



SEARCH RETARGETING: THE POWER OF CAPTURING INTENT BEYOND SEARCH.



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THE FOUND DIGITAL LANDSCAPE SERIES
PAPER 1



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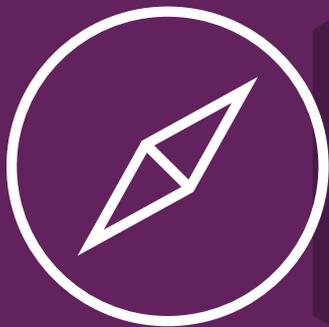
FOUND.

An award-winning digital performance agency based in London, Found specialises in PPC, SEO, CRO, social, content marketing and marketing automation. Our results-obsessed team is passionate about masterminding highly effective performance-based marketing campaigns across a diverse range of verticals to drive quality online traffic for all of our clients, including Randstad, Red Letter Days, Premier Inn, Hand Picked Hotels, Canterbury, the Post Office and Dr. Martens.

We understand that getting outsourcing right with any agency is about accountability; something that can often get lost in retainers, management fees and percentage of spend contracts. Our flexible, personal approach, coupled with our passion to always deliver the best results, ensures that we build our services around your targets, your demands and your budget.

captify®

Captify is an ad-tech company pioneering search retargeting in the European advertising market. It is a British business and was founded in 2011. Supported by its own purpose-built unique technology stack, Captify now dominates its sector of the industry and has a global customer base, including American Express, Sony, Samsung and Warner Brothers.



NAVIGATING OUR DIGITAL MARKETING LANDSCAPE



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Our digital marketing landscape is changing at lightning speed and many companies, both large and small, are striving to fully understand the growing plethora of channels now available and, more importantly, the contribution they can make to business growth and overall return on investment.

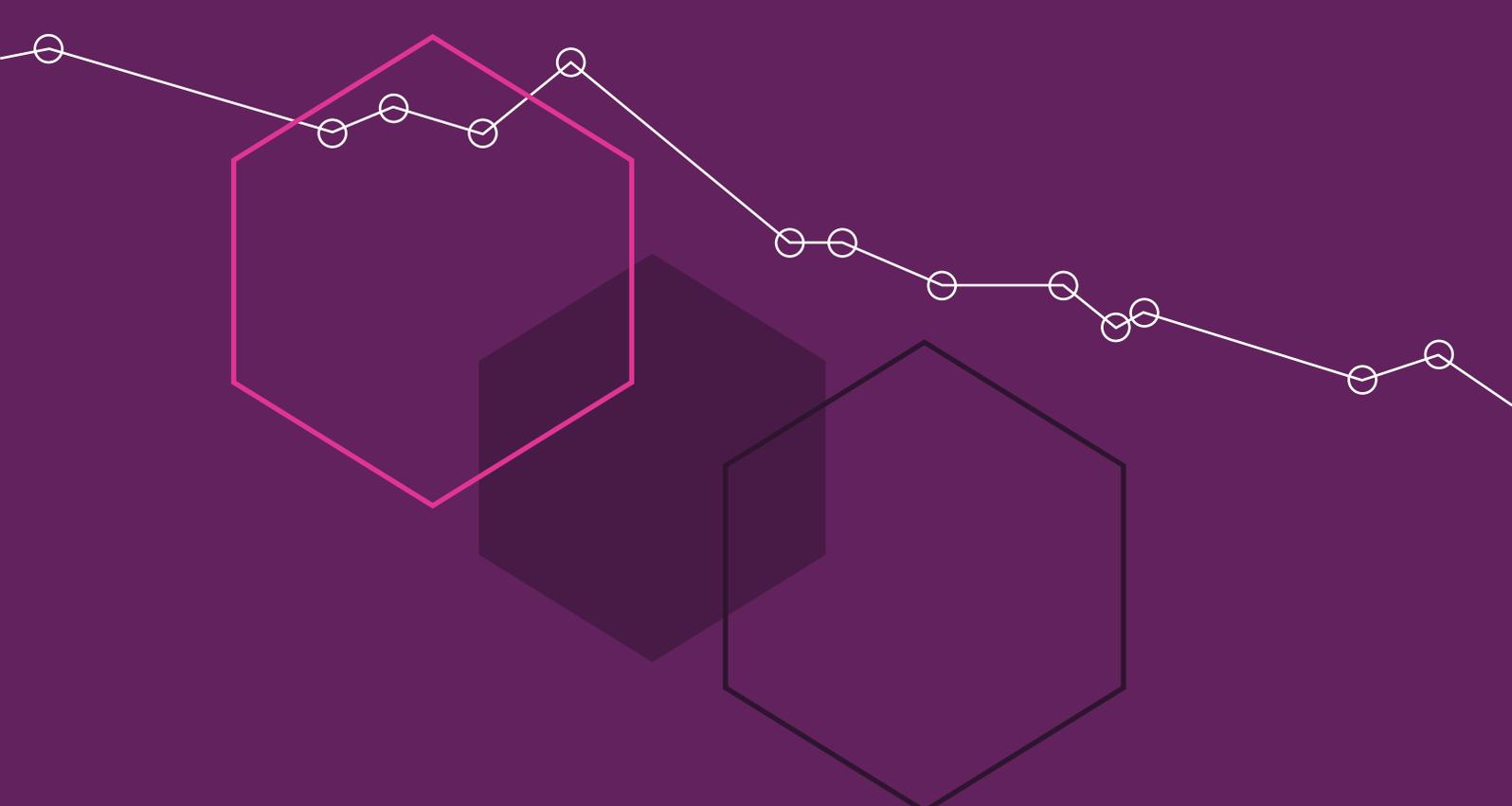
IBM's latest Global Chief Marketing Officer Report demonstrates this focus clearly, with almost two thirds of CMOs believing return on investment will be the primary measure of their effectiveness by 2015. The keenness to seek optimum delivery and reward from each marketing pound spent has subsequently pushed marketers down a path of relentless analysis and measurement. However, for many, the benefits of observing and inferring in a more considered and integrated manner has yet to be fully explored.

Advertisers who successfully harness the power of this ever-changing digital landscape will be the ones who take a more adaptive approach; who are brave enough to abandon legacy channels and gut feeling to utilise the customer data that most already have at their fingertips.

This will put them in a more informed position to devise clever interdependent digital strategies, safely built on robust and valuable insight.

