

Air France's SEM Strategy

Context

- Who are we?

Media Contacts hired by Air France to improve current SEM strategy

- What are we doing?

Analyzing historical data from Double Click that includes different publishers along with one week of data from Kayak in 2007

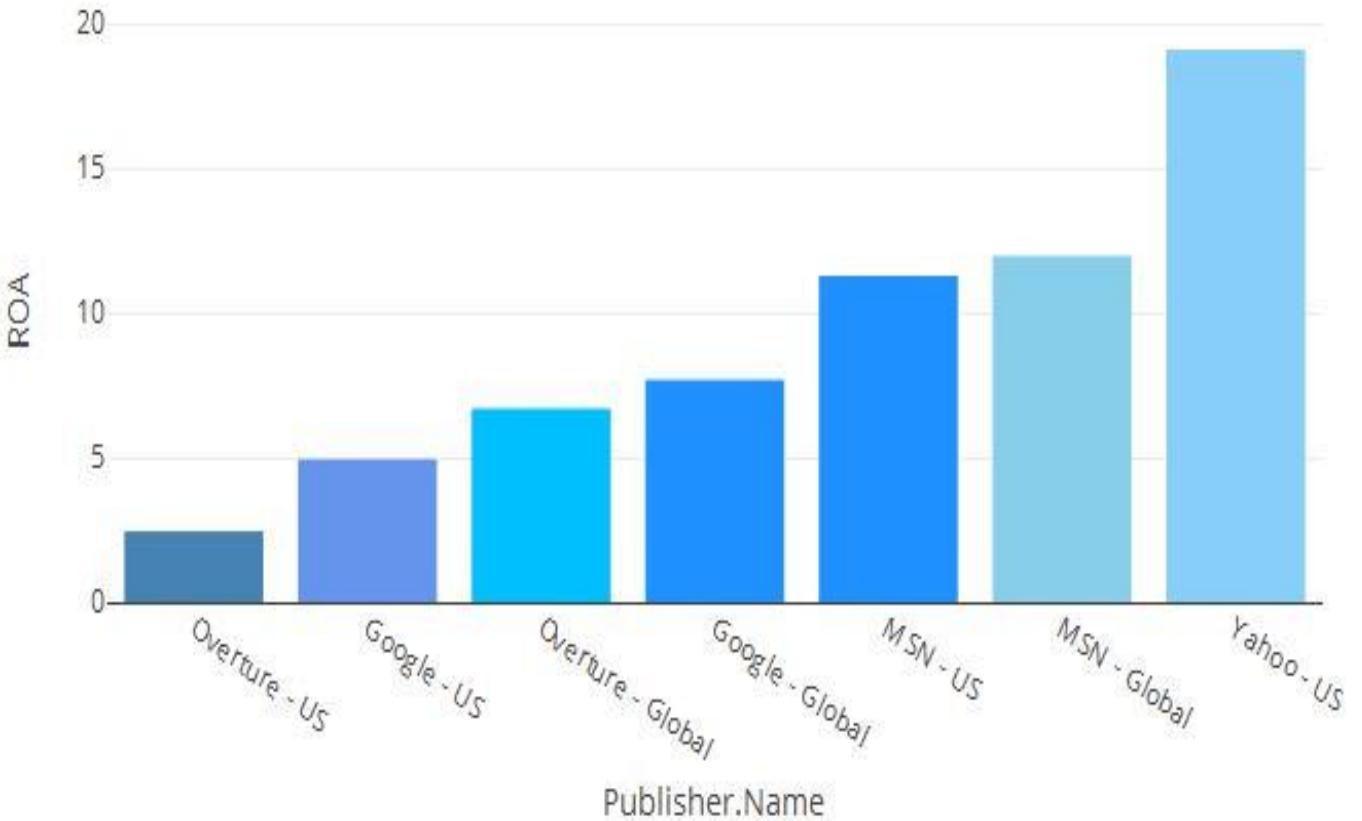
- How?

Looking at different ROAs, identifying unsuccessful and successful campaigns and digging deeper into keywords

ROA by Publisher

Let's get straight into the numbers

- Yahoo US: \$19.10
- Overture US: \$2.45
- Kayak: \$65.51
(not shown in graph)

