



Energy Circle Guide to Search Engine Marketing for Solar

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Although solar is the fastest growing energy source, the customer acquisition cost (CAC) is still out of control. However, there is an opportunity as market share shifts from national companies to small, local, long-tail solar installers. With the right digital marketing channels and particular attention to search engine marketing (SEM, also sometimes referred to PPC or even simply – AdWords), you’ll be able to shift from purchasing leads from expensive, potentially unreliable sources to getting high-quality leads to help you reduce your CAC.

What data is this guide based on?

1. Lessons learned spending over \$250,000 on solar terms over the past 12 months.
2. Generating solar leads for between \$100 and \$200 that convert at between 10% to 20%.
3. Tracking over 350 solar terms.

Here’s how \$85,000 of this data performed. You see in the right column, “CPA”, that we generated leads for under \$200 consistently.

Phrase	Sum of Clicks	Sum of Impressions	CTR	Avg. CPC	Sum of Cost	Sum of Conversions	Conv Rate	CPA
Solar Panels	4,105	44,883	9.1%	\$ 10.45	\$ 42,894	400	10%	\$ 107.32
Solar System	1,321	4,276	30.9%	\$ 8.78	\$ 11,602	85	6%	\$ 137.30
Solar Install	1,843	3,134	58.8%	\$ 12.86	\$ 23,694	122	7%	\$ 194.06
Solar Rebate	235	645	36.4%	\$ 10.10	\$ 2,374	40	17%	\$ 59.34
Solar Company	222	403	55.1%	\$ 14.38	\$ 3,192	31	14%	\$ 102.96
Solar Contractor	110	148	74.3%	\$ 11.02	\$ 1,212	12	11%	\$ 101.01

Who is this guide for?

The Energy Circle Guide to Search Engine Marketing for Solar was designed exclusively for local, residential solar companies and installers as well as those involved in the solar industry. Written to best benefit the individuals or departments that are responsible for generating leads using SEM (PPC) campaigns, this guide may be most beneficial for solar companies that plan on spending at least \$2,500 per month on ad spend with the goal of self-generating leads for under \$200. Though the guide was written specifically for this audience, it may be useful for any individual or business currently in or looking to get into the realm of solar search marketing.

What you’ll learn after reading this guide?

1. SEM(PPC) terminology
2. Unique aspects of solar vs. standard SEM
3. Characteristics of a well-structured campaign
4. Why you need to connect your CRM to your SEM accounts so you can understand if your campaigns are profitable or not

Understanding Search Engine Marketing Terminology

Just like you need to know what an inverter is to be a successful solar installer, in order to grasp search engine marketing, you need to understand some frequently used terminology.

Acronym/Term	Meaning
Ad Extension	Additional information on your ad—giving people more reasons to choose your business (call buttons, location information, additional text, and more).
AOV	Average Order Value
Assisted Conversion	If a channel appears anywhere—except as the final interaction—on a conversion path, it is considered an assist for that conversion. The higher these numbers, the more important the assist role of the channel.
Average Position	Position of ad placement (lower number is higher on page)
Average Session Duration	The average length of a session
Bounce Rate	The percentage of single-page visits (i.e. visits in which the person left your site from the entrance page without interacting with the page)
Clicks	Clicked on an ad and came to website
Contribution	SEM driven revenue minus SEM click spend
Conversion Rate	Conversions divided by clicks
Conversions	Total number of conversions according to Google Analytics
CPC	Cost Per Click (another name for SEM or PPC)
CTR	Click Through Rate (clicks divided by impressions)
First Click Conversion	This is the first interaction on a conversion path. The higher these numbers, the more important the channel's role in initiating new sales and conversions.
Impressions	A text or image ad appeared on a website page or search results page
Last Click Conversion	The final click or direct traffic before a conversion gets last interaction credit for that conversion. The higher these numbers, the more important the channel's role in driving completion of sales and conversions.
MTD	Month to date
New Users	The number of first-time users during the selected date range.
Pages / Session	(Average Page Depth) is the average number of pages viewed during a session. Repeated views of a single page are counted
ROAS	Return on ad spend (revenue divided by click spend)
Sessions	Total number of sessions within the date range. A session is the period time a user is actively engaged with your website, app, etc. All usage data (Screen Views, Events, Ecommerce, etc.) is associated with a session.
YOY	Year over year
SERP	Search engine results pages are web pages served to users when they search for something online using a search engine, such as Google . The user enters their search query (often using specific terms and phrases known as keywords), upon which the search engine presents them with a SERP .

