



POV: REVAMPED GOOGLE AD LAYOUT
IS A WIN FOR PPC BUT PUTS PRESSURE ON
ORGANIC

MARCH 2016

proprietary





REVAMPED GOOGLE AD LAYOUT IS A WIN FOR PPC BUT PUTS PRESSURE ON ORGANIC

EXECUTIVE SUMMARY

Google has been slowly changing the look of its desktop search engine results page (SERP). The revamped SERP adds an additional paid search ad at the top of the page (for a total of four) and removes the option to have any paid ads on the right-hand side of the page (often referred to as the right rail).

Google's revamped desktop SERP format affects all brands using search, both paid and organic. The addition of a fourth paid ad offers more opportunities to appear at the top of results, where users are more likely to see it and click through to the site. The addition may also push organic search results further down the page, possibly resulting in less visibility. The new format means that all search marketers need to increase focus on their paid and organic SERP positioning.

This POV explains the updated SERP format, why it has changed, and how it could affect the paid and organic search landscape.

WHAT'S DIFFERENT FOR DESKTOP PAID SEARCH ADS

Google constantly tests and changes its algorithms and page formats to improve user experience for desktop and mobile. After testing globally for years (and one year in the United States), Google recently **rolled out** their new desktop SERP format, adding the fourth paid search ad above the organic results. This revamped layout also removes all paid search ads on the right side, or right rail, of the desktop SERP. Bottom-page paid search ads remain unchanged. In some cases, product-listing ads or the Knowledge Graph box will serve up on the right-hand side.

Top Ads	Side Ads	Bottom Ads
Start showing up to four text ads at the top of the page for a very small number of highly commercial queries on computer/tablet search.	Stop showing text ads on the side of the page for all queries on computers. (This change was made on tablets in Q4 2014.)	Continue showing up to three text ads at the bottom of the page for more queries on computers and tablets.

Source: Stefani Klaskow, Head of Industry, Healthcare, Google



WHY THIS CHANGE MAKES SENSE FOR GOOGLE

Google's updated desktop SERP format is just the latest change in their quest to streamline the user experience toward a more mobile-friendly design.

MOBILE SERP DESIGN IS THE FUTURE FOR GOOGLE

Mobile search, both paid and organic, has grown exponentially in the past few years. Users now spend as much, if not more, time on their mobile devices than they do on desktops. This shift in behavior has caused many sites and search engines, particularly Google, to change their platforms to adapt to the growth in mobile use and streamline the user experience across all devices. Google claims the benefits of the latest SERP format change include:

- + Mobile-aligned design for a better, more-streamlined user experience
- + Alignment with where product and device design are headed in the future
- + Addition of another high-performing top ad on relevant queries, which offers additional space for advertisers

Previous Google SERP:

Google logo | Search bar: opioid addiction treatment | Search tools

All News Images Videos Shopping More Search tools

About 1,080,000 results (0.50 seconds)

Three paid search ads at the top

- Opiate Withdrawal Detox**
Ad www.aidinrecovery.com/ Insurance Accepted or Private Pay. Same Day Placement. Call 24/7. Insurance coverage: PPO, EPO, POS. Drug Detox - Dual Diagnosis - Insurance Verification - Why Us?
- Opioid Dependence**
Ad www.opioidaddictionmed.com/ For Professionals - A Quick, Easy & Convenient Treatment - Learn More. Patient Support Program - Patient Experience - For Patients - Dosing
- Kansas Addict Treatment - RehabAndTreatment.com**
Ad www.rehabandtreatment.com/Kansas Addition Treatment & Rehab Options Health Insurance Gladly Accepted. Amenities: 24/7 Admissions Support, 1-on-1 Clinical Attention, Very Private Locations... Locations - Our Success - Programs - Select Your Plan

Paid search ads along the right rail

- Addiction Treatment in KS**
www.thewatershed.com/Kansas 4.8 ★★★★★ advertiser rating (888) 602-6777 Drug & Alcohol Treatment Programs Get Help Now, 24 hrs & Confidential
- Opioid Addiction Doctor**
www.turntohelp.com/ Find a doctor who can provide treatment for opioid addiction.
- Best Utah Drug Rehab**
www.alpinerecoverylodge.com/ (888) 580-4691



New Google SERP:

Google

opioid addiction treatment

All News Images Videos Shopping More Search tools

About 1,160,000 results (0.32 seconds)

Opioid Dependence
Ad www.opioidaddictionmed.com/ ▾
For Professionals - A Quick, Easy & Convenient Treatment - Learn More.
For Patients Efficacy Patient Experience Safety & Tolerability