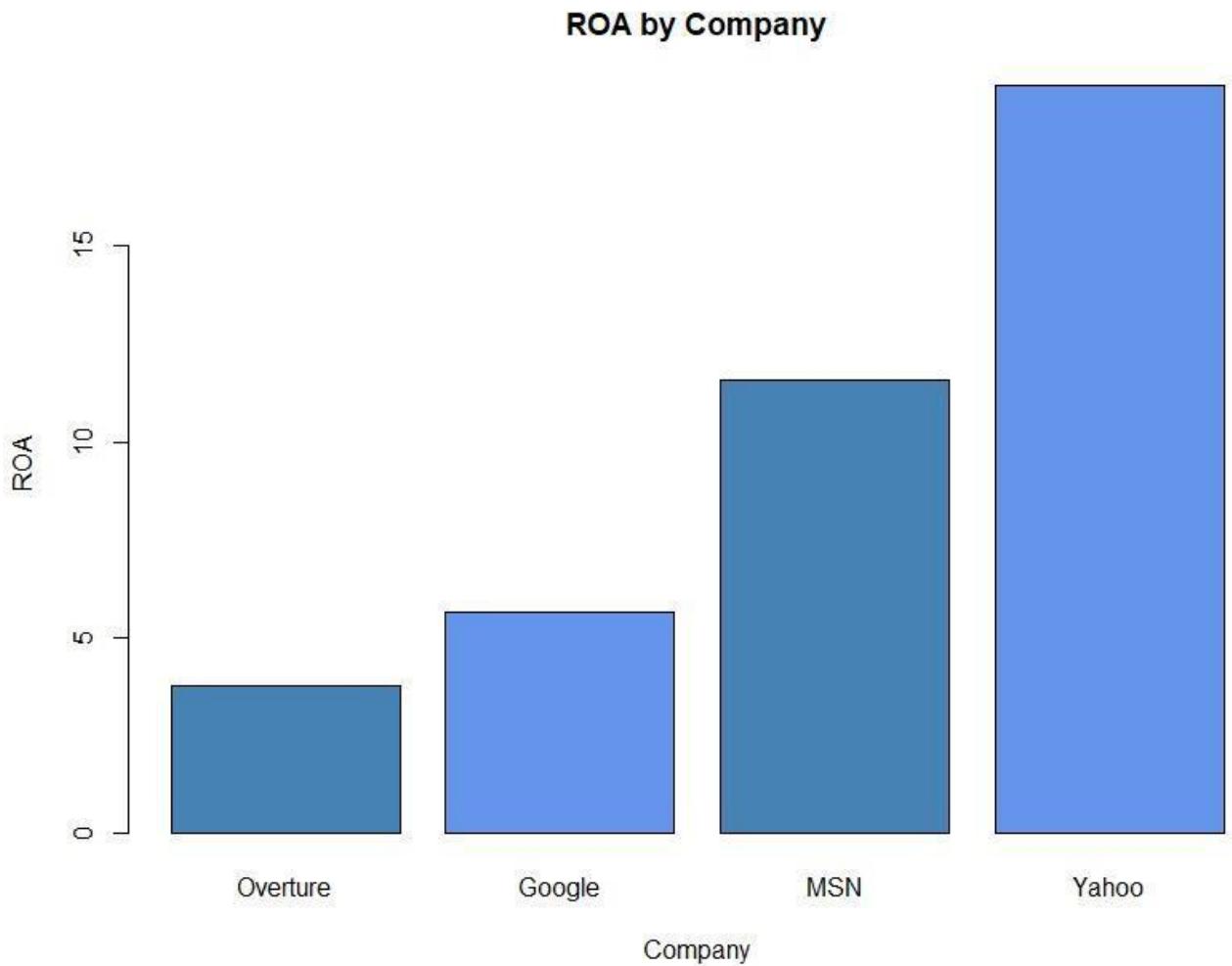


Source: Air France Historical Data From Double Click and Kayak data 2007

3

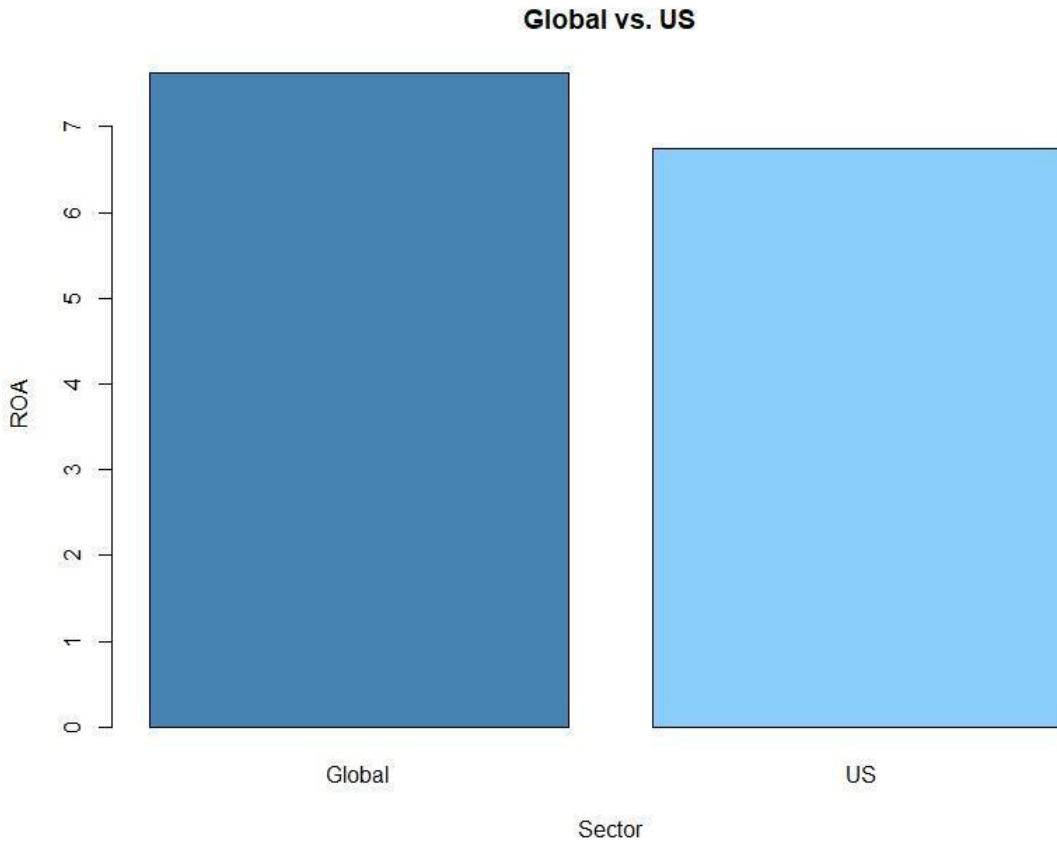
ROA by Company

- Google: 5.64
- MSN: 11.57
- Overture: 3.77
- Yahoo: 19.10



ROA by Sector

- Global: 7.62
- US: 6.75



Campaigns

Which campaigns work and which do not?