What Makes SEM for Solar Different?

While every solar SEM campaign shares fundamental similarities to every other SEM campaign, there are several unique differentiators.

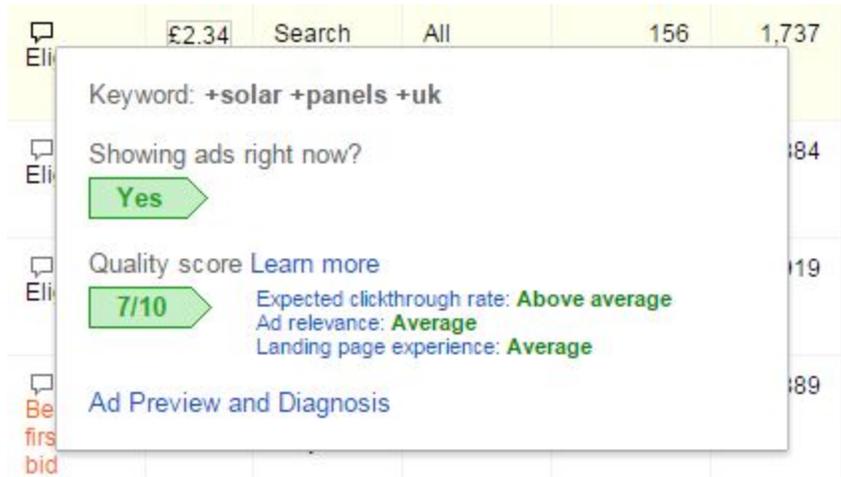
Search Engine Marketing Optimization

Due to the fact that solar is extremely competitive and CPC rates are high, it's absolutely vital that all website landing pages, copy and conversion options are optimized. Copy on landing pages, design, forms and calls-to-action should have ongoing conversion optimization tests running for all website visitors. You wouldn't want to pay to get someone onto your website and then bounce off due to a poor user experience, so it's key that they are able to easily find what they are looking for and take the appropriate action.

There are three critical variables that will impact Quality Score to increase SEM optimization.

1. **Ad Relevance.** Ad relevance is described by [Google](#) as "How well your keyword matches the message in your ads. For example, if someone searches for your keyword and your ad shows up, would your ad seem directly relevant to their search?" In practice, this means that someone sees an ad that is very closely related to what they want to see.
2. **Landing page experience.** The landing page experience is a function of two critical factors:
 - a. **Landing page relevance.** Landing page relevance is similar to ad relevance. Does your landing page copy and design match the message in your ads? If someone clicks on the the copy/offer in your ad, does the landing page continue to tell this story? The more it matches, the better landing page experience, the higher Quality Score your ad will have.
 - b. **Landing page design.** The landing page should be designed for conversion so that it has:
 - i. A compelling offer, that the user really wants.
 - ii. A clear call-to-action, to entice them to act and sign up easily.
 - iii. A clear phone number to call, in case they want to speak with someone before signing up.
3. **Expected CTR.** The expected CTR means how much Google anticipates users will click on your ad versus the number of people that see it. A higher expected CTR means a higher Quality Score and thus lower CPC and cost-per-lead.

When creating an ad, Google will rank the ad and tell you its Quality Score. Here's what this looks like for a solar campaign in the UK.



This is really useful because it provides you with recommendations on what you can do to increase the Quality Score of your ads.

Quality Score is important for SEM campaigns, because the higher Quality Score, the lower the cost-per-click and the lower the cost-per-lead. The chart below from 2013 shows the impact of Quality Score on an ads expected CPC.

