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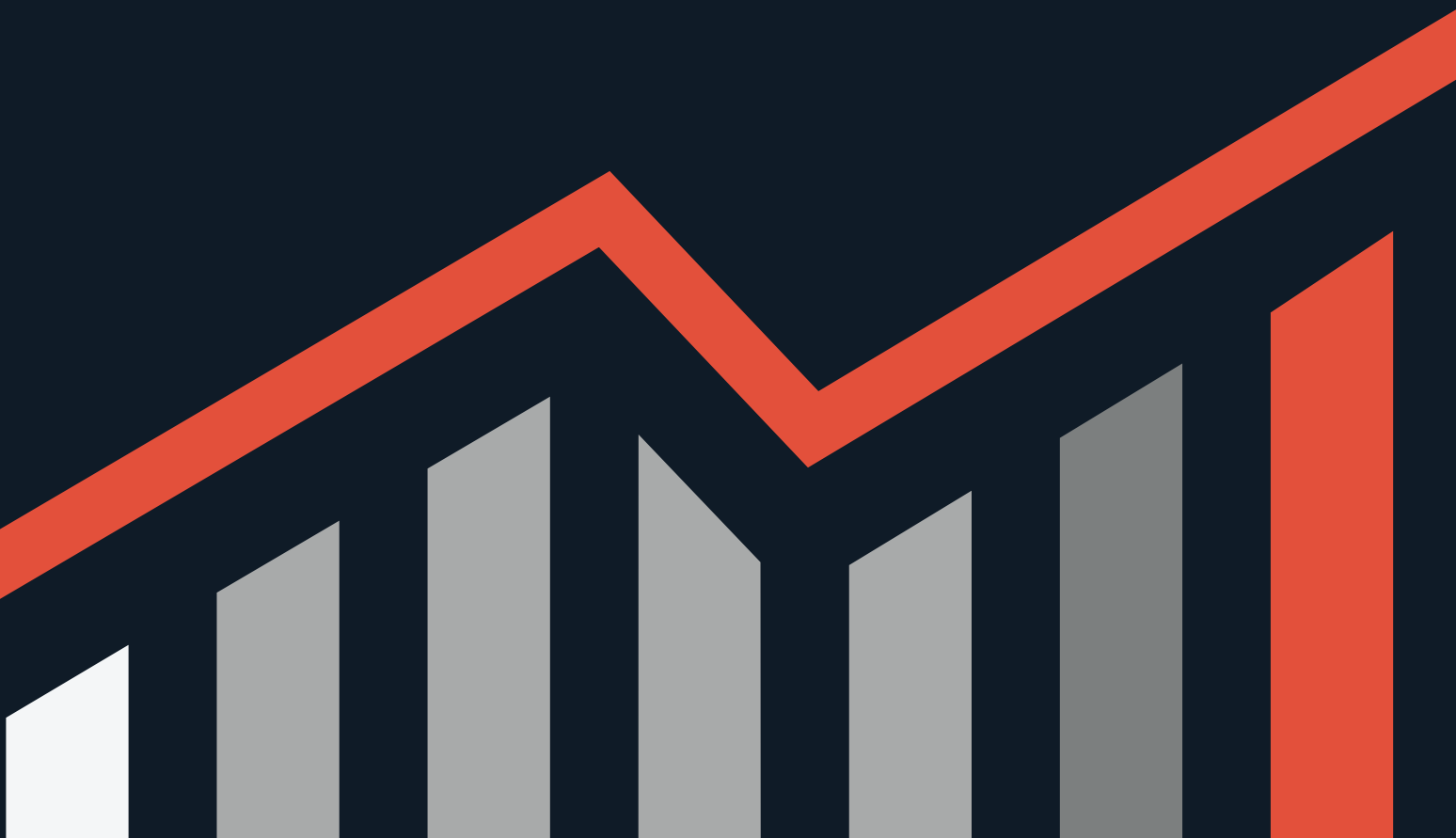
2020

State of Search
Marketing Report

The latest search marketing data, insights, and industry benchmarks for software marketers.

Directive

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Introduction

As digital marketing continues to evolve, it's become more evident that there is a lot of revenue potential in search marketing.

In the B2B space, many software-as-a-service (SaaS) companies have capitalized on search marketing and began investing time and resources in the industry as a way to drive business growth. These organizations are tasked with identifying the talent, specific strategy, and budget needed to execute a successful search initiative.

Given the ever-evolving nature of the search marketing industry, finding the resources to stay knowledgeable on trends and updates can be a challenge for marketers. With stale knowledge comes low-performing campaigns, strategic misalignment, and ultimately, diminished results.

To provide better insight into the current status of the search marketing industry, Directive surveyed more than 160 marketing practitioners at B2B software companies and compiled their approach and maturity level within search marketing to create the *2020 State of Search Marketing Report*.

This report provides industry insights and key takeaways that software companies can apply to fuel their search marketing growth overall.

Survey Overview

In early 2020, Directive surveyed 161 SaaS marketers and compiled their responses and industry insights to create the *2020 State of Search Marketing in Software Report*. The objective is to provide key metrics for marketers to benchmark their skills against their peers and identify areas of opportunity to improve and excel against competitors.

Our research focused around the two fundamental pillars of search marketing: search engine optimization and paid search.
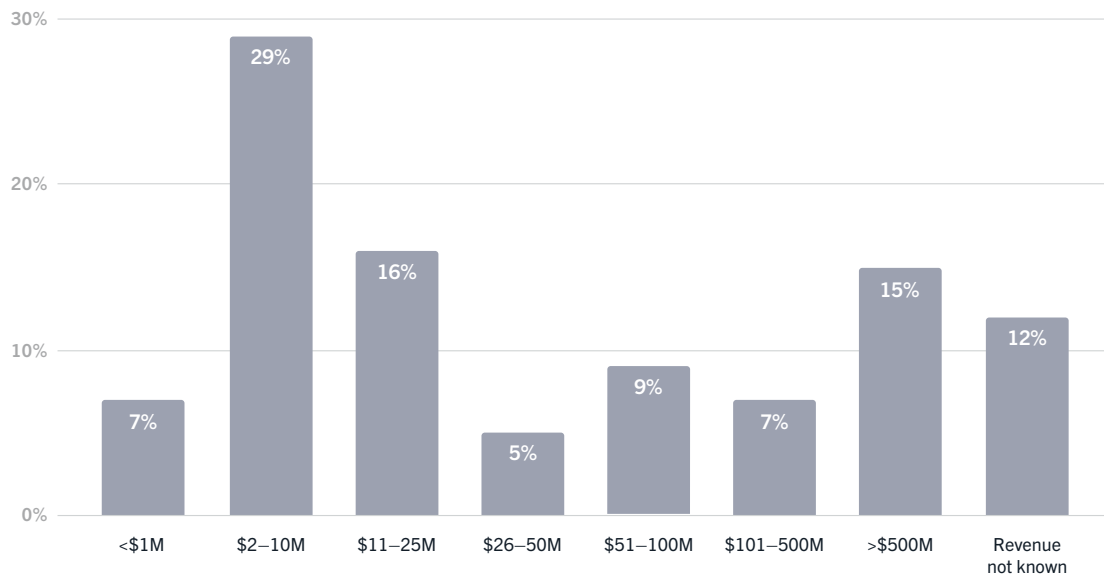
When selecting respondents, we looked for marketers across various levels of seniority ranging from C-suite executives to managers to specialists. Additionally, we included participants from organizations of various sizes, based on company revenue.

Demographical Data

Level of Seniority
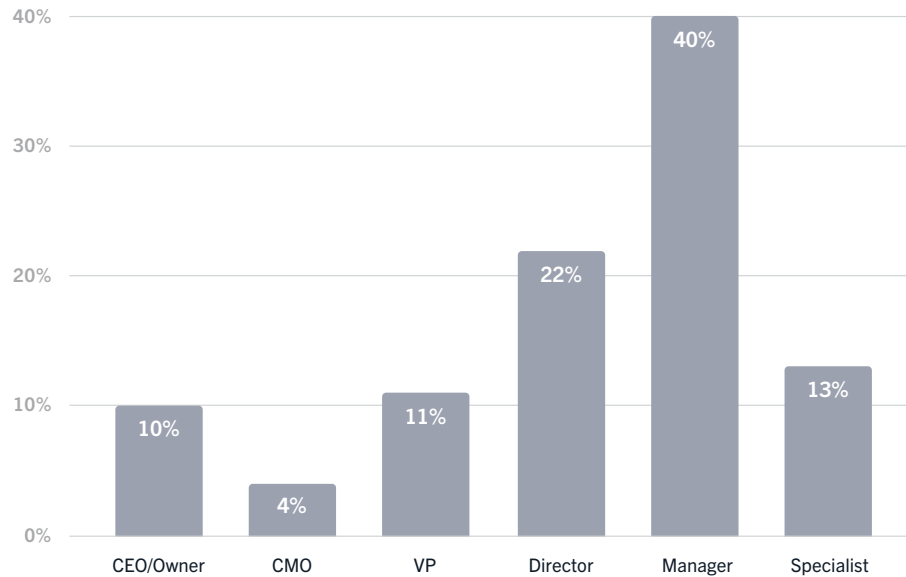
Company Revenue Size

Situation Analysis

Our research began with questions to better understand software marketers, their confidence level in their existing search marketing strategies, and the overall understanding of their intended goals.

Across the board, without regard for title or company size, **search marketers in software are heavily focused on converting leads to customers**.

62%
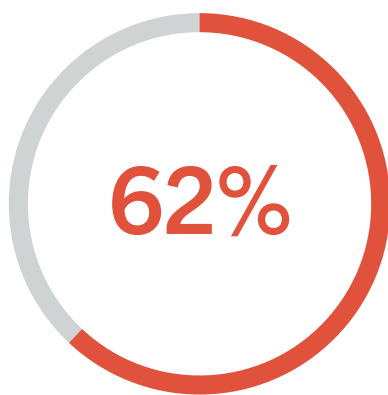
62% of respondents cited conversions as the primary goal of their search marketing effort in 2020.