Arguably, our industry's move towards greater marketing budget flexibility will certainly aid this approach, with budgets being spent more wisely and, ultimately, help to respond to the need for greater marketing ROI. Indeed, Econsultancy's 2014 UK Search Engine Marketing Benchmark Report found 87% of advertisers now have budgets that are no longer rigidly set across channels but allow them to see what works, what doesn't and when to switch tactics.

However, it's not simply about getting the most flexible financial framework in place. For marketers to achieve significant business growth, they must be continually optimising each stage of their customers' journey; fully utilising their customer knowledge and using this insight to power sophisticated and intuitive brand awareness, direct response and sales opportunities.



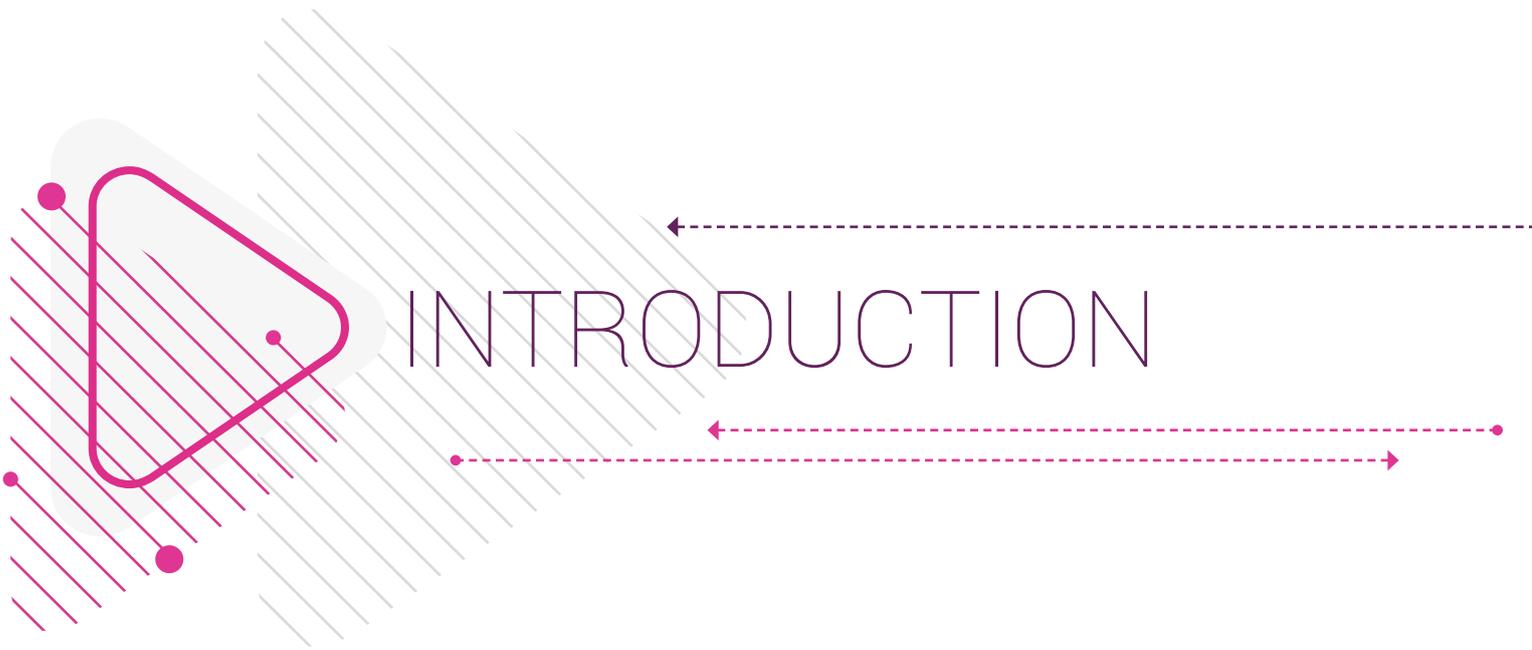
**“WE MAKE IT
OUR MISSION
TO EXPLORE,
UNDERSTAND AND
APPLY THE LATEST
THINKING”**

As one of the leaders in intuitive omni-channel delivery, Found's proven approach to digital performance has brought together leading software and technologies to power highly efficient and rewarding client campaigns. We work with some of the sharpest best-of-breed businesses as well as a collection of the newest start-ups, bringing fresh thinking to clever digital marketing optimisation. We'd like to think of ourselves as a compass to aid advertisers with their digital marketing journeys and we make it our mission to explore, understand and apply the latest thinking alongside our own passion for performance and delivery.

Throughout a series of digital landscape white papers, we aim to deep-dive into some of these latest technologies and approaches and hope to provide the knowledge and enthusiasm for others to evolve their own campaign planning.

Our inaugural white paper in this series explores the relatively new technology behind search retargeting. We'd like to thank search retargeting specialist, Captify, for sharing their knowledge and expertise of this exciting new approach to enable us to give readers a thorough understanding of its role within digital marketing.





DISPLAY IS NOW
SHAPING UP TO BE
A COST-EFFECTIVE
AND EFFICIENT
SOLUTION FOR
ADVERTISERS

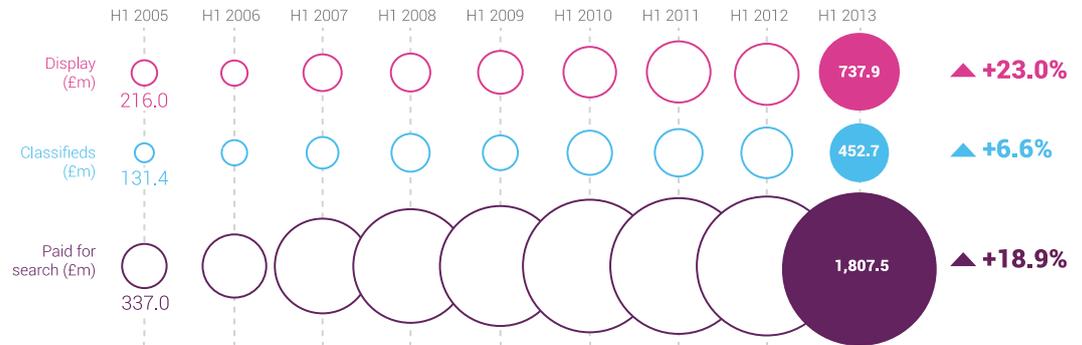
Five years ago, display advertising was experiencing something of a lull. Gone were the days of buoyant CPA campaigns; burning themselves out as they weren't proving to be a sustainable display model. Some display budgets were pulled in their entirety whereas others were reallocated to soaring channels - such as search - where perceived value and return on investment were higher. So, what's changed? How has display advertising transformed its image and proved itself to be one of the best methods for achieving ROI?

