

Share of Search, More than just a metric

Friends of Search

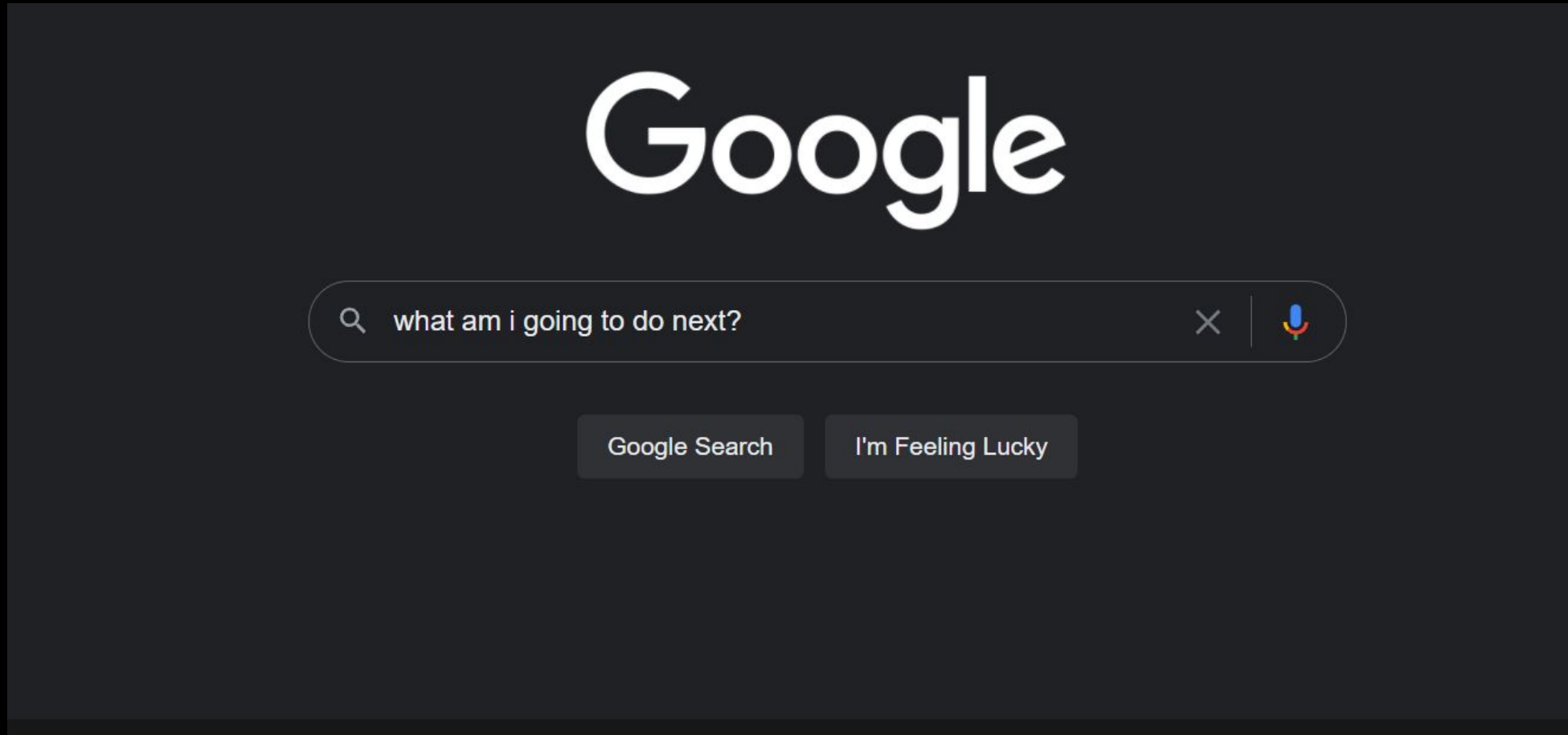
November 2021

James Hankins @ Vizer Consulting

I'm here today to not talk about PPC and SEO



Greatest database on intent



As “Friends of Search”

I’m going to introduce you to a new metric, taken from an ordinary, everyday, search tool, that has both far reaching consequences but also opportunities for planners and strategists of all types

This is a quite “dense” presentation..



we're going to be dealing with the
following concepts

Data vs. Insight

Metrics vs. Diagnosis

As such..today's talk covers the following...

- The most important metric some people may not have heard of
 - A brief introduction
- More than a metric...
 - SoS as diagnosis - overlooked and undervalued

Marketing week change makers 2020



Effweek 2021 headliners

EFFWORKS IPA
GLOBAL
2021

Discover the difference

between a marketing conference

and an effectiveness one

Tuesday 12 October		EFFWORKS IPA
9.00	Breakfast and networking	
9.30	Welcome Pip Hubert, Wunderman Thompson Nisha Pillai, Journalist and event host	
9.45	Living with the pandemic: an economic overview New learnings for advertisers from COVID-19 of a country in transition. Launching the new report <i>Living with the pandemic</i> from Enders Analysis. Alice Enders, Enders Analysis	
10.15	The marketing outlook: navigating living with the pandemic Analysis of new report <i>Living with the pandemic</i> from Enders Analysis. How will brands and agencies use the findings for planning and recovery in 2022 and beyond? Lorna Haxton, TBWA/Manchester Kiel Petersen, Diageo Becky Moffat, HSBC	
10.45	Marketing Effectiveness Culture: the state of the nation This session outlines the standout data from the IPA Effectiveness Accreditation programme and Marketing Effectiveness Culture Monitor, before diving into recommendations for the industry on how to embed effectiveness cultures. Jo Royce, Unilever Nick Milne, Go Ignite Consulting Julian Douglas, VCCP/IPA President	
11.25	Next-gen attitudes: making effectiveness the game-changer We hear fresh thoughts from three up and coming adlanders on how to ensure effectiveness culture buy-in across agencies and brands. Tashan Nicholas, the7stars	
11.40	Coffee break	
12.00	The effectiveness of Brand Purpose Peter Field explores the IPA Effectiveness Databank to share what quality evidence can be uncovered, and to offer a framework of the type of evidence that should be collected and evaluated if committing to brand purpose. Peter Field, Peter Field Consulting	
12.25	Proving the effectiveness of Brand Purpose An interview with a leading for-profit and not-for-profit brand on how to evidence the effectiveness of Brand Purpose. Dipka Saggi, CALM Jacinthe Brilet, Danone	
12.45	Share of Search: one year on In 2020, Les Binet and James Hankins explored the potential of search metrics to help track the health and future wealth of brands. In 2021, James Hankins is back to outline the key findings from our think tank. This session will explore evidence and case studies of Share of Search and its correlation to Share of Market, its relationship to Share of Voice, its use as a predictive measure and beyond.	
13.15	Rightmove: More property than property A case study on why share of search is such an important measure for the UK's leading property brand and how it's used to support business growth. Sarah Brown, Rightmove	
13.25	Effect of brand media and media mix on Share of Search How Share of Search is being embedded into day to day measurement and how brand campaigns affect share of search and subsequent conversion and market share. Sam Dias, Ninsah Consulting	
13.35	Lunch	
14.35	The rise and rise of Intangible Asset Value Brand Finance has tracked global intangible asset value for 25 years - the IPA has supported Brand Finance's GIFT™ campaign over these years, which have seen intangible assets grow from \$6 billion in 1996 to \$74 billion today. This session will explore some of the highlights of the GIFT™ 2021 report and provides yet more proof of why brand building and marketing effectiveness matter. Annie Brown, Brand Finance	
15.00	444B reasons to make B2B Marketing work This session will explode some of the myths surrounding the sector and the size of the opportunity. We will demonstrate exactly how one major global B2B brand built the profile of the marketing function and an effectiveness mindset to make it a strategic engine for global growth. Emma Hill, Cardano Jennifer Shaw-Sweet, LinkedIn Anouska Elliot, UBS Asset Management	
15.30	Creativity and Effectiveness in a changing world Launching the follow-up to the critically acclaimed publication <i>Lemon: How the advertising brain turned sour</i> . Orlando will take us on a cultural journey unravelling how technology has changed business, advertising, and us - offering practical help and inspiration for those seeking to build brands in an increasingly online world, create advertising that holds attention, that delivers the greatest, longest-lasting business effects, and that fundamentally reconnects with the people who watch it. Orlando Wood, System1	
16.05	Title TBC A response to the new thinking presented by Orlando Wood in his new publication <i>TBC</i> .	
16.30	Title TBC TBC	
16.55	Closing remarks Pip Hubert, Wunderman Thompson	
17.00	Drinks Including Effectiveness Accreditation ceremony	
19.00	Close	

What is Share of Search (SoS)?

I'm not talking about that Share of SEARCH



The key observation is

Share of Search
=
Share of market

The key insights are

$$\text{SOS} = \text{SOM}$$

Because people broadly search in proportion to the way they shop/buy

$$\text{SOS} = \text{SOM} \text{ (value = revenue)}$$

Because “branded search” actions are a good proxy for spending with a brand

Why is Market Share important?

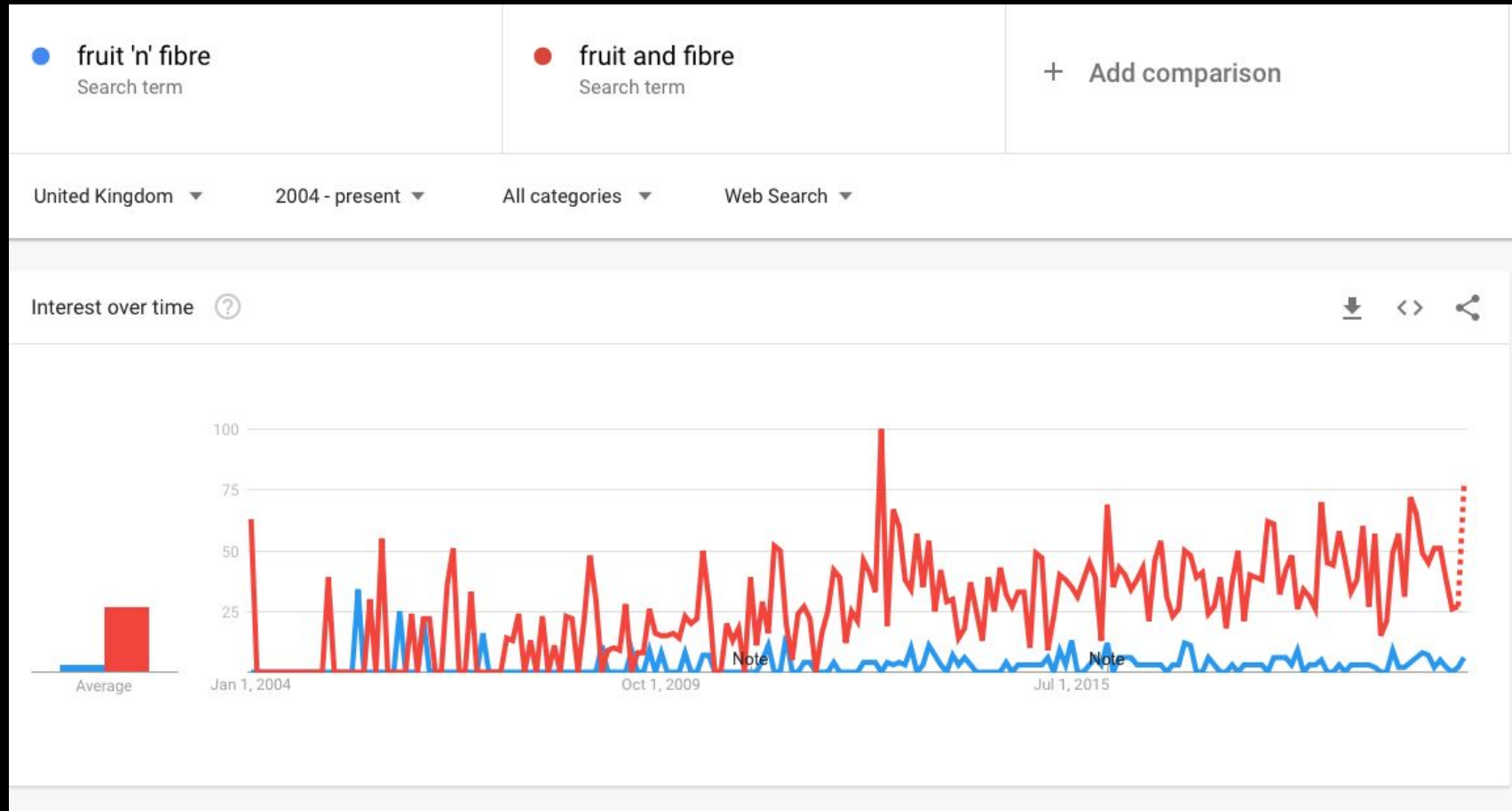
- Understanding why and when market share drives profit (Bhattacharya et al 2021)
- An analysis of the Market Share–profitability Relationship (Szymanski et al 1993)
- Competitor orientated metrics. The myth of market share (Armstrong and Green 2007)

So lets start...

This page is your friend (as I assume you know)...

The screenshot displays the Google Trends homepage. At the top left, the text "Google Trends" is visible. At the top right, "United States" is shown with a dropdown arrow and a notification icon. The main heading reads "Explore what the world is searching". Below this is a search bar with the placeholder text "Enter a search term or a topic" and a magnifying glass icon. A white box titled "Or start with an example" contains three cards. The first card shows a US map with blue dots and lists "Taylor Swift" and "Kim Kardashian" with colored dots. The second card shows a world map with green dots and lists "World Cup" with a green dot. The third card shows a US map with red dots and lists "Football" and "American football" with colored dots. Below the cards is a pagination link "Showing 1-3 of 6 examples". At the bottom, there is a section titled "Latest Stories and Insights" with the text "Explore how Google data can be used to tell stories."

Getting the right term is important



The equation...

$$\frac{\text{12 month moving average (brand A)}}{\text{Sum of (12ma brand A, 12ma brand B... 12ma brand X)}}$$

This is the base formula but; the data can be cut in different ways

Go to my blog if you want further insight
on the methodology...

Theeqplanner.wordpress.com

Today is not a training session, it's a session in
possibilities...

Because its more than just churning those numbers out...