Primary Goals of Search Marketing

Goal	Percentage
Converting contacts/leads to customers	62%
Growing traffic to website	20%
Reducing the cost of contacts/leads/customer acquisition	8%
Sales enablement	7%
Brand awareness	3%

0%　　20%　　40%　　60%　　80%
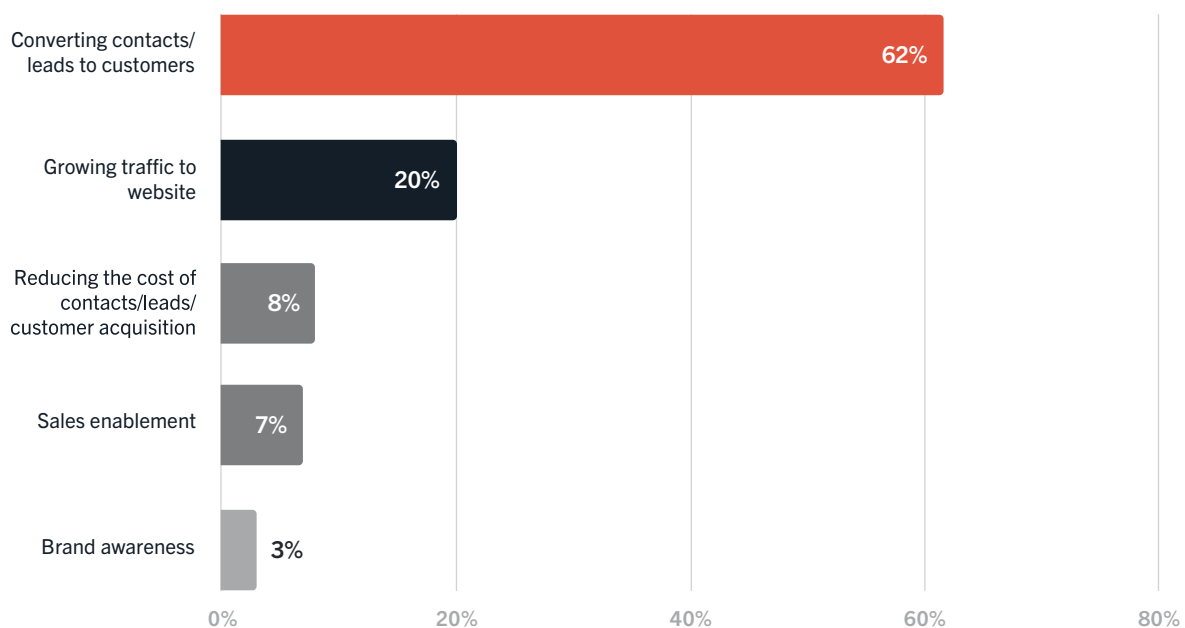
When asked how confident they were that their organization would achieve its 2020 search marketing goals, one key distinction set the groups apart: **the ability to measure results of search marketing strategies.**

Throughout this report, there is a robust focus on how respondents incorporate search marketing tactics to achieve their goals. However, it's critical to note that these findings are based on marketers' ability to measure and understand what impact they're delivering in the first place.
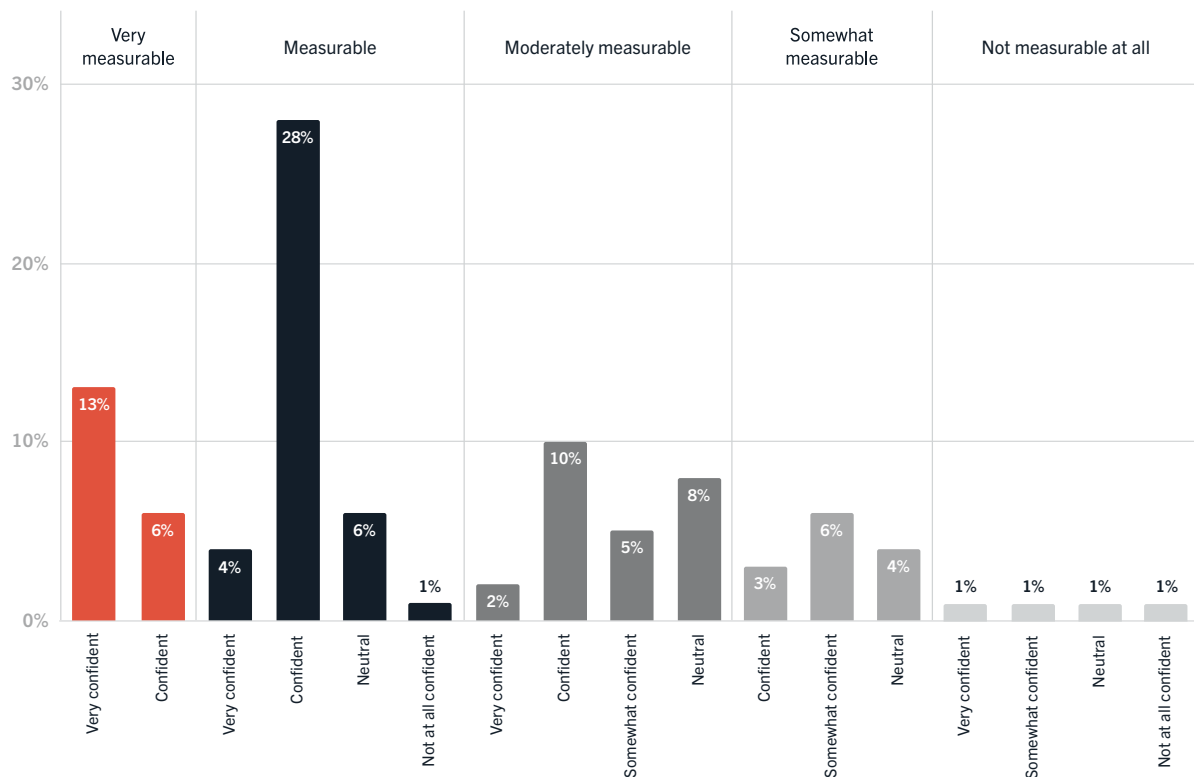
How Measurable Is Your Search Marketing Strategy?
How Confident Are You in Your Search Marketing Strategy?

We see a general trend that **confidence in search marketing success is correlated with having a measurable strategy.**

This finding reflects the importance of establishing a data-driven strategy that is easy to quantify. These elements are essential to reporting and proving a return-on-investment (ROI) of your search marketing efforts. When reviewing the data and findings below, always be sure to keep this in mind.

SEO Learnings

Organic Search

Search engine optimization (SEO) is the process of upgrading website content to rank higher on search engine results pages (SERPs) to grow organic traffic.

SEO changes constantly.

Right when marketers feel confident in a new strategy, search engines will release a new algorithm update and turn everything on its head. Staying up-to-date on these changes is crucial to achieving long-lasting results.

Organic search tactics can be broken into four main categories: technical SEO, on-page SEO, off-page SEO, and content.

Technical SEO

Technical SEO is the process of enhancing the backend technical elements of a website to help search engine robots crawl and index the site more effectively.

Even though your website is designed for human users, web robots and computerized algorithms are what determine how your site performs in the search engine results pages (SERPs). Crawlers analyze both on-page and technical ranking factors to help search engines decide whether your website should rank and what keyword phrases it should rank for.

The goal of effective technical SEO is to ensure that your website is easily accessible for crawlers to comb through, analyze, and sort all of your most important content.

When asked whether or not technical SEO is effective for driving traffic, 33% indicated it had a neutral impact on web traffic, while 60% (more than half) said it was somewhat or very effective.
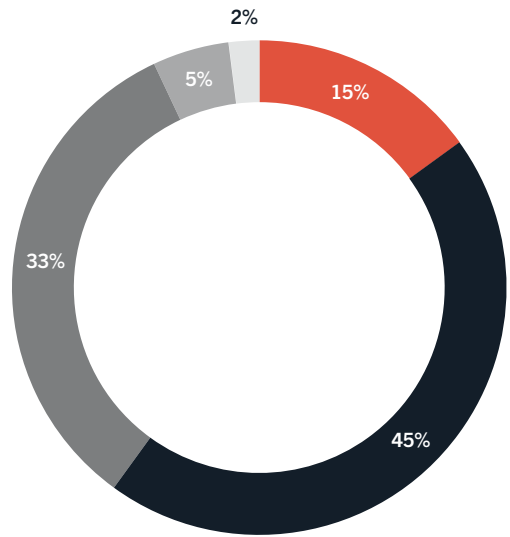
How Effective is Technical SEO in Driving New Traffic?

- ● Very effective
- ● Somewhat effective
- ● Neutral
- ● Somewhat ineffective
- ○ Not effective
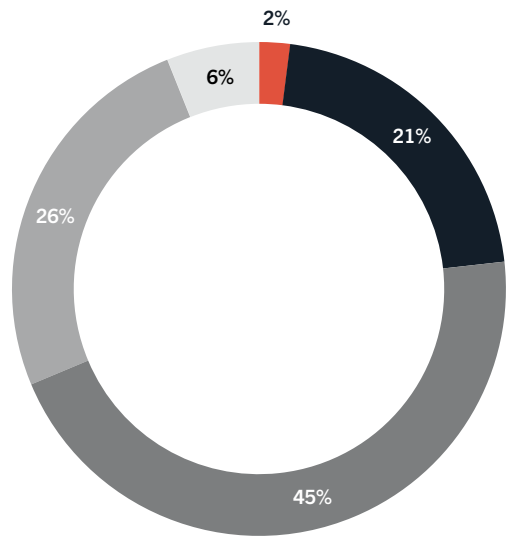
Rank Technical SEO on Ease of Effectiveness

- ● Very easy
- ● Easy
- ● Neutral
- ● Difficult
- ○ Very difficult

Only 23% indicated that technical SEO is somewhat easy or very easy which reflects the technical, complex nature of optimizing things such as server speed, site speed, security, and crawlability. All of these technical elements often require web development support, thus making it more challenging to learn and implement.

Key Takeaways

When it comes to technical SEO, **there is a significant disconnect between effectiveness and ease of implementation.**

It's widely recognized that technical SEO is vital to organic growth and website performance, but there is a clear knowledge gap that exists. For many organizations, this means that the task of managing technical SEO has to be a joint effort between marketing and web development teams.

For most companies, technical SEO does not require frequent upkeep. If you have properly set up the different technical elements of your website, the foundation is set and you do not need to make new optimizations on a frequent basis. The most critical time to revisit technical SEO is when you create a new website from scratch or make significant architectural changes to your existing one.

For additional insight, we asked Brendan Hufford, Director of SEO at Directive, to weigh in on the subject.

" Technical SEO is one of those things where if it's broken, it needs to be fixed immediately. But if it's not broken, working on it is not necessarily going to push the needle. Once you have the technical aspect of your website done and working properly, you will rarely see anything but very incremental benefit from revisiting technical SEO again.

Brendan Hufford
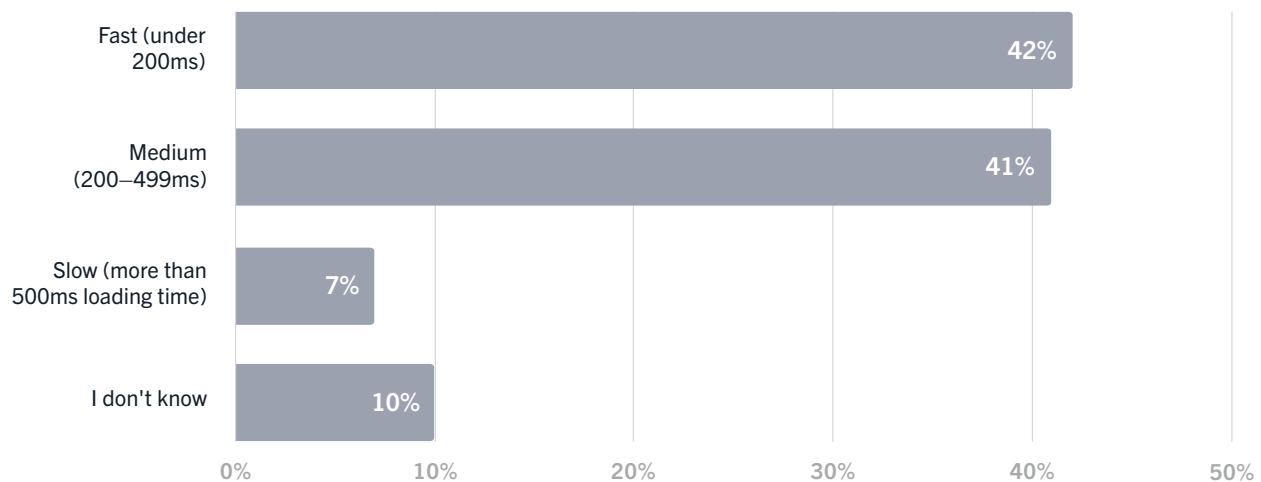
DIRECTOR OF SEO AT DIRECTIVE

Site Speed

Site speed is a measurement of how fast the content on a website loads.