Impact of Quality Score on CPA in 2013		
if QS is	Your CPA vs. QS=5 is:	
10	Discounted by:	80%
9	Discounted by:	64%
8	Discounted by:	48%
7	Discounted by:	32%
6	Discounted by:	16%
5	-	
4	Increased by:	16%
3	Increased by:	32%
2	Increased by:	48%
1	Increased by:	64%
<i>Courtesy of WordStream, Inc.</i>		

In fact, with a Quality Score of 5, Google will neither provide a discount nor penalize your ads. However, with a Quality Score of 1, the ad would cost 64% more, but with a Quality Score of 10, the price is discounted by 80%.

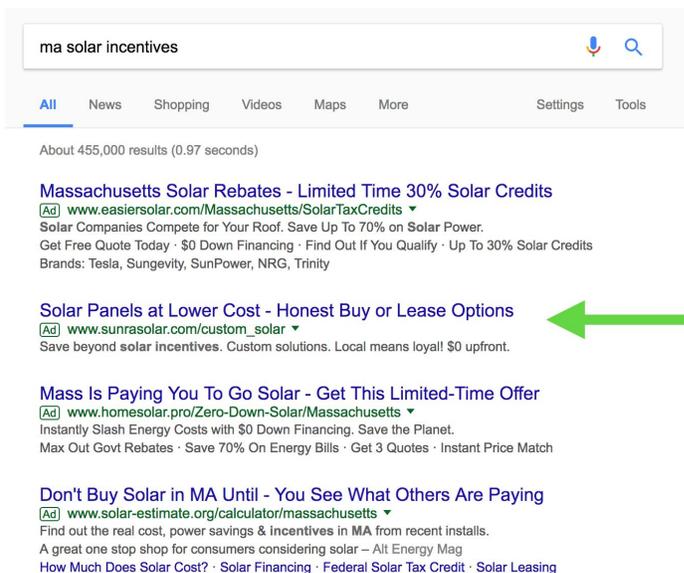
An Example of Quality Score

To give you an example of how these three variables impact a user's search, let's go through a specific example. In the section below, we'll show the differences between bad, good and great ads.

Step 1. User searches: "MA solar incentives"

If a user searches for "MA solar incentives", an ad with a high relevance will have the EXACT keyword "MA solar incentives."

Step 2. User sees these four ads



The screenshot shows a search engine interface with the search term "ma solar incentives" in the search bar. Below the search bar are navigation tabs: All, News, Shopping, Videos, Maps, More, Settings, and Tools. The search results indicate "About 455,000 results (0.97 seconds)". Four ads are listed:

- Massachusetts Solar Rebates - Limited Time 30% Solar Credits**
Ad | www.easiersolar.com/Massachusetts/SolarTaxCredits
Solar Companies Compete for Your Roof. Save Up To 70% on Solar Power.
Get Free Quote Today · \$0 Down Financing · Find Out If You Qualify · Up To 30% Solar Credits
Brands: Tesla, Sungevity, SunPower, NRG, Trinity
- Solar Panels at Lower Cost - Honest Buy or Lease Options** ←
Ad | www.sunrasolar.com/custom_solar
Save beyond solar incentives. Custom solutions. Local means loyal! \$0 upfront.
- Mass Is Paying You To Go Solar - Get This Limited-Time Offer**
Ad | www.homesolar.pro/Zero-Down-Solar/Massachusetts
Instantly Slash Energy Costs with \$0 Down Financing. Save the Planet.
Max Out Govt Rebates · Save 70% On Energy Bills · Get 3 Quotes · Instant Price Match
- Don't Buy Solar in MA Until - You See What Others Are Paying**
Ad | www.solar-estimate.org/calculator/massachusetts
Find out the real cost, power savings & incentives in MA from recent installs.
A great one stop shop for consumers considering solar – Alt Energy Mag
How Much Does Solar Cost? · Solar Financing · Federal Solar Tax Credit · Solar Leasing