Unsuccessful Campaigns



	Campaign	Sum.Bookings	Sum.Total.Cost	Sum.Clicks	Sum.Impressions	Sum.Amount	Profit	ROA
1	Geo Targeted Cincinnati	0	33.7500	16	676	0.00	-33.7500	0.00000000
2	Outside Western Europe	0	597.8375	216	8622	0.00	-597.8375	0.00000000
3	Business Class	1	3269.0500	655	41878	144.50	-3124.5500	0.04420244
4	Google_Yearlong 2006	15	81959.4873	30470	1803463	22373.70	-59585.7873	0.27298487

Successful Campaigns



	Campaign	Sum.Bookings	Sum.Total.Cost	Sum.Clicks	Sum.Impressions	Sum.Amount	Profit	ROA
24	Air France Branded	1932	143077.8242	143174	1263310	2349870.90	2206793.0758	16.42372544
23	Air France Brand & French Destinations	699	87014.5370	57674	573159	788641.90	701627.3630	9.06333501
22	Air France Global Campaign	367	62059.4498	37221	1540074	467981.95	405922.5002	7.54086528

Keywords Status

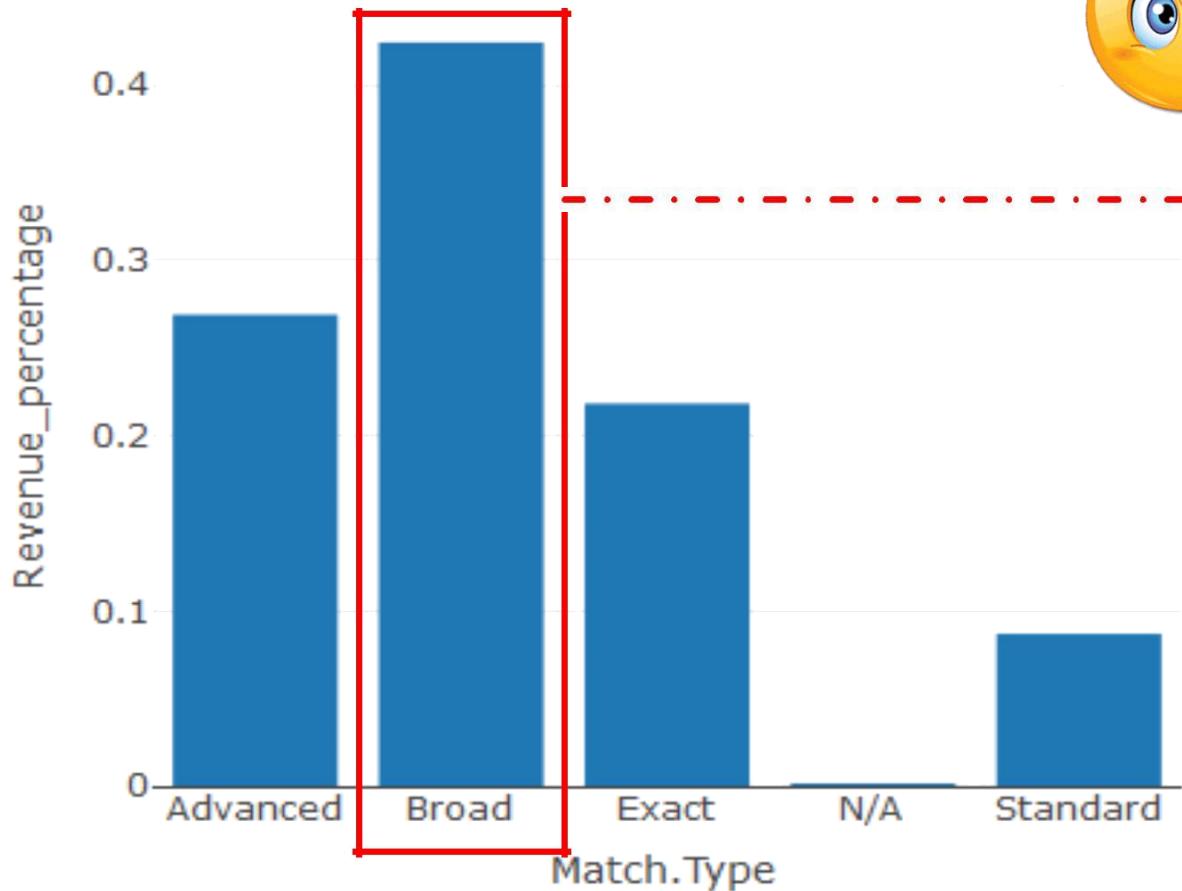
87% past records

- 598 Live status records – only US Publisher
- 205 Google with 60 keywords with bookings
 - Average Position (1-3): 1307 bookings
 - Else: No bookings
- 293 Yahoos with only 26 keywords with bookings
 - Average Position (1-3): 652 bookings
 - Else: No bookings
 - Not current bid strategy for position

