

# My Genius

guide to Online Retail

How to increase  
traffic to your website



# Maginus



Increasing the number of visitors to your website is a crucial goal for any online retailer. There are two key areas to focus on: 'organic' or natural search, and paid-for activities including pay-per-click advertising and affiliate schemes.

Understanding and exploiting search engines is absolutely critical. While there will always be website traffic generated by other channels, most online customer journeys begin at a search engine. The challenge sounds simple: you need to work out which key words your customers are searching for, and get relevant pages on your website listed as high up as possible in the results that the search engine gives them. However, it's much more difficult to put into practice. Here are some tips on increasing traffic to your site:



## 1. Finding the right key words

The starting point is to identify the key words your customers are searching for. You need to be realistic about this. It's very difficult to get to number one for generic terms such as 'women's clothes' or 'digital camera'. A search on something that broad in Google or Yahoo! will generate millions of results, and the chance of being listed on the first page is pretty small. That's why you have to think a little more strategically about which search terms really make sense for your business.

Research indicates that the more specific the search term entered by a user, the greater the likelihood there is that they will become a customer. Someone searching for 'digital camera' is probably just at the information gathering stage. Someone searching for 'Sony Cybershot DSC-N1 digital camera' is much more likely to be at the 'ready to buy' stage. So, the first tip is to try using longer, more specific search terms that will attract serious customers to your site. Even for a small retail website there can be hundreds or thousands of key words that might be suitable. Many companies have a team of people dedicated to managing them, but if you don't have that kind of resource there's a simple solution: the 80:20 rule. Look at the products that bring in the majority of your revenue and profit, and concentrate on the 20% of products that bring in 80% of the revenue.

It isn't an absolute rule: you'll still need to work hard to get high search engine rankings on products such as new launches, which aren't bringing in high revenue rates at the minute but are likely to in the future. However, when you need to focus your efforts, it's a sensible strategy.



## 2. Improving your ranking in 'organic' or natural searches

Armed with your key words, how do you go about getting that all-important 'first page' ranking on the major search engines? Optimising your website to improve your organic search engine ranking is more art than science: it takes time, and there isn't any 'quick fix' solution, but by considering a range of techniques and analysing the results it can be done. Here are some tips:



### How to satisfy the spiders

While Microsoft has entered the search arena, and Yahoo! is making gains, Google is currently the king of the search engines. In short, you MUST be listed in Google. So what do Google's 'spiders' (software agents that index the web) look for? The algorithms Google uses to rank websites in search results change on a regular basis, so you need to keep up to date with the latest developments. At the time of writing, the following criteria are important for optimising your position in Google results:

### Set up an active link campaign

Links are now the most important part of the equation for optimising your search engine rankings. The more sites that link to yours, the better; and the more sites that link to those sites, the better. In other words, search engines favour pages that are linked from other popular websites. The old practice of link swapping ('you link to me and I'll link to you') is no longer as successful as it was, now that Google has made changes to its ranking system. Only inbound links are used for ranking.

Getting those inbound links to your pages isn't as difficult as you might think. You can ask your clients to link to you. You can make sure you're listed on all of the online directories relevant to your business, and it also helps to post comments on blogs and discussion forums with links to your site. Remember though that who links to you is important. A link from the BBC or The Times, for example, will have greater impact on your page ranking than a link from a comparatively unknown website. Focus your efforts on obtaining inbound links from high-profile, high-traffic sites.

### Great copy with relevant search terms

Search engines look at every page they can reach to determine which words are there, which words are important and how frequently each word is mentioned (key word density). This helps them to determine the relevance of the page against particular key words users might search on. For example, let's say you want to be ranked for 'Sony Cybershot'. If there are 300 words on your Sony Cybershot page, and that exact phrase appears 15 times, you would have a key word density of 5%. Typically you should aim to be in the 4-6% range.