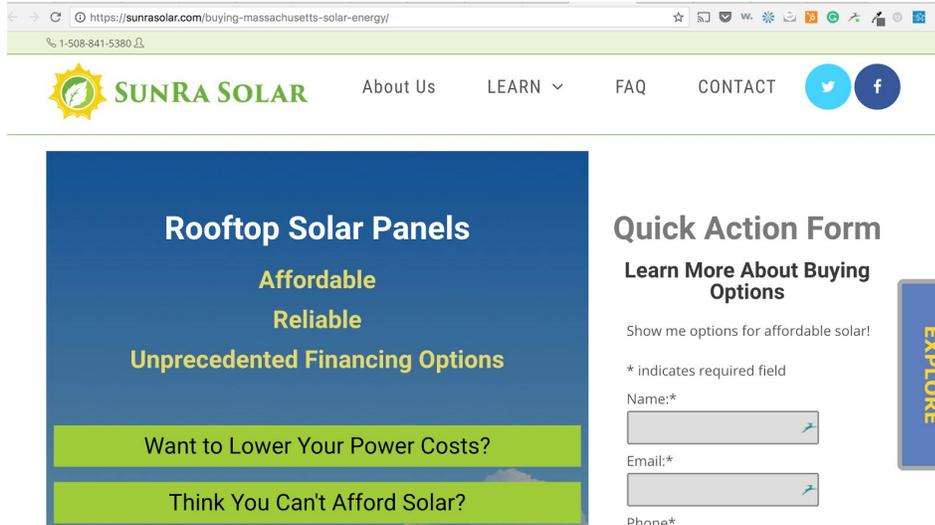
You'll see that none of the ads have the exact search term in the ad itself. The first ad has the closest match to what the user searched with "Massachusetts Solar Rebates".

The second ad's copy is really about "solar panels", "solar cost" and "lease versus buy solar options". The second ad likely doesn't have a high ad relevance because it doesn't contain the same keyword as what the user searched for.

Regardless, let's assume we clicked on the second ad — the ad with the green arrow pointing to it.

Step 3. User clicks on this landing page:

<https://sunrasolar.com/buying-massachusetts-solar-energy/>



This is what the user would see on a desktop screen if they did not scroll. There's one main issue with this landing page related to the search.

The user is specifically searching for "MA Solar incentives" and the landing page says nothing about MA Solar incentives or solar incentives in general. The landing page content is much more targeted towards the affordability of solar and buying options. It's not that this is a bad landing page, but simply that it's less relevant to what the user is searching for. A great landing page will speak to exactly what the user is searching for.

This landing page has a few good parts. It's very clear on what is being sold. There is a very clear call-to-action form. However, the page does lack a phone number to call, which is especially important for mobile searches.

The landing page experience for this ad is, at best, average, or perhaps below average.

Opportunities for Testing & Data Collection

The lifetime value of a new solar customer may be considerably higher than other common contracting or home performance services. Here's the average ticket for solar, HVAC, and insulation.

	Residential Solar (5kW @ \$4/watt)	HVAC New Install (Gas Furnace Swap)	Insulation (2,000 ft ² - blown cellulose)
Gross revenue	\$20,000	\$8,000	\$6,000
Marketing spend at 7% of revenue	\$1,400	\$560	\$420

If we assume that a company is willing to spend between 5% and 7% of revenue on marketing costs, you can get a sense for how much could be spent on an SEM campaign.

While each click may appear quite expensive — the target cost-per-lead goals can be high because of the value of a winning a new customer. This allows more data to be collected and extensive testing for specific keywords, ads and targeting to occur over a greater period of time before moving away from or pausing certain campaigns.

Need for Top & Middle of the Funnel Campaigns

The solar decision-making process is complex and takes time. For this reason, a portion of your overall SEM budget should be invested into campaigns that drive top-of-funnel and mid-funnel visits. Examples could be contextually-based responsive display ads or a video campaign to drive more video views on YouTube. Anything that drives more traffic or more video views is valuable because audiences can be built around these visitors to continue to nurture higher-funnel prospects through search campaigns with specific ad copy and/or remarketing-based display campaigns.