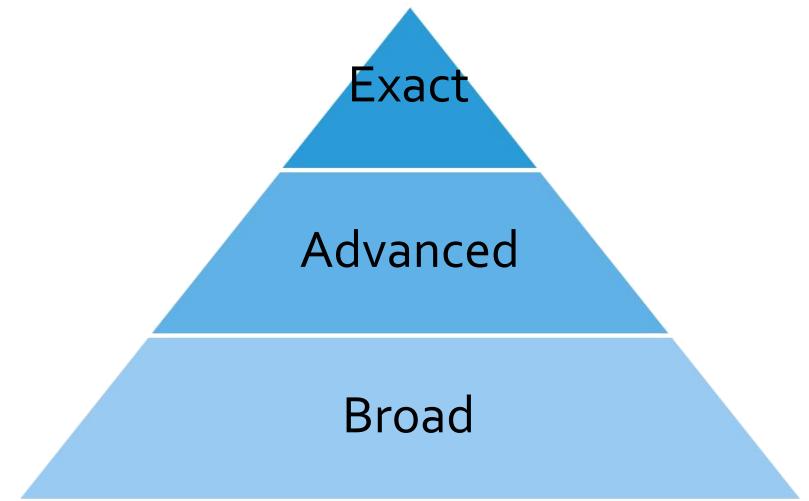


7

'RRRRR' Keywords important?

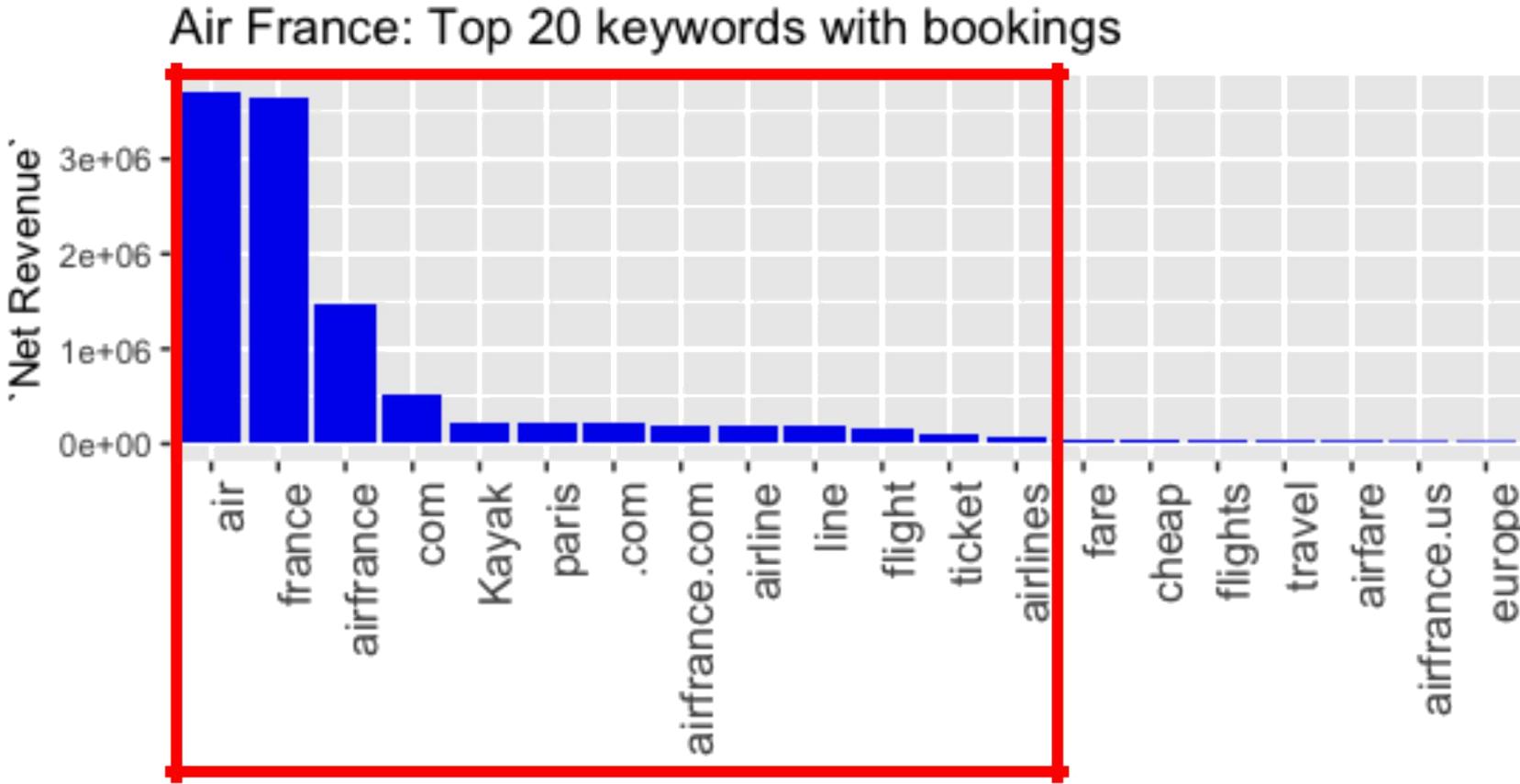


43 % of Total Revenue is generated from 'Broad' Keyword Search.



Measure your words carefully...

Because Keywords can inspire...