### Relevant Tags

By including keywords in some basic html tags, your search engine ranking will improve. These include Page Title (<title>), Meta Tags (<meta>) and Page Headings (<h1> and <h2>). Google and a few other search engines actually ignore Meta Tags, but they are used by Yahoo!

### Search engine friendly URLs

By including key words in the URL for each page you can improve the search engine ranking for that page. For example, '/products/Sony/Cybershot.html' will be treated more favourably than '/products/Sny/Cshot.html'.

### Add new copy

The more frequently you add new content to your site, the more search engines will come back to your site. This typically gives you extra credit in search engine assessment.



The requirements for Yahoo! are similar to those of Google, although Yahoo! gives more importance to relevant search terms. The software spiders used by Google and Yahoo! to index the web are very active, and they will usually find your site as part of their normal activity. You can make it easier for them, however, by marking those pages that have changed since the site was visited by the spiders using the 'If-Modified-Since' HTTP header.

One word of warning: steer clear of the many attempts made to fool search engines, such as overusing key words in your copy, or overusing tags in your html code. They will mark you down for this, and in some cases may remove your site from their index altogether. The major search engines provide good advice and tools to determine 'acceptable use' of search engine optimisation techniques, and you should make sure you're up to date with their latest standards.

### Minimise graphic content

Graphics look nice on your website but are invisible to search engines. Make sure all of the links on your site are text links, and don't use pictures of text instead of actual text unless absolutely necessary. Avoid using Flash unnecessarily, too, because it's very difficult for search engines to read and index Flash content.

### Maximise the potential of your site map

Search engines like Google start the indexing process for your website by looking at its site map. Having a site map with a clear text link to it, and text links from it to every page on your site, makes it much easier for search engines to index every page, not just top level pages. Site maps also benefit users, of course, which makes their inclusion a necessity on any successful website.

Some search engines companies, like Google, provide tools that let you submit your site map directly, accelerating the initial discovery process. Google's site map tools make it easier for its search engine to understand which pages are most important on your site, and can be particularly helpful if you make use of dynamic content.



### 3. Pay per click advertising

Pay-per-click advertisements have appeared for some time along with search results in most of the major search engines. This is a profitable place to advertise for many online retailers. Unlike traditional advertising, you're only charged when you get a response, and this enables small companies to compete on equal terms with their larger competitors. Another advantage is that you can update your advert quickly, and it's immediately 'out there' generating interest for your company.

Pay-per-click campaigns can be set up relatively easily, and the costs are straightforward to control. Your ads are linked to key words entered by users. For each keyword you can state the maximum amount you're prepared to pay 'per click' and the maximum you want to spend each day. You can also control the ad by geographical region.

Of course, this simplicity means you're up against a large number of competing companies vying for the same ad space. So how do you maximise the potential of pay-per-click for your business? Here are a few tips:

#### How to appear near the top of the list

A user's search enquiry can generate multiple adverts, and the order they appear in is not as simple as you might think. Inevitably, different e-retailers are prepared to bid different amounts for the same keywords. However, the ad in the lead position isn't necessarily from the company that bid the most: it's the one generating the most revenue for the search engine company.

For example, you and your competitor both bid for 'Sony Cybershot' in Google AdWords: you bid £0.75 and they bid £1. Over the course of a week your well-written ad gets 20 clicks, while their ad only gets 10. Google makes £15 from you, but only makes £10 from your competitor. As a result Google will list your ad before your competitor's.

#### Good ad design

Pay-per-click adverts have to be extremely well written. In Google Adwords, for example, you have a headline of 25 characters, two lines of descriptive text (35 characters each) and a URL. It's a real copywriting challenge, but the more relevant your ad is to a prospective customer, the more likely they'll click it, and the more likely your ad will move up the list. The great thing about this kind of ad is that you can create variations to test which messages work best, and these changes can be made immediately. Be warned, however, that this can be time consuming.