By providing advertisers with the ability to buy ad inventory through automated platforms, programmatic buying enables advertisers to distribute content to a much broader range of publishers and targeted audiences, without increasing the number of man hours needed to get results. Subsequently, advertisers are investing increasing amounts in display, with the IAB reporting that the UK display ad market experienced higher like-for-like growth than both search and classifieds in 2013, at 23%.

One reason is the increasing rise in the adoption of programmatic buying - real-time bidding around parameters such as bid price and network reach, layered with behavioural and/or audience data. This approach has allowed display to become much more agile; breathing life back into the display market. Thanks to the combination of big data analytics, sophisticated algorithms and auction principles used in programmatic buying, display is now shaping up to be a cost-effective and efficient solution for advertisers.

Search retargeting: The power of capturing intent beyond search

The UK display ad market experienced higher growth than both search and classifieds in 2013.



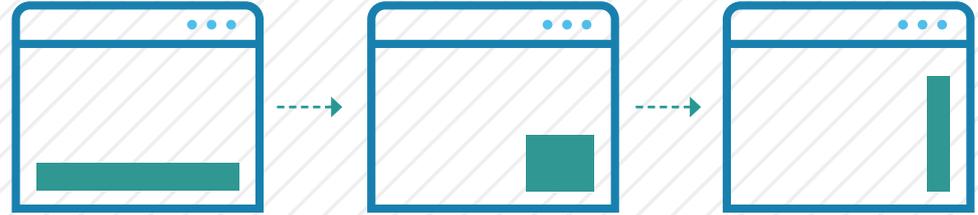
SEARCH RETARGETING IS ALREADY IMPLEMENTED IN THE US BY 63% OF BRANDS

ECONSULTANCY'S 2014
DISPLAY RETARGETING
BUYER'S GUIDE

One significant change over this five year period has also been the advent of demand-side platforms (DSPs). DSPs have greatly improved the quality and control that advertisers have over their content by providing a single platform through which inventory can be bought. It's this combination of real-time, quality-controlled buying that is repositioning display at the epicentre of digital advertising.

Search retargeting is one aspect of programmatic buying and an area that has yet to be fully exploited in the UK. Interestingly though, Econsultancy's 2014 Display Retargeting Buyer's Guide revealed that it is already implemented in the US by 63% of brands and 79% of agencies, with 88% planning on increasing or maintaining search retargeting budgets over the next six months.

In a space that's growing rapidly, and with a number of larger players already cleverly embracing search retargeting, now is the time to seize the opportunity it brings. For marketers focused on increasing visibility whilst also watching return on investment, understanding the role search retargeting can play in perfectly formed integrated marketing strategies is something that shouldn't be missed.



WHAT IS SEARCH RETARGETING?

"COLLECTIVE MISPERCEPTIONS ASIDE, THE TRUTH IS THAT SEARCH RETARGETING CAN DELIVER UNPARALLELED PRECISION AND INSIGHT."

SEARCH ENGINE LAND

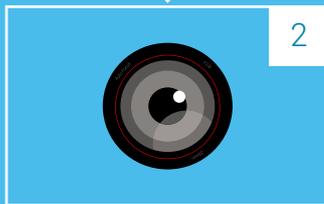
Search retargeting is used to serve relevant ads to users based on their recent search history. It relies on the belief that search behaviour is the most accurate indicator of a user's purchase intent and, therefore, ensures that they are shown highly relevant ads that are likely to draw them towards conversion.

It starts with a user making a search which indicates that they are in-market for an advertiser's product or service. This search term could be a generic indicator of intent, a term that includes the advertiser's brand or a competitor term. This search data is then overlaid with other behavioural variables and the user is served an ad that is highly relevant to recent searches they have made. It is an extremely versatile advertising tool as custom keyword lists are built for every campaign. It can, therefore, work as part of both direct response and branding campaigns, driving conversions or awareness.

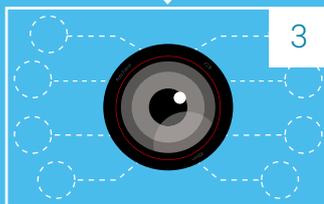
HOW DOES SEARCH RETARGETING WORK?



A user searches for a keyword (or term) that is relevant to Advertiser X. This could be a generic, brand or competitor term. The search could be carried out through an on-site search box, a comparison site, an aggregator site or a search engine.



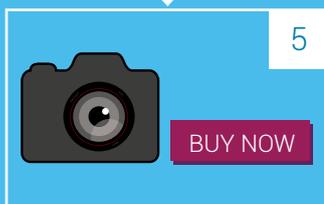
The user then enters the active data network and the keyword is logged in the data management platform. The term is then matched to the keyword list stored for Advertiser X. The data management platform categorises billions of keywords in real-time, thanks to proprietary semantics tools. These tools constitute the brains behind the platform, indexing keywords into multiple categories based on factors such as similarities, ambiguities, language, vertical and more.



Once the keyword has been indexed, the decision-making engine within the platform will establish the value of the individual user and their propensity to convert with Advertiser X. The engine is a combination of semantic technology and algorithmic profiling that analyses hundreds of behavioural variables surrounding the individual user, which will establish the likelihood of that user converting. These variables include elements such as recency, subsequent searches, domain and frequency.



The demand-side platform then finds the user at the right place and the right time and bids on impressions in real-time to serve the relevant creative. The DSP uses custom bid logic to alter its bidding strategies based on the value of the user, to ensure that the most valuable users are served the most relevant ads.



The profiled user sees a highly relevant sales message in a banner whilst they are still at a key stage of the decision-making process. They then enter Advertiser X's site through the appropriate landing page primed for conversion.



HOW DOES SEARCH RETARGETING PROVIDE VALUE?