SoS = SoM across categories, countries and languages

30

Case studies*

12

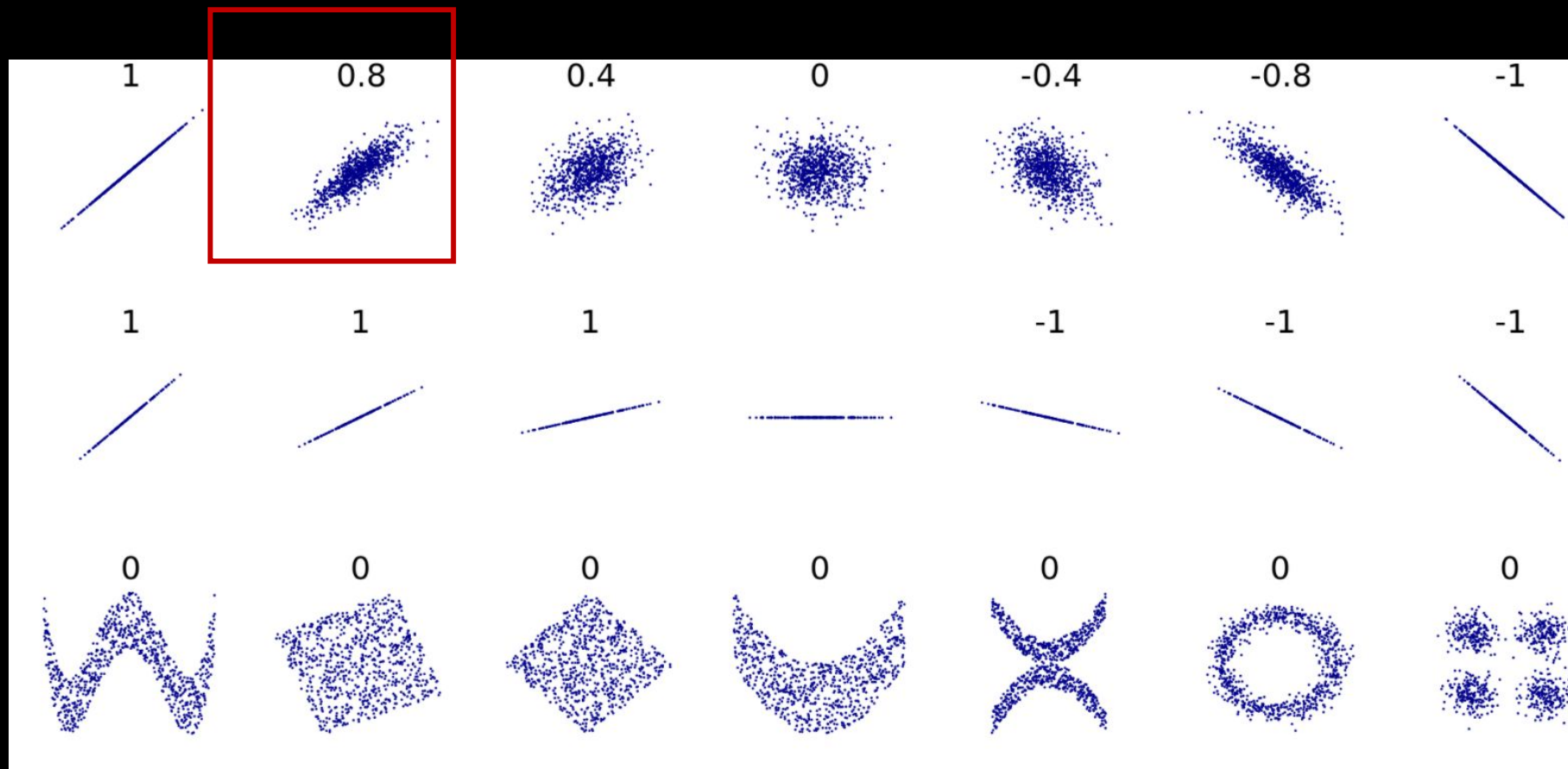
Categories

7

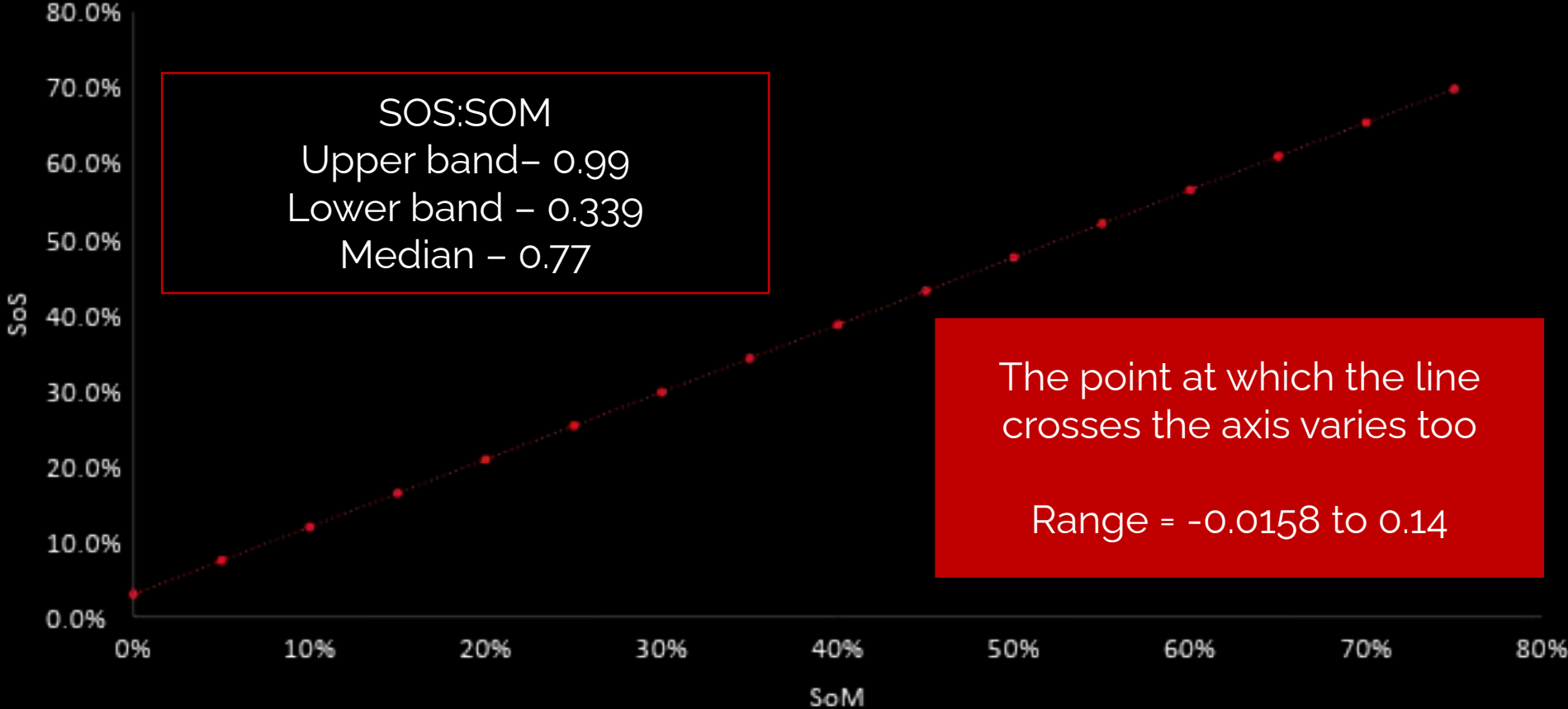
Countries

Much of the analysis has looked at Value Share (Share of Revenue) however we have a few cases where Vol share has also been used

An avg. 83% correlation between SoS vs SoM actoss our cases**

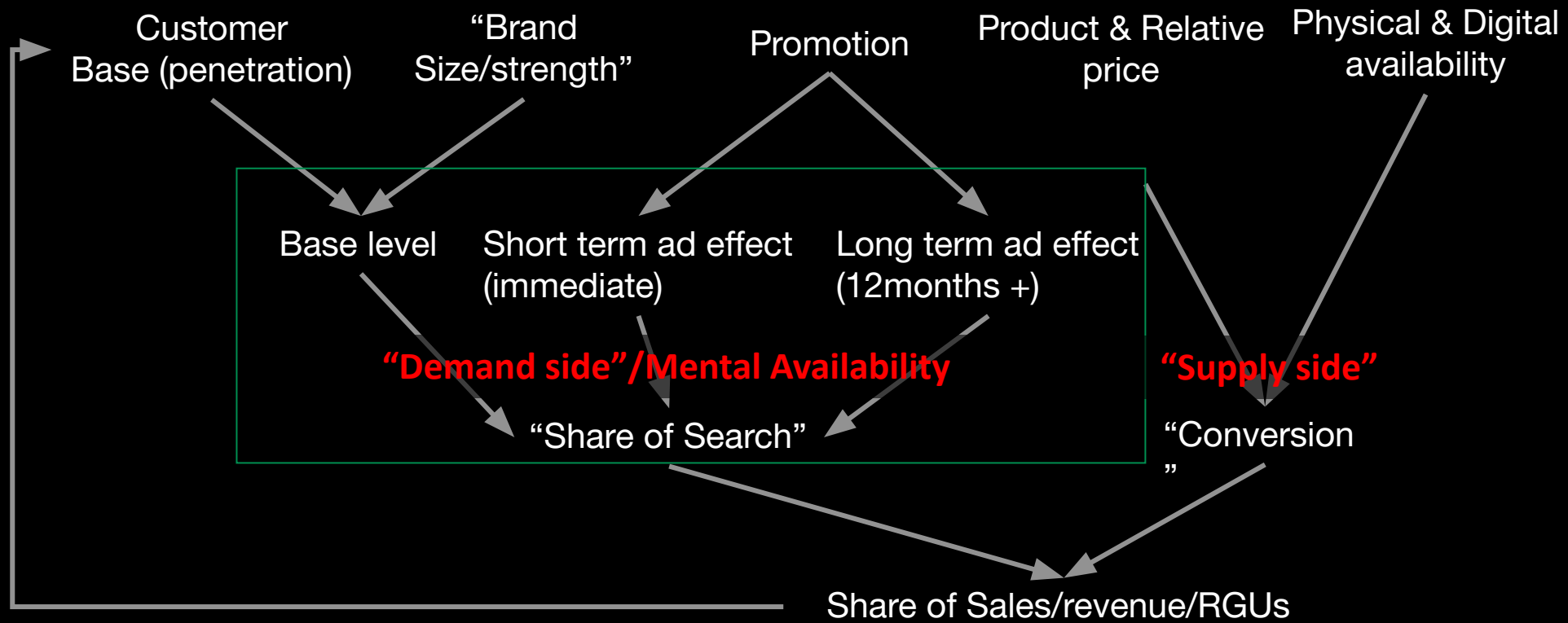


SoS:SoM holds true but varies by category. Country etc



BE CAREFUL OF THE "STATISTICIANS LAKE"

What SoS represents (a new model)



• Source – Binet & Hankins

A few words of advice...

1. Share of Search is an OUTPUT
2. It represents Market Share (value) which is the relative position of the brand vs others in category
3. It's a whole business metric which means lots of things could be affecting performance
4. Trying to GAME search channels requires true fraud
5. It does not preclude the possibility of an individual brand growing in absolute terms i.e. profit or revenue

It's not perfect (because no metric is)



Practical applications unlock its true power



I've developed 11 techniques that utilise SoS

SoS as a Metric

1. SOS over time
2. Growth in SOS
3. Classic ratios (SoV vs SoM & The Jones model)
4. Leading and lagging*

SoS as a diagnosis tool

1. Validation
2. S-curves and Rodgers innovation
3. Growth quadrants
4. Investment in channel
5. The GAP between SOS and SOM
6. Zig Zag
7. Vs. category

The Title of this talk is “SoS, more than just a metric...”

I've developed 11 techniques that utilise SoS

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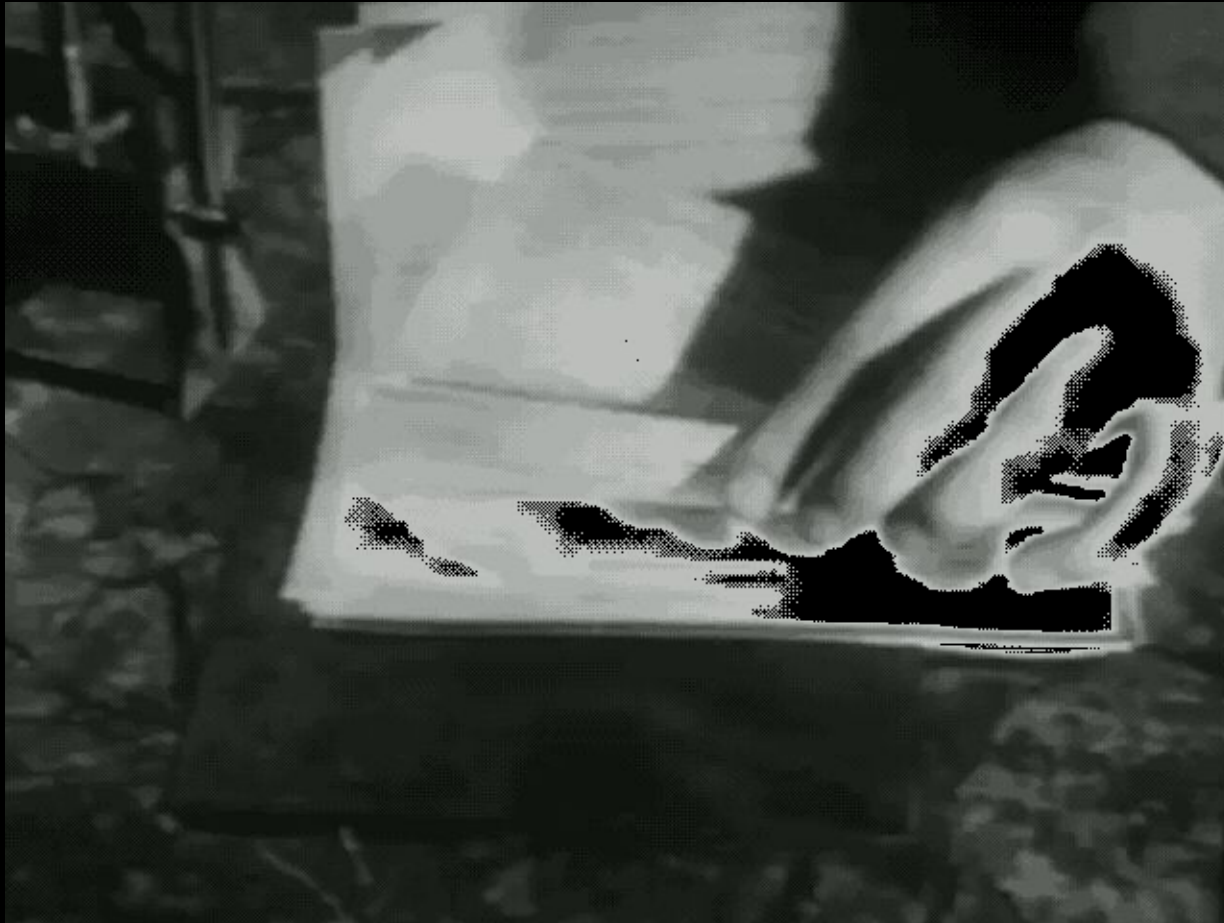
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Validation leads to greater understanding



We're after market share data (vol or value) or at the very data that represents the above

I'm not going to pretend it's a LAW...



..even if the relationship has held true every time I've looked

Validation forces you to go all Sherlock (mostly)



Because if you're looking for representative data, you can't afford official Market Share data

Can't I just churn SoS out?



