Digital and Local Marketing Predictions: 2016, The Year of Audience Targeting in PPC
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Every year we collected PPC and digital marketing predictions from experts, thought leaders and emerging minds in the industry to help advertisers like you prepare for the year ahead.

This year half of the expert contributors focused their predictions on the growing importance and desire to target custom audiences in PPC, much like we would on social media or even with email marketing.

Audience targeting isn’t a revolutionary strategy, but with the introduction of Google’s Customer Match, which allows advertisers to create and target a custom user audience by uploading an email list, it has become crucial that advertisers take advantage of these opportunities to adjust bids and cater ads to people who are at different stages of the conversion funnel.

But it’s not just audience targeting you’ll need to address in 2016, we have lots of predictions ranging from market share shifts, offline tracking, changes to the SMB landscape and more.

So dig in, take notes, and get excited for 2016, because it’s going to be a big year for PPC!
Mona Elesseily’s Prediction
Expansion of Search

Here are some examples of what I think search will look like down the road:

• Search will no longer be limited to the search box or to users specifically seeking information online. Companies like Google and other players will get better at intuiting information we seek and will present it in the context of what we’re doing and/or before we even know we need the information. Currently, the engines are collecting and connecting data points and they’ll soon accurately provide specific product or service recommendations. For example, if headed to the airport, you could be offered a cab ride or lounge access passes via your mobile device, via wearable tech, via email, etc.

• We’ll see more search functionality in platforms we use daily as people are spending more time on mobile devices and in applications. WeChat (based in China) has already integrated search functionality into its voice and text communication service and Facebook is working on this as well. The WhatsApp acquisition and that Facebook recently forced users to opt into a new messenger service are strong signs they could be headed in this direction.

• Native ads will become more commonplace. For this, the search engines need to understand user/intent then serve up ads. It’s a tough nut to crack but I expect to see more companies come to the table with new and/or improved native ad formats. Recently, Facebook upgraded their native ads formats and introduced new ad templates and horizontal scrolling capability.
More companies will attempt to crack the “cross device attribution” nut. Very recently, Google moved from “estimated cross device conversions” to “cross device conversions” and now surface information with a 95%+ confidence level (the information is based on anonymized data and/or logged on users). Also, Bing Ads has integrated search functionality into various MSFT products like Xbox, MS Office, Cortana (MSFT’s digital personal assistant), etc. and is attempting to understand search/user behavior from different platforms, different device types, etc.

Mona Elesseily
Vice President Online Marketing Strategy, Page Zero Media
@webmona
As we head into 2016 the fingerprints of mobile devices are littered everywhere in digital marketing from better insights on cross-device behaviors to a growing number of mobile conversions. 2016 will be no different, but the impact will open up new ways to hit our audiences!

**The year of Audience Marketing in PPC**

Search is one of the purest forms of intent a marketer can harness. A user comes to a search box and tells Bing or Google what they want at the moment they want it. Search will continue to be a strong channel, but marketers will exploit a tactic on their WishList in 2015 – Remarketing.

In 2016 a more serious effort will be made to integrate signals from across all marketing channels. We’ll move beyond tried and true tactics of remarketing like cart abandonment, reengaging mobile visitors, excluding past converters, and targeting loyal customers with special deals. Working with other marketing groups digital marketers will be able to reach those you’ve engaged with at tradeshows (pixel on an event registration page) and reengage with folks who’ve signed up for a whitepaper (customer email list).

At the end of the year, Google launched Customer Match and Remarketing in Bing Ads launched, the writing is on the wall for 2016.
Rise of Voice Search

From Cortana to Siri and Google Now, it feels like you can’t buy a device without being able to ask it questions. Personal assistants are baked right into the latest operating systems like Cortana already – 110 Million Windows 10 devices to Google Now on a huge number of Android devices – the trend will continue.

