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### The importance of search engine optimisation

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# THE IMPORTANCE OF SEARCH ENGINE OPTIMISATION

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*Good SEO is a business necessity in the Digital Age but not everyone needs in-house SEO expertise; sometimes it makes more sense to hire an agency*

In a [report by statista](#), worldwide digital advertising expenditure is expected to more than double from 2015 to 2020, jumping from US\$161 billion to US\$335 billion. While TV is still considered the most important advertising medium globally, U.S. digital advertising sales topped TV for the first time in 2016 in a harbinger of an inevitable future.

But do businesses understand the digital landscape well enough to harness the power of digital marketing? Are bigger companies always better versed in Search Engine Optimisation (SEO) than small and medium enterprises (SME)? Do organisations understand the difference between organic traffic and paid traffic?

“Some of my SME clients don’t even have Google Analytics set up,” explains **Becky Leng**, general manager of Singapore-based online advertising agency SearchGuru, which counts amongst its clients AirAsia, e-hailing app Grab, and Malaysia’s largest telco by market share, Maxis. Bigger companies vary in terms on digital marketing readiness.

“You have the traditional MNCs where you have a transfer of marketing team members from a traditional to a digital environment,” describes Leng, referencing executives who still talk in pre-internet terms such as ‘share of voice’. “These people get overloaded with data and are eventually confused. It depends on the clients and where their business gaps are.

“If they are knowledgeable we bring them onto the advanced bits. For the less knowledgeable ones we educate them what the different tools are and how to use them to extract value.”

## SEARCH ENGINE MARKETING: THE STRAIGHT AND NARROW

Instead, Leng and her team of 45 campaign specialists work on things such as bringing down the cost of conversion when doing search engine marketing (SEM) via Google AdWords.

“Cost of conversion is the portion of every dollar you put into the campaign that becomes a sale,” Becky tells *Perspectives@SMU*.” For example, if you put in a hundred dollars and you converted ten sales, the cost of each conversion is ten dollars.

“We look at traffic that has the highest potential to convert to a sale. We avoid paying for keywords that are too generic and does not convert, which drives up the total budget. Instead, we look at lowering the cost of each transaction.”

According to Leng, that can be done by looking at ‘longer tails’ on keywords. She elaborates: “We roughly know, pertaining to specific industries, the generic keywords that are too expensive. We look at longer tails, which is expanding the word. For example, instead of the more expensive keyword ‘groceries online’, we expand it to ‘buying sparkling water online in Singapore’.”

She adds: “As you become more specific and more targeted, a competitor may not buy into the same keyword(s). Depending on the experience of the agency team or by the clients themselves in handling the keyword bids, the more generic the keyword, the more expensive it gets.”

## SEARCH ENGINE OPTIMISATION: PAY TO KEEP UP, KEEP UP OR PAY

While ‘long tails’ can be desirable for SEM, it is not quite the case for SEO, which involves the creation of meta tags to help search engines find and rank a website. **Marilyn Yeong**, SearchGuru’s Head of Business Development, explains:

*“When you’re talking about search engine marketing, you’re looking into how people search for things online. But when you are optimising your website from an SEO perspective, you want to be related to a broader subject. You don’t want to be related to too many broad topics but you don’t want to restrict yourself so much that you’re only related to a very specific term.”*

SEO, however, is more than just about the right meta tags. Google’s search algorithms can levy a penalty on a website, which leads to a lower search ranking, for plenty of reasons e.g. broken external links that lead to the dreaded ‘404 not found’ error message, slow loading speeds and malicious backlinks etc. Google’s Panda update to its search engine is an oft-cited example of the importance of proper SEO.

But should every company have an in-house SEO expert to ensure proper SEO maintenance? And should businesses invest in constant training to ensure that the specific individual is up to date with the latest technology?

“The world changes too fast,” Leng states. “Google’s algorithms change continuously, the most infamous being the Panda update release. It killed a lot of the spam backlink companies that did poorly thought through SEO. With such things, even if an individual were to spend a lot of time getting up to speed by going for training and courses, you still have the problem of hiring a replacement when that person leaves. Business continuity becomes questionable.

“If a company outsources the SEO function to an agency, they’re buying that expertise at a lower cost than hiring in-house. Additionally, they’re also buying into a team of experts. Should one person move on there is still a level of consistency and continuity.”

Yeong frames the argument in terms of cost and effectiveness: “The rule of thumb is: If you can’t do it yourself, look for an agency who can make a difference overnight instead of trying to learn from the ground up. You don’t want to start from scratch when a lot of other companies are already up to a certain level in terms of their progress and sophistication.”

## **FROM AWARENESS TO CONVERSION**

Leng also pointed out businesses where in-house expertise would be integral to business operations, such as online travel and accommodation portals Skyscanner and Expedia where “the entire bread and butter comes from online business”. For everyone else, good SEO is just part of effective business and cost management.

“When SEO is done well through meta tagging and having the right page title, it improves the site’s quality score overall on Google. Google then pays attention to your site, which means internet users can find you. And because your quality score goes up, your paid ads costs are more efficient. That’s what marketers should pay attention to instead of dumping money onto the market.”

She concludes: “Let’s remove digital from the conversation and go back 20 years. We used to market to consumers via TV, radio, print ads etc. What hasn’t changed is drilling in the consistency of being there. Years ago, McDonald’s had all these jingles and Ronald McDonald and TV commercials. They worked well.

“Fast forward it 20 years. Digital works in roughly the same way: You really have to drill it into the minds of the consumers and remind them that you’re here. The reality is, going into multiple tools and platforms that have assisted and supported awareness, it’s now about funnelling it into a conversion.”