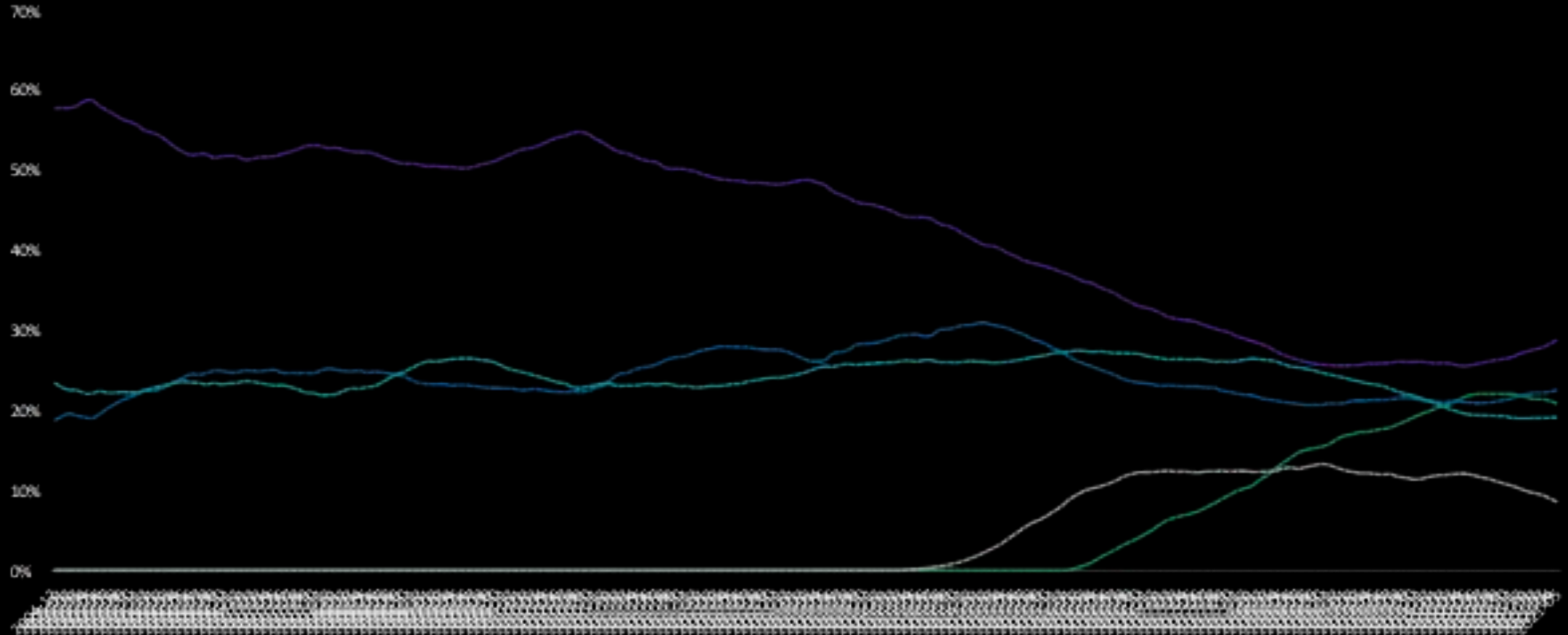
Not if you want to bring senior stakeholders on board



And in digging deeper you'll definitely learn more (and this is where it gets really interesting)



Because if SoS=SoM there is a lot going on behind this chart



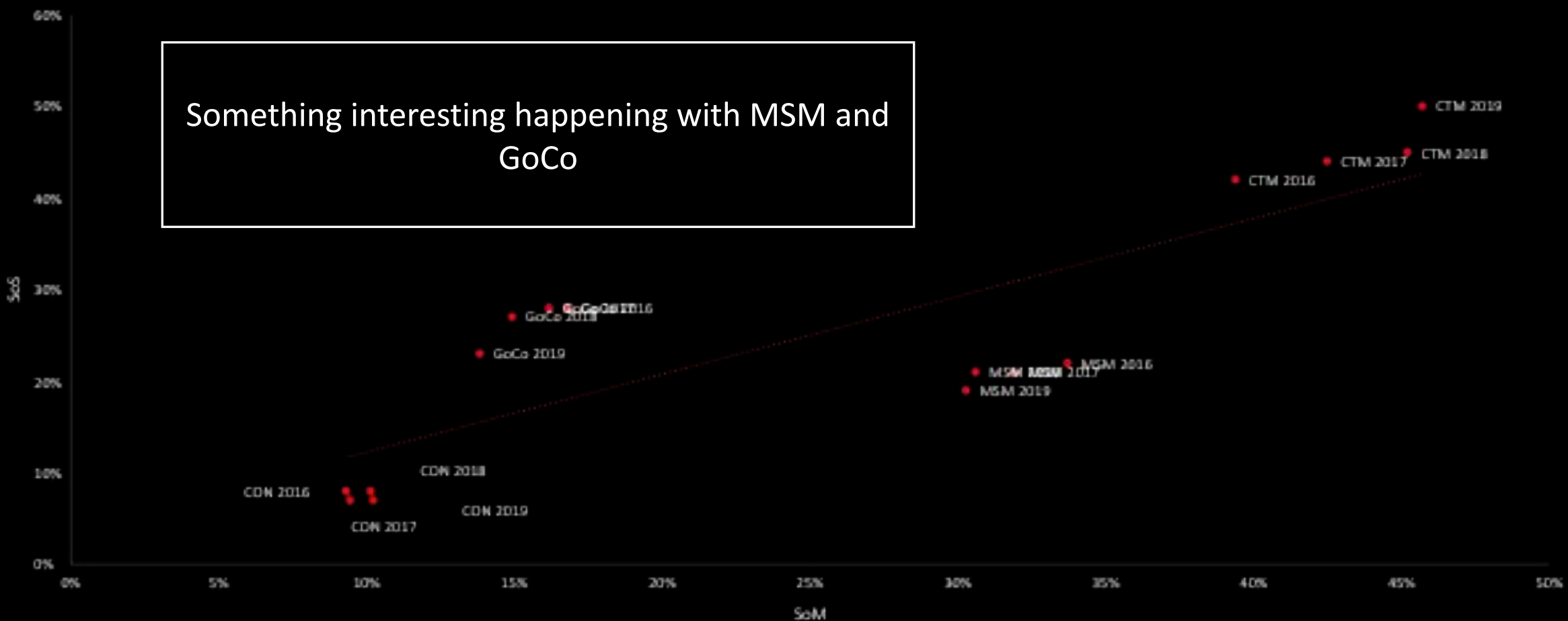
But where do I go?



The place to start is to find representative data for your validation (SoM)

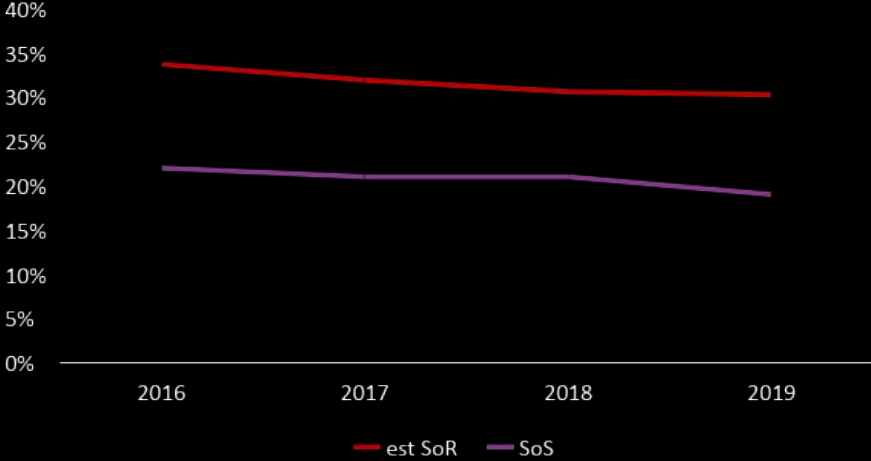
Client insight
&
Investor relations
&
Companies house
&
3rd party research
&
Official data sources

Revenue data from Company reports...

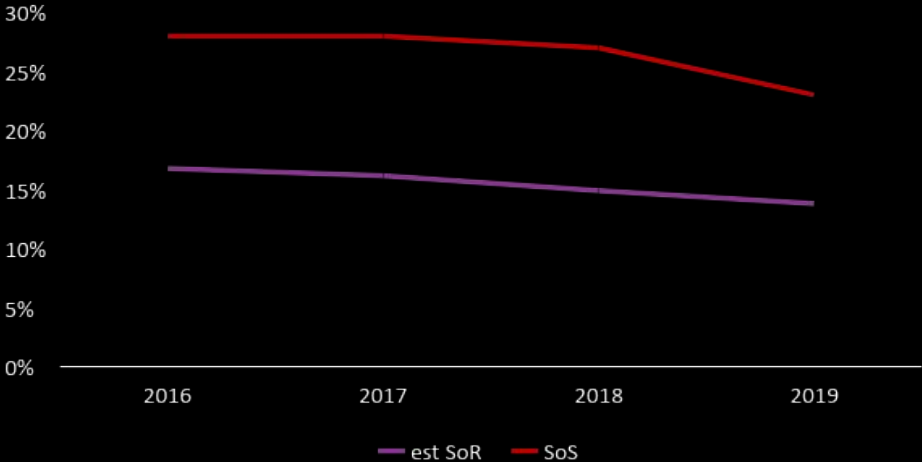


Brand level analysis helps too

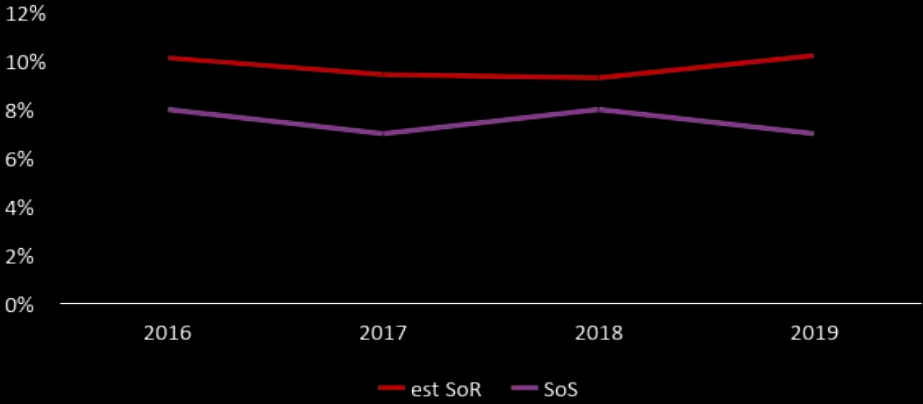
MSM



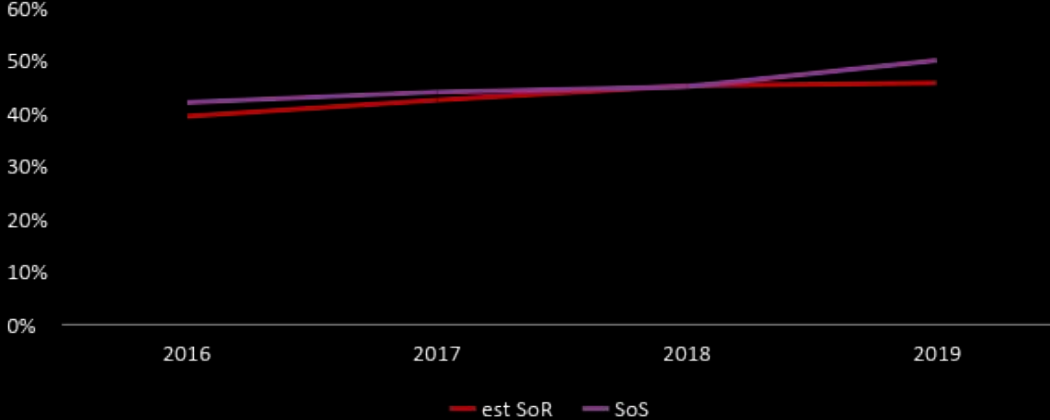
GoGo



Confused

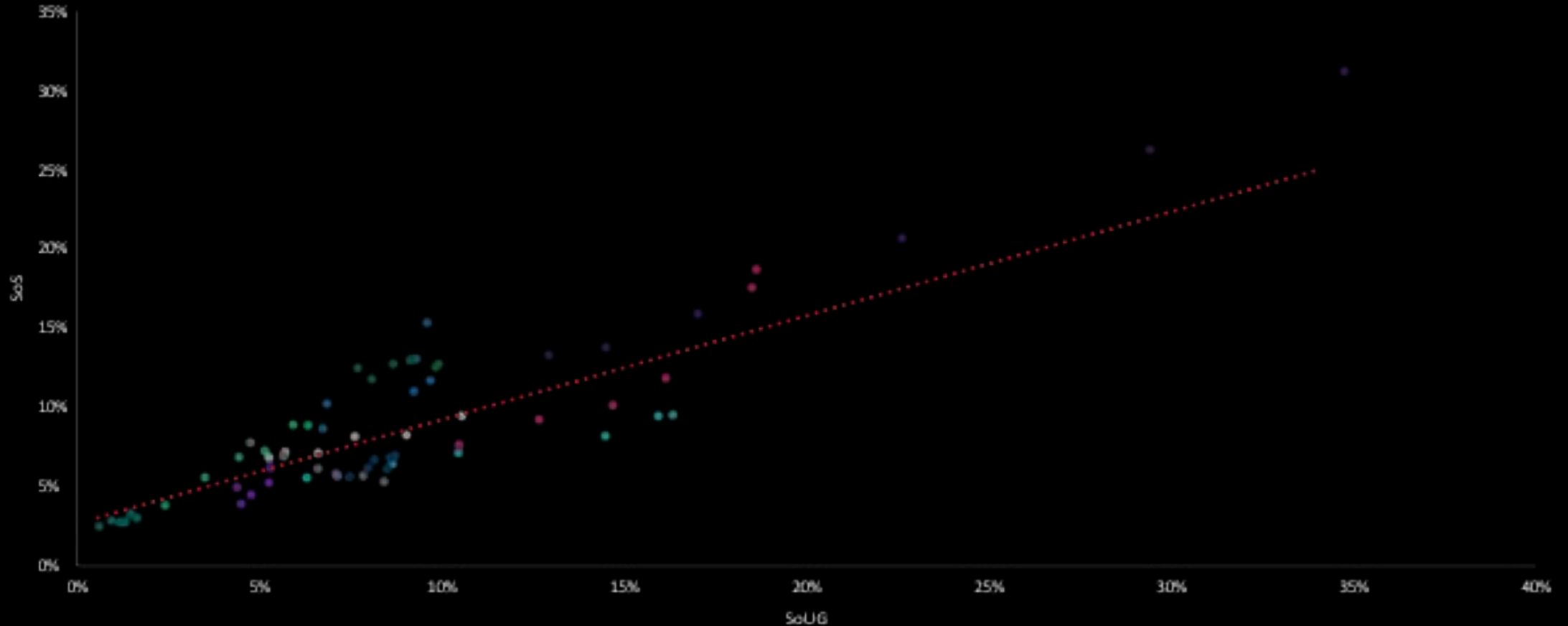


CTM

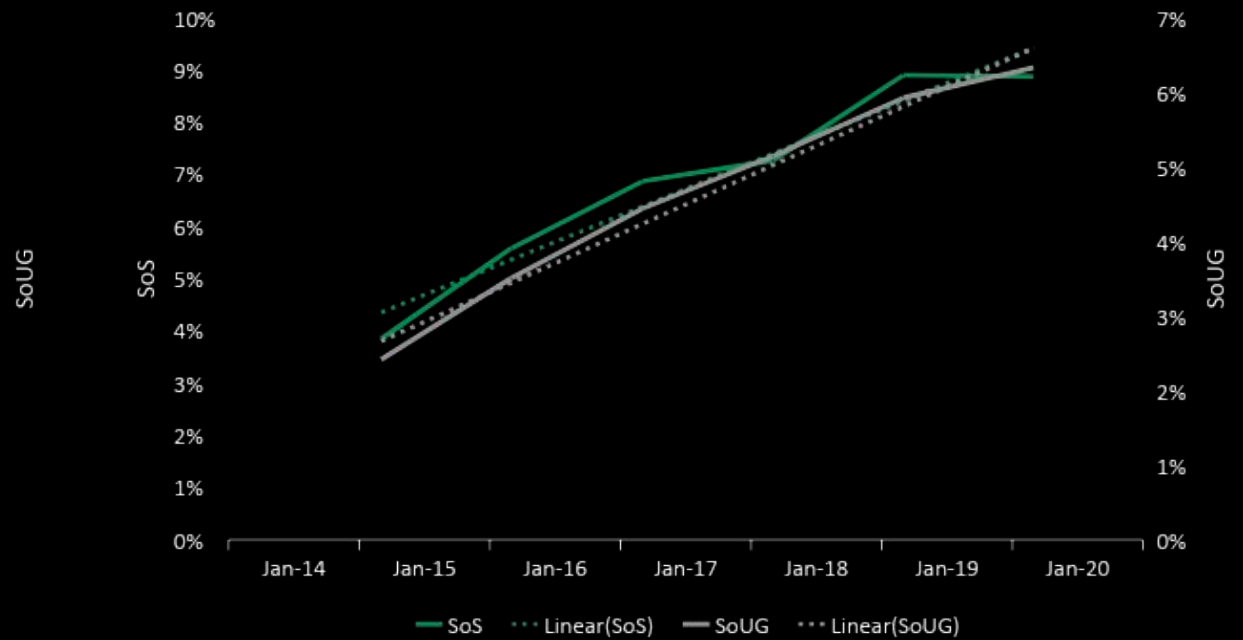
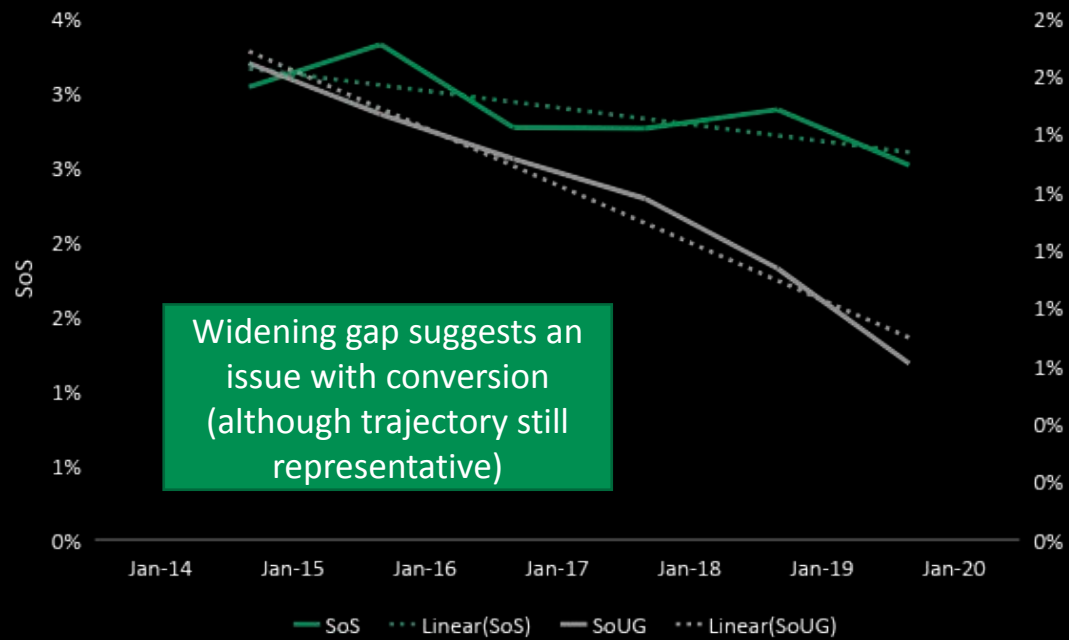


