

Is a Shake Out Shaping the Search Marketing Sector?

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Mondays follow weekends and a lot can happen over 48-hours. That makes a Monday morning a bit of a mash-up. As I scan article ideas from first to last, my mind keeps wandering to the middle. There must be a common thread uniting ideas found in the four pieces outlined below. The most obvious connection is that each relates to search marketing but perhaps if read collectively there is something a bit deeper, a signal of where the SEM industry is going.

The most popular story of the day is the [Newsweek article](#) about Search Engine Optimization which features Seattle based "white-hat" SEO Rand Fishkin, UK-based "black-hat" SEO Earl Grey, and Matt Cutts, who is known as the Spam Czar at Google in Mountain View, California. The article ranges from SEO success stories to shadowy tactics using the white hat/black hat monikers to describe their techniques. The mainstream media has gotten interested in organic search marketing, leading to its interest in the "white-hat" vs. "black-hat" debates.

Another interesting story comes from a press release Google issued on Friday at 2:45 pm (pacific). The press release stated Google is going to consider the quality of landing pages in its AdWords placement algorithm. A press release that comes out late on a Friday often contains interesting and possibly sensitive information. A professional press release issued so late on a Friday afternoon is intended to slip under the wire imposed by the weekend and put a few days of distance between an action and the reporting of that action.

Next, Gord Hotchkiss from Enquiro has a great piece in [Search Engine Guide](#) on ad targeting by demographic profiling, a feature of MSN adCenter demonstrated at the Search Engine Strategies Conference held last week in Chicago.

Lastly, a report, "[The Changing Face of Advertising in the Digital Age](#)" issued late last week by Parks Associates, notes online advertising spending will double by the year 2010 to account for over 10% of the general advertising market. The report also found that nearly 21% of Internet users considered Internet advertising as the most relevant ad format, outscoring radio, newspapers and magazines.

Each of the aforementioned articles or ideas has long-term implications that will serve in part to define the parameters of professionalism in the search marketing sector. As this piece is going to run too long to mention all at once, we'll break them off two at a time, starting with news from Google.

SEO Ethics and the new state of search marketing

Search engine optimization is the basis of a well-rounded search marketing campaign. Generally referring to work done to achieve high placement in organic (free) listings, SEOs might use any number of techniques depending on the type of website they are working on. The characterizations of white-hat and black-hat practitioners is oversimplified with the vast majority of SEOs figuring they fall somewhere in the grey-hued middle.

Unfortunately, the mischievous sense of murkiness that attracted a number of people to the sector does not work well in the mainstream mindset, as demonstrated by the Newsweek piece. Newsweek's sub-headline, "Inside the shadowy world of SEOs" says it all.

The author, Brad Stone, did research his material before hand. He called Danny Sullivan from Search Engine Watch and Matt Cutts from Google. He also tried to present two sides of SEO with Rand representing the "white-hat" side and Earl Grey (online handle, not real name) representing the "black-hats". Most who know Rand, or know of him, would consider him an honest, ethical optimizer. His techniques conform to the Google guidelines and in his writing he puts a high standard on following those guidelines when working on client sites. According to the Newsweek piece and his own writing on SEO, Rand places long-term ethics above short-term profits. Nevertheless, Stone was left with the impression that SEO was solely based on the manipulation of results, an impression he shared with millions of mainstream readers.

That might be due to the second SEO introduced in the piece, Earl Grey. Grey asked Newsweek to use his handle or nickname rather than his actual name in order to avoid harassment from "anti-spam vigilantes". In the article, he shows Stone how he can place a link to a private detective referral site he runs on other peoples' sites, in this case the Stony Brook University website. The link serves two purposes. First, it might drive one or two visitors to the site. Second, and more importantly, a link from an academic site is thought to be more credible in Google's eyes than links from other sites. Grey comes off giving the legitimate SEO sector a poor reputation with quotes like, "I'm not very professional," he says. "I do what I need to do to get where I need to be." He told Stone that if his private investigator referral site is removed from Google or other search engines, he'd drop it as well and move on to another project. The article goes on to mention that the private detective site ranked well at MSN and Yahoo but not at Google. Grey chalked it up to the "sandbox" but apparently there is another explanation.