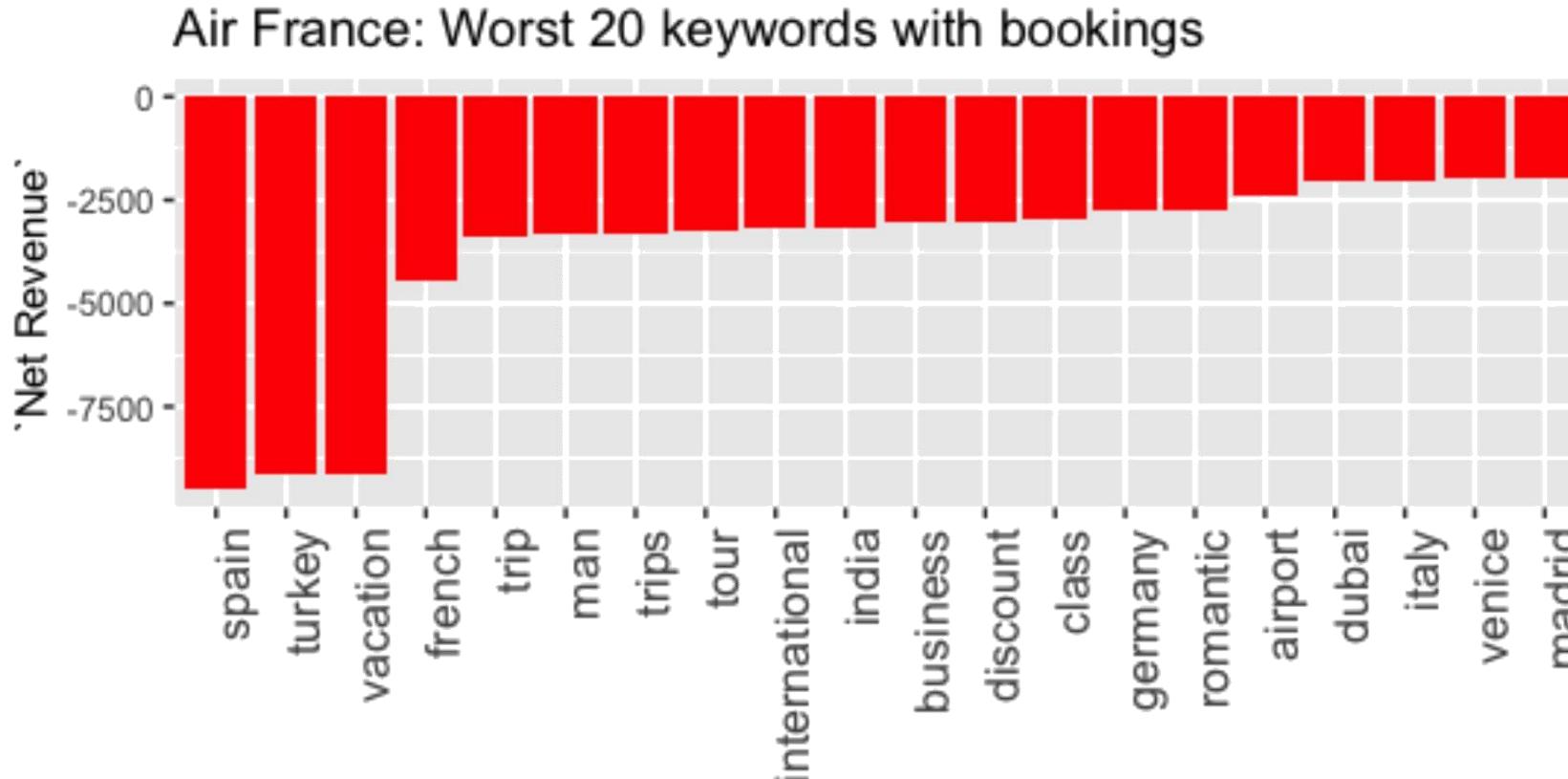


Keywords associated with the brand, France and Paris!

9

Measure your words carefully...

... and Keywords can destroy

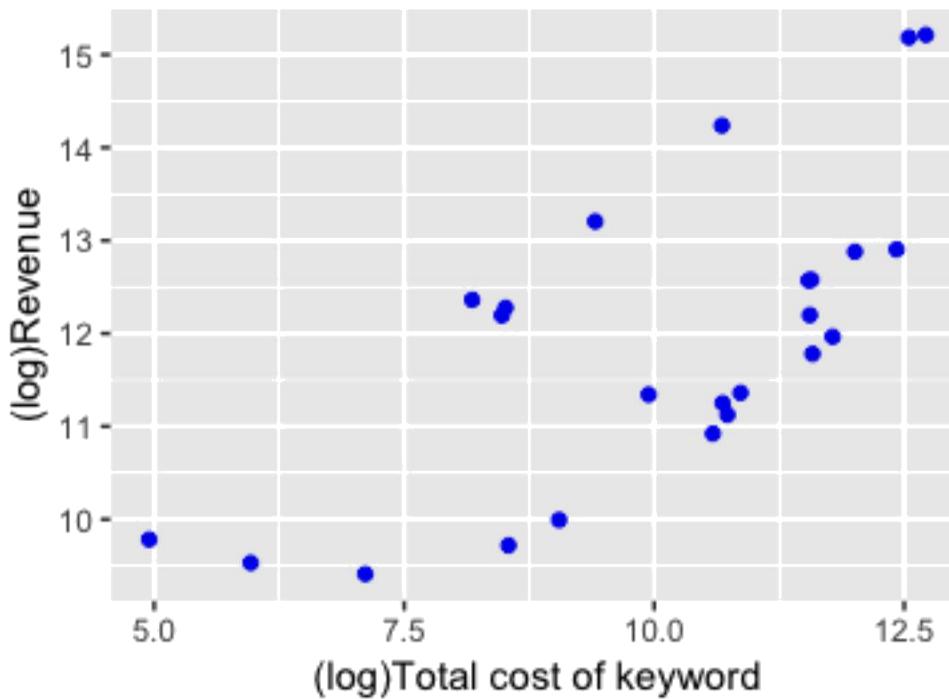


General purpose keywords!

