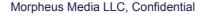


## Creative and Offer Testing for SEM

Shenan Reed Managing Director Morpheus Media May 1, 2007





# Why Should You Test?

- Relevancy
- Gain insight about your target consumer
  - Best value proposition
  - Element of greatest interest
- Improve Results/Increase conversion rates



# A/B Testing Defined

- Process of testing your ad copy against each other.
- Most successful ads are left alone (or not) and ads not converting as well are tweaked
- No finish line for ad testing process
- You should continuously update/change ads not performing well



## Testing Ad Components: Basic

- Message
  - Title
  - Description Lines
- Offer
- Display URL



## Message

- Tone
- Language
- Call-to-action

#### Debbie's® Boutique

Your Online Destination for the Latest in Fashion. Shop Now! www.DebbiesOnline.com

#### Shop at Debbie's® Online

Get The Hottest Looks For Spring at Debbie's® Designer Boutique. www.DebbiesOnline.com



## Offer

- What is the value proposition?
  - Free Shipping
  - Sale/Discount
  - Use of Offer Codes
- Sense of Urgency

#### <u>Debbie's® Boutique</u>

Shop Now & Get Free Shipping!
Offer Ends Monday, April 30th.
www.DebbiesOnline.com

#### Debbie's® Spring Sale

Designer Fashion 50-80% Off. Use Promo Code DEB07 at Checkout. www.DebbiesOnline.com



## Display URL

- Display URL is a Vanity URL
- Testing:
  - Length
  - Inclusion of brand, category, etc.

#### Debbie's® Boutique

Get the Latest Styles in Designer Jeans at Debbie's® Boutique. www.DebbiesOnline.com/Denim

#### <u>Designer Shoe Sale</u>

Your Online Destination for the Latest in Fashion. Shop Now! www.DehhiesOnline.com/Shoes



# Testing Ad Components: Granular-Level

- Punctuation
- Capitalization
- Use of Trademark symbols
- Dynamic keyword insertion (DKI)



# Testing Ad Components: Advanced

## Geographic targeting

- Location targeting
- Use of qualifiers

### Audience Segmentation

- Consumer buy cycle stages
- Demographics
- Day-parting



## **Best Practices**

- Don't test on trademark keywords (tendency for higher CTR and CVR)
- Don't test on biggest revenue/conversion-driving keywords



## Setting Up The Test



## Engine Specifics: Google

- Mirror ad groups or multiple ads per ad group
- Ad Optimization tool
- Google Quality Score Effects





## Engine Specifics: Yahoo

- With release of Panama, can now use multiple ads per group
- Yahoo Quality Index primarily a measure of CTR
- Unable to identify which creative was served to each incoming click





## Engine Specifics: MSN

- Can show average CPC by creative
- Can tells which ad was served for each click (Use of parameters)





## Engine Specifics: Ask

- Limited testing options
- Currently allows only one version of ad copy per keyword





## Final Checklist



Make sure your test is set up to retrieve reliable data

- Control & testing groups set up properly
- Single variable isolated for testing
- All ad optimization tools turned off
- Check to make sure keywords and ads are approved
- All tracking in place



# Analyzing Test Results



## Sample Size

- Question of statistical significance
  - Necessary number of impressions, clicks, conversions
  - Determining which creative is the winner
  - Length of test
- Metrics of Success
  - Measuring clickthrough rate and conversion rate
  - Finding a balance between the two



## Next Steps

- Keep testing!
- Take the winner from the past test and test another ad component