or

A good fit within this sector

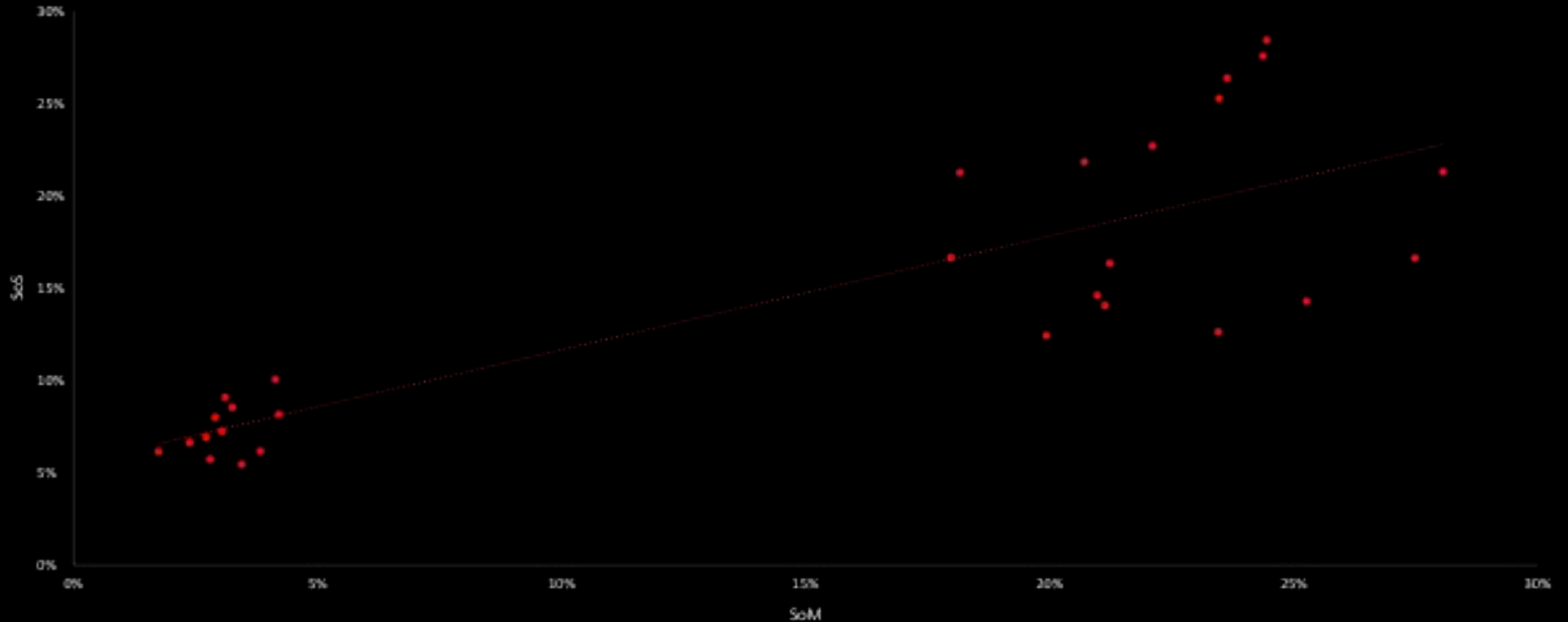


Two different brands with two different patterns

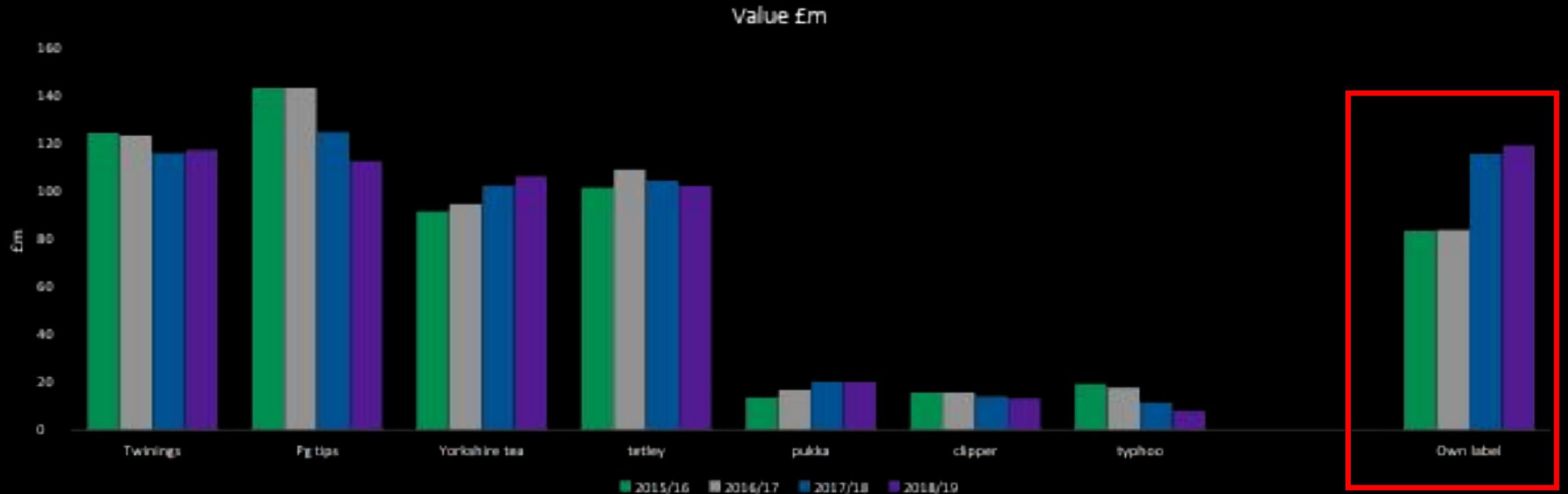


Or...

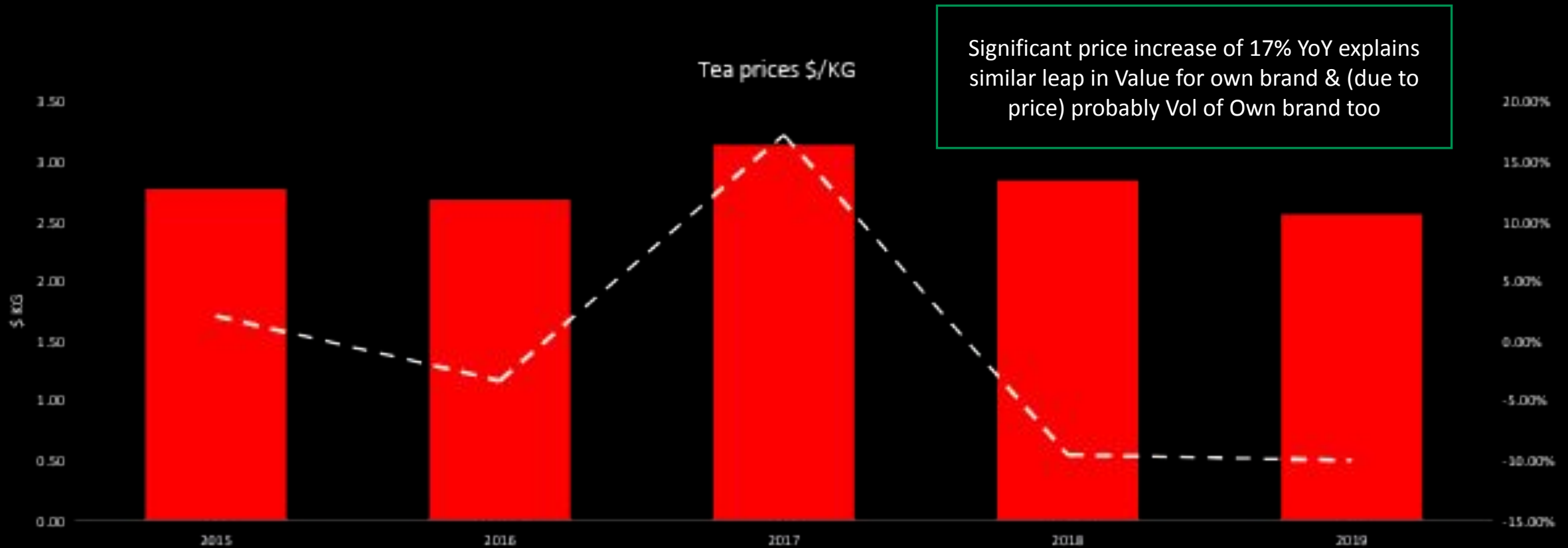
The tea Market in the UK (3rd party SoM data)



Some interesting trends but one important data point

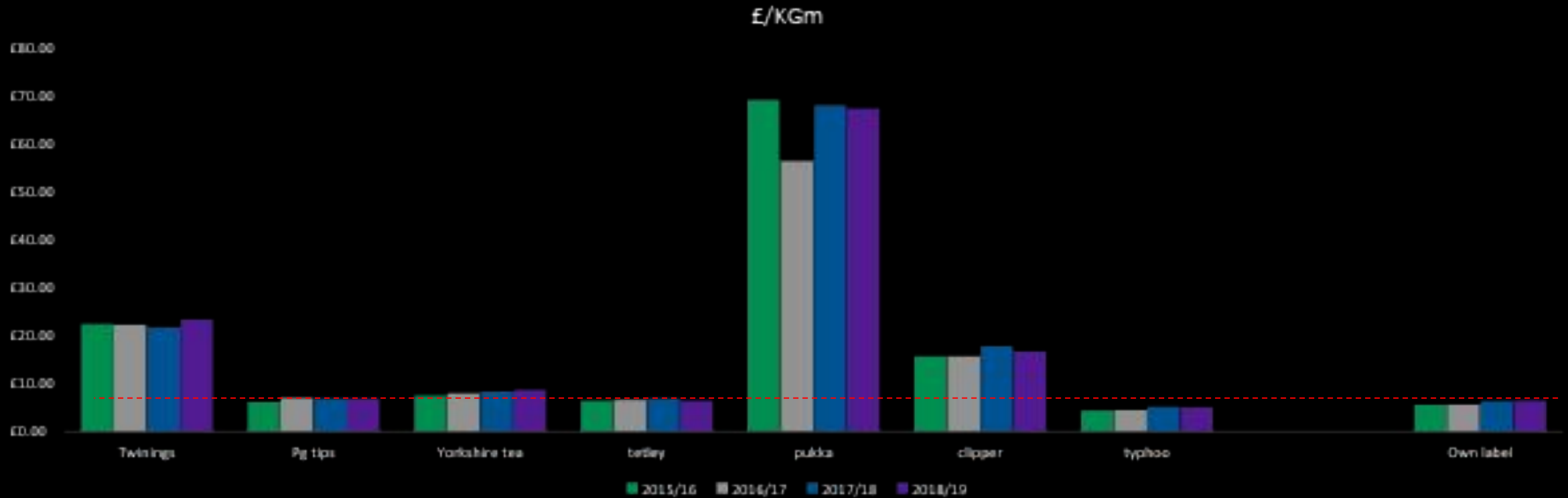


Commodity prices jumped in 2017..



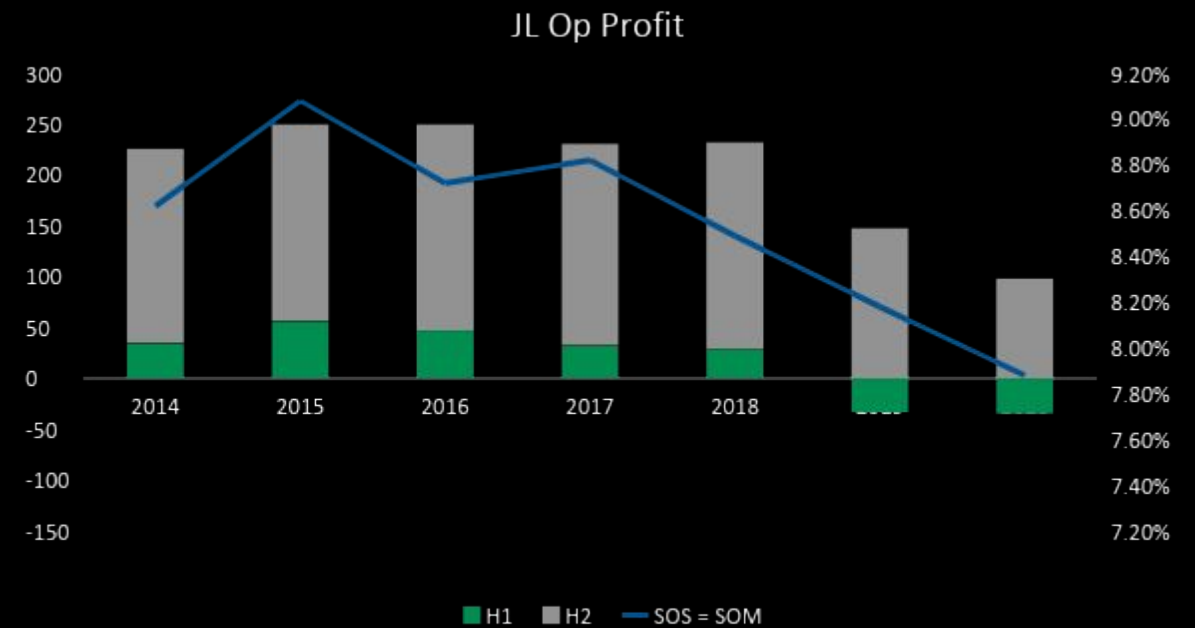
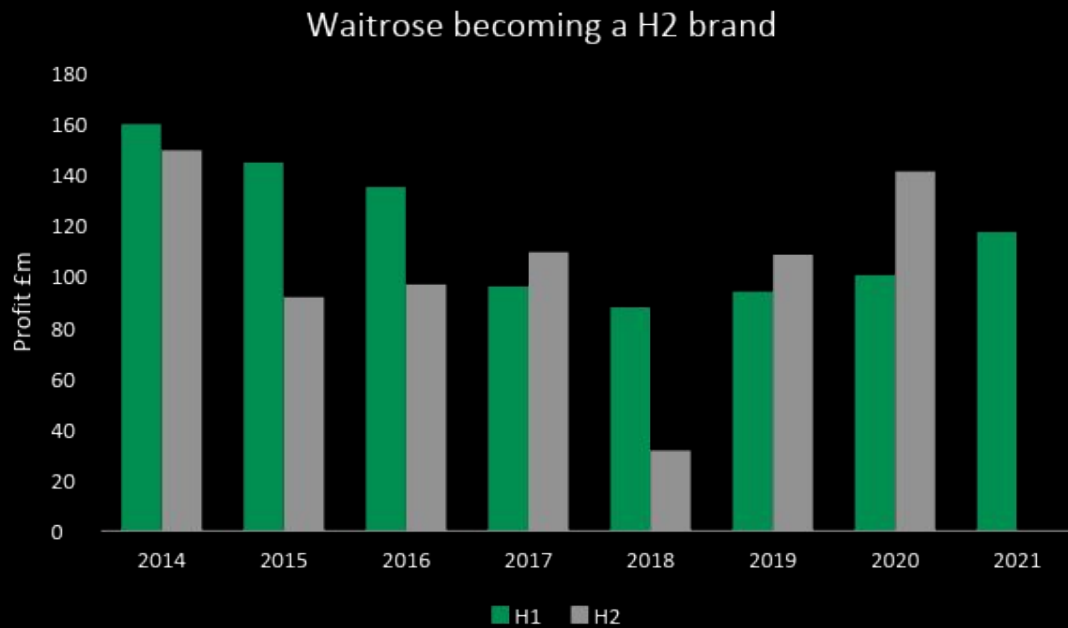
When prices rise, people are conditioned to flee to Private label

Even if Private label isn't actually the cheapest!



