



Study Shows that CPG Companies are Missing a Huge Opportunity with Search Marketing

In Q3 of 2007, comScore, P&G, Yahoo! and the Search Engine Marketing Professional Organization (SEMPO) undertook a study to determine the whether consumers actually searched for CPG products. Because CPG purchases have long been assumed to be “replenishment” purchases, CPG companies traditionally have assumed the paid search marketing was not a viable marketing vehicle. Much to the surprise of even those who commissioned the study, quite the opposite was discovered.

- The study found that a majority of U.S. consumers visited Web sites for CPG product categories during the three months ending April 2007, with search driving a significant percentage of visitors in all the categories. Food products represented the largest search marketing opportunity with nearly 44 million category site visitors searching. Baby products attracted 15.7 million searchers, followed by personal care products with 9.8 million and household products with 1.7 million.
- The study also found that a substantial percentage of the visitors to category Web sites arrived as a result of a search query. Among visitors to baby products sites, 60 percent arrived via search, followed by 47 percent in food products, 27 percent in personal care products, and 23 percent in household products.

Additionally, the study sought to understand the motivations for search. Again, the CPG industry has assumed that those who are searching were primarily seeking out price promotions. Again, the findings clearly demonstrated that is not the case.

- As part of the study, comScore conducted a survey to determine the attitudes of visitors to CPG Web sites, dividing respondents into two segments: those who use search to find these sites and those who do not. The survey revealed that searchers were significantly more involved in obtaining information and demonstrated higher category engagement than non-searchers. Specifically, 73 percent of searchers were motivated by product research, **64 percent were seeking help with the purchase decision**, 47 percent were looking for promotions and just 29 percent were specifically looking for the company website. Conversely, non-searchers’ top motivation was to obtain information on promotions (59 percent), to conduct product research (58 percent) or to obtain help with their purchase decision (44 percent).

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- The fact that consumers search frequently for information on CPG products opens up a unique opportunity for brands to partner with retailers to drive awareness and sales. This could be particularly effective for new product launches.
- As over 50% of searchers are seeking help with a purchase decision, search ads could be greatly enhanced by making mention of the retailer (e.g. tagging the search copy with “Available at <Retailer>”).
- A logical use for a retailer-specific search campaign would be raise awareness of where to buy, especially for new products or line extensions. The campaign would be a particularly effective reinforcement when national advertising is used.
- Retail-specific search campaigns could be an exclusive offering for retailers who agree to carry the new products or lines.

Source:

comScore Digital Shelf Study, 2007. Study conducted in conjunction with Comscore, Yahoo!, P&G, SEMPO.