Always Answering the Phone

Search engine marketing for solar is used to drive phone calls, and a large portion of these conversions will come in the form of a first-time phone caller. This investment in driving more phone calls means that you should take every step you can to make sure that:

1. Inbound phone calls are always answered during business hours.
2. Hold times are minimal and any automated messages are succinct.
3. The individual answering the phone is able to answer a wide range of questions on the fly and is very skilled at identifying a caller's needs and moving them closer to a potential sale.

While SEM can increase your inbound phone volume considerably, it's up to you to handle and close those calls at the highest rate possible.

Consider Bing

Although SEM or PPC has virtually become synonymous with Google AdWords, don't forget about Bing Ads! Bing (and Yahoo!) still represent about 20% of the overall search market. By launching SEM campaigns through Bing Ads, you can enter into a less competitive search arena (because many competitors don't make the extra effort to manage a Bing Ads account), and will be able to reach a whole new audience of potential customers.

How to Structure Your SEM Campaigns

Designing a successful SEM account requires a careful setup process. The structure is crucial and is comprised of 5 distinct sections:

- Campaigns
 - An ad campaign is a grouping of ad groups, generally with a similar theme.
 - For example, a campaign may be *Solar Panels*. Another example would be *Brand*.
- Groups
 - An ad group is a grouping of keywords relevant in the campaign.
 - For example, in the *Solar Panels* campaign, ad groups may include *Panel Contractor*, or *Finance Panels*. In the *Brand* Campaign, ad groups may include *Phrase* or *Exact*.
- Keywords
 - Keywords are the search terms used to display relevant ads within the ad group.
 - For example, in the *Solar Installation* ad group, keywords may include *+solar +panel +installer*. The plus signs indicate broad match keywords, meaning that the search terms might include additional copy with those specified keywords. In the *Phrase* ad group within the *Brand* campaign, keywords may include *"xyz solar company"* or *"xyz company reviews"*.
- Copy
 - Ad copy is the text that will be displayed when the applicable search term is used.
 - The image below contains examples of a bad, good, and great ad with a simple search for "solar panel installation" done in northern California.
- Landing pages
 - Landing pages are the relevant pages that the ad copy directs traffic to. It is important to ensure landing pages provide information that is applicable to the search term to reduce the possibility of visitors leaving your site because the page doesn't reflect what they were searching for.

Bay Area Solar Installation - 10 Yrs. Making Solar Simple
 (Ad) www.westcoastsolar.com/solar/installation ▼ (877) 752-1815
 Northern CA's Premier **Solar Contractor**. Learn How Easy It Is To Go **Solar** Today!
 Services: Solar Installation, Solar System Design, Solar Financing, Residential & Commercial
 📍 2155 Elkins Way, Brentwood, CA - Open today · 8:00 AM – 5:00 PM ▼

A High-Return Investment	Schedule A Consultation
30% Federal Tax Credit	Commercial Solar Experts

Need Solar Contractor? - Use PG&E's Resources First - pge.com

(Ad) www.pge.com/Solar-Advice ▼
 Use PG&E's free resources to make smarter **solar contractor** choices. Learn more!
 Read Before You Install · How to Go Solar · Free Solar Tools & Tips
 Prepare for Solar · Solar Incentives · Solar Math · The Process · Find a Contractor

SolarCity® Official Site - America's #1 Solar Provider - solarcity.com

(Ad) www.solarcity.com/SolarCity ▼
 Learn More About **Solar Energy** Solutions & Lowering Your Bills. Get a Free Quote!

Solar Panel Contractor - Request Your Free Quote

(Ad) www.westhavensolarca.com/SolarPanel/Contractor ▼
Solar Power For Home Or Business. Call About This Month's Special.
 \$0 Down SunPower Lease · Free Solar Quotes · A+ BBB Accredited · Grid-Tied Systems

Above, you will see that there are four ads showing at the top of the SERP for the search query “solar installation contractor” in this particular area of California. You will notice that some ads contain more text than others. The extra fields of text are known as ad extensions. Ad extensions provide additional relevant and important information to help potential clickers make a decision on which ad to investigate. Ad extensions also increase the overall footprint of an ad, which increases the chances of getting the click and increasing the CTR of the ad.