### Link to the most appropriate page

Make sure your pay-per-click ad links to a relevant page of your web site. If a potential customer has searched for 'Sony Cybershot DSC-N1 digital camera', your ad should take them to the page for that specific model – not your home page. Taking customers elsewhere is a sure way to annoy them – in all likelihood they'll return to the search engine and try another link, meaning you've wasted the cost of their click.

### Consider using software tools

There are software packages that can help you manage your pay-per-click campaigns. Tools such as Atlas Search and Tarantula can help you establish a logical framework for your key word bids, such as 'no more than two spaces below Company A', 'Always 5p more than Company B' or 'Always on the first page'. If you plan to make more than cursory use of pay-per-click advertising, investing in such tools can pay for itself, not just by targeting your key word purchases more carefully, but by saving time administering the bids themselves.

### Measure the results

You must be able to measure the returns you get from pay-per-click advertising. For example, if you spend £500 on clicks and generate £5,000 in sales as a result, you need a 10 per cent profit margin to break even. If you don't measure your return on investment you'll be bidding for keywords in the dark – in effect, making the profitability of your online marketing activities depend on guesswork.

### Beware of bad clicks...

Pay-per-click can be extremely effective, but you must be aware of the potential for 'bad clicks'. These fall into two categories: 'unqualified clicks', typically made by a person who either clicked on an advert by mistake, or clicked expecting a different type of site; and a intentionally fraudulent clicks from a person or a software robot trying to hit a competitors' site again and again in order to drive up their ad costs. Either way, the result is a decrease in the return on investment from pay-per-click advertising.

Preventing unqualified clicks is mostly a case of putting careful thought into the keywords you choose to sponsor, and the wording of the advert itself. Preventing fraudulent clicks is part of the service provided by some search engine companies. Google, for example, monitors activity for obvious signs of fraud and will remove those clicks from your account before you have to pay for them.

Ultimately, however, it's your responsibility as an advertiser to keep track of pay-per-click activity and to report what you believe may be fraudulent clicks. Key things to watch out for include repeated clicks from the same IP address; random clicks within a site; patterns of precisely timed clicks, such as several page views lasting exactly two seconds each; and clicks coming from countries known for fraud.



## 4. Affiliate Marketing

Affiliate marketing can be an effective way to promote your retail business. It's an online version of paying a finder's fee for the introduction of new clients: an affiliate is rewarded for every visitor, subscriber, customer, and/or sale provided via their website. Affiliates typically receive a commission for each customer or sale. Like 'pay-per-click', it's popular with online retailers because they only pay for results, and it has little up-front financial risk. According to one report, affiliate networks generated sales of £3.13 billion in the UK alone in 2007.

The main types of Affiliate sites are:

- Search affiliates that use pay-per-click search engines to promote your offerings
- Price comparison sites
- Loyalty sites that typically provide a reward system for purchases (e.g. points, cashback or charitable donations)
- Coupon and rebate sites that focus on sales promotions
- Content and niche sites

Online retailers typically deal with affiliates via affiliate networks such as Commission Junction or Tradedoubler. Technology can smooth the process by identifying which affiliate each customer has come from, and by measuring the resulting sale and potential returns. Analytics can provide you with information to compare net sales against affiliate costs. You will be charged for commissions based on information reported directly back to affiliates, normally via a tag embedded on your order confirmation page.

Price comparison sites, such as Pricerunner, Dealtime & Kelkoo, work by processing XML feeds supplied by retailers with all relevant product details & prices. Technology can automate this process for you, allowing you to generate the data and fire it off to the sites automatically, or manually if you want to ensure a promotion is seen on the sites as soon as possible. Software can also be used to 'spider' other companies' price comparison bids, and pull back information into a database so that you can pitch your own bids competitively.

### In conclusion...

Whether you're running a pay-per-click campaign, optimising your natural search ranking or setting up an affiliate scheme, it's vital to have tracking information to understand what's working for you, or not. Driving traffic to your site is a process of continuous measurement, assessment and adaptation to discover the techniques that improve conversion rates, revenue and profit - not just page impressions and clicks. This may be different within each of your brands.





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