How Google AdWords (PPC) Does and Doesn’t Affect Organic Results – Whiteboard Friday

It’s common industry knowledge that PPC can have an effect on our organic results. But what effect is that, exactly, and how does it work? In today’s Whiteboard Friday, Rand covers the ways paid ads influence organic results – and one very important way it doesn’t.



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Video Transcription

Howdy, Moz fans, and welcome to another edition of Whiteboard Friday. This week we’re chatting about AdWords and how PPC, paid search results can potentially impact organic results. Now let’s be really clear. As a rule…

Paid DOES NOT DIRECTLY affect organic rankings

So many of you have probably seen the conspiracy theories out there of, “Oh, we started spending a lot on Goolge AdWords, and then our organic results went up.” Or, “Hey, we’re spending a lot with Google, but our competitor is spending even more. That must be why they’re ranking better in the organic results.” None of that is true. So there’s a bunch of protections in place. They have a real wall at Google between the paid side and the organic side. The organic folks, the engineers, the product managers, the program managers, all of

the people who work on those organic ranking results on the Search Quality team, they absolutely will not let paid directly impact how they rank or whether they rank a site or page in the organic results.

However:

But there are a lot of indirect things that Google doesn't control entirely that cause paid and organic to have an intersection, and that's what I want to talk about today and make clear.

A. Searchers who see an ad may be more likely to click and organic listing.



Searchers who see an ad – and we've seen studies on this, including a notable one from Google years ago – may be more likely to click on an organic listing, or they may be more likely if they see a high ranking organic listing for the same ad to click that ad. For example, let's say I'm running Seattle Whale Tours, and I search for whale watching while I'm in town. I see an ad for Seattle Whale Tours, and then I see an organic result. It could be the case, let's say that my normal click-through rate, if there was only the ad, was one, and my normal click-through rate if I only saw the organic listing was one. Let's imagine this equation: 1 plus 1 is actually going to equal something like 2.2. It's going to be a little bit higher, because seeing these two together biases you, biases searchers to generally be more likely to click these than they otherwise would independent of one another. This is why many people will bid on their brand ads.

Now, you might say, "Gosh, that's a really expensive way to go for 0.2 or even lower in some cases." I agree with you. I don't always endorse, and I know many SEOs and paid search folks who don't always endorse bidding on branded terms, but

it can work.

B. Searchers who've been previously exposed to a site/brand via ads may be more likely to click>engage>convert.



Searchers who have been previously exposed to a particular brand through paid search may be more likely in the future to click and engage on the organic content. Remember, a higher click-through rate, a higher engagement rate can lead to a higher ranking. So if you see that many people have searched in the past, they've clicked on a paid ad, and then later in the organic results they see that same brand ranking, they might be more likely and more inclined to click it, more inclined to engage with it, more inclined actually to convert on that page, to click that Buy button generally because the brand association is stronger. If it's the first time you've ever heard of a new brand, a new company, a new website, you are less likely to click, less likely to engage, less likely to buy, which is why some paid exposure prior to organic exposure can be good, even for the organic exposure.

C. Paid results do strongly impact organic click-through rate, especially in certain queries.



Across the board, what we've seen is that paid searches on average, in all of Google, gets between 2% and 3% of all clicks, of all searches result in a paid click. Organic, it's something between about 47% and 57% of all searches result in an organic click. But remember there are many searches where there are no paid clicks, and there are many searches where paid gets a ton of traffic. If you haven't seen it yet, there was a blog post from Moz last week, from the folks at Wayfair, and they talked about how incredibly their SERP click-through rates have changed because of the appearance of ads.

So, for example, I search for dining room table lighting, and you can see on your mobile or on desktop how Google has these rich image ads, and you can sort of select different ones. I want to see all lighting. I want to see black lighting. I want to see chrome lighting. Then there are ads below that, the normal paid text ads, and then way, way down here, there are the organic results.

So this is probably taking up between 25% and 50% of all the clicks to this page are going to the paid search results, biasing the click-through rate massively, which means if you bid in certain cases, you may find that you will actually change the click-through rate curve for the entire SERP and change that click-through rate opportunity for the keyword.

D. Paid ad clicks may lead to increased links, mentions, coverage, sharing, etc. that can boost organic rankings.



So paid ad clicks may lead to other things. If someone clicks on a paid ad, they might get to that site, and then they might decide to link to it, to mention that brand somewhere else, to provide media coverage or social media coverage, to do sharing of some kind. All of those things can – some of them directly, some of them indirectly – boost rankings. So it is often the case that when you grow the engagement, the traffic of a website overall, especially if that website is providing a compelling experience that someone might want to write about, share, cover, or amplify in some way, that can boost the rankings, and we do see this sometimes, especially for queries that have a strong overlap in terms of their content, value, and usefulness, and they're not just purely commercial in intent.

E. Bidding on search queries can affect the boarder market around those searches by shifting searcher demand, incentivizing (or de-incentivizing) content creation, etc.

Last one, and this is a little subtler and more difficult to understand, but basically by bidding on paid search results, you sort of change the market. You affect the market for how people think about content creation there, for how they think about monetization, for how they think about the value of those queries.

A few years ago, there was no one bidding on and no one interested in the market around insurance discounts as they relate to fitness levels. Then a bunch of companies, insurance companies and fitness tracking companies and all these other folks started getting into this world, and then they started bidding on it, and they created sort of a value chain and a monetization method. Then you saw more competition. You saw more brands entering this space. You saw more affiliates entering. So the organic SERPs themselves became more competitive with the entry of paid, and this happens very often in markets that were under or unmonetized and then become more monetized through paid advertising, through products, through offerings.

So be careful. Sometimes when you start bidding in a space that previously no one was bidding in, no was buying paid ads in, you can invite a lot of new and interesting competition into the search results that can change the whole dynamic of how the search query space works in your sector.

All right, everyone, hope you've enjoyed this edition of Whiteboard Friday. I look forward to your thoughts in the comments, and we'll see you again next week for another edition. Take care.

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