In reviewing these ads, the first thing to consider is the ad position. The ad in position 1 at the top of the page generated the highest ad rank. Being in the top position is the best way to get the most clicks; however, there are many cases where settling into a higher ad position may be more cost effective long term.

In basic terms, Ad Rank is calculated as:

$$\text{Max CPC} \times \text{Quality Score (+ the expected impact of ad extensions and other ad formats)}$$

By being in ad position 1, you give yourself the best chance of getting the most traffic, but it can be expensive – so you need to make sure that you are staying in ad position 1 for your most profitable keywords. It's also important to note that your ad rank could have an impact on how many ad extensions show in your ad.

It isn't unusual for ads in position 3 or 4 to show fewer ad extensions than ads in position 1 or 2. Let's break down the four ads above to determine the strengths and weaknesses within each ad.

Ad #1: Great

Bay Area Solar Installation - 10 Yrs. Making Solar Simple
www.westcoastsolar.com/solar/installation (877) 752-1815
Northern CA's Premier **Solar Contractor**. Learn How Easy It Is To Go **Solar** Today!
Services: Solar Installation, Solar System Design, Solar Financing, Residential & Commercial
📍 2155 Elkins Way, Brentwood, CA - Open today · 8:00 AM – 5:00 PM ▾
A High-Return Investment Schedule A Consultation
30% Federal Tax Credit Commercial Solar Experts

Pros: The ad headline is relevant to the search query, the focus is on their unique selling proposition, there is a clear call-to-action, four types of ad extensions are showing and there is consistent formatting.

Cons: None

Ad #2: Good

Need Solar Contractor? - Use PG&E's Resources First - pge.com
www.pge.com/Solar-Advice ▾
Use PG&E's free resources to make smarter **solar contractor** choices. Learn more!
Read Before You Install · How to Go Solar · Free Solar Tools & Tips
[Prepare for Solar](#) · [Solar Incentives](#) · [Solar Math](#) · [The Process](#) · [Find a Contractor](#)

Pros: The ad headline is relevant to the search query, the focus is on their unique selling proposition, there is a clear call-to-action, two types of ad extensions are showing and there is consistent formatting.

Cons: There are few ad extensions and overall size of ad is smaller.

Ad #3: Okay

SolarCity® Official Site - America's #1 Solar Provider - solarcity.com
www.solarcity.com/SolarCity ▾
Learn More About **Solar Energy** Solutions & Lowering Your Bills. Get a Free Quote!

Pros: The focus is on their unique selling proposition and reputation.

Cons: There are no ad extensions showing and the ad copy is not relevant to the search query.

Ad #4: Okay

Solar Panel Contractor - Request Your Free Quote
www.westhavensolarca.com/SolarPanel/Contractor ▾
Solar Power For Home Or Business. Call About This Month's Special.
\$0 Down SunPower Lease · Free Solar Quotes · A+ BBB Accredited · Grid-Tied Systems

Pros: The ad headline is relevant to the search query, there is a clear call-to-action, the promotional copy creates a sense of urgency and one ad extension showing.

Cons: The ad rank or lack of ad extension optimization results in only one extension showing.

Keep in mind that there are many factors at play within each account which impacts ad rank. For various reasons, each advertiser above could be utilizing positive or negative bid multipliers based on geography, device, day of week, hour of day, or audience which could be impacting what you see in these four ads. Or, they could be utilizing machine learning and allowing Google or a third-party system to automatically adjust bids to try to get the best possible ROI. There are many factors at play here, but the main point in this example is to explain the core elements of a SEM ad and how the addition or omission of certain elements can impact overall results.

Now let's break this high-quality ad down further...



Bay Area Solar Installation - 10 Yrs. Making Solar Simple
Ad www.westcoastsolar.com/solar/installation (877) 752-1815
Northern CA's Premier **Solar Contractor**. Learn How Easy It Is To Go **Solar** Today!
Services: Solar Installation, Solar System Design, Solar Financing, Residential & Commercial
📍 2155 Elkins Way, Brentwood, CA - Open today · 8:00 AM – 5:00 PM
A High-Return Investment Schedule A Consultation
30% Federal Tax Credit Commercial Solar Experts

The ad is great for a few critical reasons.

