What’s the difference between

Paid Search vs Organic Search

This report is designed to help you understand the fundamentals of how we integrate paid and organic search to drive more targeted leads and customers for your business.

We start by explaining what paid search and organic search are and how they differ from each other.

Then we’ll cover the different ways you can implement them into your inbound marketing campaign, strategies, and how we measure the effectiveness of your campaign with key metrics.

designed by
Marqui Management
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A quick note: Many search engines support paid search campaigns, but for this report, we are primarily focusing on Google and its paid search program called Google Ads (Formerly known as Google AdWords). If you have a solid understanding of how Google and Google Ads operate you'll be in an excellent position to learn how the other major search engines work since they are also set up similarly.
Web traffic has multiple sources. People who find your links within search engines results pages (SERPs) is classified as organic search traffic.

Paid search is that of brands who have paid to appear at the top of search results (above those who have earned their page-one positions organically). Let’s explore the benefits of each.

Unless you're one of the 19% of people using Bing or Yahoo, we all go searching for answers in the same place.

Google

Google, in all its innovative glory, represents two completely different, yet equally valuable traffic sources to inbound marketers: organic search and paid search.

The methods for acquiring traffic from these two sources are known as search engine optimization (SEO) and search engine marketing (SEM) respectively. If you'd like to learn more about these individual methods, here are a few resources that you can read through.

- Search Engine Optimization: What Is SEO?
- Branding A Path To Search Engine Rankings
- SEM Strategy: What You Want v What You Need
- The Power and Importance of Web Presence
When you type a query into Google, the list of links that appear below the ads are known as "organic results." These appear purely based on the quality and content of the page.

Organic traffic is widely considered the most valuable traffic source for several reasons:

- Google directs the highest amount of traffic and they are the most trusted source for people researching a purchase.
- Google is very, very particular about their rankings and ranking in the top five results for a keyword indicates that your content is high quality.
- Moving up in the rankings is difficult and takes time, but once you’re there you get to reap the benefits for a long time.
- Results on the first page of Google (The Top 10) receive 92% off all search traffic on Google. Traffic drops by 95% on the second page.
- 33% of clicks from organic search results go to the very first listing on Google.

Despite the little icon box next to their title reading "ad," many consumers are unaware that these are even advertisements. The ads feel native and fit seamlessly into the results making it less obtrusive. For these reasons, paid search has been more popular in recent years as organic search has become more competitive.

Rather than having to wait patiently for SEO to build up, you can pay for the chance to get seen on page one of Google immediately.

To give you an idea of just how much money is being spent on paid search, take a look at Google’s Ad program.

- It is the most used pay-per-click (PPC) advertising program available today.
- While the tech giant owns YouTube and Android, among hundreds of other profitable brands, Google Ads accounts for roughly 70% of their revenue -- which speaks wonders for its effectiveness.
The Statistics Behind Organic Search

It takes time to get indexed and really start generating traffic from this source.

Organic search has changed dramatically over the last ten years, making it more challenging to earn top positions.

Today, every business has a website, and most people are at least vaguely familiar with SEO. Google has cracked down on keyword stuffing and many "Black Hat" SEO methods (against their rules and sometimes illegal) that some marketers use.

But it's well worth it. Take the following stats into consideration.

- 57% of B2B marketers say SEO has the biggest impact on lead generation
- On average, organic search leads have a 14.6% close rate, compared to 1.7% for outbound marketing leads
- The highest spenders are more likely to turn to organic search for information
- Every month there are more than 10.3 billion Google searches, with 78% of U.S. internet users researching products and services online

Sources for SEO statistics can be found in additional resources:
Paid search provides brands with instant gratification of appearing at the top of Google. It allows you to target the consumers you want to reach, where you want to reach and when. Display ads can appear on websites related to your business and search ads are shown at the top of search engines. Why choose paid search?

9 Statistics on why paid search is worth the investment:

1. **Google**: Businesses make an average of $2 in income for every $1 they spend in AdWords.
2. **Wordstream**: On average, 41% of clicks go to the top 3 paid ads on the search results page.
3. **Unbounce**: PPC visitors are 50% more likely to purchase something than organic visitors.
4. **AdRoll**: One company increased their PPC ROI by 2.5 times with Facebook remarketing.
5. **Google**: Search ads can increase brand awareness by 80%.
6. **Google**: Terra Organics attributes 25% of their new customers to their targeted search campaigns.
7. **Visually**: Display advertising has proven to increase traffic to websites by 300%.
8. **Contently**: 43% of new customers buy something they saw in a YouTube ad.
9. **Search Engine Land**: Industry with the best average conversion rate for AdWords search ads: Insurance and Finance. (7.19%)
Should You Choose To Implement Organic Or Paid Search?