Google has made no secret of the fact that site speed factors into search rankings, especially for mobile users due to mobile-first indexing. When asked in a 2019 webmaster chat, Google's John Mueller emphatically confirmed that site speed is part of its ranking algorithm.

Users expect a fast, easy, and seamless online browsing experience. A website that's slow to load could deter visitors from staying on the page altogether, leading to a skyrocketing bounce rate. Although there are no black-and-white guidelines for the optimal page speed, the general consensus among SEO professionals is that anywhere under 200ms of load time is considered fast.

When surveyed, 90% of respondents were familiar with the speed of their website and were able to identify it as fast, medium, or slow. Only 10% of marketers did not know how fast their websites are.

How Fast is Your Website?

Fast (under 200ms)	42%
Medium (200—499ms)	41%
Slow (more than 500ms loading time)	7%
I don't know	10%

(0% — 10% — 20% — 30% — 40% — 50%)

Key Takeaways

Search marketers who are unaware of their site speed and are not regularly testing it run the risk of diminishing their search rankings.

Site speed is partly determined by the server your site runs on, so it's imperative to select a strong

web hosting provider. Other factors that negatively impact site speed include unnecessary plugins, large file sizes, and too many URL redirects.

Using tools such as Google Tag Manager can help reduce page load times and offload slow scripts so that your content is delivered as quickly as possible, which can lead to your audience converting faster.

Don't forget to limit the use of plugins or other add-ons that are non-essential to keep page loading time at a minimum.

Google Algorithm Knowledge

Google's algorithms are a complex system of organized processes that are designed to pull content from web pages to directly answer user search queries.

On a scale of 1-100 with 100 representing all search marketers, 62% of marketers believe that Google search algorithm changes have either a medium or high impact on their SEO efforts

On the other end, 17% of marketers said they don't know what impact Google has on their SEO.

How Impactful Are Google's Search Algorithm Changes on Your SEO Results?

Category	Value
High impact	27%
Medium impact	35%
Low impact	18%
No impact	2%
I don't know	17%
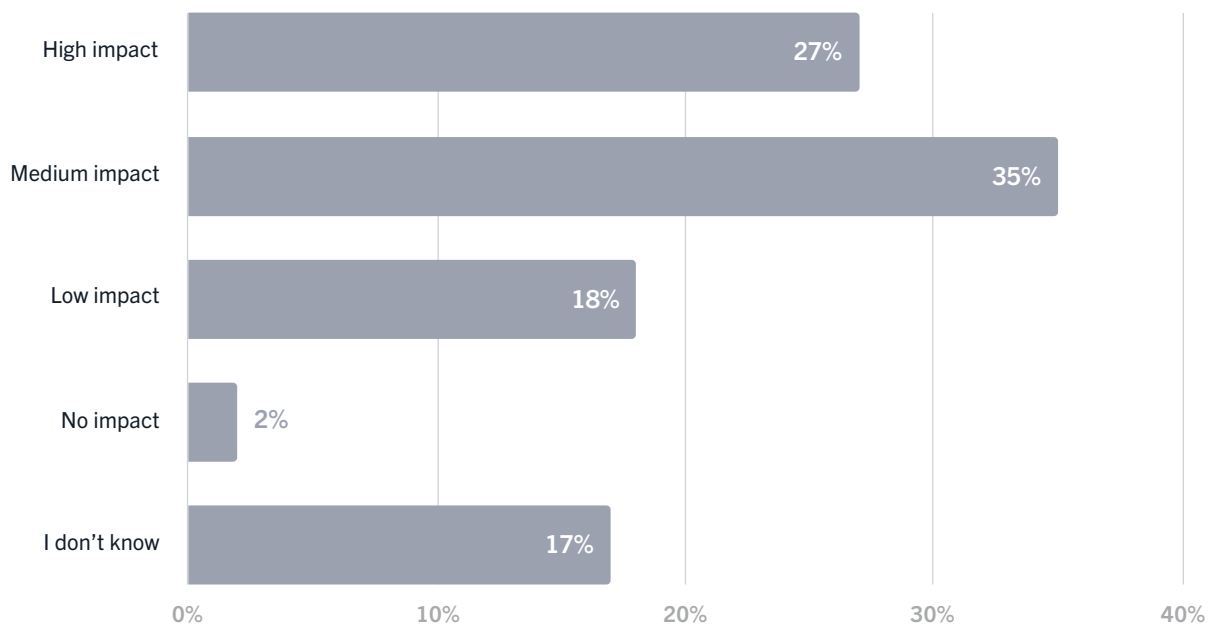
Key Takeaways

While there's no way to predict the outcome of an algorithm update, the tried-and-true method to stay ahead of it is by creating high-quality content on a consistent basis and hosting it on a website with a solid technical foundation.

Search engines are designed to generate the best content results so their users can find answers to their questions. If you keep meeting the needs of the reader at the center of your content creation efforts, your website will have a strong foundation to bounce back from an unexpected algorithm change.

Additionally, it's important to stay in the know and be aware of when an update is taking place. This means constantly staying on top of what's trending in the search marketing world and learning continuously. Subscribe to popular SEO blogs, listen to relevant podcasts, and follow SEO experts on Twitter and LinkedIn to keep a pulse on industry happenings.

Use this list of free SEO resources to get started:

- Moz blog
- Search Engine Journal
- Authority Hacker Podcast
- Ahrefs blog
- Backlinko blog

On-Page SEO

On-page SEO is the practice of optimizing web page content for search engines to rank higher and grow organic traffic.

The content that's featured on your website gives search engines context to understand what your website is about, which enables them to index your pages as part of the search engine results pages. Key on-page elements that require optimization include the title and meta tags as well as image alt-text and headers.

While most search marketers in the software industry view on-page SEO as somewhat effective, few regard it as difficult.

9% of marketers surveyed indicated they felt neutral on the impact that on-page SEO has in driving new website traffic, while 87% said it was somewhat or very effective.

How Effective is On-Page SEO in Driving New Traffic?

- 🔴 Very effective
- ⚫ Somewhat effective
- ⚫ Neutral
- ⚪ Somewhat ineffective
- ⚪ Not effective

(Donut chart values: 17%, 70%, 9%, 1%, 3%)
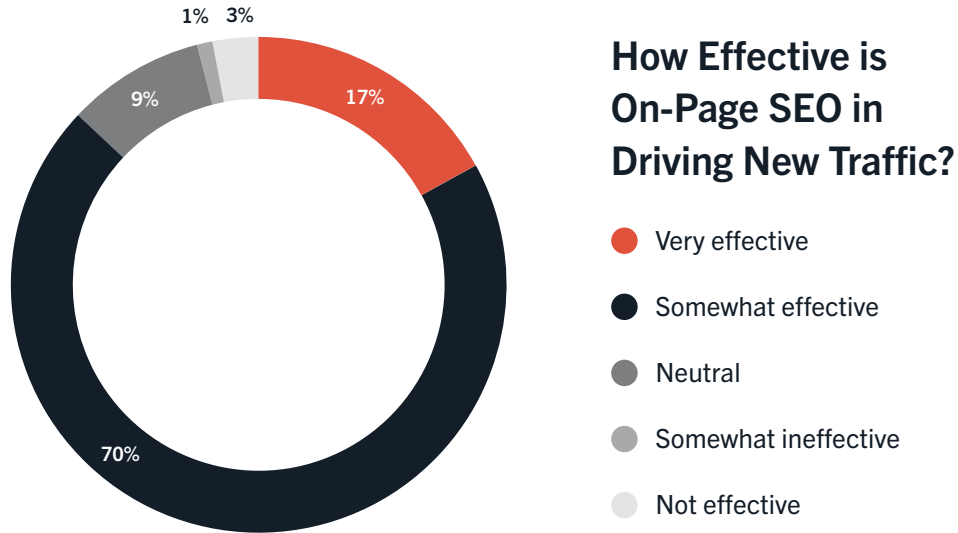
When asked to identify their on-page SEO proficiency, a majority of marketers indicated strong proficiency in on-page SEO best practices, with 57% of respondents ranking on-page SEO as somewhat or very easy.

Rank On-Page SEO on Ease of Effectiveness

- 🔴 Very easy
- ⚫ Easy
- ⚫ Neutral
- ⚪ Difficult
- ⚪ Very difficult
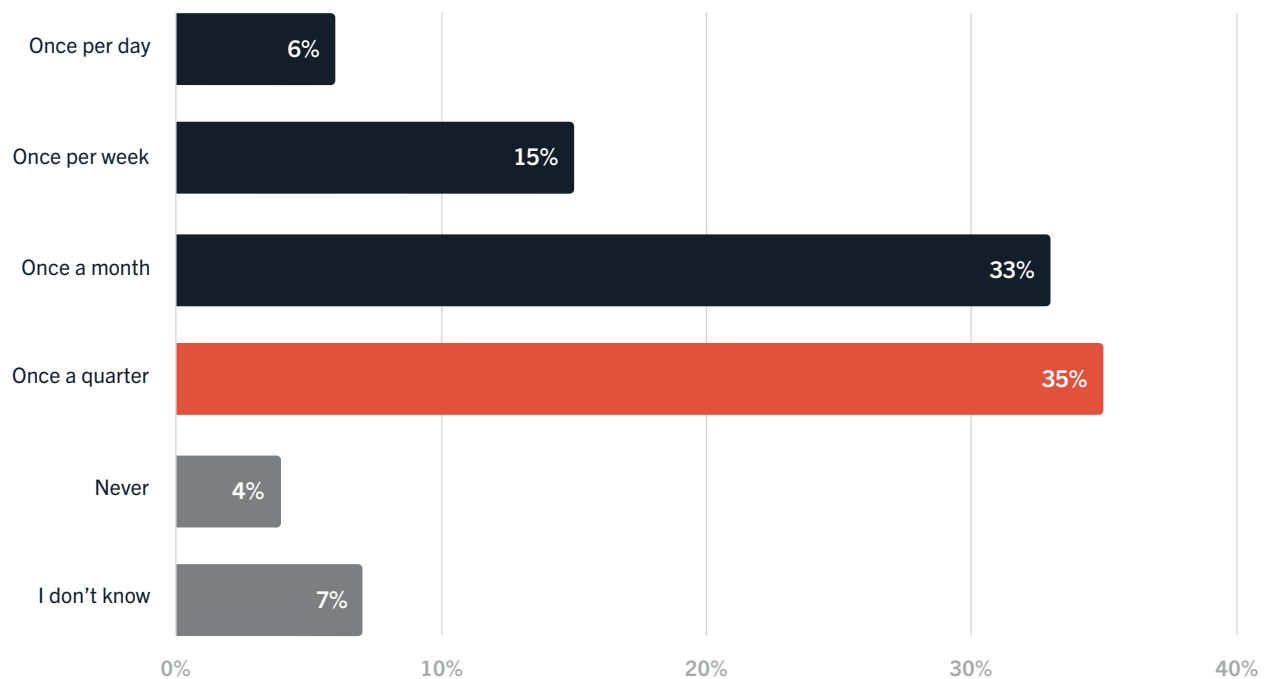
(Donut chart values: 10%, 47%, 36%, 5%, 2%)
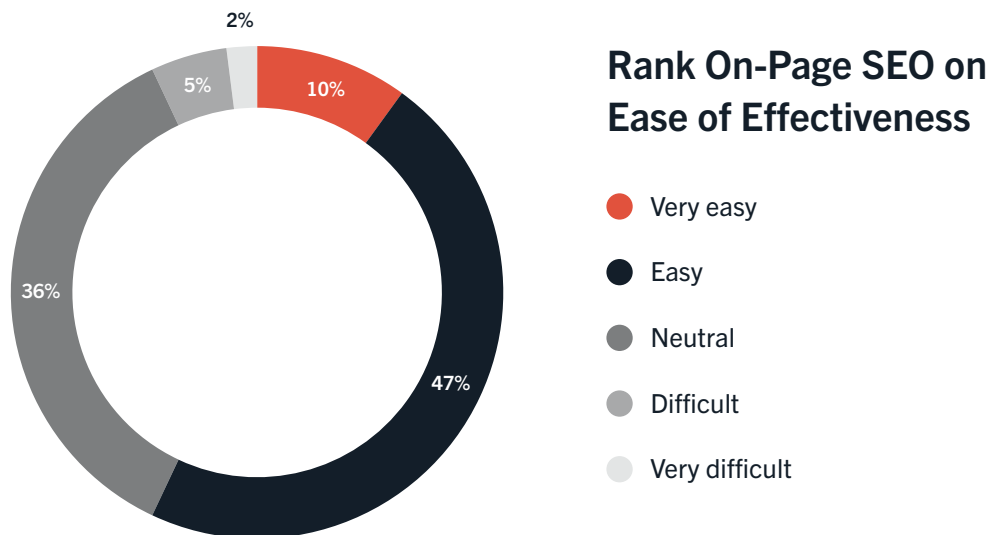
Keyword Research for Site Optimization