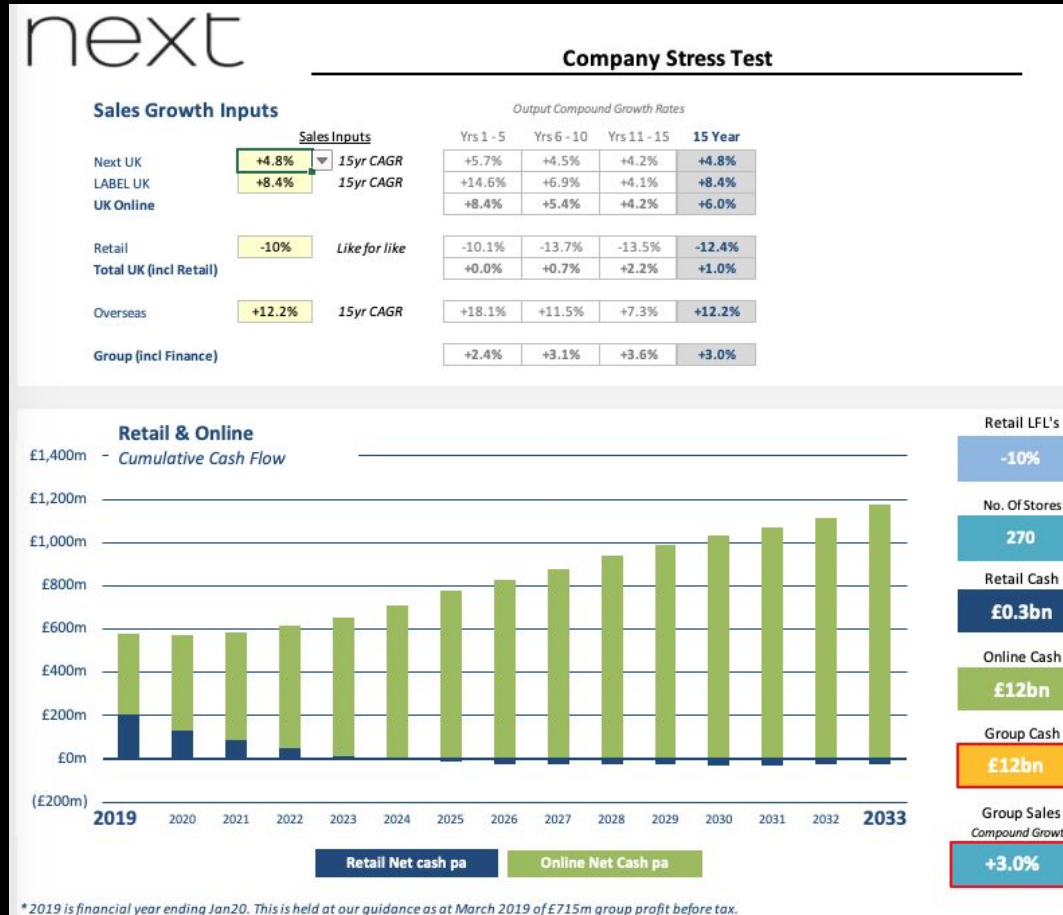
You also may end up reading a bit more and learning some other stuff...

What has been happening under the hood at John Lewis?



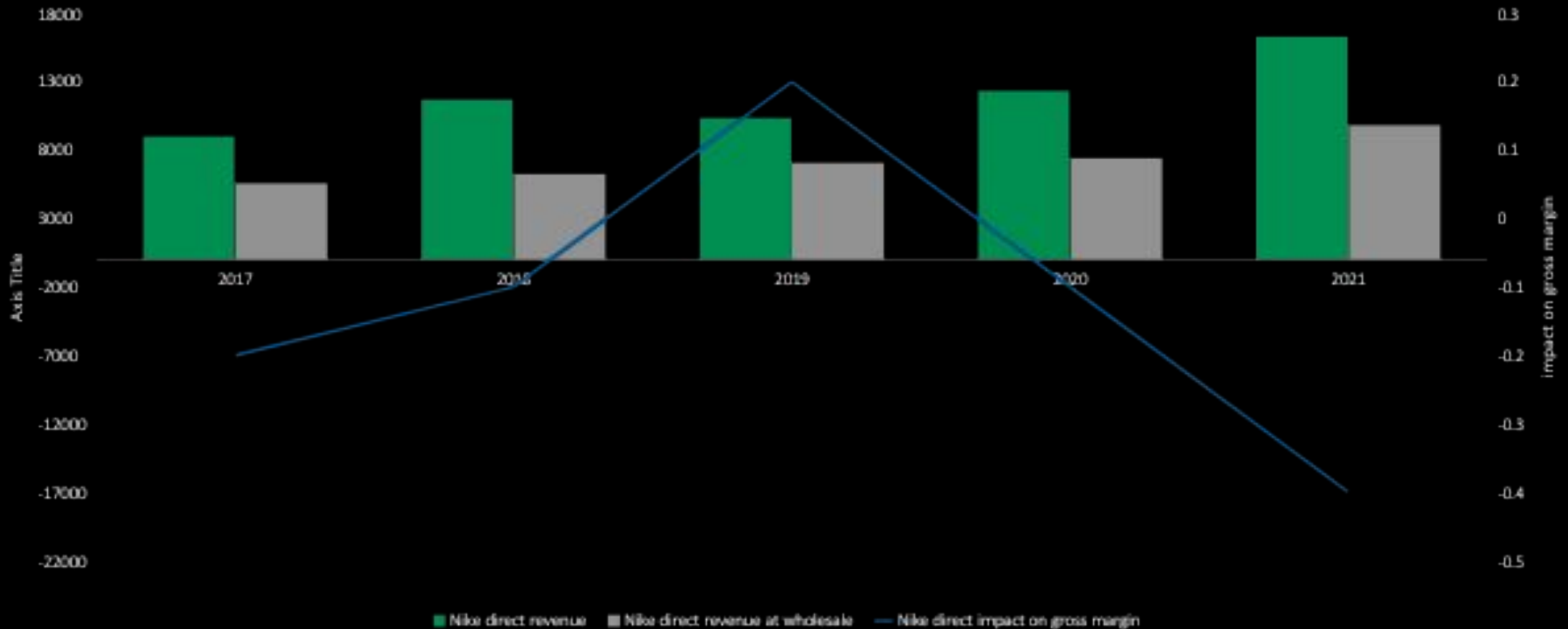
JLP becoming more reliant on Waitrose (and H2)
 JL has been in share decline since 2015 but there is a delayed effect
 2015/16 was the year that NEXT instigated a strategic review of their business due to increased value/importance of e-commerce

A business looking to the future - Next



A model that plots a course forwards for the future of retail in an e-commerce world

The numbers behind the narrative at NIKE...



Capability & operational effectiveness not just growth – Greggs

Becoming the customers' favourite for food-on-the-go

A lot has changed in the past five years...

Our transformation from bakery to food-on-the-go began in 2013, and the process of creating a centralised, fully-integrated business capable of supporting 2,500 shops is nearing completion, with just two years left to go. Whilst this has required a once-in-a-generation level of capital investment and business change, it has already delivered results and helped our customers realise we're so much more than sausage rolls! The result – a resilient brand, better able to cope with an unpredictable retail environment and economic uncertainty.

I've written at length with my writing partner JP Castlin on the economics of distribution and fulfilment and its strategic importance in an e-commerce world....

Share of Search is an insight tool

Its about what the metric allows you to do rather than the metric itself

Now you have a more rounded view

You know more about the commercial aspect than before

You've discovered something interesting

Follow the money & read the notes/exceptions

I've developed 11 techniques that utilise SoS

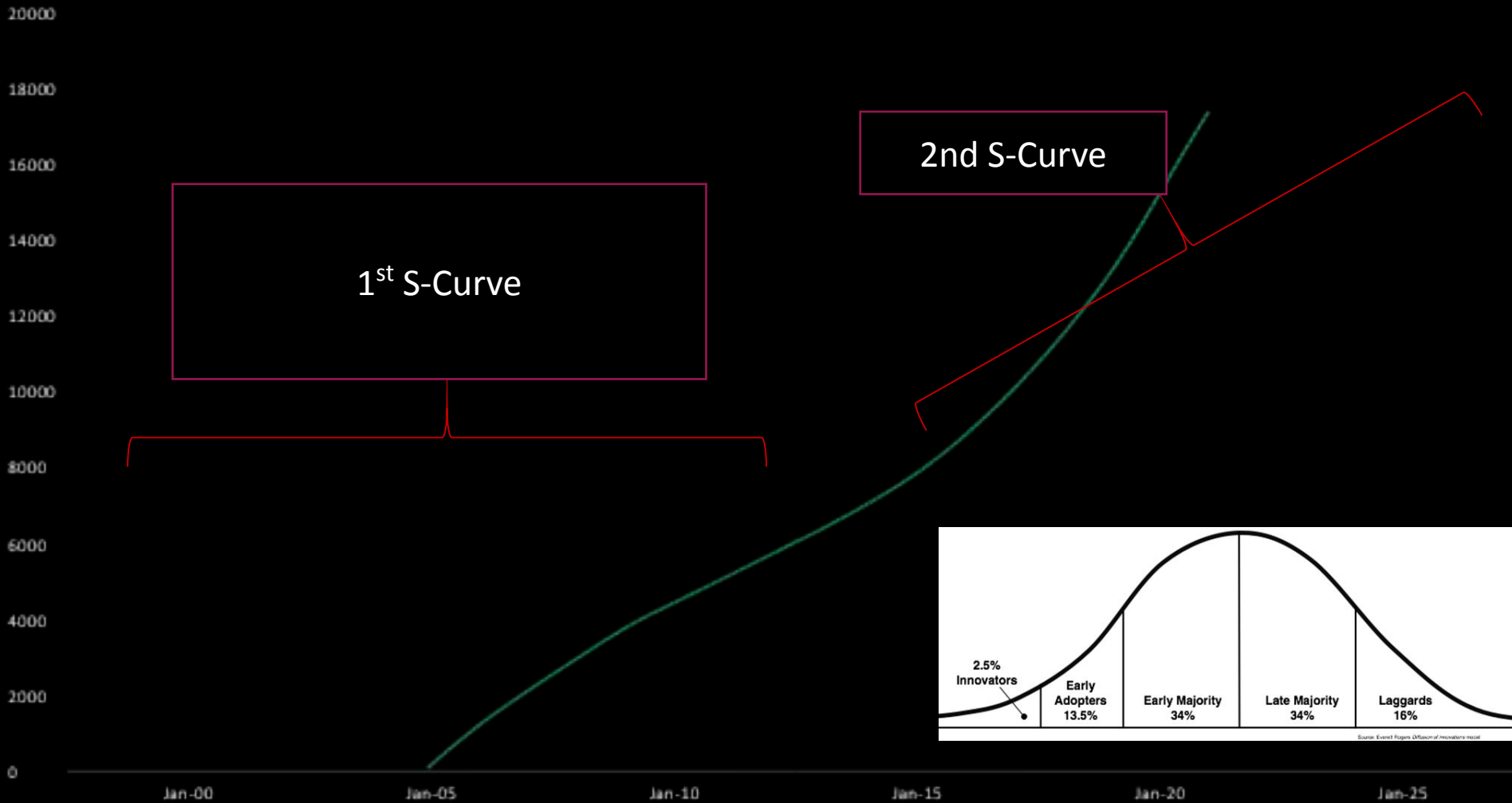
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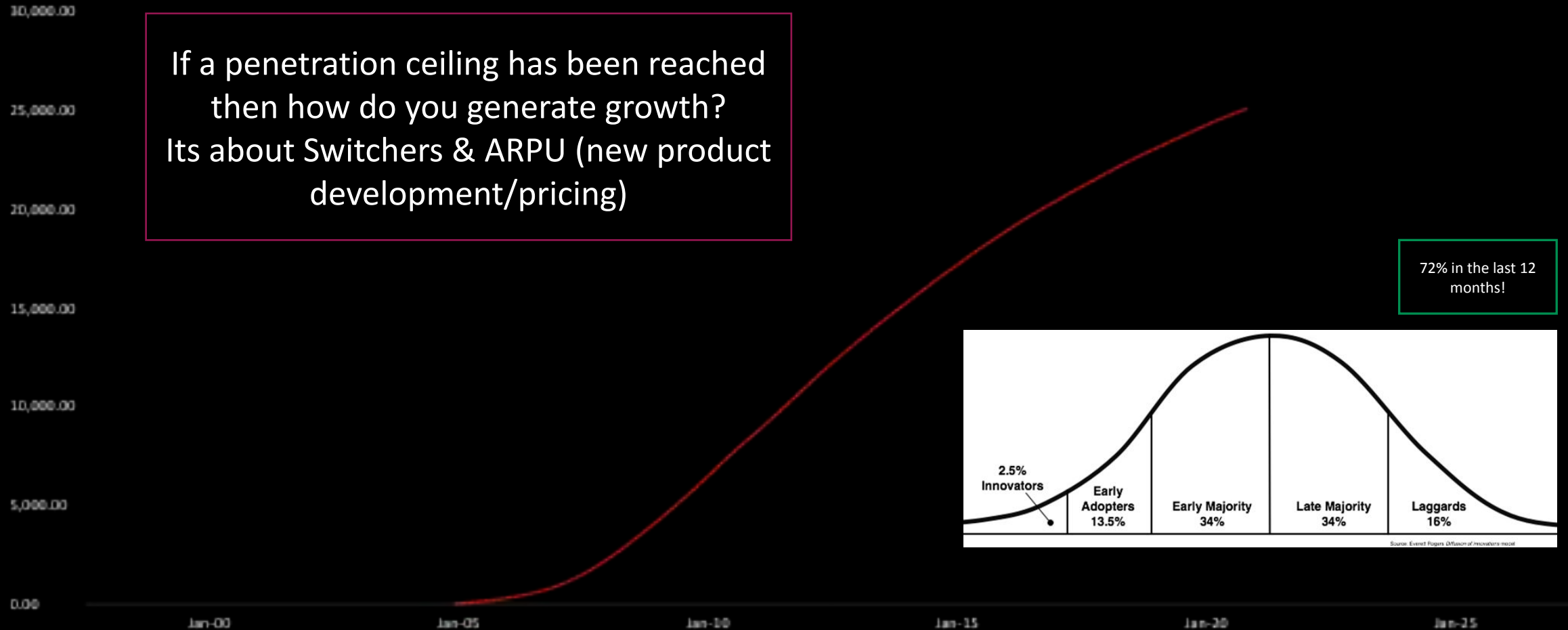
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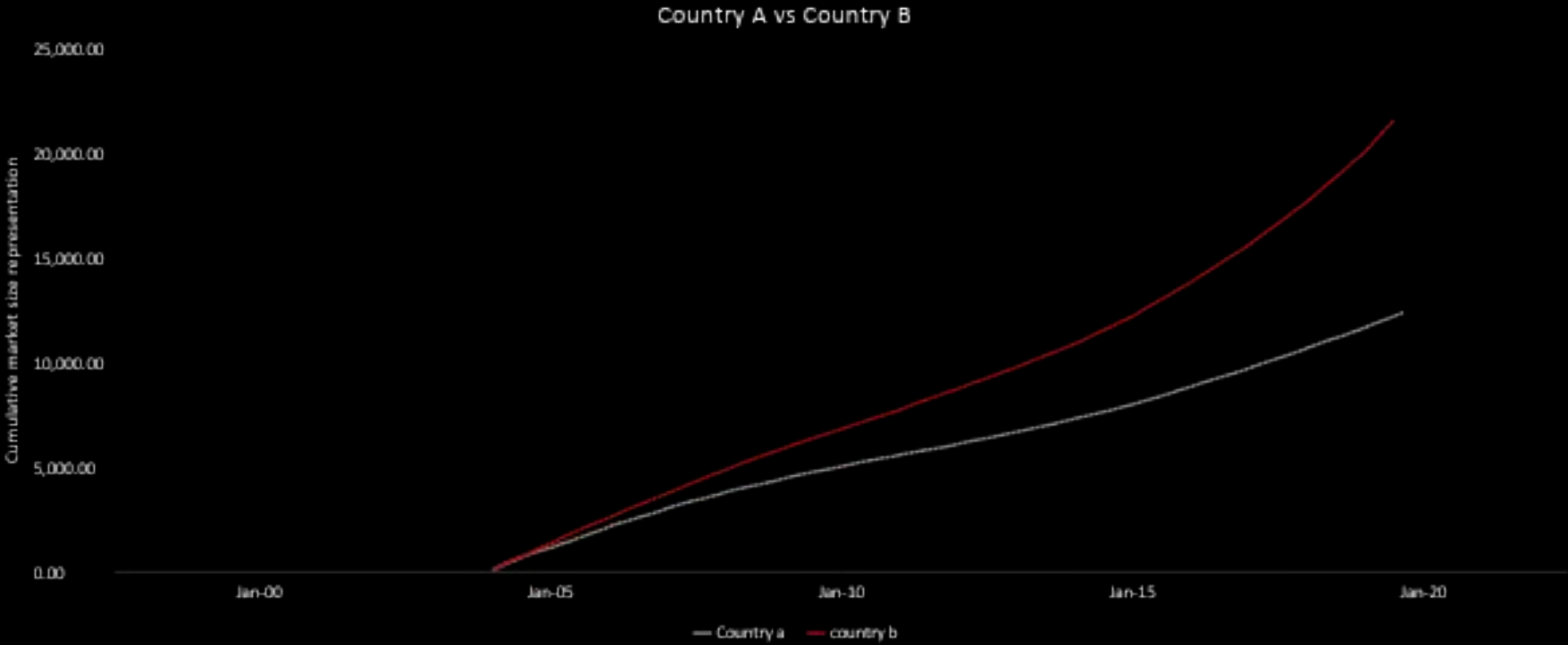
At what growth stage is your category engaged in?