Side By Side Comparison

Organic Search Pros:

• SEO’s ROI will continue to rise in the long run. Residual benefits will be seen even when your budget has stopped.
• Searchers tend to trust organic listings more than sponsored links. Once your website has good rankings, your brand is immediately perceived as a reputable source of information.
• The cost of SEO is relatively fixed, independent of click volume.

Organic Search Cons:

• SEO takes time to see results and requires ongoing upkeep for a gradual process of improvement.
• Search engine algorithms change from time to time, and websites optimized a certain way can lose rankings. Hacks that worked in the past can get banned in the future.
• There’s no perfect science. A lot of things are out of your control and your competitors can still use unethical strategies to outrank you.

Paid Search Pros:

• Paid search has instant results that can generate traffic and income early in the launch phase.
• Paid search is protected from algorithm updates and guarantees a steady flow of unique visitors.
• Paid traffic is highly targeted, hence, visitors arriving at a retailer’s website from paid ads are more likely ready to buy than those who come from organic search.

Paid Search Cons:

• Paid search has a steep learning curve and requires split-testing multiple website variables to improve conversions and find whether your ROI is positive or negative.
• Paid advertising requires money and can become very costly if you are misguided by the platform or execute your campaigns incorrectly.
• Web searchers don’t trust paid listings as much making the online sales conversion rates much lower than traffic from organic search.
Conclusion

Should You Choose To Implement Organic Or Paid Search?

In the past, inbound marketers have avoided paid search, viewing it as more of an outbound marketing strategy, but with Social Media Ads and tools like HubSpot Ads, it’s becoming far more common for the two to work together.

Realistically, it takes roughly three to six months to notice SERP movement for your website. Many people don’t want to wait that long. Paid search gets visitors to your website today. It also expedites the process of optimizing your landing pages for higher conversions and pays off exponentially in the long run.

As you’re weighing the pros and cons of organic search vs paid search, sit down with your team and examine your goals, timeline and budget. If you’re in need of the quickest results, paid search is better. If you’re in need of the most cost-effective results, the answer is less clear-cut.

Generally speaking, organic search is more cost-effective in the long run. However, the right tweaking and optimization of your campaign, keywords and landing pages, paid search can become very cost-effective as well.

Take a closer look at your goals and don’t be afraid to experiment.
The Answer Is Both…

**SEO & PPC Can Improve Your Conversion Rate**

**More Online Visibility**

The clear benefit of improving your conversion rate by combining SEO and PPC is enhanced exposure on SERPs.

It's worth noting that the top 3 to 4 results on results pages of search engines are normally PPC ads.

With an effective search strategy your brand can dominate both paid and organic search results, resulting in increased targeted traffic for your search marketing efforts while giving an impression that you are an established company in your market.

Done correctly, both can get you on the front page of the search engines for more targeted leads.

Marketers need to use both paid and organic search strategies to compete in today's digital landscape.
As you start developing an effective SEO strategy, it helps to split your initiative into two categories: **on-page SEO** and **off-page SEO**.

**On-page SEO** covers all the aspects you can control over your website. Each specific page, meta data, keyword density, URL slugs/structure, heading tags, microdata, content length, internal links, etc. For search engines to find and index your website more accurately they must understand the topical nature of your content and this is what on-page SEO is about.

**Off-page SEO** covers all the aspects that happen off your website. You have some influence but cannot fully control what happens off-page. Gaining high-quality links and mentions from relevant sites are one important aspect of off-page SEO.

A quick note: If you’re strapped for time and can’t wait six to twelve months to start generating quality traffic then **paid search** is your best option.

Never rush SEO! Rushed SEO practices will likely result in your website getting penalized by Google with consequences of less, if not, zero visibility.
Three Main Elements Of A Paid Search Campaign

How Paid Search Works

You start with providing a list of keywords which tells Google to display your ads on the SERPs when people search for those phrases.

