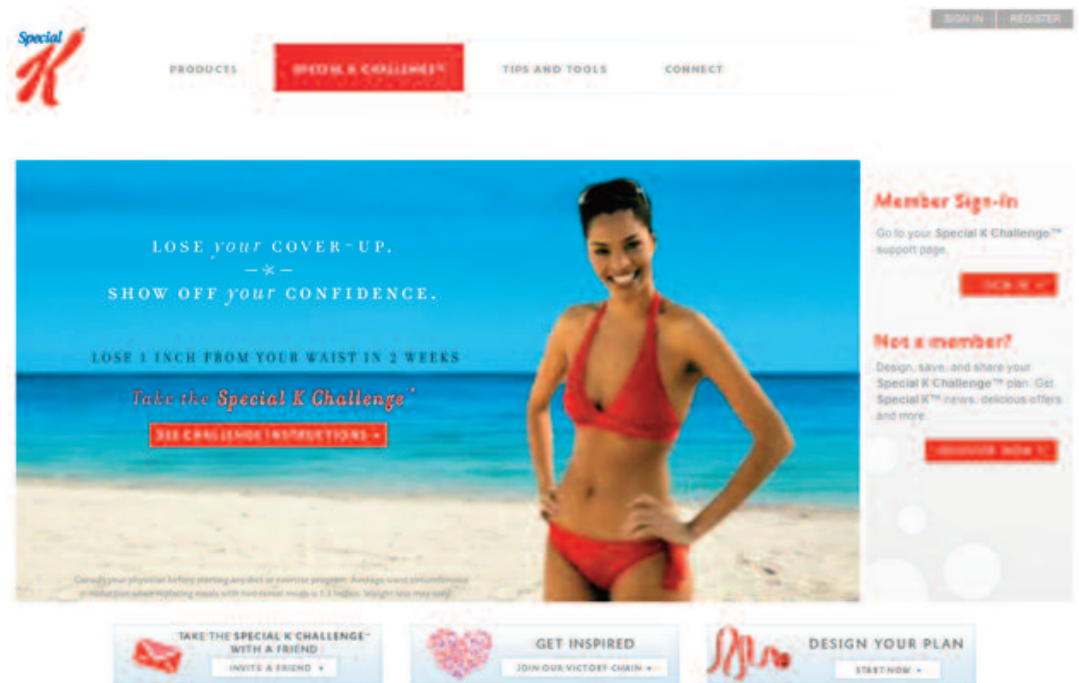


Figure 22: Highlights of specialk.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> Estimated spend (Google US): \$170,000 CTR: 1.6% Avg CPC: \$1.16 Avg Position: 2.2 Coverage: 63% Keyword count: 541 92% of ads appear in premium positions 	<ul style="list-style-type: none"> diet plans healthy snacks protein bars fitness weight loss lose weight lose weight fast weight loss tips diets weight loss diet 	<ul style="list-style-type: none"> 24% of upstream traffic from Search Engines 92% of visitors from Search Engines were new to the site 19% of search traffic from paid clicks 15% of upstream traffic from Google 91% of visitors from Google were new to the site

Source: Experian Hitwise, AdGoroo

Kellogg's Special K isn't talking about cereal. They're talking about health and weight loss (much bigger subjects and a lot less boring, don't you think?) Search makes up a key component of their media mix and drove nearly 24% of their total traffic during April. In fact, SpecialK.com leads virtually every other brand in their ability to drive impressions and clicks to their website.

They achieve this through a combination of high ad placement (their average ad position is 2.2 while their ads routinely appear in premium positions for 92% of their targeted keywords) and the use of many carefully honed campaigns centered around product categories such as snacks, shakes, and crackers. The largest of these campaigns – weight loss - encourages consumers to sign up for the Special K Challenge (“Lose 1 Inch From Your Waist in 2 Weeks”). Not only does this allow them to successfully compete for placement in high-traffic diet-related search terms, it’s also giving them the opportunity to build a considerable amount of branded traffic around the phrase, “Special K diet,” a strategy competitors cannot easily replicate.