SEARCH
RETARGETING
ALLOWS REAL-
TIME DECISIONS
TO BE MADE
BASED DIRECTLY
ON THE RESULTS
OF SEARCH
ACTIVITY AT A
RELEVANT TIME

Search retargeting providers leverage search keywords to form the initial basis for user targeting through search behaviours. Collecting this data directly from a large and exclusive data network allows search retargeting providers to build a pool of billions of individual keywords in real-time, as well as look for similarities, ambiguities, segmentation by language and verticals as well as non-intuitive connections.

This method of collecting keyword data is vastly different from other partners across the display ecosystem. Comparing this to other prospectors, a first party data network allows search retargeting providers to experience the benefits of having full control over their data sources. Direct integration with publishers also contributes to larger volumes of data than third party partners, achieving greater and faster reach to relevant users following a search.

Having a data network which is linked to search keywords allows search retargeting providers to increase the scale of their prospecting activity whilst maintaining a high amount of accuracy. Whilst prospecting from other display partners might be based on assumptive data derived from a mix of third party data, look-a-like profiling and content/context, search retargeting allows real-time decisions to be made based directly on the results of search activity at a relevant time.

Proprietary algorithms are used to profile and score an individual user's propensity to convert, leveraging data from a range of variables to create statistical correlation between keywords, which are further complemented with behavioural variables (such as recency) to add accuracy to an individual user score at impression level. All of these factors are then used to target users in real-time through a DSP, tying together search behaviour intent with scale across display inventory partners.





WHY SHOULD YOU CARE?

A DYNAMIC SOLUTION THAT RESPONDS IN REAL-TIME

The benefits of search retargeting

Search retargeting fills the void in the display industry between top of the funnel prospecting and bottom of the funnel conversion solutions. It can yield great rewards for advertisers and the benefits can reach far and wide across a campaign:



1

Right data, right user, right time

Brands need their digital display adverts to get in front of the right user, at the right time. To be able to identify who this audience is, advertisers need to have access to correct and informative data. Search data provides advertisers with the insight needed to serve adverts at a point in time when users are ready to purchase.



2

Real-time dynamic response to your prospect's intent

Search retargeting works in line with programmatic buying platforms, making it a dynamic solution that responds in real-time, based on what the prospect is in the market for.

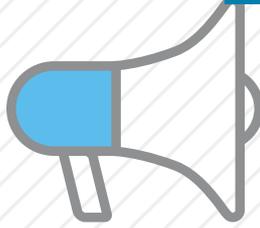
WHY SHOULD YOU CARE?



3

Works at all stages of the funnel

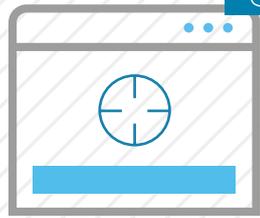
The aim of advertising is to take the consumer from awareness of the brand, product or service, to action. By matching users' search terms with advertisers' keywords, search retargeting not only increases click-through rates but also increases the chance of conversion.



4

Combines performance of search with scale of display

Search retargeting generates impressive results for advertisers because it targets users based on purchase intent. Combining the targeting prowess of search with the scale of display is a powerful blend. As the number of publishers in the market has exploded, search retargeting has developed to marry the two and play to the strengths of both.



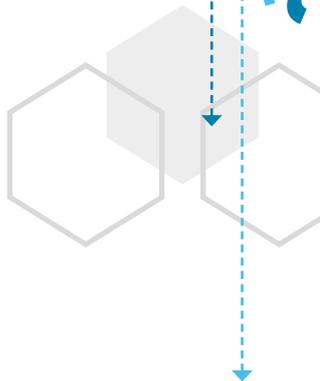
5

Powers display by amplifying search

It's only worth shouting about your brand if the person hearing you is open to listening. By using both search and online cookie data, display ads become more targeted. Search retargeting is great at driving brand awareness and direct response, however it can also amplify the results from a pure search strategy throughout the entire display landscape.



WHY SHOULD YOU CARE?



Search retargeting in action

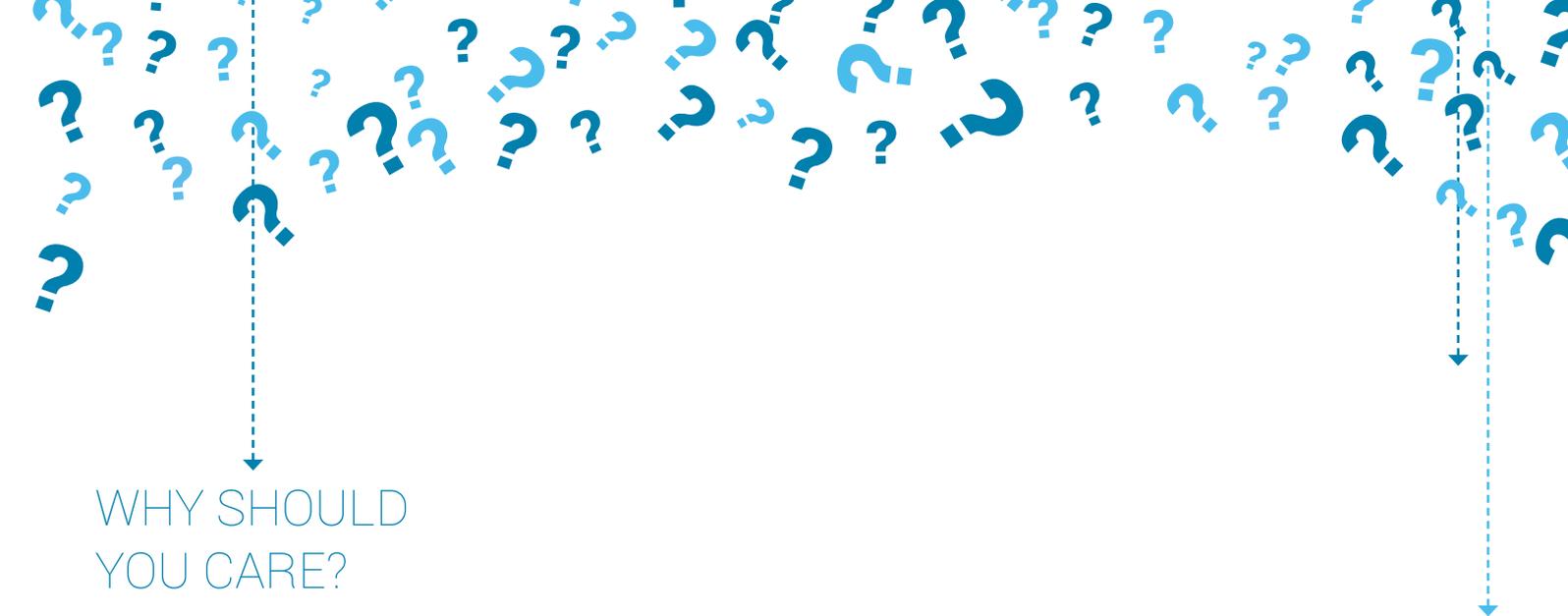
Villa holidays remain a relatively aspirational holiday for a lot of people in the UK as traditional package holidays continue to be the most popular choice for summer vacations. That's why James Villa Holidays took steps to personalise its digital marketing strategy to ensure that its ads and offers were tailored to the individual consumer and delivered in a timely fashion.