10

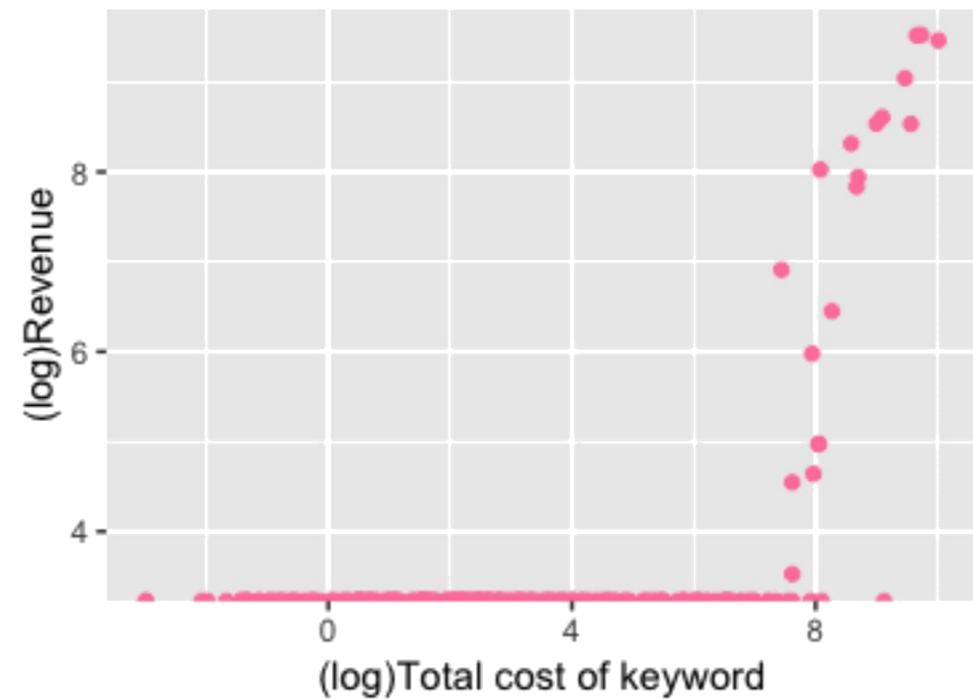
Correlation between Good and Bad Keywords

Good words - Costs and Revenues



23 - Good keywords
(> 10k revenue)

Correlation - Costs and Revenues



302 - Bad keywords
(0 revenue)