Keyword research is identifying relevant keywords and phrases an audience uses when they're looking for a particular product or service using a search engine.

Keyword research is a fundamental practice for on-page search engine optimization.

By researching various keywords and search phrases, marketers gain insight into how their audience searches for their products and services. This improves your likelihood of ranking for these terms and ultimately driving more traffic to your website.

How Many Times Did You Perform Keyword Research to Optimize Your Website in the Last 12 Months?

Category	Percentage
Once per day	6%
Once per week	15%
Once a month	33%
Once a quarter	35%
Never	4%
I don't know	7%

On a scale of 1-100 with 100 representing all search marketers performing keyword research as part of overall website optimization:

• 54% responded that they perform keyword research at least somewhat regularly or on a frequent basis.
• 35% of marketers perform keyword research as part of site optimization at least quarterly
• Only 11% either don't know or have never performed keyword research.

For the purpose of web optimization, it's appropriate to revisit keyword research at least on a quarterly basis. This allows you to keep tabs on any significant changes in search queries that pertain to your business.

Over time, SEO practitioners have developed varying opinions on the best way to perform keyword research and how effective it is to the overall success of their search marketing efforts. When asked, 78% of marketers believe their keyword research delivered medium or high impact over the past year.

How Impactful Are Your Keyword Research Efforts in Driving New Traffic?

Category	Percentage
High impact	51%
Medium impact	27%
Low impact	10%
No impact	9%
I don't know	3%
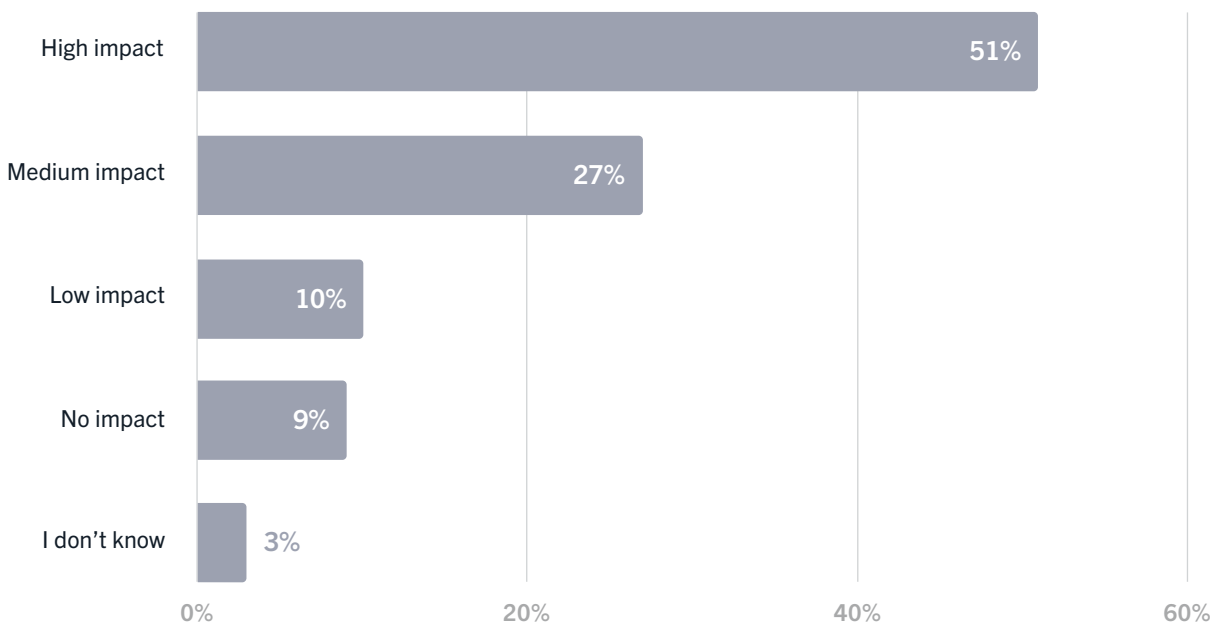
Key Takeaways

Although there are still many marketers who do not recognize the power of keyword research, **the overwhelming majority identify keyword research as a medium to high-impact search marketing strategy**.

Without pulling keyword data, marketers do not have the necessary information to understand how potential customers utilize search engines to find what they're looking for.

Keyword research can be a weapon to realize which phrases are used most often in search queries and are relevant to what you sell. For example, take the top phrases and include them as you build out your website's page content to make sure that you are discoverable for aligned terms.

Additionally, conduct keyword research from the viewpoint of search intent. This means structuring web content in a way that directly matches the intent of the user who is searching for it.

> " Effective keyword research is more than just sorting by volume and difficulty. Marketers need to Google their topic and really try to get in the head of the person who would be searching for it to truly understand the intent.

Brendan Hufford

DIRECTOR OF SEO AT DIRECTIVE

Relying on keyword volume and difficulty alone is not enough to see success. Failure to perform keyword research through the lens of the reader leaves you vulnerable to developing sub-optimal content and can consequently have you rank for keywords that don't have an impact on your objective.

Off-Page SEO

Off-page SEO refers to the various activities conducted off of a website to improve the search engine ranking of a page or site.

Off-page SEO is critical to improve a website's overall credibility in the eyes of both users and search engines.

The most common strategy associated with off-page SEO is, you guessed it, link building. However, other activities such as social media marketing and digital PR can reside under this umbrella as well.

When surveyed, 50% of respondents ranked off-page SEO as being effective in driving traffic.

How Effective is Off-Page SEO in Driving New Traffic?

- 🔴 Very effective
- ⚫ Somewhat effective
- ⬤ Neutral
- ⬤ Somewhat ineffective
- ◯ Not effective

3%
9%
10%
37%
41%
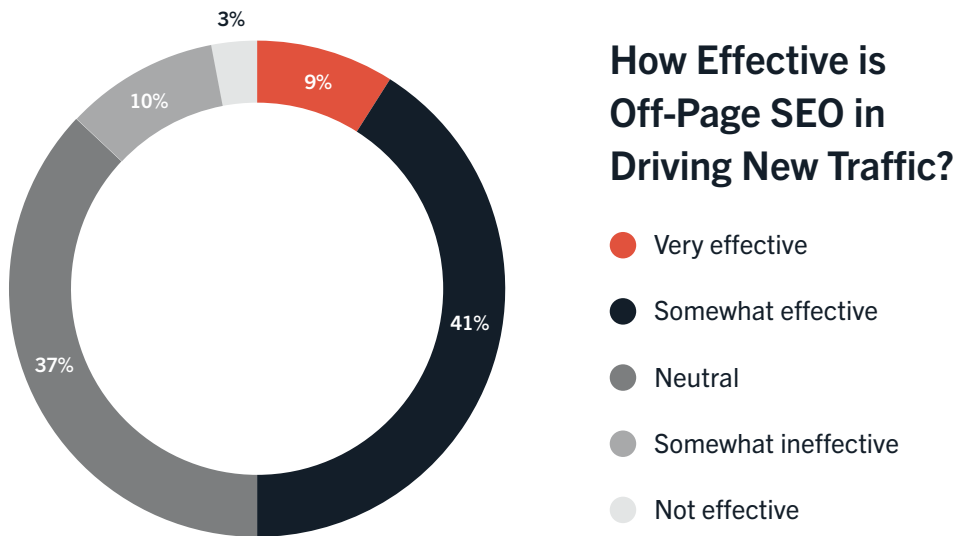
On the other hand, marketers indicated overall low proficiency in off-page SEO practices, with only 16% of respondents ranking it as somewhat or very easy.

Rank Off-Page SEO on Ease of Effectiveness

- 🔴 Very easy
- ⚫ Easy
- ⬤ Neutral
- ⬤ Difficult
- ◯ Very difficult

3%
10%
13%
30%
44%
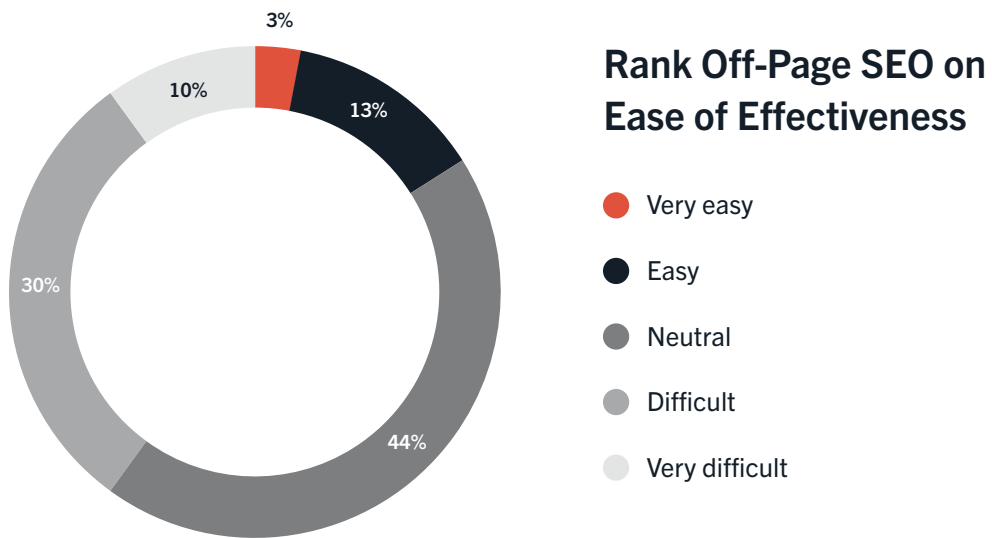
Off-Page SEO: Link Building

Link building is the process of acquiring backlinks from external websites with the goal of improving your website's search engine visibility and domain authority. Search engines use external hyperlinks as signals to help determine a website's credibility overall.