At this point, voice search seems like an out-of-reach novelty to search marketers. But there are a lot of clues use of voice search and personal assistants leave behind, like the growth in question phrases like Who, What, When, Where, Why and How. We may not have a direct way to target voice versus text input now, but why wait! Positive or negative keywords are a great place to start.

From Voice Search to driving Audience Marketing, 2016 is shaping up to be an incredibly exciting year for digital marketers!
Brad Geddes’ Prediction

Audience Expansion for PPC

Increased Data Layering

With customer match, bringing 3rd party data sources into AdWords, and the old standbys of demographic targeting, time of day modifiers, etc we’re seeing more 1st and 3rd party data brought into AdWords for custom targeting. I’d expect 2016 to bring in even more options into how you can modify messages, target users, and change bids based upon a variety of data sources. It’s going to be the year of Google trying to catch Facebook in allowing advertiser’s to target users by more than just keywords or basic contextual targeting and allow a lot more interesting parameters to be used.

Mobile Specific Messaging:

2015 is officially the year of the mobile device. We can stop saying mobile is coming - it happened in 2015. Mobile has surpassed desktop for searches, but because Bing & Google treat mobile as a stepchild - you still can’t do custom targeting for Mobile like you could pre-enhanced campaigns, most mobile campaigns are just make a responsive design website and walk away.

As mobile searches continue to rise, we’re going to see companies think about mobile touchpoints and their ads differently than their desktop ads and touchpoints. Right now, most companies are just using their desktop ads on mobile devices and call it good. The best companies are going to start testing mobile ads and pages completely separately from their desktop ad and page tests.
Enterprise Companies Questioning their Agency’s Future

This is my controversial 2016 pick as it might not start happening to many agencies until 2017 or 2018. Enterprise level CMOs want to market to customer journeys and automate touchpoints and messages based upon previous customer interactions.

When you build systems in-house, you can customize them to just your data. When your agency builds it, they have to build or use 3rd party software that fits many clients and isn’t always customized for any one company. If agencies start building all custom software, they risk turning into a dev shop and not a marketing agency.

Enterprise companies are going to question if their agency is the best fit for them based upon how they are adopting customer journey marketing and do some cost benefit analysis of managing their marketing in-house and we’re going to see some agencies lose some big clients to in-house transitions if they don’t start automating more of their marketing. In 2016, this automation can be based upon using off the shelf software like Acquisio, AdAlysis, Hubspot, Marketing Cloud, Marketo, etc; but in 2017 some of the automation must be tailored to the companies own data and that’s going to cause a conflict.

For agencies managing mid-sized or small clients, off the shelf software with some customization to it, will be all the companies need for the next few years - although, automation is going to be crucial. However, we’re going to see a bit of shakeup in how enterprise companies utilize agencies if agencies can’t get ahead of the automation curve.
Andrew Goodman’s Prediction

The SMB Review Landscape Will Change

Last year, I predicted that more and more businesses would wake up to the power of inbound / content strategies, and as a consequence, all too many of them would produce piles of useless, unwanted, low-quality content -- just by way of doing their perceived duty to feed the machine, and perhaps to get around the cost of paid marketing. While that may be happening, it’s unquestionably true that companies benefit when they up their game to pro-level communications. The default position for many companies is they lack capacity in this area -- it’s a real hole in company capabilities, and that looks terrible when consumers go looking online.

That brings us to the small and local business space, which is even more stretched for time and resources than larger firms. In many verticals, there will be a real tug of war going on -- between the small business' capacity to speak for themselves in their own way on their own website or platform, and the need to play by someone else's rules, on their platform. Etsy, Yelp, Zillow, Facebook, Google, Amazon, TripAdvisor, you name it -- businesses in the appropriate verticals may find opportunities in these aggregators of reputation and demand, but they must also play by their rules.

Another tug-of-war continues in the quest for a strong reputation: the ascent of pro-am review content on platforms like Yelp, vs. the discernment and influence of experts and old media brands. This week, I was researching restaurants for a company dinner, and saw a mention of Mamakas Taverna, a west-end Toronto Greek restaurant. I cringed when I went looking for the Yelp reviews, because the tone and quality of such reviews has become so uneven. I was grateful when
I ran across a “real” review in the Globe and Mail, touting Mamakas as “the best Greek restaurant in Toronto” -- no mean feat!