Keywords

You then design compelling ads to be displayed for your keywords, and your goal is to make them both relevant and attractive.

Ads

Your ads then direct them to your landing page(s) where the goal is to convert the visitor in some way: downloading your offer, buying your product/service, email/newsletter opt-in, etc.

Landing Pages

So paid search simply comes down to managing, matching, and optimizing these three things.
By now, you've probably heard of the term PPC, which stands for pay-per-click. This means that you don't pay for your ads to be displayed, and you don't pay when a viewer scrolls over the ads with their mouse.

With PPC you only pay when someone actually clicks on your ad(s). PPC is much better than paying per impression (called CPM) because your ad might be displayed 50,000 times and only one person clicks on it.

CPM bidding doesn't make sense because your campaign would be accumulating costs for virtually nothing. Instead, you can pay for each actual click, and then the responsibility is on you to make use of that opportunity to convert the visitor.

Note: Google has an option to pay per thousand impressions (CPM), but the only case where this has been a better choice are for "share of voice" campaigns, where the sole focus is on spreading brand awareness.

For the purposes of paid search, especially if you're new to the arena, PPC is a much better option.

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**So What Determines How Much You Pay Per Click?**

Google uses an auction style bidding system to set their prices. For any given keyword, you have the top bidder - let's say they bid $5 for someone to click on their ad. Then you have the next highest bidder who might value each click at $4.00, another at $3.50, another at $3.00, and so on and so forth, all the way down to the last person who says they value a click on their ad using the same keyword at, let's say $2.25.

Now, those are not necessarily the prices you actually pay for each click, but instead, the lowest of these bids are used as the price point for the least valuable (least visible) spot on the SERP. Each placement goes up in value for a more visible position on the SERP.

Perhaps you've noticed ads near the top, bottom and sometimes side of a Google results page? Well, those results at the bottom are less visible and generally cost less because people are far less likely to click-through to those ads.

Google offers another way of achieving more visibility aside from paying more, from a metric called "Quality Score".
How Paid Search Works

Understanding Quality Score

Your bid amount does play a significant role in determining whether your ads are served for any given keyword, but Google also uses their Quality Score metric in making these decisions.

Quality score is an algorithmic scoring mechanism that scores each of your ads for quality and relevancy. It looks at how closely your ad relates to your landing page content and the text used in the actual ad itself.

Google’s system will scan your landing pages to ensure that you’re not just bidding on keywords and sending people to irrelevant pages.

Across all of Google’s businesses, their largest client base is their users. The motivation behind quality scoring and evaluating each keyword is to provide their users with the optimal user experience.

Long gone are the days where anyone selling lawnmowers could easily bid on "toothbrushes."

The introduction of quality score is also a way for Google to keep their advertisers in check. So How Does It Work?

Quality score is based on a scale of 1 to 10. One being the lowest rating and ten being the highest. The importance of these ratings is that if a competitor bids on a keyword at $5 but has a quality score of 4, and you bid on the same keyword with a quality score of 7, Google may give you the top placement because your ad appears more relevant. It makes more sense to serve your ad; its higher relevancy score makes it more likely that a user will click on it, which also means more money for Google.

Quality score can also be used as a method to determine which keywords are cost-efficient. Let’s face it. There are tens of thousands of keywords relevant to your brand. Say, for example, that you have a website about fitness tips and decide to bid on the keyword "nutrition." If you find your ad with a low-quality score, it might indicate that the content of your site is not relevant enough to compete in that space and it’s not a cost-efficient channel for you.

Use that information to shortlist your keywords lists and show Google you can pinpoint the relationship between the keywords you’re bidding on, the ad copy you’re redisplaying, and the landing pages you’re redirecting and Google is far more likely to reward you with a higher ad placement for the least amount of money.
How Paid Search Works

4 Basic Paid Search Metrics

1. **Impressions** are a single instance where your ad is displayed when someone types your keyword. Often viewed as the number of times people look at your ad. However, it is only the number of times the ad is actually loaded. Therefore, if your ad is loaded at the bottom of the page and the user doesn't scroll down to see it, it will still count as an impression.

2. **Clicks** are an instance where the user clicks on your ad once it's displayed.

3. **Conversions** are when a user saw your ad, clicked on it, then took the action you intended them to make once they got to your landing page. With the right tracking code, you can track actions such as number of downloads, purchases, opt-ins, etc. Google keeps this data and lets you know when someone has converted.