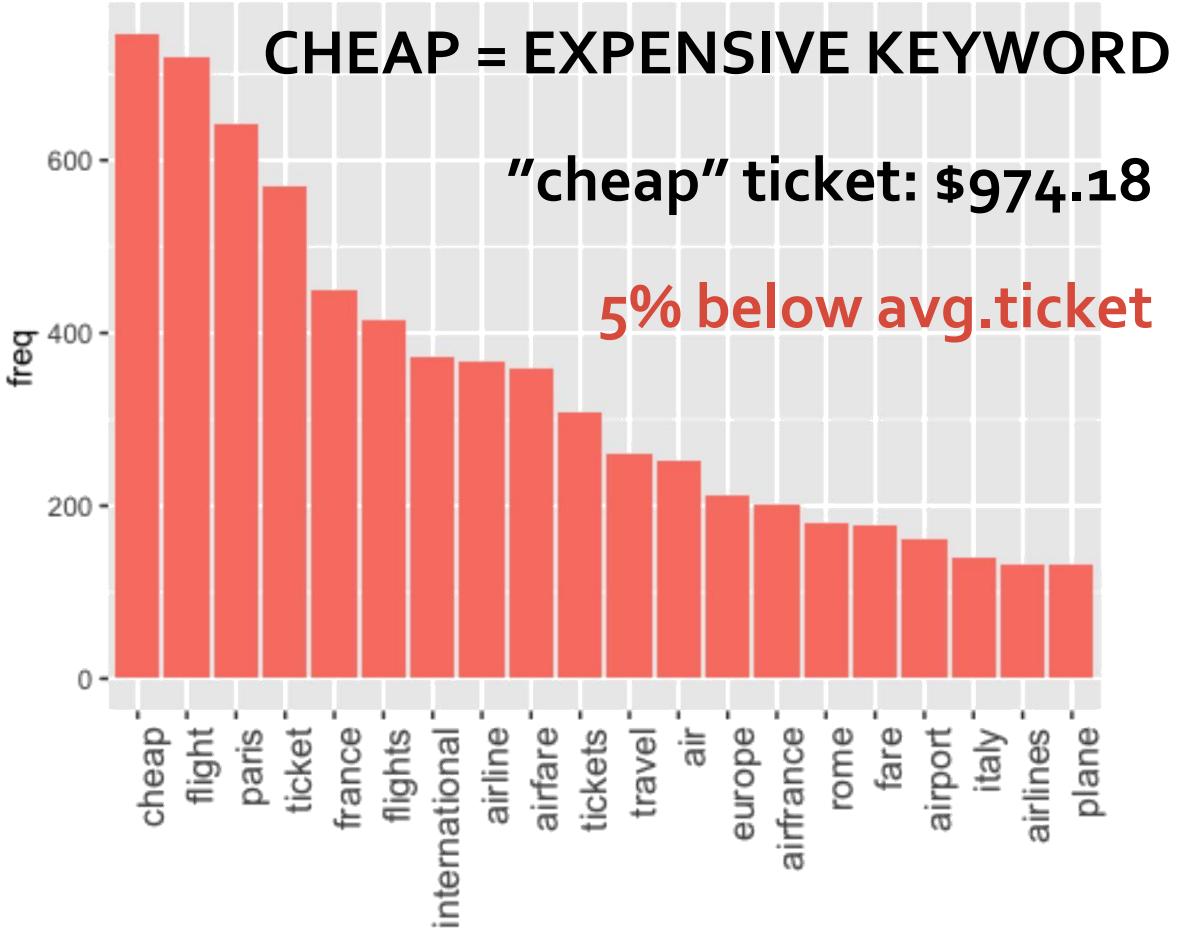
Keywords not producing



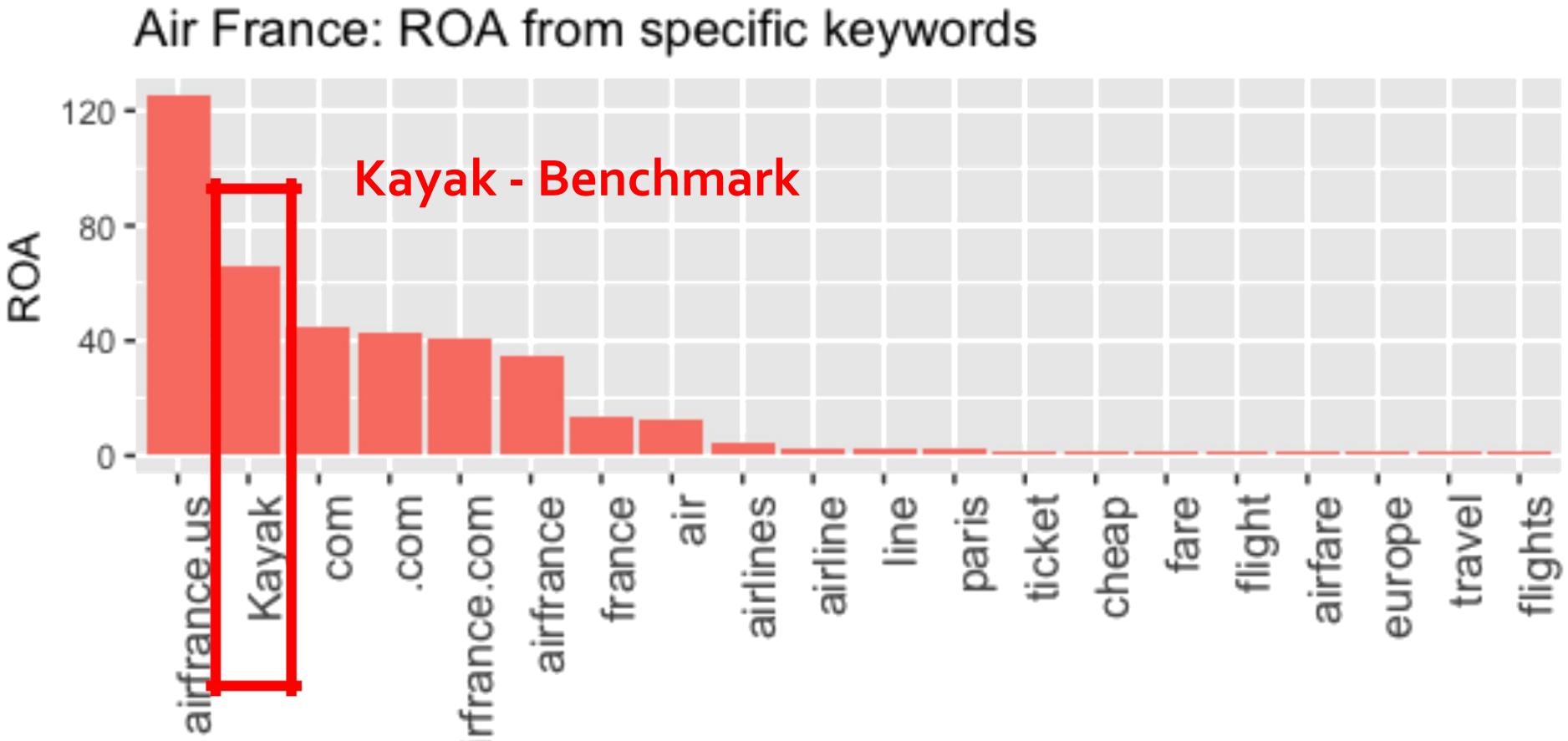
302 Keywords without bookings!

25% of all cost!

Air France: Top 20 keywords without bookings



What about ROA in Keywords?



Optimization model

Where would investing money make most sense?

Goal: 50% ↑ in ROA and Total booking
with only 25% ↑ in total budget

Budget Allocation:

\$551,249.10

	Change in Budget	Total Budget
Google	14120.53	488707.84
MSN	-21534.27	6724.58
Yahoo	9618.87	55816.7

- Optimization model: linear regression
- 10 KPIs are included:
Clicks, click through rate, conversion rate, impression, average position, cost per conversion, cost, bookings, revenue, ROA
- Dropped Overture because it was acquired by Yahoo in 2003

<https://www.searchenginejournal.com/ppc-marketing-kpis/212400/>

Recommendations

What current Live Campaigns to monitor?