As one of Google's strongest, longest-standing ranking factors, link building is an essential component of search marketing that is often overlooked.

However, it's also commonly done incorrectly where marketers work to get spammy links, which ends up hurting their site's credibility in the long run.

External links act as a signal to search engines that your site is a quality resource worthy of citation. Securing a link on an external website also opens the possibility of a fresh audience clicking to your website. This is also known as referral traffic.

The more quality links pointing to your website from other authoritative domains, the more likely your site will climb the ranks on the search engine results pages.

Knowing this, on a scale of 1-100, with 100 representing all search marketers who actively build links, 49% have monthly link building activities. Only 14% of software marketers perform link building on a weekly basis.

32% of marketers indicated they do not perform any kind of active link building for their sites.

How Often Do You Actively Build Links to Your Site?

Frequency	Percentage
Daily	5%
Weekly	14%
Monthly	49%
Never	32%
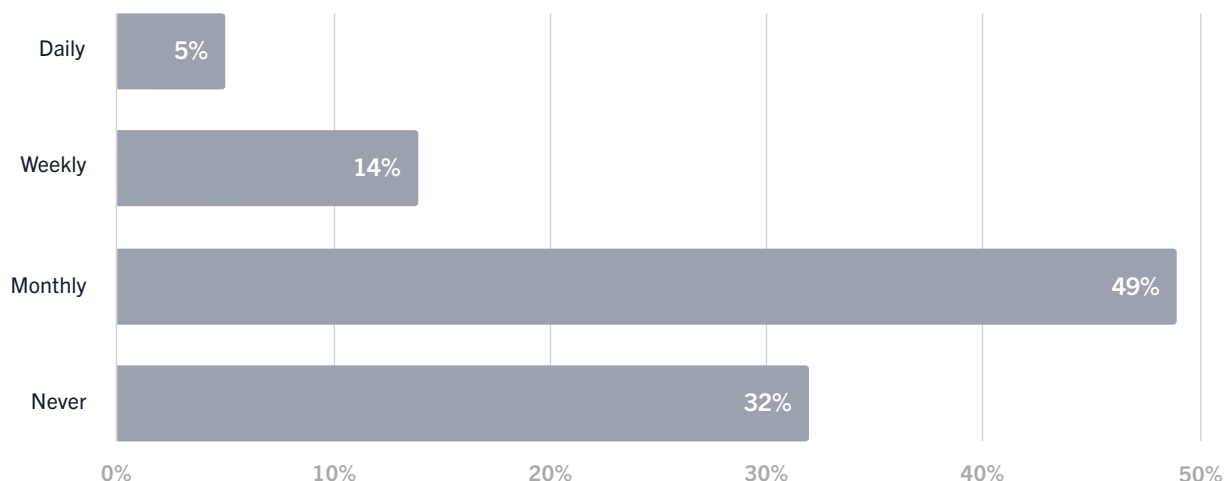
Key Takeaways

Link building tends to be a resource and time-intensive process as it pertains to activities off of a website and often leads to dependencies outside of a webmaster's control.

This is reflected in the survey data, which shows that only **a small percentage of software marketers build links on a regular basis.**

Acquiring quality links is tough, and Google knows it. There are a number of barriers to entry for receiving a link on an authoritative site in your industry. Credible links signal to Google that you are trusted, and it's the best social proof that Google can find.

People can try to game the system by buying links; however these efforts are futile as Google knows these websites are illegitimate. Don't waste your time.

A website with unique and usable content will, overtime, secure links on its own, but this is usually not enough to push the needle. Links must be acquired through various methods such as strategic outreach, guest blogging on the right sites (yes, it still works when done correctly), and content partnerships.

We won't lie to you. To do link building the right way is time consuming.

However, marketers prioritize building links to keystone content (most important, "hero" pieces) on a frequent basis to continue to empower brand, build domain authority, and show thought leadership to potential customers.

If you don't have a knowledgeable SEO on your team who knows how to escalate brand authority or build creative link building campaigns, it's time to invest in a digital PR resource to take the reins.

Without a strong backlink profile, it will be difficult to achieve significant search marketing results.

Content Marketing

Content marketing refers to the creation of online material that is intended to educate or stimulate interest in a product or service.

Content marketing. You hear about it often and yes, it is an integral part of an effective SEO strategy.
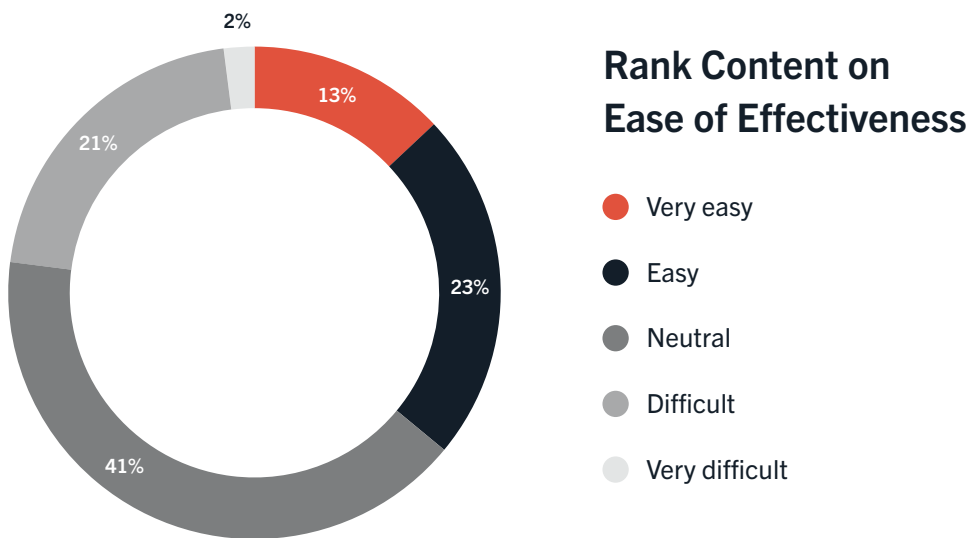
The goal is to create highly-targeted content that educates your specific audience, which generates interest in your brand. With poor-quality content, it's difficult for your site to be discoverable,

making it harder for potential visitors to find you.

The survey results show that 92% of software marketers find content to be either somewhat or very effective in driving new traffic.

How Effective is Content in Driving New Traffic?

- 🔴 Very effective
- ⚫ Somewhat effective
- ⚫ Neutral
- ⚫ Somewhat ineffective
- ⚪ Not effective

(Chart values: 59%, 33%, 5%, 2%, 1%)
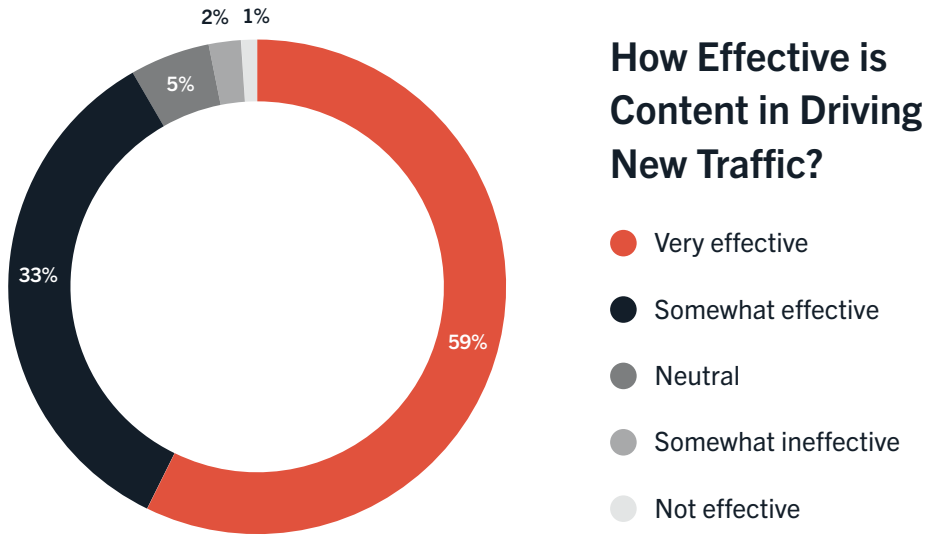
Also, 23% indicated that content is either difficult or very difficult to produce.

Rank Content on Ease of Effectiveness

- 🔴 Very easy
- ⚫ Easy
- ⚫ Neutral
- ⚫ Difficult
- ⚪ Very difficult

(Chart values: 13%, 23%, 41%, 21%, 2%)

Key Takeaways

Overall, **the majority of SaaS marketers recognize the importance of producing content**. This reflects the ongoing need for content in the B2B SaaS space - to educate audiences, build brand awareness, and improve online discoverability.

To make the most of your blog articles, videos, case studies, and more, generate relevant content to visitors' search intent at high frequency; search engines value relevance and freshness.

Upgrade older guides, turn powerful data into another shareable asset for social media, keep the conversation going without "publishing just to publish".

Create goals for each piece that goes live to avoid wasting time and spend along the way.

Content: Keyword Research for New Content

Keyword research for content marketing is the task of gathering data around relevant keywords an audience uses when searching for an answer relevant to a businesses' product or service. These keywords and phrases are used to guide web content strategy.

Creating high-quality content is just one piece of the search marketing puzzle. It's equally as important that your content is discoverable by your audience. Content isn't very useful if no one is seeing it. That's where keyword research comes into play.

Including keyword research as part of the content creation process ensures that each piece of content is written to directly address a user's search query, upping the chances that it will rank. Additionally, keywords are a useful tool for finding topics that your audience is interested in.

When looking at the survey results, 92% of search marketers responded that they perform keyword research in advance of new content at least some of the time, if not most or all of the time.

Out of the 92% surveyed, 37% of marketers perform keyword research for every new piece of content. On the other end of the spectrum, 7% rarely or never use keyword research.

Do You Perform Keyword Research Before Creating New Content for Your Site?