#1 - BettyCrocker.com



Figure 23: Highlights of bettycrocker.com Paid Search Campaign, April 2010

Campaign Highlights	Top Keywords	Key Traffic Statistics
<ul style="list-style-type: none"> • Estimated spend (Google US): \$80,000 • CTR: 1.7% • Avg CPC: \$0.31 • Avg Position: 2.3 • Coverage: 66% • Keyword count: 1,578 • 90% of ads appear in premium positions 	<ul style="list-style-type: none"> • recipes • cookie recipes • chicken recipes • easy recipes • slow cooker recipes • cookies • twice baked potatoes • cookie • potato salad • green bean casserole 	<ul style="list-style-type: none"> • 24% of upstream traffic from Search Engines • 78% of visitors from Search Engines were new to the site • 18% of search traffic from paid clicks • 16% of upstream traffic from Google • 77% of visitors from Google were new to the site

Source: AdGooroo, Experian Hitwise

When you need to find out how to make delicious peanut butter cookies, who do you turn to? It's likely that you'll end up at BettyCrocker.com, a strong performer in online recipes. Once there, they make it easy for you to find new ideas and save your favorites in your "personal recipe box", a modern day substitute for grandma's recipe drawer. They'll also keep you engaged with a community site, internet-only coupons, and a recipe-oriented email newsletter. For those with even a casual interest in cooking, BettyCrocker.com will be a compelling web favorite.

Betty Crocker doesn't just excel in paid search; they set the bar. Their campaigns are broken out into hundreds of event and ingredient-oriented themes (Old El Paso, Meaty Dinners, Wedding, and Cookies, just to name a few) and their diverse keyword portfolio enables them to drive a staggering amount of traffic for a mere \$0.31 average CPC (the lowest of any consumer brand. Betty Crocker captured 24% of the paid clicks on the top keywords, 2.7x the volume of the 2nd ranked Campbell's Kitchen. The paid search strategy also isn't heavily reliant upon branded terms – the website is well-optimized for organic listing to capture searches on the well-known brand, leaving more opportunity to focus on their themes and recipes.

Figure 24: Comparison of Paid Search Clicks For Popular Recipe Websites, April 2010

4 Weeks Ending 05/01/2010		
Websites	Domain	Share of Paid Clicks from Top Keywords
Betty Crocker	www.bettycrocker.com	24%
Campbell's Kitchen	www.campbellkitchen.com	9%
Kraft Foods USA	www.kraftfoods.com	6%
Buitoni	www.buitoni.com	6%
Safeway	shop.safeway.com	4%

Source: Experian Hitwise

About AdGooroo

Since 2004, AdGooroo has been a leading provider of Digital Intelligence to online marketers. Our global network tracks all advertising activity across the Internet, empowering over 3,000 sophisticated agencies and advertisers with the insights they need to generate the highest possible return on advertising investment. AdGooroo collects search engine and display advertising data from eight search engines in over 45 countries.

For more information about AdGooroo's offerings for agencies and brand advertisers, please visit our website at www.adgooroo.com. For more details on the findings of this study, please contact Robin Simkins of AdGooroo.

About Experian Hitwise

Experian Hitwise is the leading competitive intelligence service, giving marketers a competitive advantage by providing daily insights on how 25 million Internet users around the world interact with more than 1 million websites. This external view helps companies grow and protect their businesses by identifying threats and opportunities as they develop. Experian Hitwise has more than 1,500 clients across numerous sectors, including financial services, media, travel and retail. Experian Hitwise Search Intelligence™ provides extensive insights on how people search for products and services in over 160 industries, across all major (80+) search engines. This unique data gives Experian Hitwise clients a competitive advantage when planning, monitoring and measuring search marketing campaigns.

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