#	Campaign	Sum.Bookings	Sum.Total.Cost	Sum.Clicks	Sum.Impressions	Sum.Amount	Profit	ROA
1	Geo Targeted DC	0	18.1875	12	378	0.00	-18.1875	0.000000000
2	Geo Targeted Houston	0	3.3000	3	656	0.00	-3.3000	0.000000000
3	Geo Targeted Los Angeles	0	59.9000	29	1474	0.00	-59.9000	0.000000000
4	Geo Targeted San Francisco	0	55.5500	27	960	0.00	-55.5500	0.000000000
5	Geo Targeted Seattle	0	2.6750	1	1	0.00	-2.6750	0.000000000

- 5 Live Campaigns that are currently producing 0 bookings and 0 ROA
- Loss of profit is not big right now, no urgency to deactivate but to keep an eye on
- Geo Targeted Seattle is under MSN – US and others are under Yahoo – US
- If these campaigns can be improved or eliminated if no improvement is made after time, ROA for Yahoo US will increase further
- One improvement can be to apply a Position 1-3 Bid Strategy in Yahoo as position can lead to more clicks

Recommendations

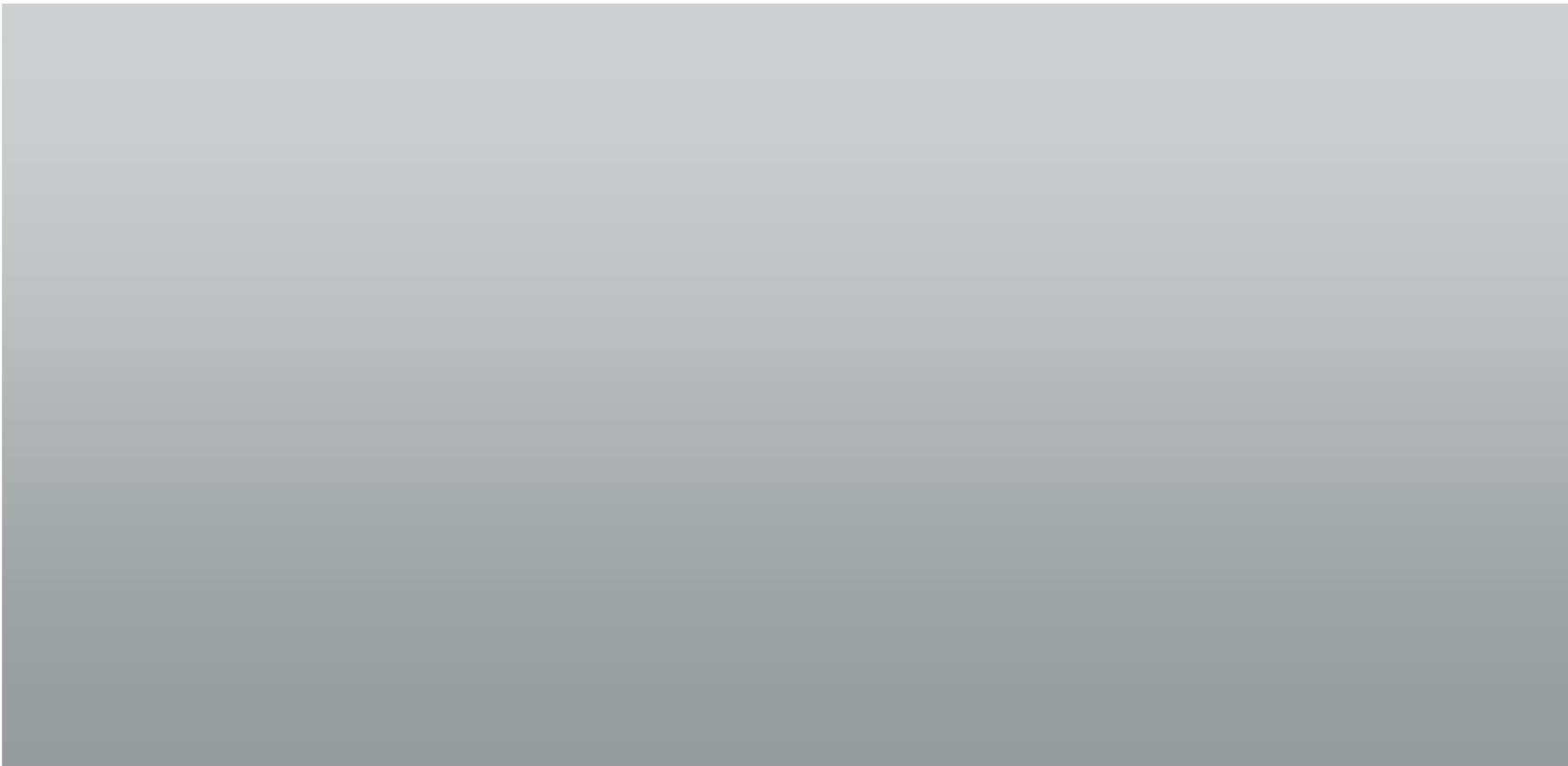
... a few more



- Don't spend \$\$\$ on bad words
- Increase campaigns with good ROA
- Continue investing in KAYAK since has highest ROA



- Embrace the brand, we are not a cheap airline and that's the French way



Thank you! Q&A

Remember we are not cheap!

17