1. Ad extensions

The only standard for ad copy is the large purple text, the URL, and the line of grey text that starts with “Northern CA’s”. The rest of the text is what’s called ad extensions. Ad extensions take up more space, give more information, and help to drive higher CTRs - which helps overall Quality Scores.

- a. There are a number of ad extensions showing up on this ad.
 - i. **Structured Snippet Extension.** Structured snippets allow advertisers to describe features of a specific product or describe the range of products or services their business offers. In this example, this is the line that says: “Services: Solar installation, solar system design.....”
 - ii. **Location Extension.** The location extension provides the location and business hours.
 - iii. **Sitelink Extensions.** The four blue links at the bottom that are indented are called sitelink extensions.
 - iv. **Call extension.** The call extension allows for the phone number to appear in the ad.

2. Keyword relevance

The keyword that was searched for was “solar panel installation.” You’ll notice that the term “solar installation” is included in both the URL of the landing page and the ad copy.

3. Clear call-to-action

The ad provides a very clear call-to-action that focuses on the unique selling proposition of West Coast Solar.

When the setup phase is completed, including campaigns, groups, keywords, copy and landing pages, it's easy to quickly measure and adjust the following aspects of your account:

- Daily budgets
- Ad copy
- Ad extensions
- Bid and ad rotation settings
- Search query to keyword alignment
- Negative keywords
- Targeting by location, time, device and demographic
- Establish varying CPL goals at the campaign level
- Toggle manual processes vs. automated/machine learning processes to drive the best results
- Turn campaigns up, down, off, or on based on seasonality, weather, and other offline factors

Finding Profitable Keywords

Identifying the best and worst keywords for your business and making the right optimizations around those keywords starts with proper campaign structure. By using a very specific way of separating keyword match types into unique campaigns, your campaigns can later be fully leveraged by Google's search query reporting.

Search query reports are the heart of any SEM account because they show you the performance of each query that was searched which triggered an ad to show. By monitoring search query reports at the proper cadence and creating filters and advanced reporting, you can identify good and bad search queries and then determine when negative keywords need to be created, or new regular keywords need to be added.

To determine the profitability of a keyword, you need to look beyond the default last-click conversion data and keep an eye on first-click and position-based conversion models to understand how each keyword plays a role in different parts of the funnel. For example, you may find a particular keyword that appears to be driving an unacceptably high CPL based on a last-click attribution model – but pausing that keyword could be the wrong move. This may be because the keyword could be driving first-time visitors to the website that later convert through a subsequent website visit. You can often see that your SEM will drive first-time website visitors that later convert through a direct, organic or email session.

Connecting Your SEM Account to Your CRM

Connecting your SEM account to your CRM will help your solar company make smart marketing and business decisions. You'll be able to pull traffic source information into lead data to align closed deals with the traffic source that generated that lead. This will help you to understand the true value of each traffic source, even potentially down to the keyword level for SEM traffic.

In the solar industry, it's more important to understand the CAC instead of simply relying on CPL, because just like the CTR of an ad doesn't mean it'll actually turn into a lead, a low CPL doesn't necessarily mean that a lead will result in a sale. Without tracking the lead to sale conversion rate, it's impossible to understand what adjustments need to be made or have a full grasp of what's really working — causing you to waste money.

So you should at least be tracking that a lead was brought in through SEM. Ideally, however, you should take it one step further and track which keyword specifically resulted in that lead (and ultimately, hopefully, in that customer). By doing this, it's possible to drastically increase the number of customers you can acquire with a given SEM ad spend.

Let's compare these three unique scenarios:

1. SEM Campaign Not Connected to the CRM

In this situation, you only know the CPC of the keyword group and the conversion rate of the landing page. This only allows CPL data to be extracted, but doesn't provide any CAC information.

Group	Clicks	Impressions	CTR	Avg. CPC	Cost	Total Leads	Conv Rate	CPA
Solar Panels	4,105	44,883	9.1%	\$ 10.45	\$ 42,894	400	10%	\$ 107.32

CPL for a grouping of keywords is the maximum amount of information you'd have about your campaign if you don't track the lead source in your CRM.