4. **Spend**, sometimes referred to as "adspend" is the total amount of money you've spent on your campaign.

These four paid search metrics are essential to monitor, but next, we will cover paid search analytics which is more important. Click [here](#), to uncover missing ROI metrics.
How Paid Search Works

4 Basic Paid Search Analytics

**Percentage Metrics**

1. **Click Through Rate** (CTR) is the percentage of impressions that turn into clicks. A higher CTR percentage generally indicates a more efficient campaign.

   \[ \text{CTR} = \frac{\text{Clicks}}{\text{Impressions}} \]

2. **Conversion Rate** is the percentage of clicks that turn into conversions. The most important metric of them all is your conversion metrics. A higher percentage denotes efficiency.

   \[ \text{Conversion Rate} = \frac{\text{Conversions}}{\text{Clicks}} \]

**Cost Metrics**

3. **Cost Per Click** (CPC) is the amount of money it costs for each click on your ad. The average CPC can be found by dividing the total spend by the total amount of clicks. With this metric being a cost metric, improving efficiency is done by decreasing this number as much as possible.

   \[ \text{CPC} = \frac{\text{Spend}}{\text{Clicks}} \]

4. **Cost Per Acquisition** (CPA) is the cost required to generate a conversion. You can find your CPA by dividing the total spend by the total number of conversions. CPA is also a cost metric, which means you want this number to be lower as well.

   \[ \text{CPA} = \frac{\text{Spend}}{\text{Conversions}} \]

A quick note: *When measuring the success of your campaign, a good rule of thumb to remember is to increase your percentage metrics and decrease your cost metrics*, allowing for a more efficient campaign. While many specialists and agencies get caught up on each metric individually, the most important of them all is your conversion metrics. Unless you are just advertising a brand awareness campaign, focus on conversions, even if it means sacrificing a few other metrics.
Paid search is best implemented as a compliment to your inbound marketing strategy. It can be used to increase your coverage of a specific SERP so when someone searches for your desired keyword they will not only see your ad, but they will also see a blog or article on the same page.

Having both organic and paid searches appear for the same keyword drives more traffic, decreases CPA, and increases your chances of converting searchers as well as establishing your brand as an authoritative figure. Take this opportunity to develop your brand as a leader in your industry by increasing your presence in search engines with both paid and organic search campaigns.
Organic Search Traffic
A study reveals,

- 71.33% of searches resulted in an organic click on page one of Google.
- Whereas, page two and three combined only get 5.59% of clicks. On the first page alone, the first five results account for 67.60% of all the clicks and the results from five to ten account for only 3.73%.

- Advanced Web Ranking

Paid Search Traffic
Google paid search results receive 66% of the clicks from buyer-intent keywords, while organic results only receive 34 percent.

- This PPC traffic converts 50% higher than organic traffic.
- Produces an Average of 200% ROI for Paid Advertising

- Craig McConnell, WordLead

Average Organic CTR By Position: [source]

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<thead>
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<th>CTR</th>
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<td>1 to 5</td>
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<td>6 to 10</td>
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<td>11 to 20</td>
<td>5.44%</td>
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<td>21 to 30</td>
<td>0.15%</td>
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<tr>
<td>31+</td>
<td>0%</td>
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</tbody>
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Average Ad CTR By Position: [source]

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<thead>
<tr>
<th>Position</th>
<th>CTR</th>
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<tbody>
<tr>
<td>Position 1</td>
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<td>4.50%</td>
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It starts with indexing. Every search engine has slightly different variations of how they crawl, archive, gather and prioritize information. Each search engine has bots (crawlers or spiders) that do their best to scan the entire online universe to provide searchers with the most relevant information to their search queries.

Happy searchers are likely to come back. If your website has not been indexed it will be impossible for your website to appear in the SERPs.

Major search engines like Google, Bing and Yahoo have developed algorithms that consider two main factors for determining what information is shown to searchers.

1. **Content**: Crawlers will try to scan your entire website looking for clues about what topics your website covers. They also scan additional code for key tags, descriptions and instructions on how to present your content in the SERPs. Having additional code such as metadata, microdata, and rich snippets will increase the attractiveness of how your results appear online.