Response	Percentage
Always	37%
Often	32%
Sometimes	23%
Rarely	3%
Never	4%
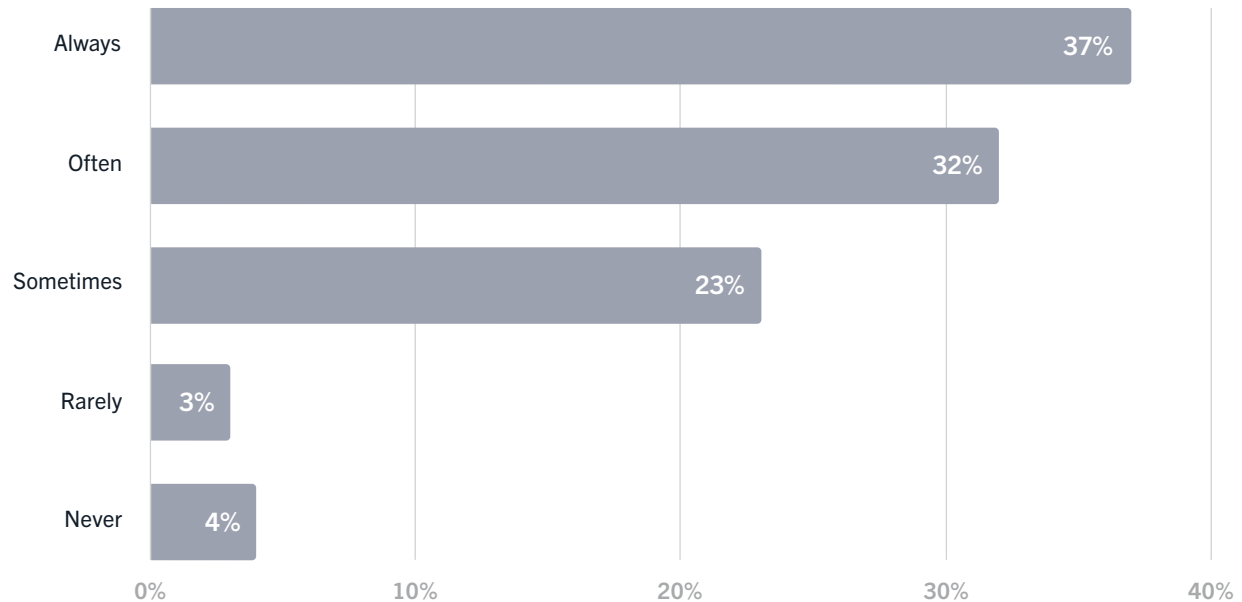
Key Takeaways

When it comes to creating content for the purpose of driving organic traffic, **keyword research is a critical step**. Identifying the right keywords and search phrases helps guide the content creation process and provide insight into what the reader is interested in.

It's important to note that although keywords are meant to provide direction, they should only be used in your content where there is a natural fit. Over-using keywords for the sake of trying to game the algorithm is called keyword stuffing. This practice can cause your website to be penalized by search engines.

If keyword research isn't already part of your content strategy, consider implementing this step into your process. It's a surefire method for creating content that is more likely to rank and generate traffic. That said, the reader should always remain at the center of your search marketing efforts. **Write for humans, not for search engines.**
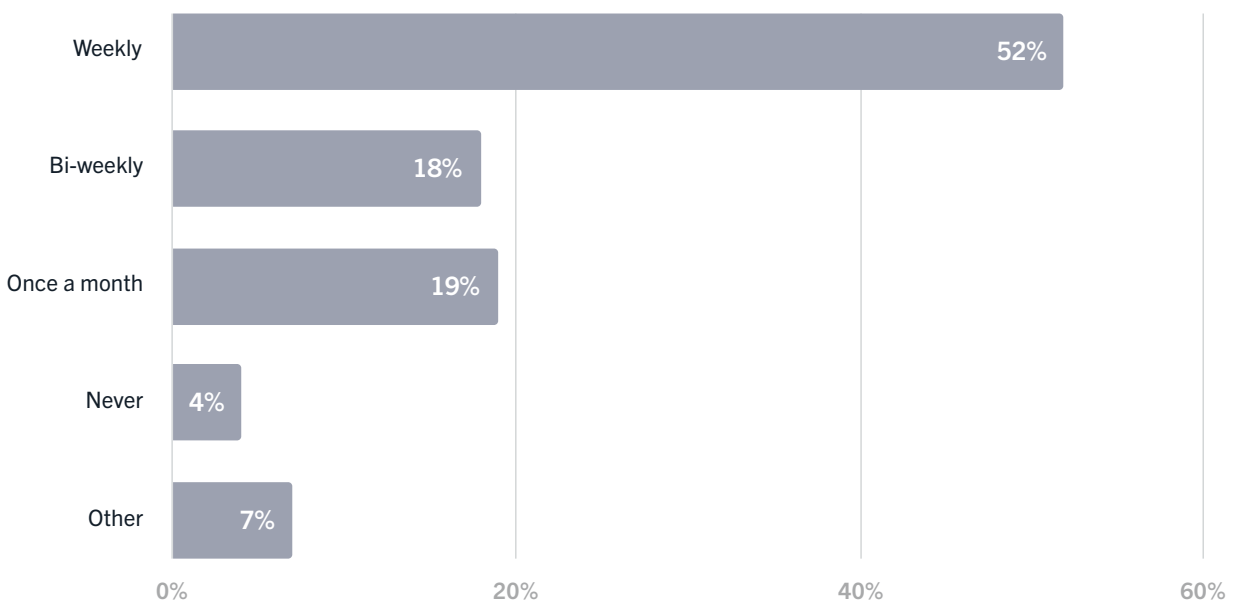
Content SEO: New Content Cadence

Content cadence refers to the frequency at which content is published.

On a scale of 1-100, with 100 representing all search marketers publishing new content regularly, 89% state that they publish new content at least once a month or more frequently.

Within this, 52% of marketers publish new content weekly. The 7% who answered Other, either post content daily or quarterly.

How Many Times Do You Post New Content on Your Website Each Month?

Frequency	Percentage
Weekly	52%
Bi-weekly	18%
Once a month	19%
Never	4%
Other	7%

Key Takeaways

The majority of software marketers are well-versed on the importance of publishing new content on a regular cadence.

Websites cannot rank for keywords they do not have content for.

Google has stated that the algorithm looks for both relevance and freshness of content, so, the older a piece of content is, the less SEO value it holds. Even the highest-performing pieces will diminish in value over time.

While publishing new pieces is vital, it's just as important to dedicate time to refreshing old content. Updating old articles is an easy tactic for getting low-performing content back on the search radar. A refresh can be as simple as going through a piece and re-working the body text to be more

accurate and up-to-date. Some articles may need more work than others, but overall, this strategy allows you to capture traffic in a lot less time since the piece is already written.
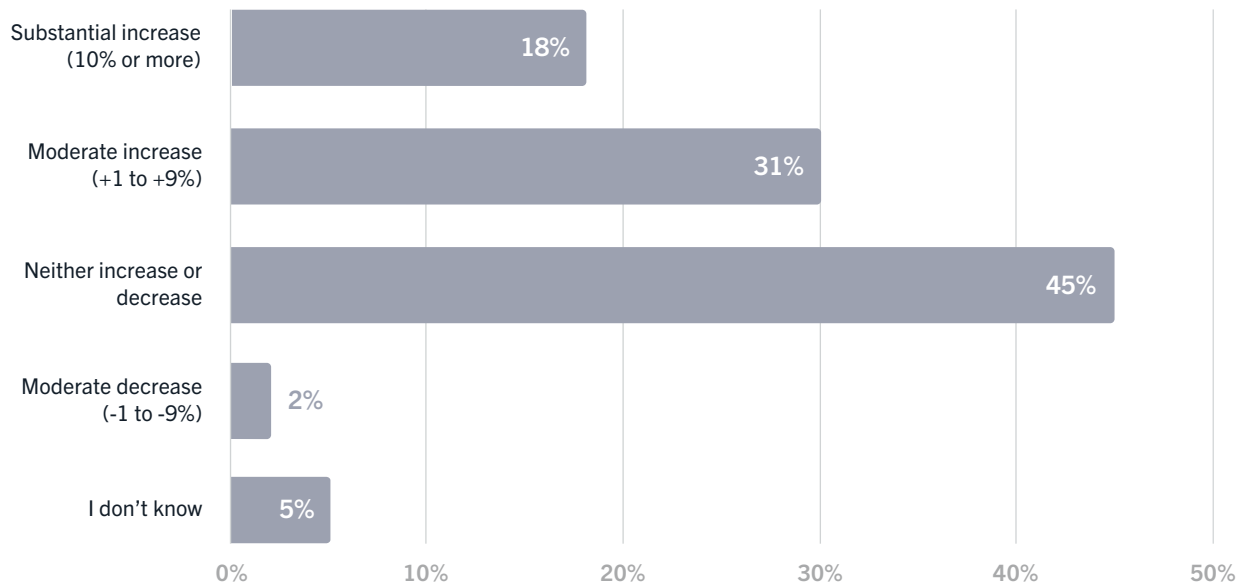
Whether you're publishing a new piece or updating an old one, the value you are able to deliver should always take precedence over the frequency at which you publish. **Never compromise quality for quantity**.

When combined with a strong promotion strategy, publishing fresh, relevant content on a regular cadence can work wonders for organic traffic growth and help you take hold of your MQL goals.

SEO Management: Budgets

When asked about projected search marketing budgets, 2% of respondents reported a planned decrease in 2020; while 49% plan to increase their budgets.

How Will Your SEO Budget Change in 2020?

Category	Value
Substantial increase (10% or more)	18%
Moderate increase (+1 to +9%)	31%
Neither increase or decrease	45%
Moderate decrease (-1 to -9%)	2%
I don't know	5%

Key Takeaways

Survey participants signaled that SEO is a priority as the majority of respondents plan to allocate more marketing spend to search marketing in 2020 than the previous year.

With resources and investment, comes the need for a robust strategy.

Allocating more marketing dollars to SEO is not enough to succeed in the SERPs.

An effective SEO strategy requires continuous content creation efforts, creative link building campaigns, ongoing education on technical concepts, and the desire to keep a pulse on industry trends. This means investing in a highly-skilled team of writers, designers, and technical SEOs, as well as the proper software tools and training resources to help them develop their expertise and reach their goals.

Paid Search Learnings

Paid search advertising is a cornerstone of digital marketing, with a standout reputation for fueling conversions, generating leads, and delivering exceptional ROI.

While organic search is earned, paid search is a method of buying visibility in search rankings. Digital marketers bid for ad space in search engine results pages for keywords related to their products or services. As users engage with ads in their search results, digital advertisers pay ad fees to the search engine based on the number of clicks, impressions, or responses generated.

The key benefit of paid search advertising is that ads can be highly-targeted based on the interests, browser history, demographics, and search behavior of the audience.

The ability to target an advertisement based on the keywords a prospective customer just typed into the search bar leads to contextually relevant ad experiences that drive leads and sales.

Bidding Strategies

Bidding strategies refer to the different options to control or automate bids in Google Ads.

