

# Brand name advertising clicks with online shoppers

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(PhysOrg.com) -- Brand names in online search engine advertising campaigns can attract more attention and encourage more sales than campaigns that use generic terms, according to Penn State researchers.

In a study of a major retailer's online [marketing campaign](#), researchers found that more people click on advertisements that appear on search engine result pages and purchase products when those [brand names](#) show up in the ads, according to Jim Jansen, associate professor of information sciences and technology.

"Certainly there is a positive correlation between branded terms in a query and branded terms in an ad and clicks," Jansen said. "A branded ad combined with a branded search phrase also generated, by far, more sales."

Brand names are words associated with a company and its products, history and reputation. Hotel is an example of a generic keyword and Marriott is an example of a branded keyword, Jansen said.

To place their ads on search engines like [Google](#) and Bing, companies bid against each other for certain words or phrases that search engine users might use in a query. They also create advertisements that are shown on a search's results page when those queries are entered.

Jansen, who worked with Kate Sobel, undergraduate student, Smeal College of Business, and Mimi Zhang, graduate student, [information](#)

[sciences](#) and technology, studied the data from an actual four-year keyword [advertising](#) campaign conducted by a national retailer that sells goods online and through physical stores. The data included information such as the number of times an ad shows up, cost per click, number of clicks and sales revenues generated.

The researchers, who reported their findings in the *International Journal of Electronic Commerce*, examined the performance of four combinations of the variables -- generic phrases, branded phrases, generic advertisements and branded advertisements. The branded keyword phrase combined with branded advertisement generated the highest average sales, which was 15 times higher than the branded phrase combined with the generic advertisement, the next best performing advertising combination.

Jansen said that another advantage with brand names advertising campaigns is that they are often cheaper because search engine companies, like Google, discourage competitors from bidding on brand names and trademarked names.

Jansen suggested that analyzing the performance of branded [search engine](#) advertising could help companies calculate the value of their brands. By measuring the performance of branded keyword ads and comparing them with the branded keyword campaigns of competitors, marketers can estimate the value of their brands, often considered a company's intangible, but most valuable, asset.

Provided by Pennsylvania State University

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