During the months of January and February, a peak time for booking summer holidays, a search retargeting strategy was implemented to identify the type of destinations people were most interested in, based on anonymised web search history. James Villa Holidays was then able to serve targeted banner ads, featuring villas and offers in countries that users had previously investigated on search engines. Key results from the campaign were:

- Click-through rate doubled.
- 60% increase in conversion rate.
- 80% increase in ROI compared to a similar campaign run at the same time, one year previously.

“ We've found that customers are incredibly receptive to our personalised digital ads. The results have been exceptional and it's all been achieved very cost-effectively, in comparison to other techniques, so it's certainly something we'll continue to invest in.”

- Sally Pemble
Digital Acquisition Manager
James Villa Holidays



WHY SHOULD YOU CARE?

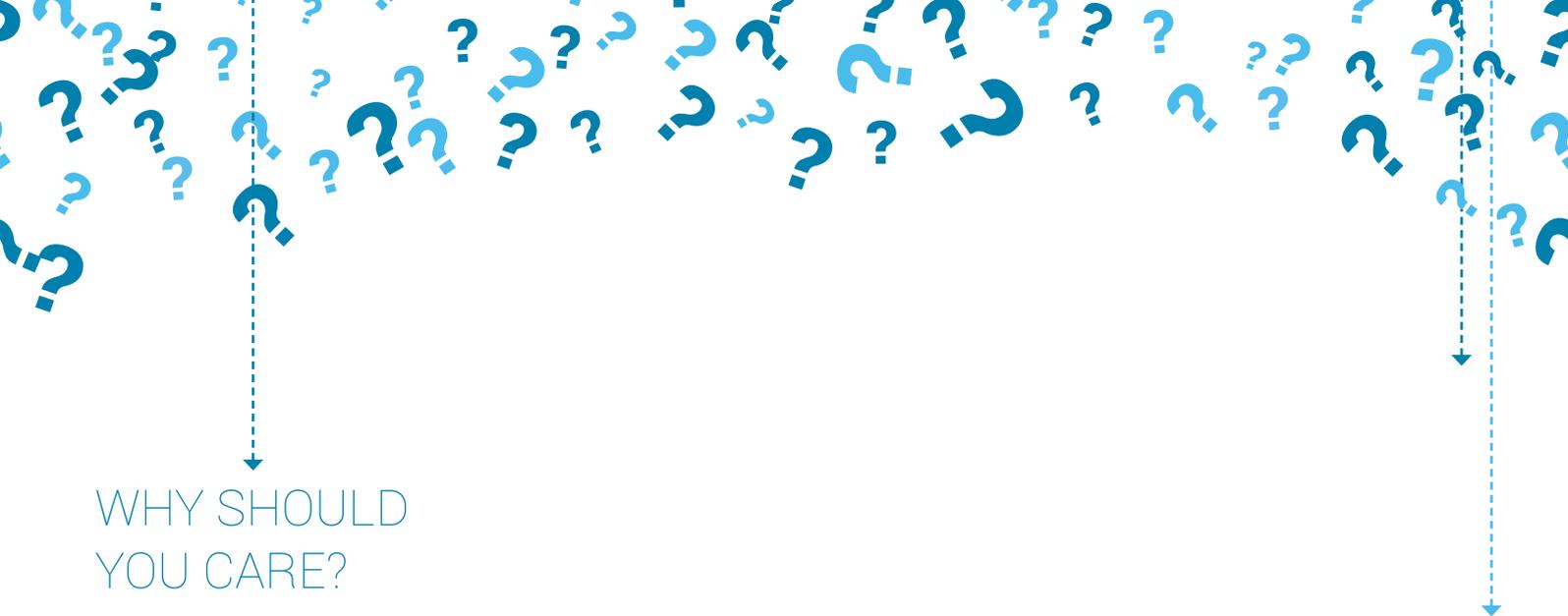
Attributing search retargeting within your marketing mix

“ Half the money I spend on advertising is wasted; the trouble is I don't know which half.”

- John Wanamaker

A venerable quote but, in this day and age, we're not just getting closer to identifying which half is wasted, we can target our campaigns effectively so we're not talking about waste, but success. In theory, online display should therefore present a solution for targeted advertising at scale. However marketers are still faced with challenges when it comes to quantifying the success of the different elements of the display marketing mix.

Prospectors (display partners targeting users at the start of their consideration phase) target new audiences at scale. However, proving the exact value of these audiences from a sales or conversion perspective remains difficult. Quite often, prospecting partners with wide reach (such as DSPs and ad networks) will be beaten to the last interaction with a converting user by other display partners, such as site retargeters who operate closer to the final touch-point of a user – namely, landing on the website of the advertiser in question.

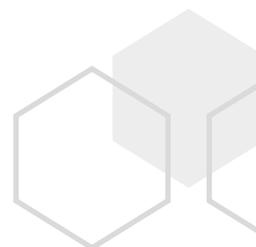


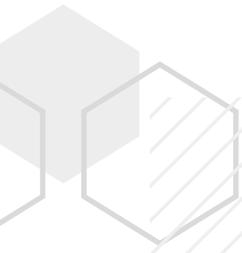
WHY SHOULD YOU CARE?

John Wanamaker's quote from the beginning of the 20th century shows that attribution isn't a new problem. Measuring the overlap and contribution across multiple marketing channels has always been difficult to measure accurately. Performance for site retargeting partners, and similar users operating at the bottom of the purchase funnel, may equally be artificially inflated due to the fact that they retarget visitors from an advertiser's site who may have initially landed on the website as a result of a prospecting partner earlier in the user journey – an effect which is amplified when viewing performance through the traditional last click wins attribution model.