Here are a few lessons:

1. **Comparing lead costs.** Let's assume you're buying leads for \$100. Based on this, it seems SEM campaigns are comparable. However, this isn't an equal comparison, since by only tracking the CPL, you're not actually taking into account the CAC.
2. **Conversion rates.** Since you don't know what the conversion rate is for these leads and given that the CPL is about the same — if it's lower than buying leads, this could be less profitable, but if it's higher, then it could be more profitable. However, without an understanding of the conversion rate of leads, it's impossible to confidently say if this campaign is profitable or not.

Understanding campaign profitability is key if you're investing any amount in a SEM campaign. So it's very risky to run a campaign without integrating the data into your CRM. If none, or few of the leads

convert, you could actually be losing money on every sale and while still thinking that it's a profitable campaign.

2. Tracking SEM Lead Source in the CRM

In this second scenario, these are the analytics you would see if your SEM account was integrated with your CRM. You can see that the leads are coming from the SEM campaign, but not on a keyword basis.

	Solar Panels
Click	4,105
Impressions	44,883
CTR	9.10%
Avg. CPC	\$10.45
Cost	\$42,894
Total Leads	400
Landing Page Conversion Rate	10%
CPA	\$107.32
Sale Conversion Rate	10%
Total Sales	39
CAC	\$1,099.85
Avg Ticket	\$25,000
Total Revenue	\$975,000
Marketing % of Revenue	4.40%

Here are a few observations:

1. By having a basic CRM integration, it's possible to see if your SEM campaign is profitable or not. Let's assume your company-wide benchmark is a CAC of \$1,500 — then this SEM campaign is very profitable with a CAC of \$1,099.85.

2. It's clear that SEM is more profitable and you should increase spend in this channel and decrease it in others.

3. However, it's still possible that specific keywords are not converting well, or at all, and that money is still being lost since you can't fully optimize for CAC.

3. Tracking SEM Lead Source Down to the Keyword in the CRM

Finally, let's assume that the entire campaign was made up of five individual keywords. Each lead is matched to a specific keyword that is then tracked individually in the CRM. With this data, you can track the profitability of the entire campaign, all the way down to the keyword level.

	Keywords			
	solar panels	massachusetts solar panel	solar panel installers	solar for home
Click	4,105	1560	985	206
Impressions	44,883	8432	19,790	936
CTR	9.10%	18.50%	4.98%	22.00%
Avg. CPC	\$10.45	\$10.02	\$4.64	\$19.35
Cost	\$42,894	\$15,627.00	\$4,569.96	\$3,986.00
Total Leads	400	80	83	12
Conv Rate	10%	5.13%	8.40%	5.83%
CPA	\$107.32	\$195.34	\$55.26	\$332.17
Sale Conversion Rate	10%	13.75%	1.21%	66.67%
Total Sales	39	11	1	8
CAC	\$1,099.85	\$1,420.64	\$4,569.96	\$498.25
Avg Ticket	\$25,000	\$25,000	\$25,000	\$25,000
Total Revenue	\$975,000	\$275,000	\$25,000	\$200,000
Marketing % of Revenue	4.40%	5.68%	18.28%	1.99%

Here are some lessons from this example:

1. While the average CAC for the 'solar panels' search group is \$1,099, about \$14,500 of the SEM spend actually results in a CAC that is double the average.
2. If you were to decrease the spend of the most expensive keywords into the more profitable ones, it's likely you could generate substantially more revenue with the same ad spend.

It takes some dedication, but tracking your SEM campaigns down to the keyword level can be done fairly simply. The benefits will allow you to optimize your campaign spend and ultimately lower your CAC.

Search Engine Marketing for Solar with Energy Circle

Not wasting money with SEM requires expertise and dedication. Energy Circle's team of dedicated search engine marketers specialize in running successful campaigns to achieve lower costs per lead and help your solar company to reduce customer acquisition costs.

If you are planning to start or optimize a SEM campaign for your solar business, contact Chris Williams, Energy Circle's solar expert, at chris@energycircle.com.