Somehow, even while we participate in and consume “quick and dirty” review content, as an industry/society we are going to have to find some way to preserve the discernment of traditional media and experts, and to reward platforms that invest in more in-depth, rigorous reputation analysis.

My advice to businesses would be: do something different to stand out. Don’t get caught in a single rabbit-hole of the platform that appears to control your industry. And don’t play cheap surface-image games or try to game the reviews. That won’t go well. Your reputation will follow you around forever, so be sure to build a small army of true-blue advocates who can come to your defense when the going gets tough.
Larry Kim’s Prediction

PPC Will Look More Like Email Marketing

The #1 most commonly used marketing channel by small businesses is email marketing, used by approximately 89% of them today. Advances in PPC marketing such as Customer Match in AdWords, and Custom Audiences in Facebook make PPC marketing look and feel a lot more like email marketing allowing advertisers to cast a specific targeting net and provide highly relevant promotional copy. As a result, PPC marketers should prepare for 2016 ad campaigns to look and feel more like what you might expect to see in a marketing automation drip campaign.

Larry Kim
Founder, Wordstream
@larrykim
Aaron Levy’s Prediction

Offline Tracking to Increase

2016 is going to feature a rise in more “traditional” advertising methods coming online, and with it a rise in offline and outside the box tracking methods. Paid search has always been hailed as a perfect marketplace economically speaking; the users set the fair market value for a click and the auction levers adjust based on what makes the most sense for users and (of course), the engine themselves.

Google’s shareholders historically kept an eagle eye on YoY CPC growth; I suspect the same holds true for our friends at Bing and Gemini. The more recent quarterly earnings calls have focused less on CPC growth and more on mobile penetration and volume growth. Given the marketplace economy and it’s impending saturation, I expect these rises are going to slow lest engines price their own advertisers out of the marketplace.

This leaves engines with two options. Both go hand in hand, and both will rise in 2016:

• A) Engines will have to prove the ads work better than we think they do
• B) Find money elsewhere.

On the tracking front, we PPC-er’s have long been conditioned to click-based action tracking. Users click on our lovely ads, go to our elegant landing page, fill out the form or run through checkout and we win! The problem (which advertisers and engines alike recognize), is this method greatly undervalues the offline influence some of these
search ads can have. Making a purchase decision online and heading into store, (reverse showroming if you will), calling a company direct or going through alternate channels tends to lead to a dramatically leaking bucket. Even existing tools like YouTube and Display (where clicks are notoriously difficult to come by) are undervalued because we’re tied to a click-based action.

Instead, I predict 2016 will be the year of alterna-metrics. Store visit tracking is already in the works at Google, but I expect its adoption will grow exponentially to fully value mobile. The same goes for view-based attribution and cross device influence. No longer will they be relegated to a non-default column or hidden in the corner; instead, they’ll become core bidding functionality and must use tools. Beacons to track in store visits (already in the works at Google) will help to measure what we can’t see with a pixel. While these sorts of things are tough to expand to the small business owner, Google’s clearly trying with tools like Smart Goals (flawed as they are) to prove not everything happens online.

With the stray from click-based tracking methods come new opportunities. I predict a meteoric rise in more “traditional” media which is slowly becoming digital. Google’s made strides already with YouTube Red to capture the eyes of cable cutters, meaning we’ll have more (and better) programming to advertise on. Bing & Yahoo’s expansion into Native advertising, while a bit haphazard, shows the power of sponsored content to mimic the newspaper advertorials of yesteryear; I expect Google to quickly get in the game too. Lastly (and man oh man would this be fun), I expect that Google will expand their testing of outdoor media buying to the point of being considered in Alpha.
Melissa Mackey’s Prediction