Opiate Withdrawal Detox
Ad www.aidinrecovery.com/ ▾ (855) 814-9834
Insurance Accepted or Private Pay. Same Day Placement. Call 24/7.
Services: Dual Diagnosis Therapy, Psychological Counseling, Psychiatric Counseling, ...
Alcohol Detox • Why Us? • Dual Diagnosis • Insurance Verification

Private Opiate Treatment
Ad www.opiates.com/Opiate-Treatment ▾ (888) 848-3291
Privately Treat Opiate Addiction. Top Rated Treatment Center-Call Now
Located In S. California - Quadruple Board Cert MDs
Patient Success Stories • Private Treatment Center • Learn About Rapid Detox

Addiction Treatment in KS - TheWatershed.com
Ad www.thewatershed.com/Kansas ▾
Drug & Alcohol Treatment Programs Get Help Now, 24 hrs & Confidential
FAQ • Treatment Programs • The Watershed Experience • Contact Us

Four paid search ads at the top

The revamped desktop SERP will continue to use rich ad extensions, like sitelinks, sitelinks with descriptions and callout extensions.

IMPLICATIONS FOR PHARMA PAID SEARCH

Google communicated to Intouch search specialists that they do not predict considerable implications for pharma paid search advertisers. They have been monitoring multiple tests of the new format and have found:

- + The majority (90%) of pharma advertisers' ad copy already appears in the coveted 1-3 desktop SERP positions.

proprietary



- + 95% of pharma paid search site traffic that originates from desktop comes from the top three SERP ads.
- + Google expects clicks and overall click-thru rates (CTRs) to increase, while wasteful/low-quality impressions from the right rail disappear.

95% of pharma paid search site traffic that originates from desktop comes from the top three SERP ads.

With any Google algorithm/format change, we can expect there to be minor implications for our Google paid search campaigns as a result:

- + The Google bidding auction could become more competitive as advertisers accustomed to bidding lower (to appear in right-rail spots 4-6) start to increase their bids to ensure they are shown in top spots 1-4.
- + Cost-per-clicks (CPCs) could potentially increase due to increased competition for less desktop paid search ad inventory. Google claimed they did not see CPCs increase throughout their testing, but Intouch will be monitoring it closely to ensure client CPCs stay within acceptable ranges.
- + Click-thru rates (CTRs) could potentially increase as the revamped desktop SERP format weans out lower-quality clicks/user behavior that comes with the right-rail paid search ads. Google claimed to see CTRs increase throughout their testing, but Intouch will be monitoring client CTRs closely to watch response trends.

IMPLICATIONS FOR PHARMA SEARCH ENGINE OPTIMIZATION

Google's updated desktop SERP format has potential implications for organic search. It is believed that while the number of organic results on page one will stay the same, the fourth paid position will push them below the fold in most desktop views. CTRs and user interest could drop off sooner in organic results, but only time will tell. Organic search visibility on page one will now be more valuable than ever, and there will be even greater pressure to aim high in these proprietary



results. There is speculation that the use of ad-blocking software will increase due to more paid advertisements. More often than not, ad blockers participate in an Acceptable Ads Program that allows Google's paid ads.

With desktop still accounting for half of searches, it is valuable to take a blended paid and organic search approach.

With desktop still accounting for half of searches, it is valuable to take a blended paid and organic search approach. This shift plays an important role in targeting highly sought, valuable keywords in pharma. Intouch will track competitive changes in the search landscape and detail how paid search ads may influence organic success in our client's digital efforts.

CONCLUSION

Google's revamped SERP format can potentially have positive and negative effects on the search landscape. Many in the industry have wondered if this is a way for Google to charge more for clicks, in turn boosting their ad dollars. Google has assured the Intouch search team that the change was not profit-driven, but by the desire to streamline and improve the search experience. Intouch believes it will be beneficial to gain additional paid ad inventory at the top of the SERP, although organic results will get forced further down the page as a result. Although Google predicts that the implications on pharma paid search will be positive and minimal, Intouch will be monitoring paid and organic results closely to watch for all changes and trends.

© Intouch Solutions 2016

Authors: Danielle Elliott, Media Supervisor, and Kristen Hays, Associate Search Analyst

 **Kansas City**
913.317.9700

 **Chicago**
312.540.6940

 **New York**
646.795.3600

www.intouchsol.com
email: info@intouchsol.com
blog: intouchsoul.com
twitter: [@intouchsol](https://twitter.com/intouchsol)