Looking at performance on alternative models (such as first interaction or assisted conversions) can reveal the value that search retargeting adds across the user journey. By targeting users close to their initial signal of intent, search retargeting reaches a wide, but still relevant, audience. To illustrate this further, a recent attribution study carried out by a major agency group for an automotive advertiser showed that:

- Search retargeting was the most cost-effective display partner (out of a total of six partners, consisting of traditional ad networks, prospecting partners and an agency trading desk).
- Search retargeting interacted with other channels frequently; contributing to conversions across other channels following interactions with users at the start or middle of their conversion path.
- Search retargeting took the smallest credit on a last click, non-attribution basis.



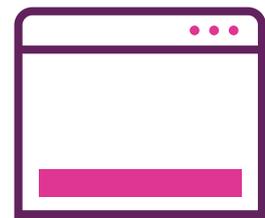


WHY SEARCH RETARGETING SHOULD FORM PART OF YOUR INTEGRATED STRATEGY?

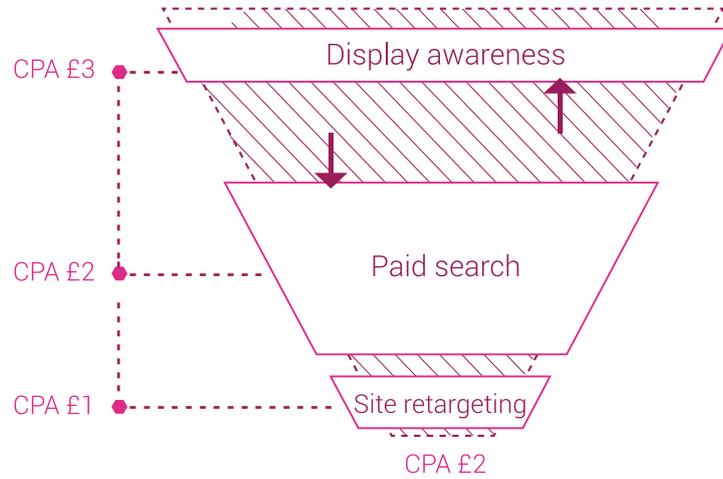
SEARCH RETARGETING HAS BOTH AWARENESS AND INTENT QUALITIES

A truly integrated marketing strategy harmonises a brand's marketing channels. Not only should it deliver a measurable impact on how a target audience is nurtured through to conversion but also increase ROI and, over time, the lifetime value of customers.

Typically, display advertising shows more attract or awareness qualities in a conversion path whereas search holds a strong intent or conversion attribute. Search retargeting fills the void between top of the funnel/brand awareness activities - such as traditional display - and bottom of the funnel/direct response - such as PPC. This is because search retargeting has both awareness and intent qualities, as it touches all channels. The key is not to treat the channel in isolation. Without effective allocation of budgets and optimisation adjustments, other channels' metrics may be incorrectly optimised or misjudged. It is imperative to understand the impact search retargeting is having across the whole funnel, if it is to be used to its full advantage.

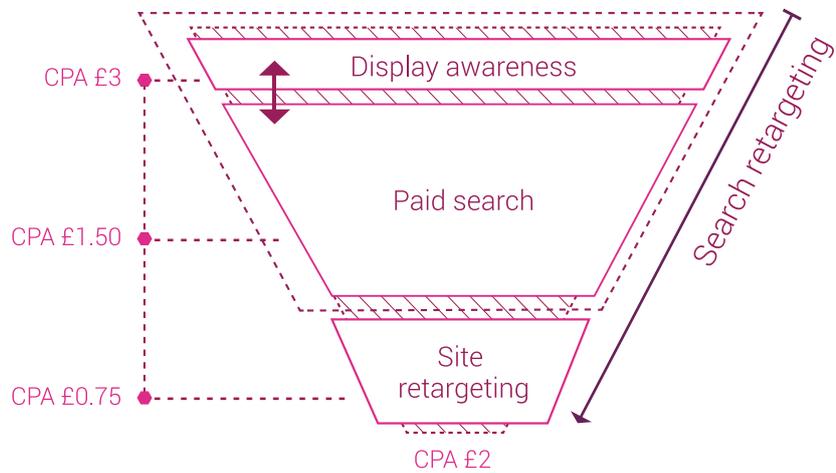


Campaign **without** search retargeting



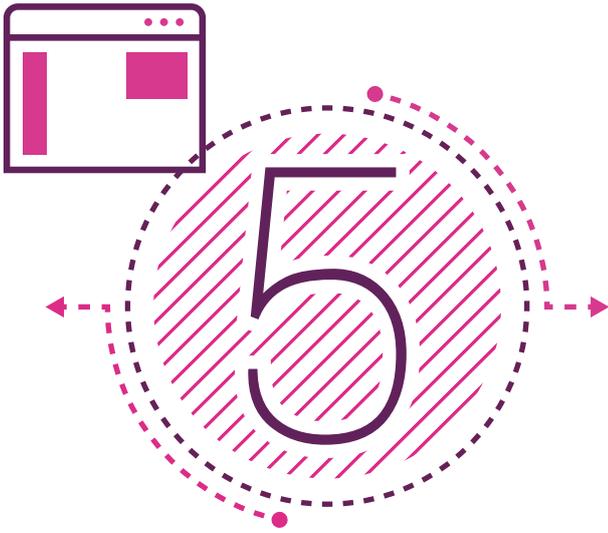
By integrating search retargeting, as illustrated in the following diagram, you have the ability to extend reach and also reduce CPAs as a result of a fully integrated campaign.

Campaign **with** search retargeting



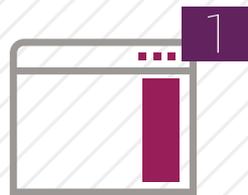
N.B. The CPA numbers illustrated in the above diagrams are all hypothetically proportioned, as numbers will vary greatly from campaign to campaign, vertical to vertical.

Connecting the dots of your digital strategy, in order to achieve absolute efficiency of budget, will not only bring superior optimisation gains that your competitors will struggle to compete with, but also provide a true overarching understanding of your customer.