Matt Cutts, the Quality Control engineer at the Googleplex chimed in with his thoughts on the piece in an entry at his [blog today](#). Cutts knows the search marketing industry inside and out. Having worked at the National Security Agency until Google hired him in 2000, Cutts understands the value of intelligence. He has been gathering it for several years, first under the pseudonym GoogleGuy and now in his role as search engine superstar. Swarmed at search related conferences and one of the most read bloggers on the Internet, Cutts seems to have taken up the challenge posed by the part of the SEO community bent on using tactics even they describe as spam.

Cutts' research has not been too difficult. Earl Grey, is the moderator of a black-hat forum at which he and others brag about their exploits and exchange information. Cutts is known to participate in a few SEO forums and lurk around several. It seems Cutts had already zeroed in on Earl Grey's series of sites and was using them to train Google staff how to trace one spam domain to other spam domains. Cutts claims that Grey's detective page, while ranking well at MSN and Yahoo was caught-out as spam both algorithmically and manually by Google spam fighters.

The Newsweek article and the incidents surrounding it are important for two reasons. First, the mainstream advertisers are cooling towards paid-search as the ONLY search solution possible and starting to warm again to the more powerful free listings. Interest and money is moving back towards the organic side of the search marketing sector. As it does, advertisers will be looking to establish trusting relationships with search optimization firms. If the small SEO operator is a perceived risk, advertisers will move towards the larger ad-agency operators thus making the environment unsustainable for smaller SEO firms.

Secondly, the incident confirms Google is getting far more serious about the state of its search engine results pages. Since the introduction of the Jagger algorithm in October, Google's search results have looked markedly different from those at Yahoo and MSN. Google has applied much stronger anti-spam

filters and seems much better at weeding out sites that have used overtly manipulative tactics to rank well.

This is in part due to the prevalence of the dark art of promoting one's own reference or AdWords laden sites in order to make commission on sales. The majority of black-hat SEP practitioners are secretly working to push their own websites to the top of search rankings in order to attain more viewers for advertisements or reference links found on those sites. As Earl Grey stated in the Newsweek piece, sites that get banned or otherwise dropped from search results are abandoned for other websites employing similar spammy tactics. Google runs the most used and lucrative ad-distribution model on the Internet, known as AdSense. They are therefore concerned with how webmasters use their advertising program and appear to be cracking down on abusers.

The press release issued on Friday afternoon was meant to take AdWord/AdSense cheats by surprise this morning. That's the most likely reason Google delayed releasing it until it was too late to run with on Friday, thus giving them a 72-hour jump on AdWords/AdSense abusers. The press release, which is posted on Google's [Inside AdWords](#) blog states that Google is adding an evaluation of the quality of a landing page to its AdWords placement algorithm.

This is an important step forward for Google as it is designed to catch people using cheap, computer generated landing pages and is obviously targeted at single or small operators running massive numbers of keyword buys. A passage from the entry reads, "Advertisers who are providing robust and relevant content will see little change. However, for those who are providing a less positive user experience, the Quality Score may decrease and in turn increase the minimum bid required for the keyword to run".

By chasing after SEOs who use spammy tactics to try to drive their websites higher in Google rankings, and working to clean up the messes created by AdWords/AdSense cheats, Google is trying to bury some of the most difficult issues it faces with the search engine optimization industry. Unfortunately for the small business end of the industry, the mainstream media remains focused on the manipulative aspects of SEO, forgoing or forgetting to mention that "white-hat" SEO is more about marketing, good site architecture and ease-of-use for live-visitors and search spiders.

We are moving into what appears to be a major growth period in the search marketing industry. Advertisers, while convinced of the need for our services, remain unconvinced about the essentials in long-distance business relationships, honesty and integrity. That's a problem, especially considering the next two items in our look at the emerging search marketing sector. Next, let's look at the ability to target search ad impressions by demographic profiling and, eventually, personal behaviour profiles as recorded and compiled by the major search engines.

It is a good thing Google is taking steps to crack down on SEOs who work to exploit Google's weaknesses instead of simply employing its strengths. Someone has to take action and the SEO community resembles a dysfunctional social club when it comes to any form of self-regulation.

Ironically, the SEO sector's greatest strength is about to become its greatest weakness. Our greatest strength is that our services are extremely interesting. SEO and SEM produce successful results and unquestionably increase website traffic and revenues.