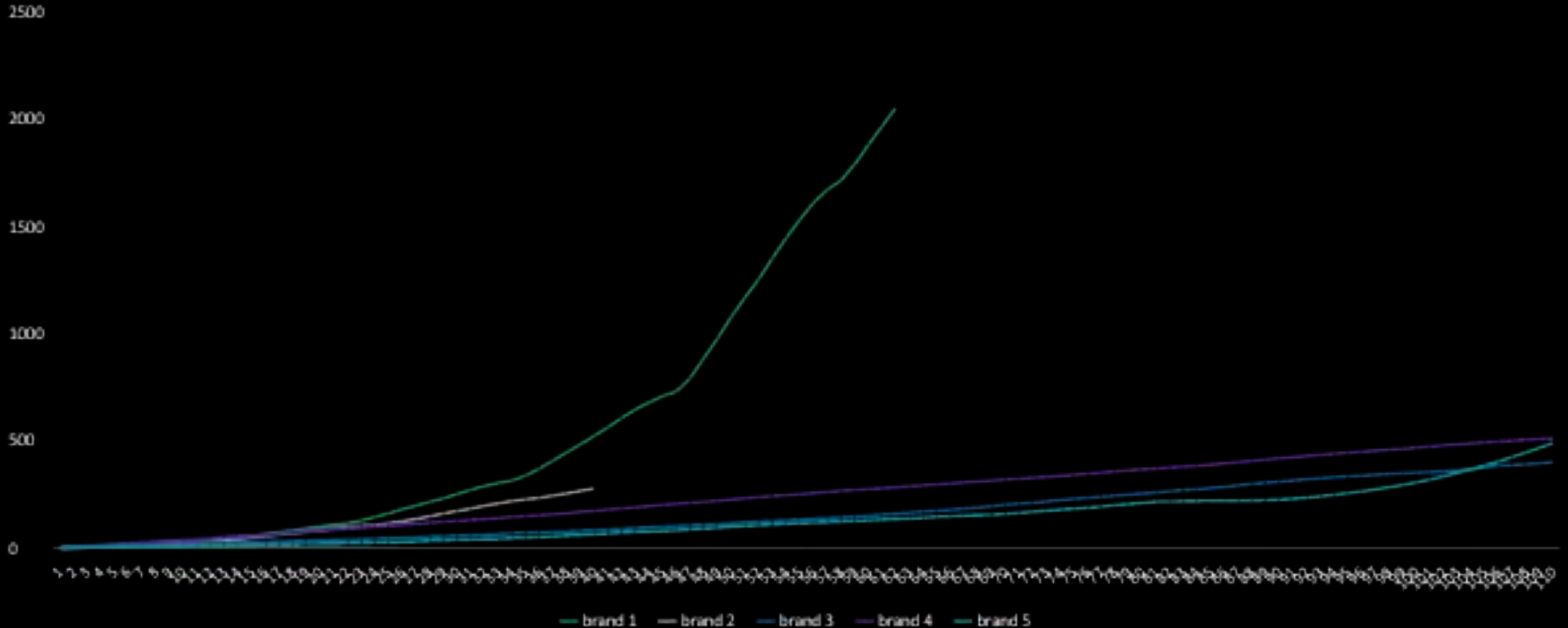
Reaching a plateau in terms of category penetration..



Comparing countries.. how the pattern differs



Comparing brands – who has grown quicker and at what stage in the lifecycle?



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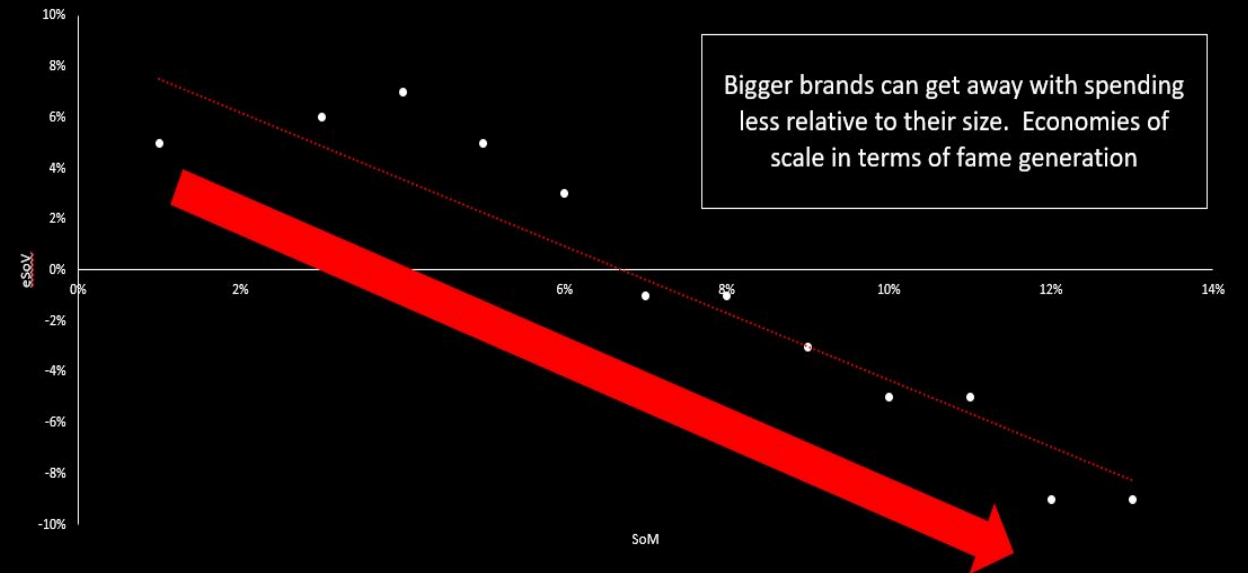
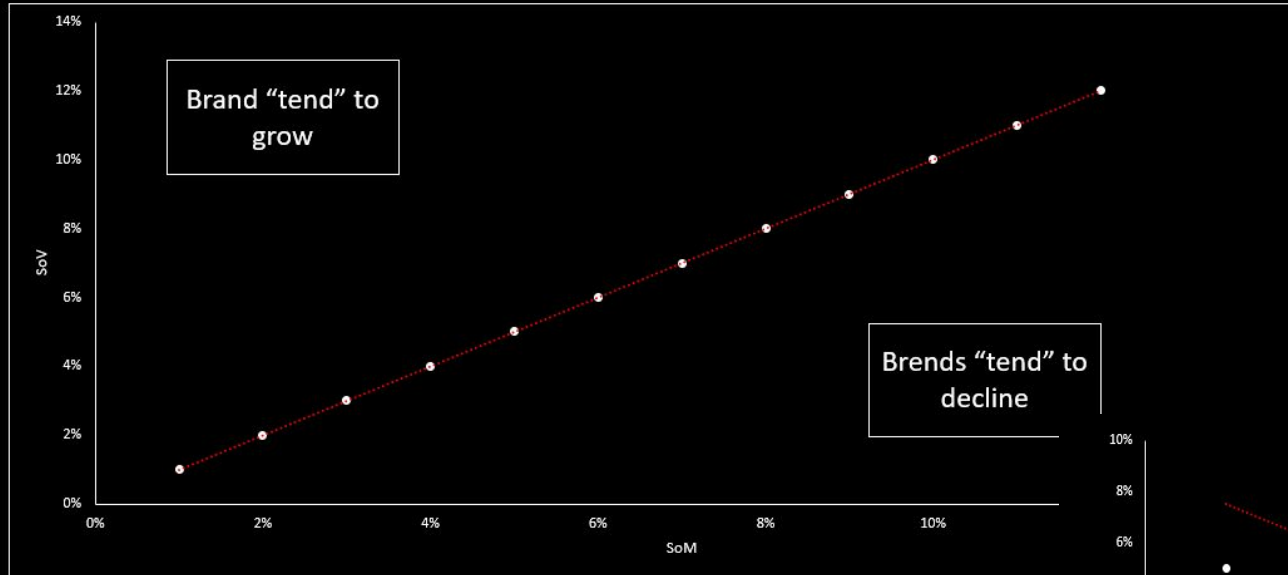
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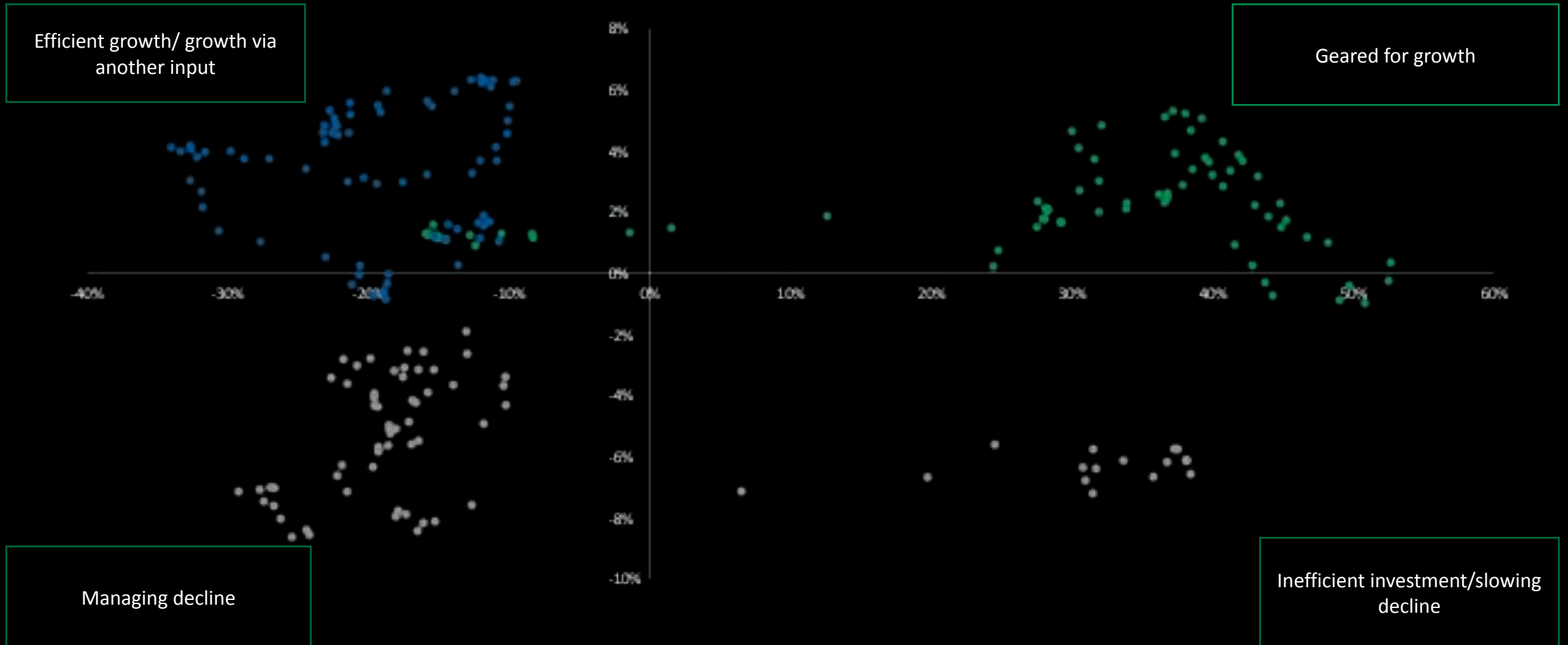
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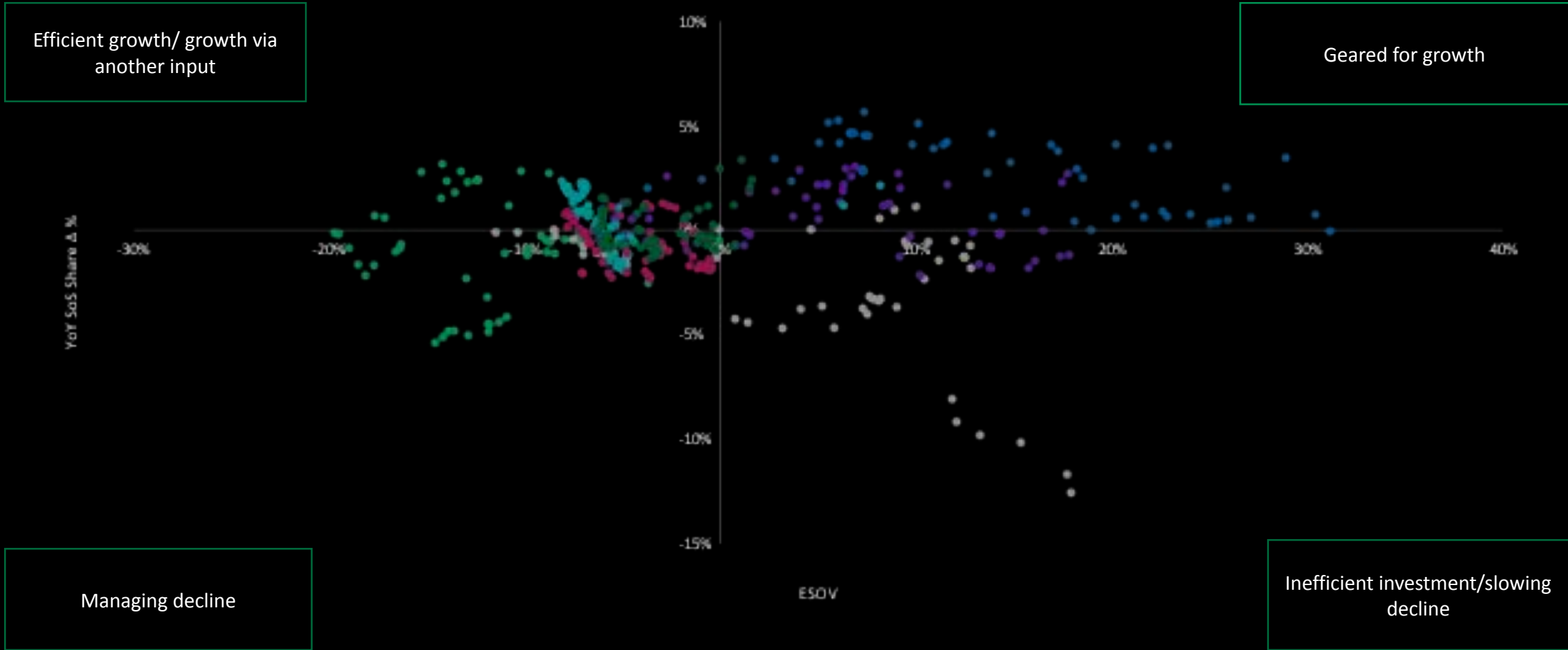
SOV vs SOM and ESOV