Bidding strategies help search marketers improve spend efficiency since they are designed to work the objective of their campaign. Bidding capabilities have evolved over the years from legacy strategies including manual cost-per-click (CPC) and cost-per-impression (CPM) to advanced, machine-learning driven strategies that rely on automation.
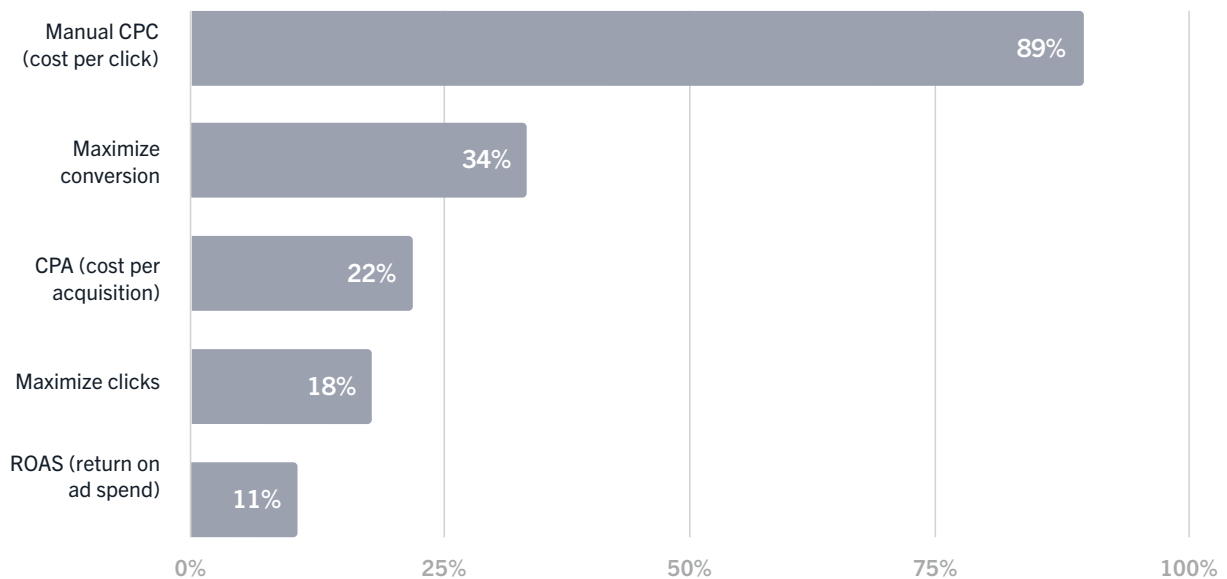
There are a number of newer bidding strategies that all use machine learning to tune their campaigns automatically:

▶ Maximize conversions

▶ Maximize conversion value

▶ Maximize clicks

▶ Enhanced cost-per-click (ECPC)

▶ Target impression share

▶ Target search page location

▶ Target outranking share

▶ Target cost-per-action (CPA)

▶ Target return on ad spend (ROAS)

There is potential with automated bidding strategies to save time for marketers, as they don't need as much maintenance and can potentially lead to better performance.

However, the most popular bidding strategy used by survey respondents remains manual CPC, as measured on a scale of 1-100, where 100 is every marketer using that strategy:

Bidding Strategies Used

Strategy	Value
Manual CPC (cost per click)	89%
Maximize conversion	34%
CPA (cost per acquisition)	22%
Maximize clicks	18%
ROAS (return on ad spend)	11%

Question is multiple choice, so answer totals will exceed 100%.

Key Takeaways

The majority of survey respondents identified manual bidding as their main strategy.

The primary benefit of manual CPC bidding is that advertisers have the highest level of control when deciding how much they're willing to pay for a click. It's clear why most search marketers still use this bidding option as a fundamental part of their strategy. **Automatic isn't always better**.

Without a strong understanding of paid advertising, automated campaigns can end up costing more than they save. Marketers should A/B test their usage of different bidding strategies and allow the data to determine what strategy works best for each respective campaign and its objective.

> " It is crucial to note that there needs to be alignment between the targeting, the advertisement, and the offer on the page. If that doesn't exist, regardless of the bidding strategy used, you won't be successful.

Brady Cramm

DIRECTOR OF PPC AT DIRECTIVE

Lead Generation

Lead generation is the process of identifying and cultivating potential customers for a business's products or services.

When executed correctly, paid search will bring you aligned leads.

With the majority of marketers focusing search marketing efforts on converting contacts/leads to customers, there are a variety of platforms that can be used to generate more qualified leads.

Which Platform Will See the Largest % Growth in Investment From Your 2020 Marketing Budget?
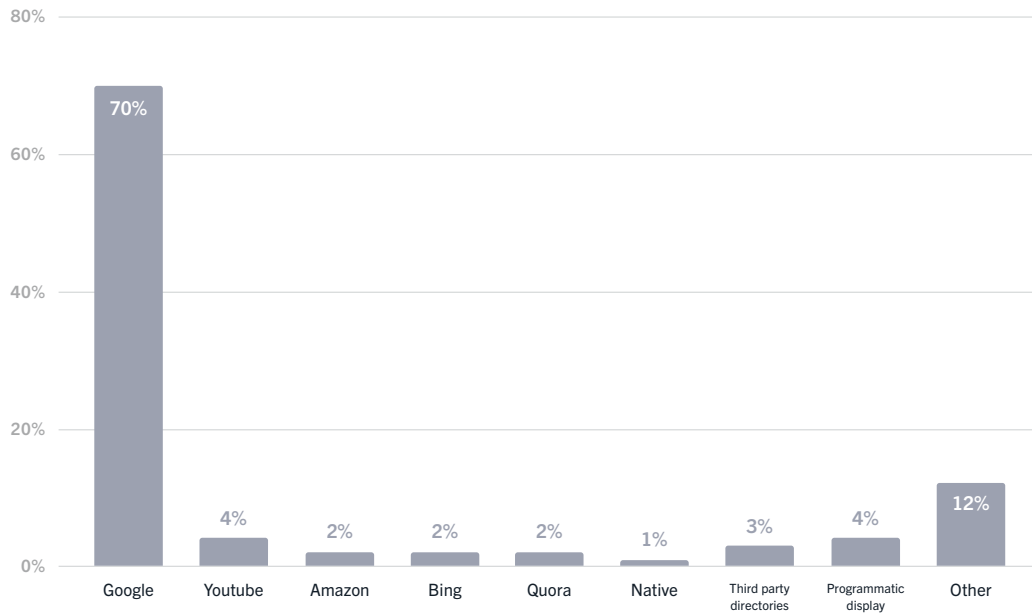
Which Platform Will See the Largest % Decrease in Investment From Your 2020 Marketing Budget?
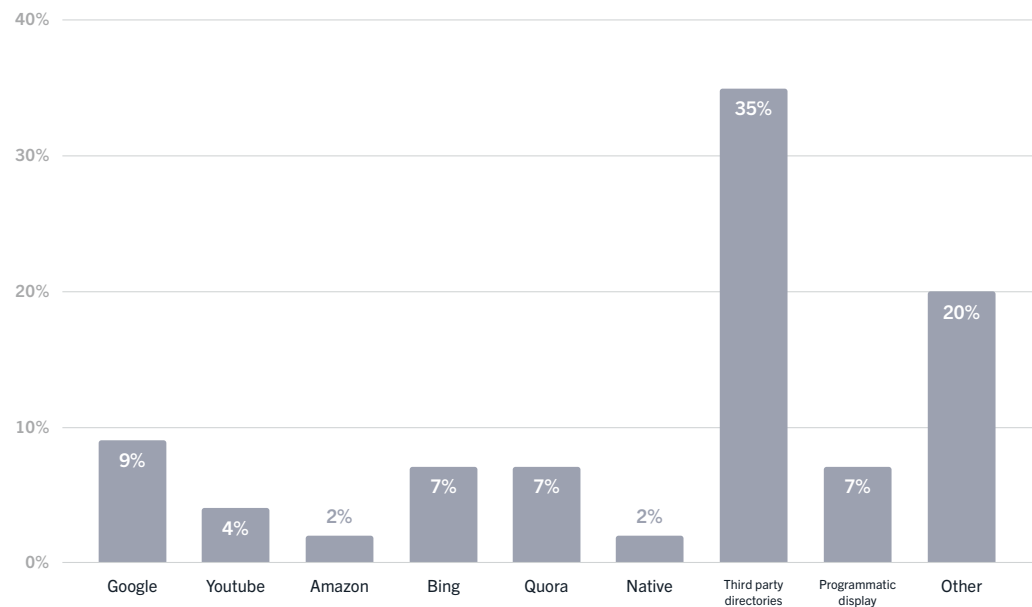
The graphs show how survey respondents plan to increase, as well as decrease their spend in 2020. According to our results, Google dominates search engines. On the other end, 35% of marketers plan to decrease spending on third-party directories.

Key Takeaways

Overall, **Google reigns supreme as the most sought-after platform for driving online lead generation**. The search engine giant continues to be an effective channel for software marketers to display their offerings and advance new MQLs.

On the other hand, a significant percentage of the marketers surveyed plan to decrease their investment with third-party directories.

"Third-party directories can be very valuable, but they are also extremely competitive. You have to have the time and resources to invest in directories to grow your logo in order to be successful. That's where investing in Google can look a lot better," says Cramm.

The challenge here is to identify which platform will be most effective to reach your specific target buyer while staying cost-efficient.

"Before making a decision of where to add or pull spend, ensure your lead attribution model is perfected and tracked correctly throughout your CRM database. Ideally with multi-touch attribution instead of just relying on first or last-click attribution. This data is critical to informing any investment decisions," adds Cramm.

Use of CRM Data

Use of audience data from a client relationship management system within paid advertising campaigns.

Using CRM data for paid search marketing is imperative for growth in modern search marketing.

This is especially useful when running a custom audience or retargeting campaign. Armed with CRM data, marketers have the ability to create highly-personalized advertisements designed to engage the customer at their precise location in the buying journey.

On a 1-100 scale, with 100 representing all search marketers using CRM data, approximately 32% of marketers are using CRM data in some fashion. Of those who said they did not, 41% said they just hadn't gotten to it yet.

32%
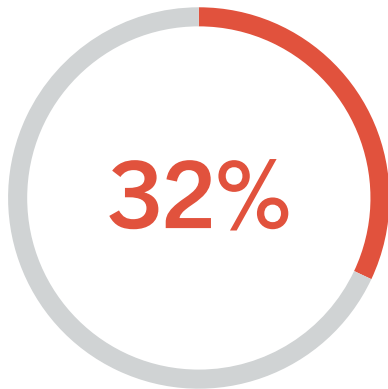
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Do You Use CRM Data?
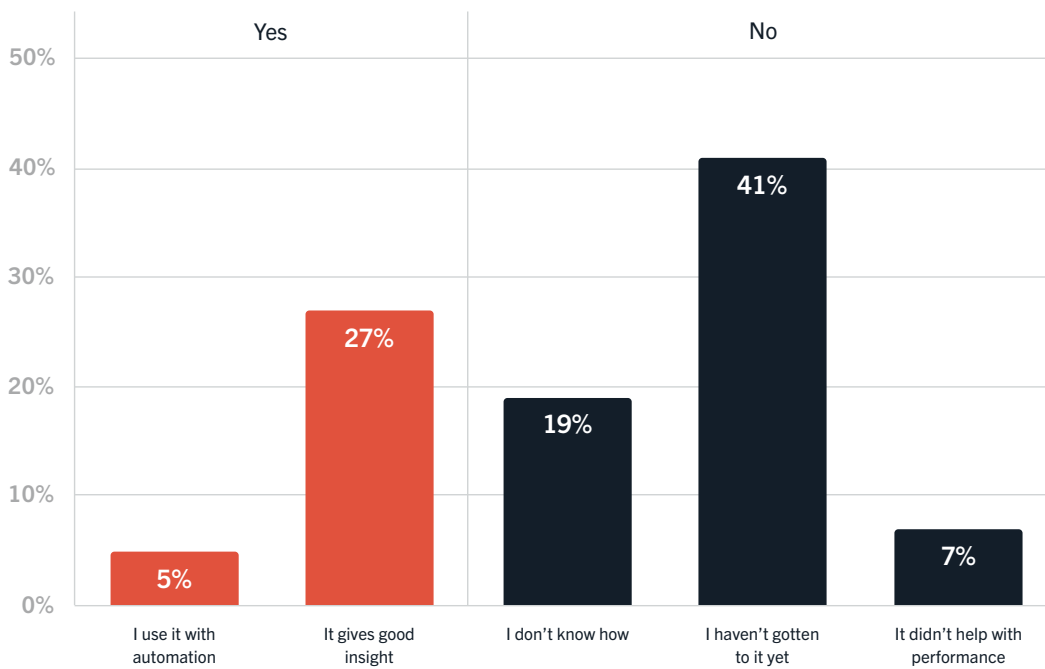
Key Takeaways

Overall, there is complexity involved when attempting to sync and integrate various technologies.

