



Search Marketing: Online Canadians Overwhelmingly Satisfied With Internet Search Results, Yet Skeptical of Online Advertising

Majority (80%) Feel They Are Getting Best Results From Their Primary Search Engine,
Although Skeptical (62%) of Paid Search Advertisements

Calgary, AB, September 2, 2008 - A new study released by Ipsos Reid entitled "Search Marketing in Canada" has found that online Canadians are overwhelmingly satisfied with their Internet search results from search engines such as Google, Yahoo!, and Microsoft's Live Search. Eight in ten (80%) online Canadians agree that they are getting the best results from their primary search engine. In addition, two-thirds (66%) agree that their search results are objective. Furthermore, three-quarters of online Canadians indicate they can usually find what they are looking for on the first page of search results. In the multi-billion dollar search marketing business these are important factors for online marketers.

When it comes to paid advertising included within Internet searches, online Canadians are very skeptical with almost two-thirds (62%) agreeing that they feel this way toward paid searches. This may be a reflection of the early days of the Internet where pop-up advertising and viruses were more commonplace. Study author Mark Laver notes: "It wasn't that long ago when paid advertisements used to appear within the search results. The skepticism shown by online Canadians is probably a reflection of past tactics and the early frontiers of search marketing."

The quantity of online advertising also has an impact on online Canadians' perception of search engines with approximately one-half agreeing that this impacted their perception. Furthermore, just over one-quarter (28%) agreed that it was always clear in paid results who the advertiser is. Interestingly, one-half (52%) of online Canadians agreed that search engines should disclose business deals in search results.

The placement of search results is also critical, as three-quarters of online Canadians agree that what they really want is usually found on the first page of search results. Conversely, only one-third (29%) agreed with the statement that 'I have to search through more than three pages of search results to find what I want' and only 13% of online Canadians agree that what they usually are searching for can be found in a paid online advertisement.

It would appear that online advertising in search results works. Four-in-ten (44%) online Canadians stated that they had clicked on an advertisement that appeared in their search results. Getting consumers to the right place is only the first challenge for online marketers and retailers. Conversion into customers can prove to be more challenging. Additionally, one-third (29%) stated that they had clicked on a paid search even when the regular search term appeared within their search results. According to Laver, "This may lead to the conclusion that online advertisers are overpaying for their search terms, however, it is probably more a reflection of how competitive the multi-billion dollar search marketing business has become. Placing a paid advertisement above the search results prevents competitors from 'stealing' the top placement by developing a better algorithm. Furthermore, placing a paid advertisement above the search results can take a consumer directly to the advertisers preferred pages, for example, an online store."

Laver concludes, "Ultimately, Internet search engines are performing extremely well. Not only do they get online Canadians where they desire to go very quickly, they are also perceived as providing excellent results. The measures search engines have taken to place advertisements away from regular search results is proving to be very pleasing for the online community and may change opinions of paid search advertising in the coming years."



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