Three brands & Three growth strategies (b2b)



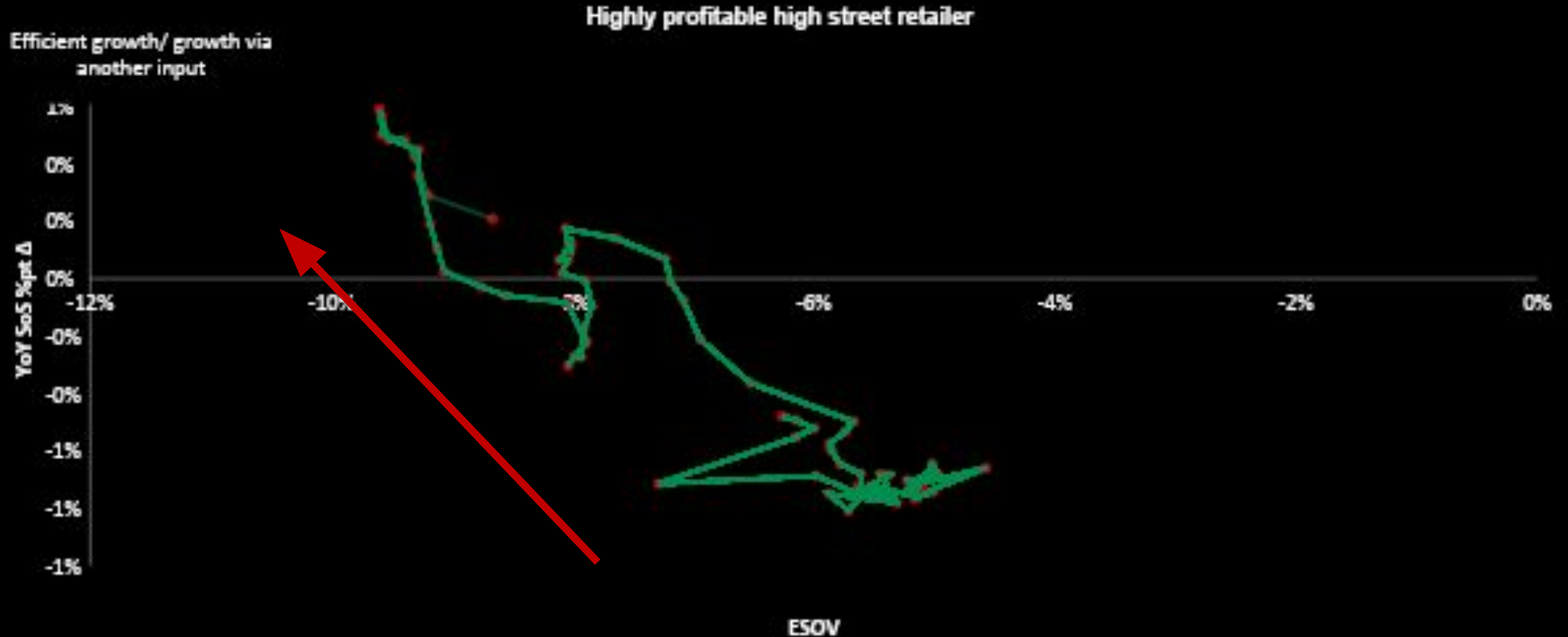
A spread with some interesting movements (FMCG)



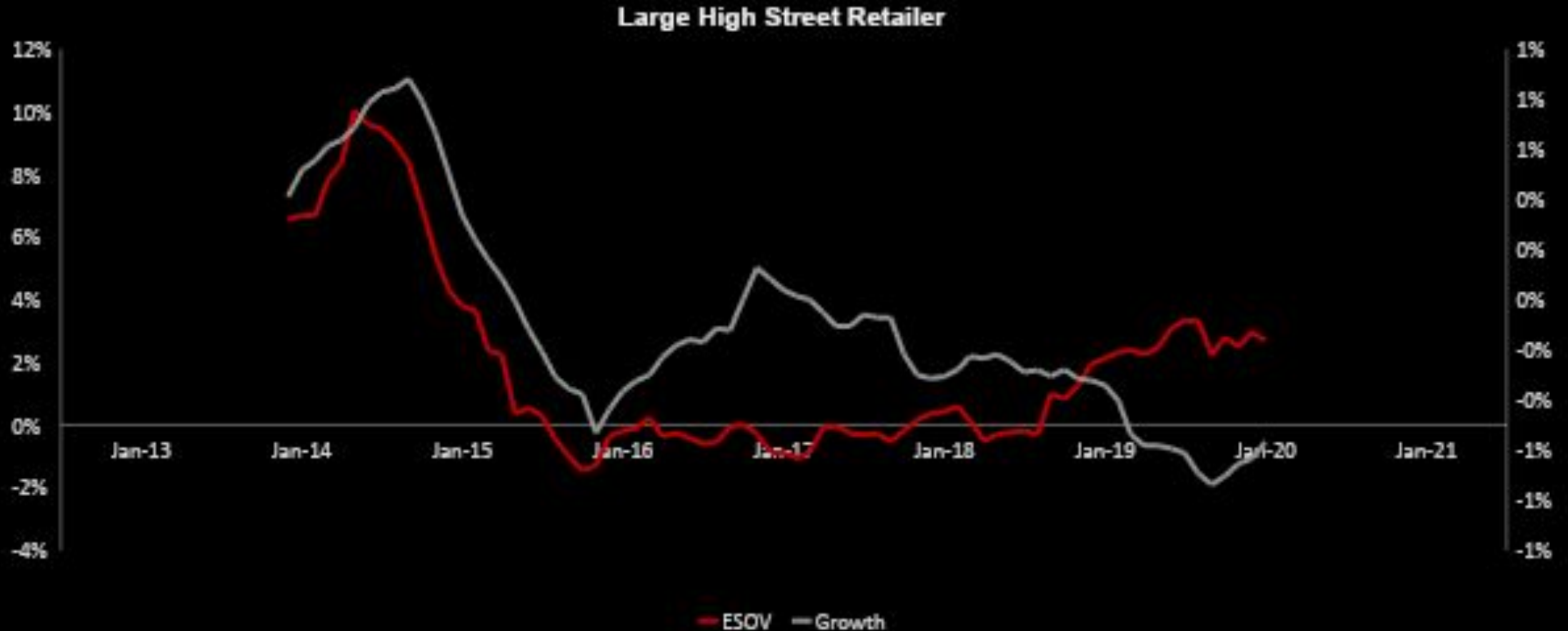
Spend more to grow... The power of advertising (retail)



A different narrative to the prevailing wisdom



A brand that lost its way



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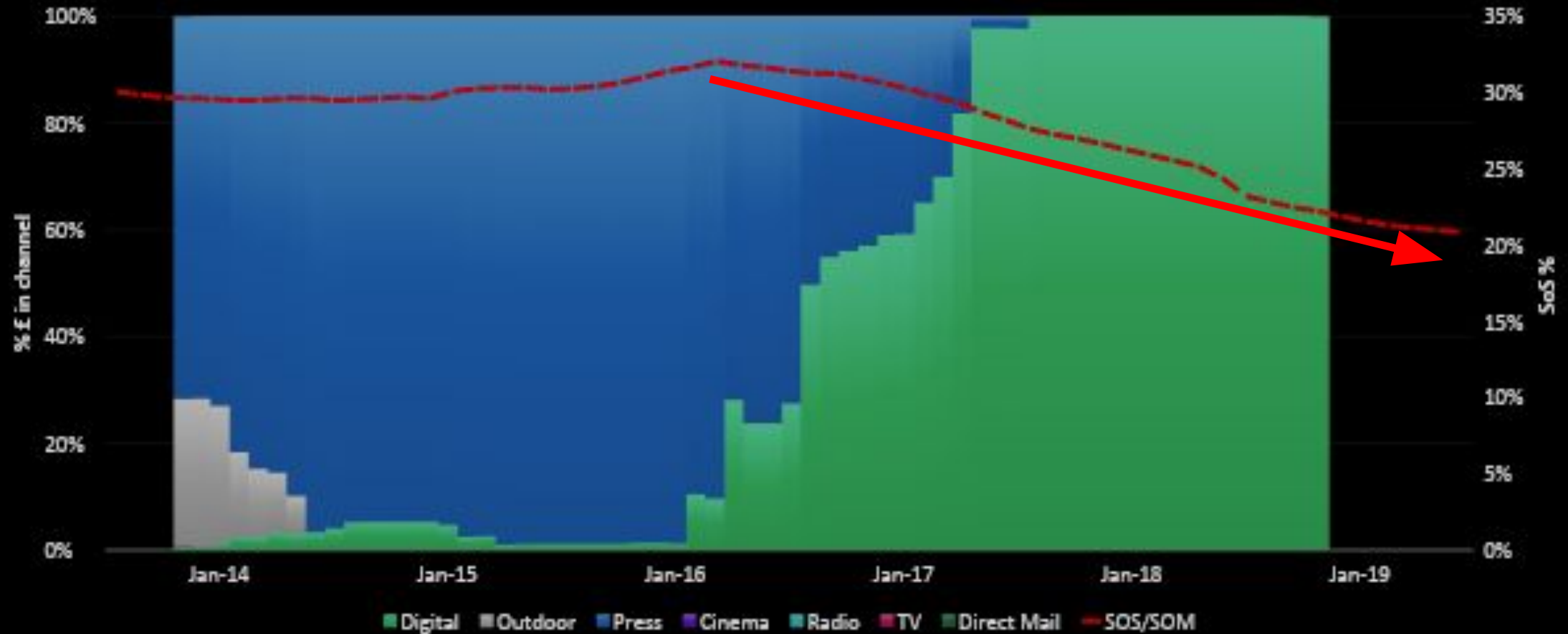
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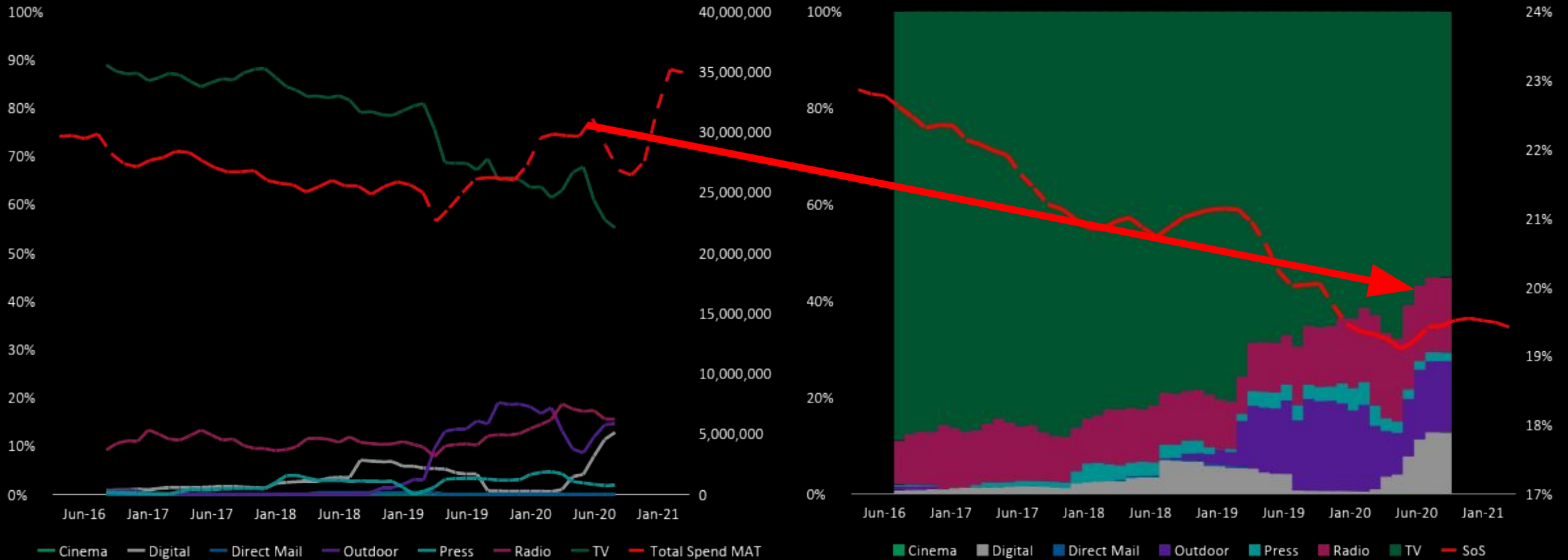
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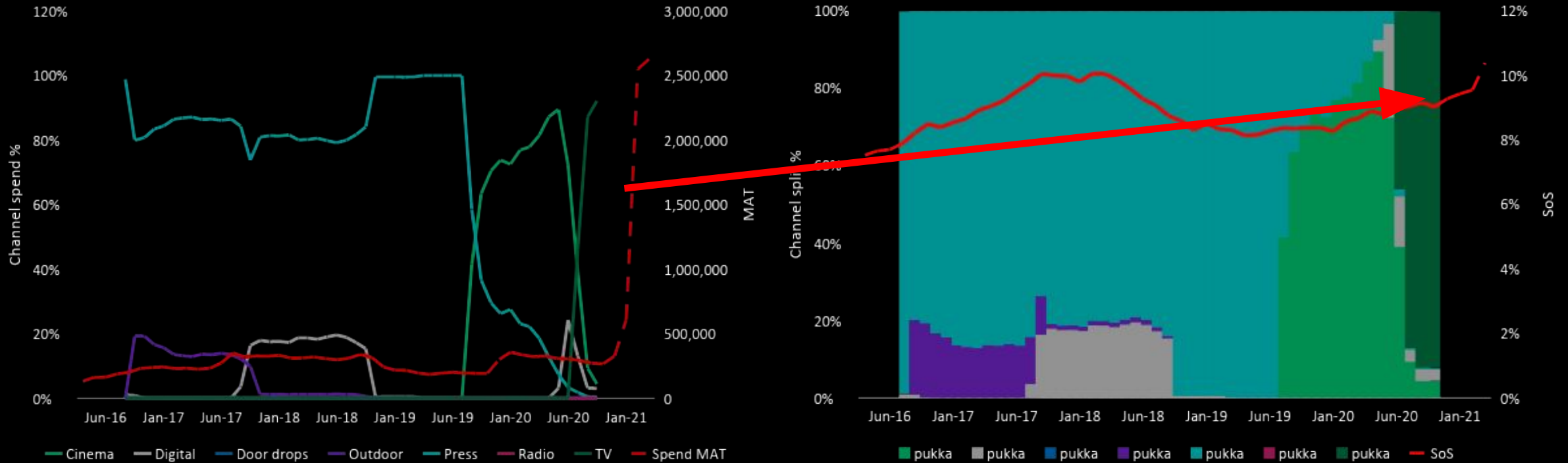
Has the “flight to digital” helped this brand?