Audience Targeting in Search to Rise

In 2016, we’ll see more new ways to layer audiences onto search. While the demise of keywords has been overstated, the barrier to search for many businesses is that they can’t guarantee that their ads are reaching their target audience. This is especially true for B2B advertisers and small local businesses who can’t afford to waste money on unqualified traffic. More technologies like Google’s Customer Match will emerge from multiple sources, enabling advertisers to reach an audience they already know is qualified. Small businesses can target a list of known customers, for example. This lowers the risk of using search and makes it accessible to more businesses. It has the added benefit of encroaching on the domain that email marketing has previously enjoyed – that of marketing to those who have expressed an interest in your product or company.
Bryan Minor’s Prediction

The Year of Machine Learning

For AdTech/MarTech 2016 will be the year of Machine Learning. Across all publishers (AdWords, Bing, Facebook, DSP programmatic,…) in numerous implicit and explicit ways the benefits of Machine Learning will be leveraged to new levels allowing advertisers to properly control their campaigns to achieve optimal results. These Machine Learning technologies will cause a number of rapid changes in the AdTech/MarTech universe including:

1. Continued over all downward suppression of CPC being paid due to increased efficiency in marketplace due to Machine Learning.

2. Accelerated consolidation of AdTech/MarTech platforms due to the efficiencies gained by Machine Learning algorithm technologies.

3. New opportunities for advertisers to finally get real advertising volume (and quality) with publisher other than just Google AdWords.

All three of these effects are driven and greatly accelerated by Machine Learning in the AdTech/MarTech space.

Another dominate trend in 2016 for AdTech/MarTech technologies is the increased verticalization of the technology stacks offered to advertisers. On one end an exponentially growing group of vendors offering new SOA (Service Orientated Architecture) RESTful services
from the Cloud (AWS and others), and the lowering of the necessary skills to actually leverage these offerings with technologies like IFTTT. These technologies will rapidly create whole new classes of very specialized AdTech/MarTech solutions to solve particular advertising needs, and allow advertisers more freedom in choosing which they use to achieve their goals. These two trends will accelerate the death of the third-party AdTech/MarTech monolithic platforms, with the renaissance of a small technology vendor marketplace of highly compatible and configurable offerings.

These trends will cause a significant broadening of advanced AdTech/ MarTech technologies being used by smaller and smaller advertisers. One of the main benefactors from these offerings will be SMB advertisers finally being able to achieve quality Internet advertising results meeting their special needs with reasonable pricing, resulting in a much more level playing field between them and their larger competitors.
Marc Poirier’s Prediction

Google’s Market Share Will Shrink

Comscore’s measurement of Google’s share of search in the US will drop below 60% in 2016 as a result of Bing’s rapid growth following the acceleration of the deployment of Windows 10 with Bing globally. For the same reason, I expect similar gains by Microsoft will be seen around the world, perhaps most noticeably in countries like China and Russia where they have practically 0% market share today.

The market for search is becoming increasingly fragmented. The next battleground to challenge Google’s market share may very well be non-traditional search platforms. Facebook and Netflix, as an example, have shown that WHAT people search is as important as WHERE they search. Again, Bing and Microsoft seem to be recognizing this with Windows 10 and Cortana. Merging the experiences of “search” across platforms has created a series of markets for search products that don’t centre exclusively around Google.
Lisa Raehsler’s Prediction
SMBs Will Reach Audiences Differently

Un-Search: Small Businesses Get On-Board With Consumer Behavior As The Key To Growth

Keyword search has been a dependable stand-by, but with rising CPCs, small and medium sized business advertisers are finding it’s too difficult to rely solely on the traditional keyword search and compete with the “big guys”.

In 2016, the SMB’s that expand their digital strategies will grow market share and gain a competitive advantage. Several trends in consumer behavior will play a major role for SMBs reaching audiences:

• Consumers are searching to solve problems and want answers in the moment. Searches have evolved into a series of questions that the savvy SMB advertiser should be prepared to answer and be present in that moment.