COMMON MISCONCEPTIONS ABOUT SEARCH RETARGETING

SEARCH RETARGETING SHOULD NOT BE CONFUSED WITH SITE RETARGETING.



Search retargeting is just an extension of search

Search retargeting, in fact, is not search; it is an innovative display technique, using search data-based audience, and user-level, targeting.



Search retargeting is the same as site retargeting

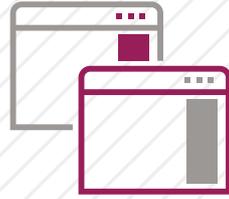
Search retargeting should not be confused with site retargeting. Site retargeting presents ads to visitors once they have reached a website. Search retargeting does not require a user to visit a website, simply to type in search terms that are highly relevant to conversion success.



Search retargeting is the same as behavioural targeting

Behavioural targeting is based around correlation rather than causation. Instead of relying on fact, it gathers data around inference and activity to make an assumed deduction around intent. Search retargeting targets users based upon previous keyword searches.

4



Search retargeting is the same as how AdWords utilises the Google Display Network (GDN)

Adwords can be used to place contextual and behavioural ads on the Google Display Network. However, search retargeting uses multiple ad exchanges, not just the GDN, adding efficiencies and scale. It also offers more advanced behavioural targeting along with intent-capturing capability of the user's search history, which really sets it apart.

5



Search data is only available through search engines

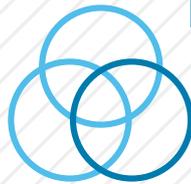
Search data can be gleaned from a multitude of destinations on the internet. It becomes search data when a user searches for something, whether that is on a search engine or on a publisher site. In fact, according to a recent study by Nielsen, only 21% of time online is spent on search engines.



FIVE KEYS TO SEARCH RETARGETING SUCCESS

RETARGETING
CAN BOOST AD
RESPONSE UP TO
400%

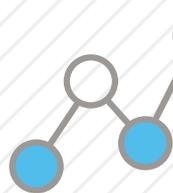
CMO.COM



1

Using a combination of brand, generic and competitor terms will provide the best mix of keywords to drive both scale and performance

Covering a broad range of keywords will allow for a wide range of targeting, as well as the flexibility to optimise to your brand's performance KPIs. Conversely, restricting the scope of keyword targeting from the onset will lead to limited optimisation ability which impedes scale and, ultimately, performance.



2

Implement the tracking pixel as early as possible to maximise the data collection from a relevant audience

As well as helping to fast-track the optimisation process, early pixel implementation provides relevant background data on the historically best-performing user segments pre-campaign, shortening the campaign learning period upon launch.



Search retargeting: The power of capturing intent beyond search

YOUR DEFINITION OF CAMPAIGN SUCCESS IS HIGHLY SUBJECTIVE IF YOU HAVE NOT DETERMINED A SOLID ATTRIBUTION MODEL

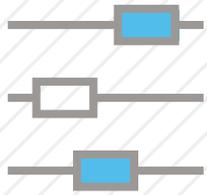
3



Create a profile of your users and bear in mind peripheral keywords that might be missed by some search campaigns

Whilst efficiency from search terms predominantly comes from highly-targeted keyword strings, such a linear relationship between immediately-relevant terms and performance doesn't necessarily exist for search retargeting. In fact, most advertisers find that campaigns supplemented with a range of keywords on periphery topics drive an increase in performance.

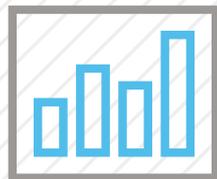
4



Create the best possible conditions for the algorithm to work

Sophisticated real-time algorithms are built to analyse thousands of data points but also need a helping hand to be able to realise their full potential. Partnering a broad keyword strategy with multiple sets of creative and full pixel implementation breeds optimal conditions for these machine-learning mechanisms to work both quickly and effectively.

5



Choose an appropriate attribution model

Your definition of campaign success is highly subjective if you have not determined a solid attribution model to report on its success. It's important to understand each channel's contribution to a sale, lead or brand engagement and not just the last click converting channel. Make sure you have performance-based goals that include full funnel attribution, so the end result is counted whether an ad was actually clicked on or not.





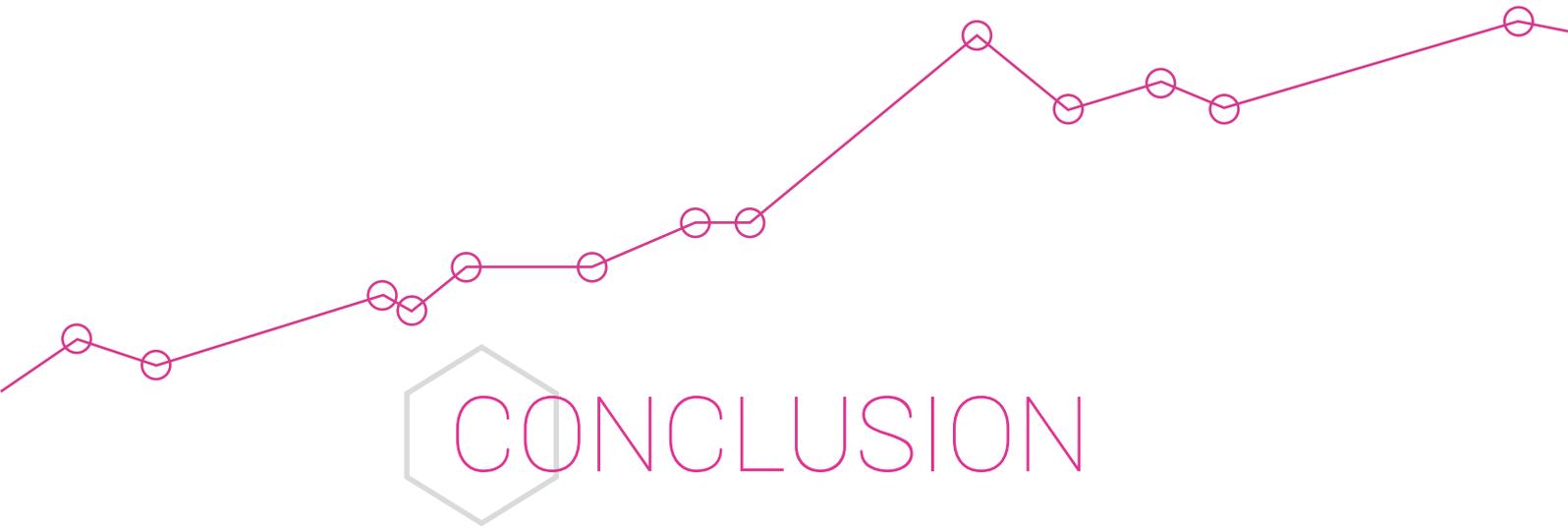
WHEN MIGHT SEARCH RETARGETING BE RIGHT FOR YOU?