When it comes to these more technical aspects of search marketing, ease of implementation plays a key role in the adoption of a new strategy.

As integration capabilities between CRM and digital advertising platforms continue to improve, marketers should take advantage of this data to inform paid search strategy. Leveraging CRM data can make a significant positive impact on the overall performance of a paid search campaign and improve budget efficiency.

Automated Management

Through the use of pay-per-click software management tools, account changes can be made automatically outside of a native advertising platform.

Just in 2019, Google generated over $134 billion in revenue through ads.

This is a direct reflection of the massive growth seen across the digital advertising industry over the last few decades. As more businesses invest in digital channels to advertise their offerings, there is an increased need for software solutions to help support advertisers with the management of their online campaigns.

Various software solutions have been developed for PPC advertisers to manage their budget, product catalogs, bid strategies, keyword strategies, audience targeting, and more. For marketers who manage hundreds or thousands of keywords plus millions of dollars of ad spend, PPC management software tools become necessary to ensure optimal campaign performance.

Surprisingly, 60% of software marketers don't use any form of account automation, while 40% said they use some form of automation tool for paid search.

40%

40% of marketers use some form of automation tool for paid search.

Do You Use Automated Bidding Strategies?
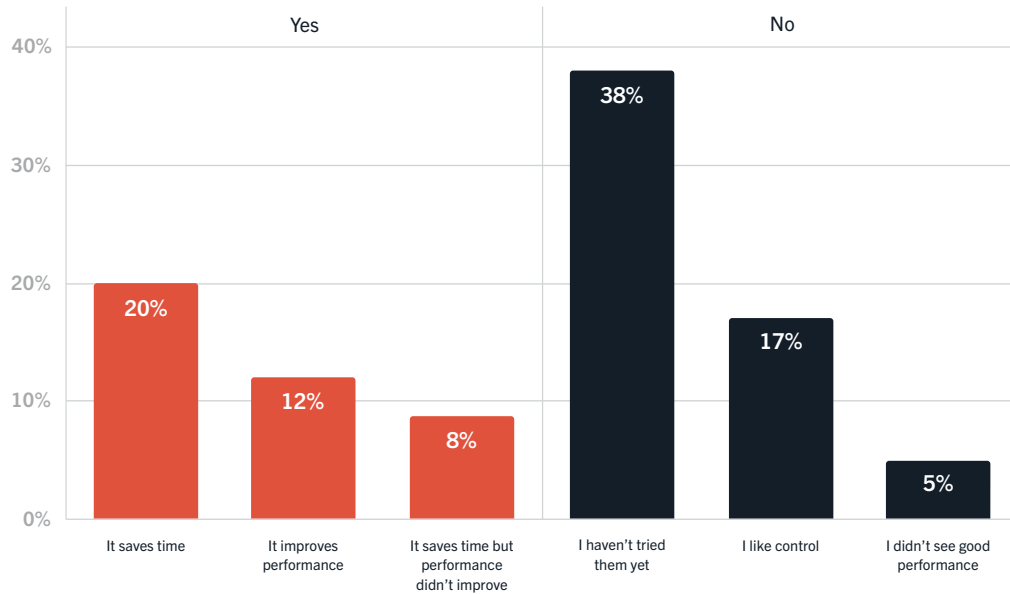
Key Takeaways

Overall, search marketers are slow to adopt automated PPC management tools. It's possible that this is due to budget constraints, but it may also be reflective of a desire to have more control over ad strategy and campaigns. The likely answer is that it's a combination of both factors.

For companies that spend only a few hundreds or thousands of dollars a month on ads, utilizing a PPC management tool may not be a practical investment. On the other end, businesses with very large marketing budgets, complex account structures, and/or hundreds of ongoing campaigns to manage, a software solution to help automate account management could make financial sense to optimize campaign performance effectively.

Conversion Rate Optimization

Conversion rate optimization (CRO) is the critical process of optimizing a site or landing page experience to encourage visitors to take a desired action.

CRO plays a key role in search marketing as it entices users to take action and move further along the marketing funnel.

Marketers spend countless hours writing content, creating ad campaigns, and doing keyword

research to draw audiences in and grow traffic. However, much of that traffic loses value if website visitors don't take action once they land on the site.

The goal of CRO is to ensure that a website is designed for excellent user experience to lead the visitor towards a desired marketing outcome.

When surveyed, 35% of search marketers state that they do not do any type of CRO testing at all; while 31% conduct one test per month.

CRO Optimization Tests per Month
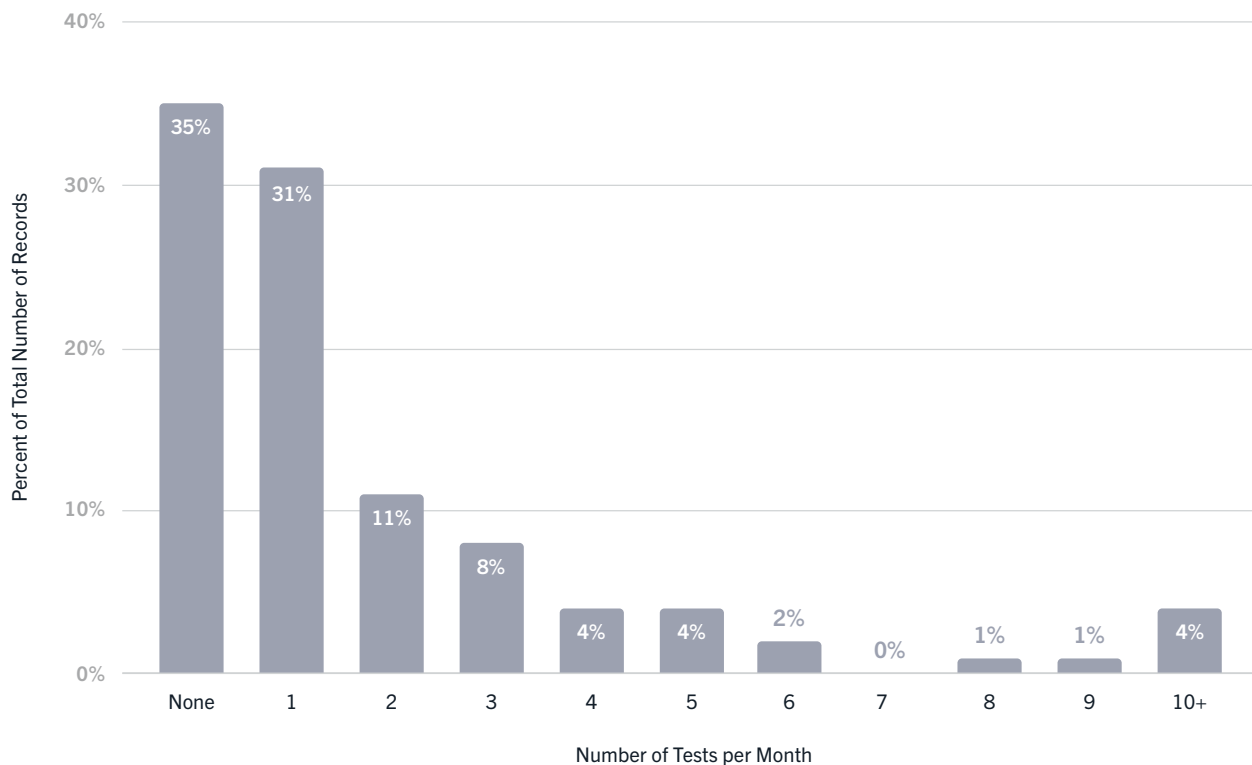
Key Takeaways

The data shows that **a significant number of marketers are doing very little or no conversion testing at all**.

With search marketing becoming more expensive and competitive each day, CRO testing is needed to continue driving conversions once a user lands on a website or landing page.

When most marketers are measured on their ability to drive traffic to websites and landing pages, improving conversion on the pages themselves can quickly become an afterthought. This could be due to budget or time constraints (or both). There are a variety of free and paid CRO tools available on the market that allow users to create custom conversion tests in minutes. A popular option is Google Optimize.

Let's face it.

Your website will not reach its potential if you're not regularly experimenting and A/B testing to see what works with the humans interested in your product or service.

If you experiment with various elements on your pages, you can discover areas that will yield the best results for your specific viewers. This data can also be used as a benchmark to determine your next round of testing.

Plus, an effective CRO strategy has the potential to increase revenue without needing to also increase traffic.

Conclusion

The *2020 State of Search Marketing in Software* report was created to provide unique insight into the current state of search marketing among professionals working in the software industry.

Overall, the survey results point to several key findings:

- The consensus among respondents is that the primary goal of search marketing is to convert leads to customers.
- The level of confidence among marketers is directly related to how measurable their search marketing strategies are. Marketing teams need to be armed with the right resources to track, measure, and quantify the outcome of their tactics.
- The technical elements of search marketing contribute to a knowledge gap among a number of software marketers.
- A majority of marketers are well-versed on the subject of on-page SEO and see the value in content creation and keyword research. Off-page SEO activities, such as link building, are conducted much less frequently.
- Although automated bidding is on the rise, manual bidding remains the most popular bidding

strategy among software marketers.

- Google is the most popular platform for driving PPC lead generation.
- Despite innovations in paid search technology, the majority of SaaS marketers have yet to leverage CRM data or take the leap and invest in a PPC management software solution.

It's clear that search marketing continues to be an effective method of generating leads and revenue for software companies.

As technology continues to evolve, more tools are becoming available to support search marketers in their efforts through automation and machine learning. Our findings indicate that, when armed with the right knowledge, talent, and resources, a software company of any size can empower their brand and become more discoverable.

Methodology Statement and Disclosures

This survey was created by *Directive* and administered by *Directive* and *Trust Insights*. As not all questions were required, response rates for individual questions varied in the raw data; demographic and firmographic data was ~99% complete.

Using random forest imputation with 17,500 trees and 50 iterations against 75 variables, *Trust Insights* inferred responses for questions with incomplete data with an out-of-bag error rate of 0.127. Questions with multiple choice answers were one-hot encoded for ease of data processing and imputation.

Directive was the sole sponsor of the survey. The survey was administered through the *SurveyMonkey* platform, then processed in R and Tableau Software. The timeframe of the survey data collection was December 8, 2019—January 9, 2020.

Directive

About Directive

Directive is a next-gen performance marketing agency that software brands trust to scale their business. Directive specializes in organic and paid search services, which are driven by a dedicated team of specialists who utilize data to drive strategy for client's ROI goals to flourish.

Founded in 2014 and headquartered in Austin, Texas; Directive has expanded with offices in major markets including Los Angeles; San Francisco; New York City; Orange County, CA; and London. In 2019, Directive ranked in the top 500 in the Inc. 5000 fastest-growing companies in the U.S. Additionally, Directive is certified as a "Great Place to Work" for 2020.

In 2019, Directive launched two products, Pulse and Institute. Pulse is the first search marketing database of its kind, while Institute is a step-by-step online digital learning system to drive more sales to any business.

To learn more about how Directive empowers companies to exceed their discoverability and growth, please visit:

directiveconsulting.com or on LinkedIn, Twitter, Facebook, and Instagram.