• Consumers seek answers not only through search, but also through social media platforms like Facebook and LinkedIn so exposure on these platforms is complementary to search engines. SMB advertisers present here will stand out in a crowded market.

• Consumers want—and respond to—advertising that is customized to their interests. Advertisers who evolve to strategies such as in-market audiences, retargeting, and demographic targeting will see positive performance results.
SMBs will adopt location-based advertising to connect with mobile consumers on-the-go who want information on locations, product availability, services, hours, and local deals in the moment. SMBs tend to shy away from more complicated digital strategies, but those willing to tackle this approach to reaching consumers by behavior cues, will become leaders in their markets.

Lisa Raehsler
Founder and SEM/PPC Strategy Consultant, Big Click Co.
@lisarocksSEM
Greg Sterling’s Prediction
Rise in Mobile Commerce & Offline Tracking

By the end of 2016 we’ll see 85% consumer smartphone ownership in the North American market. There will be a continued shift in traffic volumes to the mobile web and apps. We’ll also see considerably more “m-commerce,” defined here to include scheduling/bookings and payments for offline services as well as traditional e-commerce transactions. Indeed, the world of local services becomes more mobile-centric and transactional.

Whether for small business (SMB) advertisers or enterprises, vague digital metrics such as clicks and impressions increasingly give way to more tangible outcomes, such as store visits, offline sales and other concrete actions more reflective of actual customer activity and value.

Offline actions and sales data are also better integrated into digital audience segmentation and online/mobile ad targeting. Accordingly, we’ll see more offline-to-online retargeting. Also along these lines, there will be more integration of data sets for better targeting, segmentation and campaign optimization (increasingly by desired customer outcomes).

In terms of SMB advertising sales, data will be more widely and effectively used to improve efficiency and reduce churn, in part by identifying and segmenting prospects based on their individual needs or challenges. We should continue to see the emergence of Nextdoor as a marketing platform for SMBs. On the consumer side, Facebook will finally get into “local search” in earnest.
David Szetela’s Prediction
Changes to Audiences Targeting, Social & more

1. Web site owners will finally devote sufficient resources to reach audiences that increasingly start their “buyer journeys” using mobile devices. The number of responsive sites, built-for-mobile sites and apps will flourish. Digital marketers should plan and act accordingly, e.g. by using click-to-call ads, and shortening ad copy.

2. Advertisers will spend a growing percentage of their budgets on Facebook and Instagram. They’ll be attracted by Facebook’s retargeting, custom audiences (especially email lists) and dynamic product ads. Facebook’s reputation as an effective direct response platform will grow.

3. BingAds will launch a display advertising network, garnering the platform vital additional reach and finely-grained user targeting. This will be based on the behavior and interests obtained from Windows 10 users and a growing number of search partners (Did you know that Apple’s Siri is powered by Bing search?). BingAds search and display traffic will finally be viewed as “must have” by a growing number of advertisers. This will be driven by the fact that the increasing click inventory will continue to be priced below Google CPCs. This advantage won’t last forever, folks, so buy all the BingAds inventory you can!

4. Yahoo/Gemini will continue to struggle. Advertisers will continue to view it as a “me-too”, second-tier option for native advertising. Direct response advertisers will stay away in droves.
5. It will become more and more difficult for individual PPC managers to build and maintain expertise in all facets of the craft. The pace of ad platform product development and feature deployment will continue to increase. PPC managers will need to specialize; agencies will need each team member to independently cover areas of expertise and serve as resources to the rest of the team.

David Szetela
Vice President, Search Marketing Operations, Bruce Clay Inc.
@Szetela
Megan Taggart’s Prediction

Rise in Programmatic Importance

The NEW P’s of Digital Marketing: Personas, Personalization & Programmatic Advertising

2016 marks the year of true empirical consumer profiling. Google will gradually move forward phasing out traditional keyword targeting for DIY marketers. Expect a growing emphasis on Big G’s display platforms (blended psychographics, search, contextual, and behavioral audience data). This tectonic shift forces upcoming strategists to comprehend and capitalize on connecting personas to messaging greater than ever before. Linking targeting, measurement, and deeply personalized ad creative with unique consumer profiles will include more considerations than ever: channels, devices, screens, geos, weather forecasts, content, behaviors, etc.