A significant shift in budget/new creative?



Direct response...Shift in budget and media strategy



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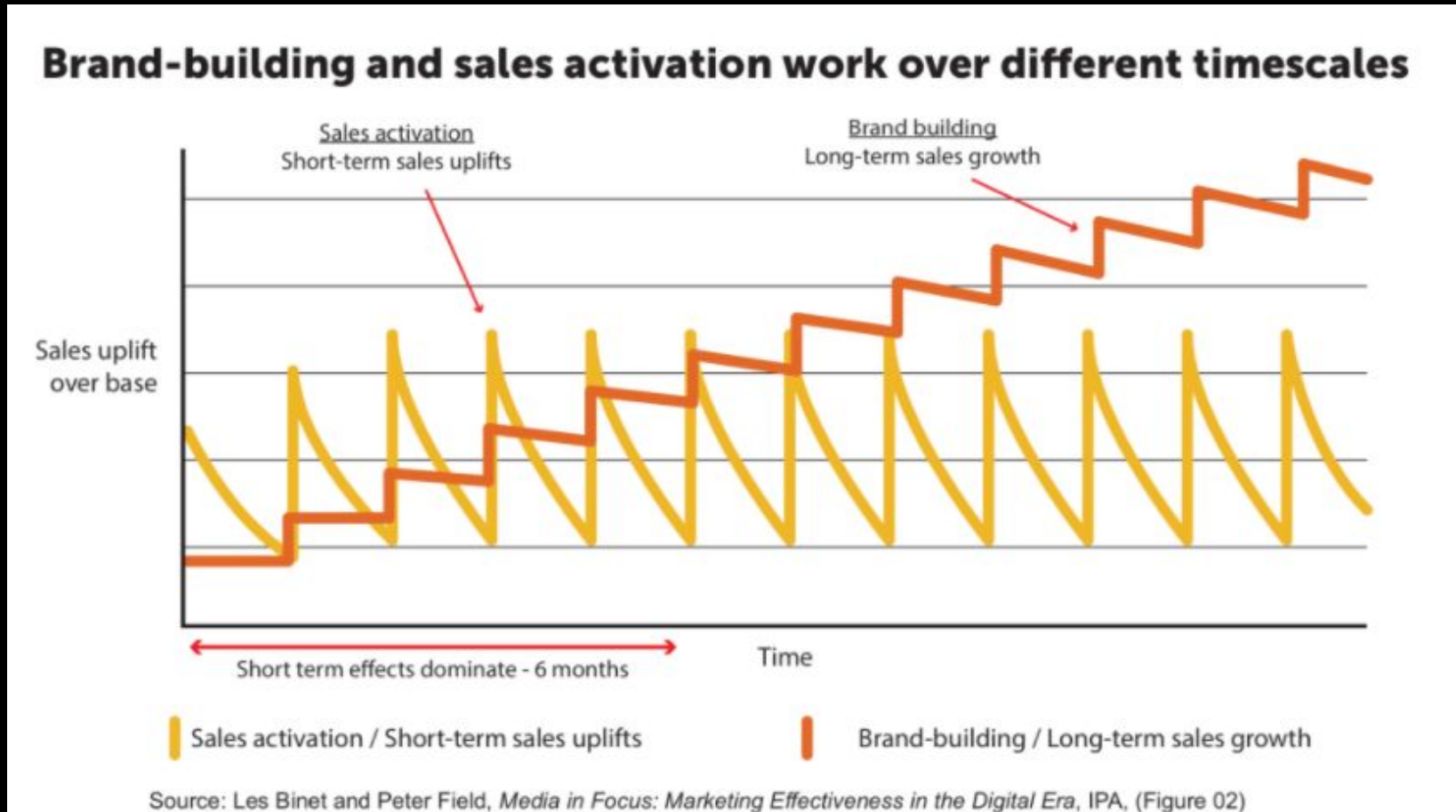
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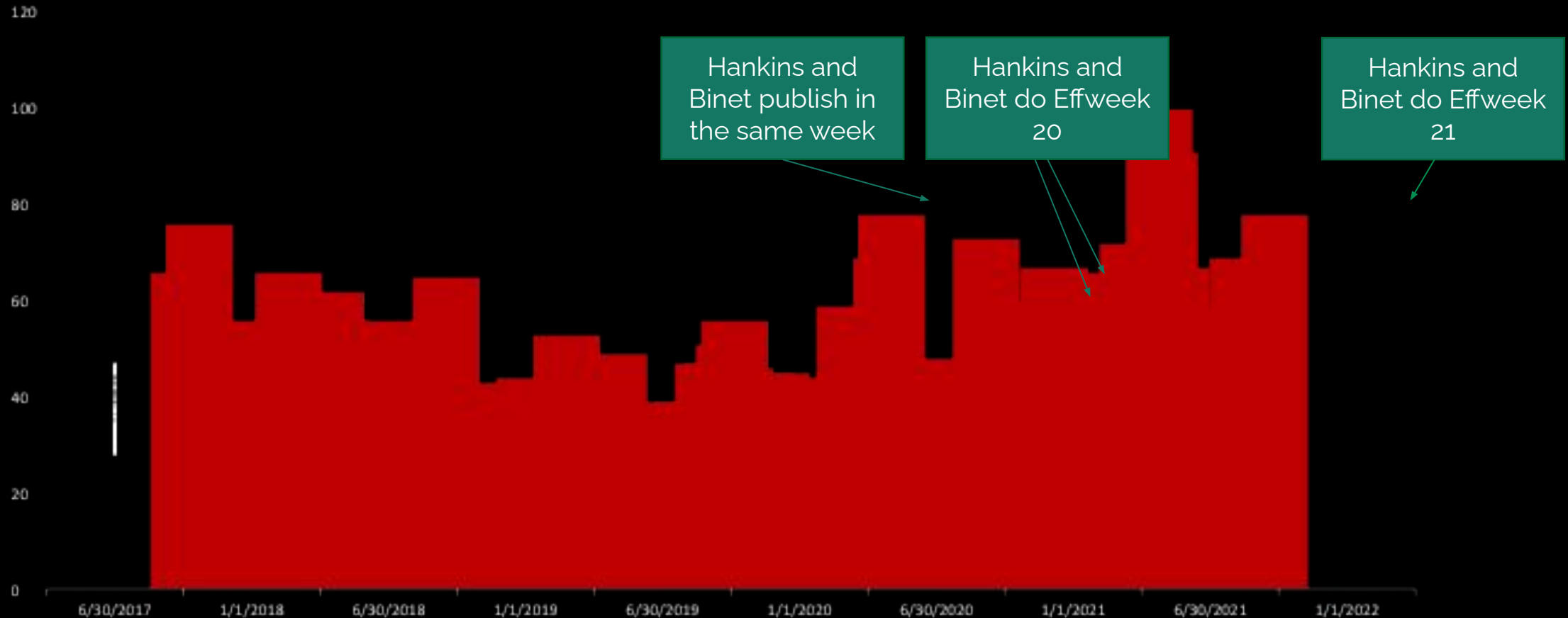
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The classic Binet and Field masterwork

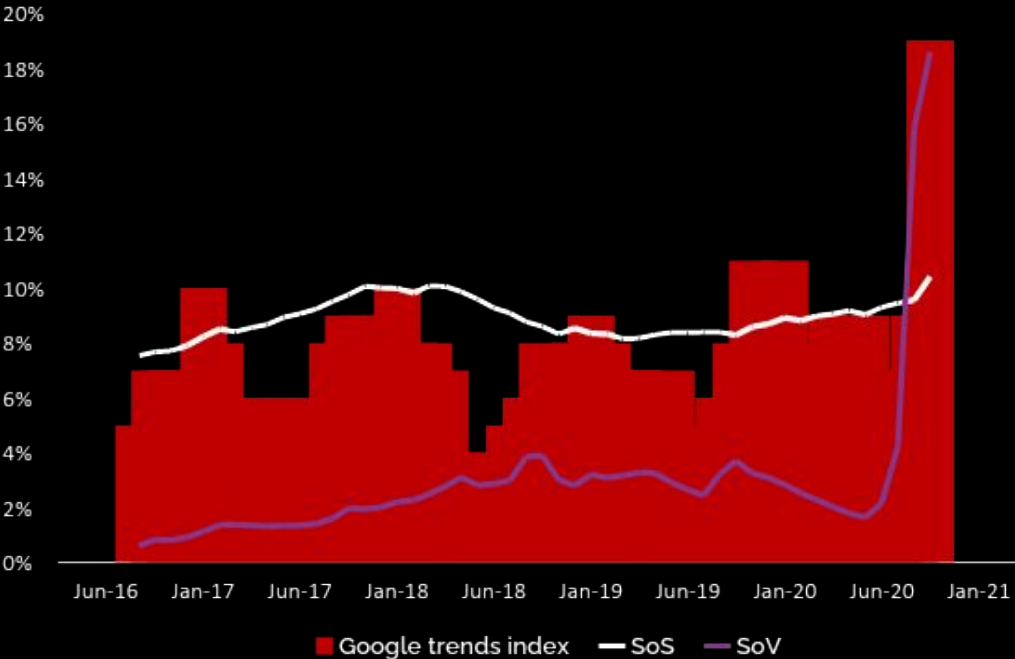


You can now create your own version

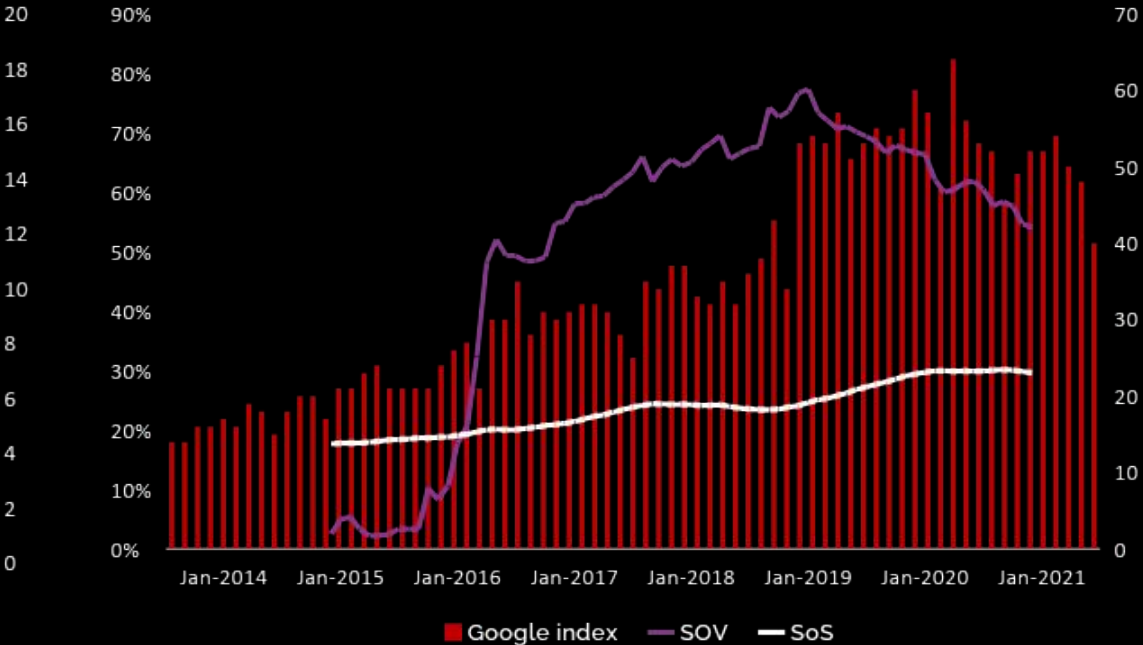


SoS and the long and Short of it

FMCG



B2B



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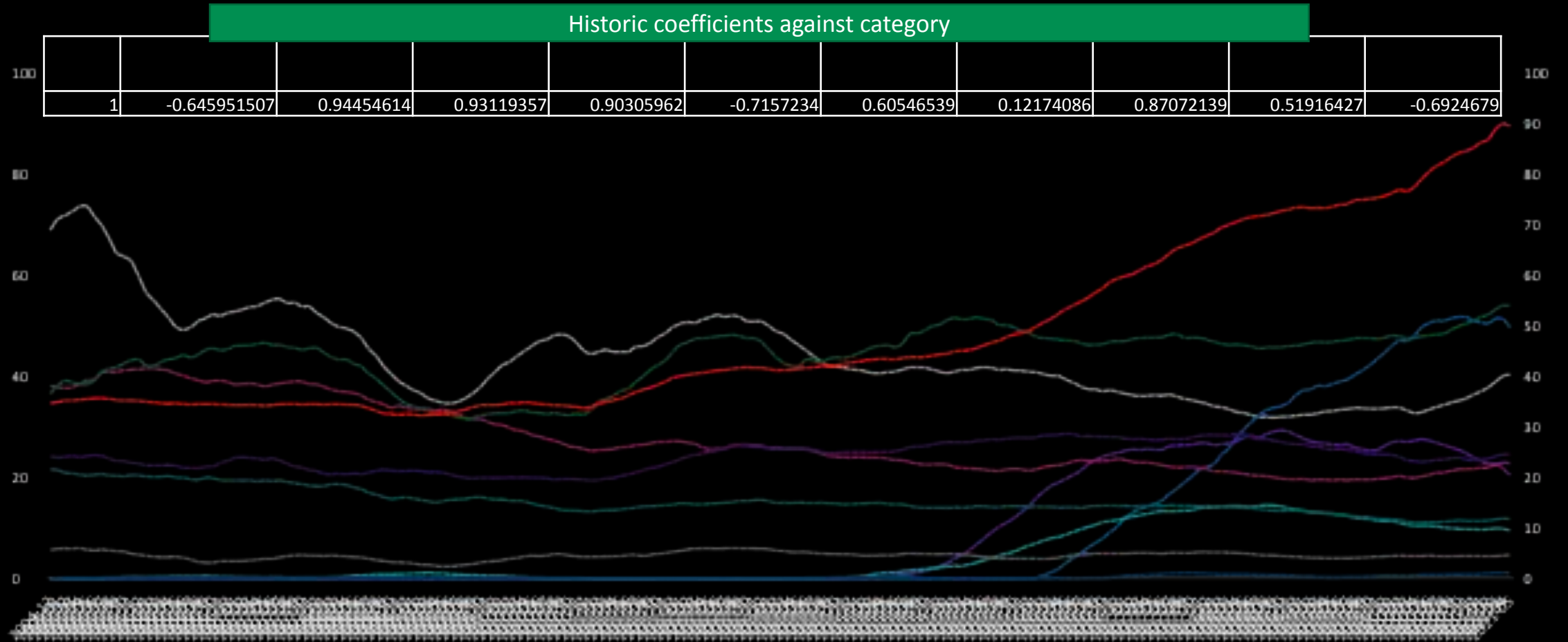
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Is anyone "bucking" the Category? (no one does for long)



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