

Pay-Per-Performance Search Engines

by Carl Stearns



Advertising online used to be a gamble. You could post your banner ads on a popular site for a set monthly fee and wait for the customers to call. If it didn't work the only thing you could do was revise the ad or find another site to post the ad.

The problem with this approach is that you might invest a lot of money before you find the combination that works or you could just get lucky. Now I'll take lucky over good any day, but you just can't count on it.

The other option available is getting your site placed prominently in the search engines. Many will tell you that search engine placement is free, so why not go for it. The fact is that there are over 1 billion web sites cataloged by search engines so chances are your web site URL will get lost in the crowd.

Not to mention you need to place for the correct keyword phrases or your efforts are wasted. It really doesn't help to have top placement for a keyword phrase that very few people use.

The latest option for online advertising is Pay-Per-Performance or Pay-Per-Click. With this option if the search engine listing doesn't result in someone clicking through to your web site, you don't pay. Instead of paying to place your ad, you pay for each lead your ad produces.

You can adjust your listings copy and your chosen keywords until prospects start to roll in. Only when you get results do you start paying small fees per lead. Fees typically range between ten cents and several dollars per click-thru.

The big advantage Pay-Per-Performance gives you on the search engines is that you can be at the top of the list the very next day after posting your listing. With traditional search engine placement you would have to wait weeks, if not months before you could determine if your efforts paid off.

With Pay-Per-Performance you can adjust your listing and keyword targets until it works without waiting weeks to make that determination. You can also list dozens, even hundreds of keywords that will bring up your listing.

That's the rosy side of Pay-Per-Performance search engine listing. There are disadvantages and some traps you need to avoid.

The biggest disadvantage to Pay-Per-Performance search engines is many keywords get little response from potential customers. Keywords that get good or great responses are typically well known to other businesses in your industry. Pay-Per-Performance search engines price their service by putting keywords up for auction. This means that the most popular keywords can get expensive with bids up to several dollars per click.

Now I am a firm believer that any type of advertising is only expensive if it doesn't work. Therefore, the bright side of this "disadvantage" is the knowledge that these keywords are expensive because they **work**.

A related danger with a Pay-Per-Performance search engine strategy is choosing the wrong popular keyword. A well planned pay-per-performance listing strategy is about choosing the keyword phrases that attract customers that are likely to purchase your product. Choose a keyword that is related more to a popular national brand than your product and you could end up paying a lot of money for traffic that was looking for a Honda Accord rather than your Acord insurance form.

Fortunately, there are techniques, tools and professionals that can help you avoid this expensive risk.

So how should you proceed; a traditional approach to search engine ranking or pay-per-performance listing? I typically recommend that my clients follow a hybrid approach rather than go with one or the other. Pay-Per-Performance will get you the top rank listing immediately for the short term. Then as your search engine optimization campaign starts to produce results over the long term you can reduce your dependence on the pay-per-performance listings.

Pay-Per-Performance advertising is a great option for stretching your ad budget to get real results rather than just exposure. Not only do people learn your company name, you also get the result of an interested prospect seeing your full offer at your web site.

Carl Stearns is the general manager of Civic Mind Media, an Internet consultant and software developer. You can learn more about Civic Mind Media and their new small business web services at www.CivicMindMedia.com.