IF HARNESSED
CORRECTLY,
SEARCH
RETARGETING
PROVIDES AN
EFFECTIVE ONLINE
MEDIUM FOR
REACHING LARGE
GROUPS OF
RELEVANT USERS

Search retargeting is a flexible channel that can reach multiple audiences. However, its approach should be tailored; with metrics and measurement dependent upon the goal of your marketing strategy, your product, market segment, budgets and the competitiveness of your industry.

If harnessed correctly, search retargeting provides an effective online medium for reaching large groups of relevant users, whether it's to target a larger market share, reinforce advertising on other mediums or simply to improve conversion rates. Search retargeting might be right for you if:

- You have a high volume of generic keywords that work relatively well on paid search but have reached a limit in scaling these through PPC alone.
- You find it challenging driving sales from broad generic terms through paid search and want to reinforce this with a more cost-efficient, ROI-focused campaign.
- You know your audience but are now looking to grow your success and acquire more users.
- You're looking to scale your revenue by reaching a larger audience, outside of your existing brand-focused search strategies.
- You operate in an extremely competitive vertical where market share is key and you need a method of effectively targeting you competitors' customers.
- Your paid search campaigns have a high bounce rate on brand terms.
- You want to counter the effect of high organic on-site bounce rates.
- You want to reinforce brand loyalty from existing customers without using lower-funnel retargeting tactics that some users may find too invasive and off-putting or may dilute your brand messaging.
- You want to maximise the effect of TV or outdoor advertising and complement these parts of the marketing mix with a second screen effect.
- You want to boost brand awareness and get ahead of your competitors during a seasonal push.



SEARCH
RETARGETING
EMBRACES
THE BEST
BEHAVIOURAL
TOOL THERE IS –
SEARCH

There is no doubt that programmatic buying is on the increase and advertisers are embracing it more and more. However, there is an element of programmatic buying that can't be controlled and, as such, ROI is getting lost or it is difficult to pinpoint. Search retargeting represents the current fastest growing segment of programmatic buying, enabling advertisers to regain control of their ad spend as they are able to map the intent to buy to a potential customer. Advertisers are no longer reliant on a user visiting a website; instead they can be sure that a user has a genuine interest and will be served an ad that is relevant and timely, thus they are more likely to convert.

Digital advertising will continue to increase further, due to the amount of time prospective customers now spend online, and new techniques and tools will continue to come to the fore. Search retargeting, as with any other channel, is only as successful as the return it provides. By combining the best of semantic technology with the best of programmatic buying, search retargeting embraces the best behavioural tool there is – search. By tapping into years of digital search history and extrapolating propensity to purchase, display has never been better placed as an ROI winner.

“With search retargeting, programmatic display is moving from the era of big data to the epoch of smart data, where the focus is on the quality - rather than quantity - of data as a better indicator of scoring users and estimating propensity to purchase. Search retargeting recognises that not all data is equal.”

- Vincent Potier, Chief Operating Officer, Captify

FURTHER READING & RESOURCES



Econsultancy: Display Retargeting Buyers Guide 2014

<https://econsultancy.com/reports/display-retargeting-buyers-guide>

Econsultancy: UK Search Engine Marketing Benchmark Report 2014

<https://econsultancy.com/reports/uk-search-engine-marketing-benchmark-report>

Exchange Wire: Why there is no unique Programmatic Market Model

<http://www.exchangewire.com/blog/2014/08/27/why-there-is-no-unique-programmatic-market-model/>

CMO: 15 Mind Blowing Stats about Retargeting

http://www.cmo.com/articles/2013/11/20/15_Stats_Retargeting.html

Search Engine Land: Understanding Keywords in Search Retargeting

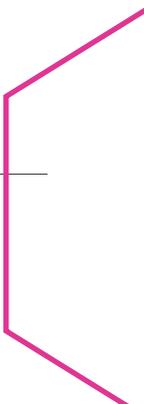
<http://searchengineland.com/understanding-keywords-in-search-retargeting-107952>

Search Engine Land: 5 Keys to Success in Search Retargeting

<http://searchengineland.com/5-keys-to-success-in-search-retargeting-159431>

IAB: EU Online Ad Market Records new high of 273bn

<http://www.iabuk.net/about/press/archive/eu-online-ad-market-records-new-high-of-273bn>





If you'd like to find out more about search retargeting and how it could improve your existing digital marketing activity, please do get in touch with us. We're always happy to discuss ways to help brands define their digital landscape.



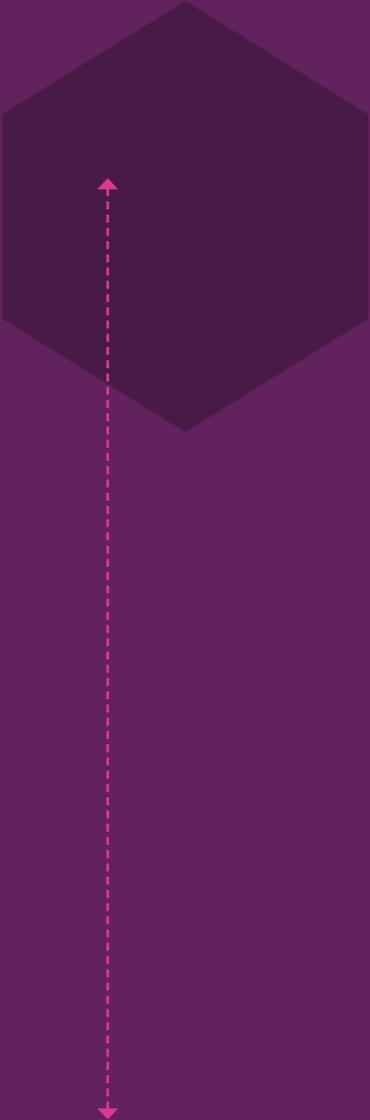
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