Naturally, before a group of people are prepared to drop a few billion bucks here and there, they want to have a good sense of what they are spending it on and with whom they are spending it. That accounts for the increased scrutiny faced by the industry, which in turn accounts for the tone of the Newsweek article

reported on in the first half of this piece. Search Engine Optimizers, as one of the knowledge based sectors whose work directly affects the general public, have a public relations management problem. It is in fact our greatest collective weakness. We have been courting this problem for several years, seemingly in the vain hopes it would simply go away before it one day becomes a survival issue for ethical players in the industry. I suspect that day came Monday.

A vast ocean of money is coming into the search marketing sector. Much of it is being funneled in from radio, print and television advertising budgets. The people who make those budgets have been marketing products to the people for so long traditional marketing is considered an often grotesque but fine science. While the adage, "information is power" might have come from the mouth of a military mind, marketers understand that the knowledge of ways to use information is what makes information useful.

A report, "[The Changing Face of Advertising in the Digital Age](#)" issued late last week by Parks Associates, notes online advertising spending will double by the year 2010 to account for over 10% of the general advertising market. The report also found that nearly 21% of Internet users considered Internet advertising as the most relevant ad format, outscoring radio, newspapers and magazines.

A good portion of this growth can be attributed to Overture (now Yahoo Search Marketing) and Google's AdWords. While organic search is less expensive and proven to convert more traffic than PPC does, the PPC model is easy to understand and offers quantifiable results. Suddenly, traditional marketers "got it" when presented with a system that delivered promised results, could be easily explained to clients, and did not require a deep tech background to understand.

What is simple to understand is that the Internet is the most efficient communications medium on the planet and search is the most efficient method of finding information on the Internet. Something a little more difficult to understand but instinctually compelling for advertisers is the ability to track information as it passes through the Net. Everything is recorded online. The fact you are reading this article and how much time you spend reading it is being recorded at Google, MSN, Yahoo, Amazon, and a host of other information brokers too numerous to mention. Where you go, what you do, and the patterns you form in doing whatever it is you are doing online is of enormous interest to the major search engines. The only thing that isn't known about everyone with absolute certainty is exactly who is conducting which session. The major search engines can only match registered users to specific user-sessions.

The reason they want to know as much about the individuals using their systems as possible is, the more the search engines know about you and your web surfing habits, the better they can serve personalized advertising to you. At the Search Engine Strategies Conference held last week in Chicago, MSN demonstrated a long awaited feature of its paid placement and contextual ad delivery program, adCenter demographic targeting.

Imagine running a PPC campaign bidding on over 10,000 keywords or phrases. The expenses of serving so many ads every day to consumers who's only pre-qualification was they typed keywords into a search window or were looking at a document with those keywords in it. While slightly more focused than television or print advertising, it is obvious the PPC campaign will be serving ads to many viewers who are not interested in the product. What if you could specifically tailor the delivery of those ads to target viewers by age, income, or social interest? Chances are the number of click-throughs that actually convert into a sale will rise dramatically. That's the thinking behind personal targeting and, given the extreme competition between search firms, it is only a matter of time before Google and Yahoo follow suit.

Contrary to stereotype, the vast majority of lawyers enter the legal profession because they truly love the convoluted nuances of the law. Did you know that most used-car salespersons want to give you a good deal and do not want to sell you lemons? Would you believe that most politicians run for office because they truly care about their communities? Even though the vast majority of SEO and SEM shops run honest operations and act responsibly with their clients, a few not-so-ethical SEOs can make the rest of us look like, well, lawyers, politicians and used-car salespersons in the under-informed public eye. The only things left to wonder about is how long mainstream advertisers will trust us with their dollars and, if not us then whom?

The SEO/SEM PR problem might seem a molehill to some but it is wise to remember that any sudden influx of money will naturally create inflation. Our molehill is quickly growing into a mountain, just in time for those of us who want smaller SEO firms to thrive and survive to push a very heavy rock up.

The harshest aspect is, those damaging the reputations of honest SEOs by using the knowledge to spam search rankings don't need to care if the small business SEO and SEM shops are replaced by the larger corporate ad agencies. They are, for the most part, working to promote their own reference based businesses. If not, they are almost certainly working in the ultra-competitive worlds of casinos and adult entertainment.

That's why I think the recent moves by Google to chase after black-hat SEOs and improve user experiences in their PPC offerings is a signal that a significant shake-up is coming in the SEO industry. The movement has actually already begun with many noted black-hats adopting non-spammy technique in the wake of the Jagger updates. The search marketing industry is changing and that change appears to be for the better. Hopefully, that will translate into better coverage and reporting that digs deeper than the Newsweek article printed on Monday.