2. **Links**: As the search engines scan your web pages they are also looking to find links, both external and internal. Generally, the more inbound links a website has, the more influence and authority it has. Each backlink represents a vote for that URL. Each link holds a different weight. Links from highly relevant or high authoritative websites will give your website a bigger boost than a link from a small blog. This boost is commonly referred to as **link juice**.
Other factors search engines consider when deciding what information to display to searchers in the SERP:

- Geographic location
- Historical performance (clicks, bounce rates, average time on page, etc.)
- Link quality (reciprocal vs. one-way)
- Webpage content (keywords, tag, pictures)
- Back-end code (HTML, CSS, PHP)
- Link type (social share link, blog, press release, media outlet, etc.)

Before Google was able to revolutionize search engines with proprietary algorithms, results relied solely on keyword density and quantity of backlinks, which gave way to black-hat SEO techniques. Black-hat is a term that derived from web programmers who would intentionally stuff web pages with keywords and generated millions of backlinks to rank at the top of search engines, even if their content was utterly irrelevant.

**What Does It Take To Rank Higher?**

To get higher rankings is not difficult but it is quite tricky. There are three basic elements that search engines consider when determining where to position your website on the SERP: rank, relevance, and authority.
How Organic Search Works

3 Metrics Of Higher Rankings

Before Google officially closed its doors on a public metric known as Page Rank, brands were able to see the specific metric that dictated where their pages would rank in the SERP. Today, other metrics to consider are **Trust Flow** and **Citation Flow**.

Arguably the most critical metric which reviews web page keywords, heading tags, page formatting, and more. It’s important your website maintains relevance to your topic(s) and that your backlinks stay relevant as well. Today, the best ways to track relevancy is using tools like **Topical Trust Flow** and **LSI graph**.

A metric that was included in Page rank calculated the age of your website, number of inbound links from other websites and considered the authority from each of those links. Today, key metrics to consider are **Moz Rank**, **Domain and Page authority**.

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How Organic Search Works

6 Organic Search Analytics

With the amount of time and effort it takes to implement SEO, what good is it if you can't monitor the results? There are many different variables to consider, and many metrics can be tracked on a daily, weekly or monthly basis to keep your SEO plan on track and measure the success of your campaign.

1. Traffic
   Your overall web-traffic can be monitored to see if new changes have positive or negative impacts.

2. Leads/ ROI
   Tools like Google Analytics track conversions resulting from organic search traffic and keywords.

3. Indexed Pages
   More quality indexed pages is a sign of overall growth of your website, making it easier to rank.

4. Inbound Links
   An easy way to determine your off-page SEO efforts are the quantity and quality of inbound links.

5. Keywords
   Keep a list of all non-branded keywords driving quality traffic to your website to monitor your rankings.

6. Rankings
   Use your keywords list to monitor your rankings. Movement of five spots or more indicates growth.
It's clear that every business needs to be online. Today, just having a website will no longer cut it. Your site needs to be designed and optimized for search visitors and visibility. For your brand to gain the most benefit of paid search, your brand should have an organic search engine marketing strategy in place, and vice-versa.

Remember the case study from earlier by Adroll, showing how one company increased their PPC ROI 2.5 times by integrating remarketing? If you're looking for the most cost-efficient method of search marketing, combining paid search and organic is undoubtedly the best method.
About The Author

Marqui Management merges marketing and consulting under one brand. Located in Allen, Texas our firm specializes in helping businesses grow through research, strategy, design and implementation. Some of our core areas of focus are reputation management, web design, organic and paid search engine marketing, public relations, social media marketing and more.
About The Author

Recognized As A Thought Leader

D’Vaughn Bell

Owner of Marqui Management, D’Vaughn Bell is a millennial leadership developer, professional marketer, and writer. He has written articles for Lifehack, Thrive Global, Business 2 Community and many other online publications. D’Vaughn has also appeared on Inc., Forbes, USA Today and Huffington Post for his expert insight on marketing, freelance, millennials, and leadership. He started Marqui Management to provide businesses with a suite of services customized to their particular needs.

In his free time, he enjoys travel and exercise.

Connect With D’Vaughn On Social Media

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- Twitter
- LinkedIn
Links To Other Inspiring Content

Additional Resources

3. https://www.wordstream.com/blog/ws/2013/02/22/ctr-click-through-rate-by-ad-position