The 2016 psychographic display upsurge will also instigate maturation and adoption of truly programmatic ad exchanges, addressable TV, and real-time bidding technology. This evolution will finally bridge the gap between computer, mobile, and TV, while expanding excitingly new markets spanning tech + advertising partnerships (think AOL and A+E).

Organizations can prepare for this inflection point by:

1. Collecting online data needed to create true consumer personas (think lookalikes, remarketing, customer match and affinity audience filters)
2. Honing in on who the desired targets are and mapping what their messaging experience should be

3. Equipping marketers with necessary capabilities to serve tailored experiences (business KPIs, audience list parameters/segmentation, third party data providers + their intel, budget allocation)

4. Comprehending and utilizing learned interaction points across the digitalsphere to present a more sincere and intentional connection with desired and current customers.

Marketers will survive and thrive in 2016 by anticipating needs and delivering tailored ad experiences to unique audience personas – in the appropriate mediums/devices/locations, and at the right time – to motivate a desired behavior or action. Get ready for one heck of a year!

Megan Taggart
SEM Account Manager, aimClear
@MeganTaggart
Frederick Vallaeys’ Prediction
More Demand for PPC from SMBs

Early adoption of AdWords was driven by small, scrappy advertisers who now long for the old days before CPCs skyrocketed, large advertisers came to dominate search results, and AdWords became more complex.

In 2016 we’ll see several efforts from Google to make it easier for small companies to run more effective PPC campaigns.

1. Local shops will see improvements to the Google Merchant Center where it will become easier to submit and manage small product feeds. AdWords will make it easier to turn these feeds into shopping ads which already account for 1 in 3 clicks for retailers. I predict they will integrate tools for retailers in Google My Business, their portal for local businesses.

2. Google Shopping Express will make it easier for small shops to start offering their inventory for sale on Google’s same-day delivery shopping service. Google wins when they have more inventory and more competitive prices than Amazon, and retailers win when their existing stores can increase sales through a new channel.

3. When competing in a world of higher CPCs, it’s more important than ever to understand the full value of search ads in order to be able to set competitive bids. Google will make it easier to understand the full value with continued enhancements to conversion tracking and attribution modeling. They will make it
4. We’ll see new specialty ad formats from Google. In 2015 AdWords launched new comparison ads (for mortgages) and home service ads (for locksmiths and plumbers) and these types of ads will be rolled out to more areas and for more types of companies because these ad formats work better than 95 characters of text.

5. Video ads are cheap compared with search ads so they present a great opportunity for small businesses to connect with prospective buyers. In 2015 video ads became better integrated in AdWords and in 2016 I predict we’ll see new ways to advertise to YouTube’s massive audience through AdWords.
Acquisio is a digital and programmatic marketing solution for agencies, resellers and direct advertisers to deliver better, faster, and smarter campaign results.

Co-Founded in 2003, Acquisio started as an SEM agency and developed into a high-powered digital marketing software designed to solve the inefficiencies all SEM agencies face.

Acquisio’s automated system does 90% of the work for its users, ensuring more of their time is free for analyzing data and improving campaigns.

With more than 500 agencies using Acquisio and $2 billion ad spend under management, Acquisio is recognized as being one of the fastest growing companies in North America, winning the Deloitte Tech Fast 500 and Fast 50 awards for four consecutive years. The Acquisio software is used by companies like GroupM, Sensis, Hanapin Marketing, iRep, Yellow Pages and Microsoft.

With its headquarters in Montreal, Acquisio also has offices in New York, Seattle, Austin, London, and Tokyo. For more information, contact Acquisio.

www.acquisio.com | 1.866.493.9070