Tips For Running Competitor Campaigns In Paid Search via @sejournal, @timothyjjensen

Paid search professionals constantly debate the merits of running paid search campaigns bidding on competitor brand names. Questions such as the following may arise:

- Is bidding on your competitors ethical?
- Are the high costs-per-click (CPCs) worth spending the budget on?
- Are you actually reaching people with buying intent?

In this article, I'll talk through answers to these questions and more to help you understand if a competitor search campaign might be right for your brand.

Table of Contents

Competitor Bidding Ethics

Google and Microsoft allow you to bid on your competitor's name within keywords (and this right has even been tested in the courts here and here.), but you cannot directly mention a trademarked brand name (that you don't have the rights to use) in ad copy.

In addition, even if you don't include their name, you should not write your ad copy in a way that a user thinks they may be going to your competitor's site instead of yours.

For instance, you might use the headline "Official Site"

(without mentioning whose official site you're pointing to). When a user sees that in conjunction with having searched for the competitor's name, they may naturally think they're going to that company's site.

Finally, the landing page should also clearly feature your brand's name and logo in order to avoid deception.

Cost-Benefit Analysis Of Competitor Bidding

Let's face it: competitor keywords can have expensive CPCs. High competition around these keywords in many industries drives up cost.

You'll also generally struggle to achieve a decent quality score due to other companies' brand keywords naturally being deemed less relevant to your ads and landing pages, which can also impact cost.

Because of the high potential cost, competitor bidding does not make sense for all industries or brands.

For instance, if you're selling products with a low profit margin, bidding on these pricy keywords may not work. Generally, this tactic works best for higher cost, higher margin products and services, as it's easier to still yield a return on investment (ROI) after higher costs-per-acquisition (CPAs) and lower conversion rates.

Be careful also about entering competitor bidding "wars" for the sole reason that other brands are bidding on your name. This action can quickly lead to rising CPCs for all with little payoff.

One scenario where I've seen competitor bidding work best is when a company offers a very specific, complex service that's difficult to sum up in a search query but has established

brands that the right prospects would be familiar with.

For instance, if you're promoting software for a particular type of industrial machine, niche buyers may be aware of companies that already provide that software.

Once you've established a use case for competitor bidding, you should establish a list of brands to use.

Determining Competitors To Bid On

When figuring out which competitor brands to bid on, you should rely on a combination of both internal company data as well as ad platform data.

First of all, talk with key stakeholders in marketing and sales to determine who the brand considers to be top competitors.

Who has similar products and services? Which brands target similar prospects (whether by location, demographic, or company traits)?

Note that this list may not and likely will not contain all potential competitors.

If you have established paid search campaigns already, use auction insights to see the top brands showing up for the same queries as yours. Of course, these may not all be completely relevant and will require some vetting through.

Once you've compiled a list, it's time to think through the keywords you'll bid on.

Who Is (And Isn't) Your Audience

Be careful about going unnecessarily broad in the keywords you're using in competitor campaigns.

Generally, if you're just bidding on the brand name alone,

you’re likely reaching a lot of existing customers looking to log in, place online orders, or find a nearby location without giving a second thought to anything else.

For instance, Apple isn’t going to sell many MacBooks by bidding on the word “Microsoft.”

Ideally, you want to reach people who are in a research phase, indicated by wording in their search query:

- [Brand name] + cost/pricing
- [Brand name] + compare/vs
- [Brand name] + reviews
- [Brand name] + pros/cons
- [Brand name] + alternatives
- [Brand name] + features

While a potentially riskier strategy, as people may be in a heated moment, you could also test targeting people experiencing issues and potentially in the market to switch:

- [Brand name] + support
- [Brand name] + troubleshoot
- [Brand name] + cancel

Create Your Ads

Now, think through the ad copy you’ll put in front of prospects searching for competitors. Take some time to review competitor ads and offers, considering how your calls-to-action (CTAs) will stack up.

Think through areas where you “win” against certain competitors and highlight those. Remember that these may vary based on the brand you’re bidding against.

For instance, you may have lower costs than a certain competitor and highlight pricing for those searches, while you may have higher costs than another competitor but have unique

features to highlight.

Also, look at how your offers compare. If one competitor offers a seven-day demo and you offer a 30-day demo, feature that in your ad.

This also should be an area you regularly monitor and adjust CTAs based on how competitors tweak their ads and offers.

What Happens After The Ad?

One maxim applicable to any paid search campaign is that what happens on the search engine results page up to the ad click is only one portion of the user experience.

A significant portion of the decision process happens after reaching the landing page, beyond what you can control in keywords and ad copy.

Think through what your prospect is seeing based on the context that they were researching a competitor. Your homepage probably isn't the best place to land them, and the same sales landing page you use for more general keywords may not be ideal either.

Assuming a user is comparison shopping, placing some content on your landing page positioning your brand against others will likely help.

For instance, you could create a table showing how your features and pricing stack up vs. competitors (either mentioning specific names or providing industry averages).

You could also hone in on trust signals that set your brand apart. Highlight industry awards you've won. Mention the number of accounts serviced. Talk about how many integrations you have with commonly used products.

If you need to establish a baseline for comparing against

other companies, prompt a large language model (LLM) to put together a list of features for your brand and a list of top competitors.

Provide the URLs for pages that would contain products/services to flesh this out.

Launch And Monitor Results

Once you have your competitor campaigns fleshed out, it’s time to get them off the ground and see what performance looks like.

In addition to ensuring proper conversion tracking and watching for lead/sale quality, you’ll also want to keep an eye out for both how current competitors change up their offers and new competitors entering the space that may be worth targeting.

With a carefully thought-out setup and proper monitoring, you may find that competitor search campaigns allow you to capture leads or sales from queries you were not previously reaching.

On the other hand, you may discover that for your industry, the CPAs and conversion rates aren’t worthwhile, but as with anything in PPC, you ran a test and learned the results.

At the very least, take stock of potential competitors in your field and consider testing if you are looking to expand your reach in paid search.

More Resources:

Featured Image: SvetaZi/Shutterstock

https://www.searchenginejournal.com/tips-for-running-competitor-campaigns-in-paid-search/551657/