

Senate Standing Committee on Environment and Communications
Answers to Senate Estimates Questions on Notice
Supplementary Budget Estimates Hearings November 2014
Communications Portfolio
Australian Broadcasting Corporation

Question No: 570

Program No. Australian Broadcasting Corporation

Hansard Ref: In writing

Topic: Search Engine Marketing

Senator McGrath asked:

1. How much money has the ABC spent on search engine marketing:
 - a. In the 2013-14 financial year?
 - b. In the 2014-15 financial year to date?
2. How much money does the ABC intend to spend on search engine marketing in the 2014-15 financial year?
3. What is the motivation for this marketing strategy, when the ABC does not have a commercial need to drive traffic to its website?
4. For which ABC programmes has the ABC bought search engine marketing terms:
 - a. In the 2013-14 financial year?
 - b. In the 2014-15 financial year to date?
5. What are all the search engine marketing terms that the ABC has spent money on:
 - a. In the 2013-14 financial year?
 - b. In the 2014-15 financial year to date?
6. How does the ABC determine the amount that it will spend on advertising and marketing?
7. How does the ABC measure the effectiveness of its advertising and marketing strategies?
8. What are the drivers behind the rapid increases in advertising and marketing over the past year?

Answer:

1. “Search Engine Marketing” (SEM) refers to both “Search Advertising” and “Search Engine Optimisation” (SEO) collectively. As SEO does not involve any direct financial outlay on advertising, the ABC will answer this question only in relation search advertising.
In total across all properties (excluding ABC Shop Online), the ABC spent the following on search advertising:
 - a. \$128,868.64 in the 2013-14 financial year.
 - b. \$57,513.34 in the 2014-15 financial year (up to 19 December 2014).
2. It is estimated that the ABC will spend \$125,000 in total on search advertising for the 2014-15 financial year.

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3. The ABC uses search engine marketing to help ensure viewers and listeners find ABC content and to ensure that ABC content, including its extensive TV, radio and print archives, reach as many people as possible.

The ABC controls its SEM spend by setting a maximum amount for target keywords for each campaign, thereby ensuring that any clicks through to ABC websites generated by the SEM are low cost. Relative to other forms of advertising, the adjustable pricing of SEM has proven to be cost effective for the ABC.

4. The ABC used search engine marketing for the following campaigns:
a) 2013-14

Division	Campaigns in 2013-4	Number of Keywords with one or more ad click
Innovation	ABC Mobile & Tablet App	157
Innovation	Science Week 2013	71
Innovation	Splash	1801
Innovation	Spoke	136
Innovation	The Brief	180
News	Elections – Federal 2013	12669
News	Elections – SA 2014	1470
News	Elections – Tas 2014	629
News	Elections – Vote Compass	28
News	Online Ongoing	5219
Radio	Dig	24
Radio	Double J	24
TV	ABC2 – Jimmy Fallon	69
TV	ABC3 – Nowhere Boys	54
TV	ABC3 – RAWR	16
TV	iview	7726
TV	Ja'mie Private School Girl	196
TV	Jonah From Tonga	140
TV	Moody Christmas	64
TV	Parer's War	66
TV	Rake	250
TV	Serangoon Road	77
TV	Shitsville Express	36
TV	Spicks and Specks	29
TV	Time of our Lives	76

- b) 2014-15 (to 19 December 2014).

Division	Campaigns in 2014-5	Number of Keywords with one or more ad click
ABC	Mental As	47
Innovation	Science Week	76
Innovation	Splash	1151
News	Gough Whitlam	19
News	Online NSW ICAC	34

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News	Online Ongoing	4358
News	Online WA State Edition	563
News	Online QLD State Edition	268
Radio	ABC Grandstand Commonwealth Games 2014	186
Radio	Double J J Files	21
TV	Asian Cup	218
TV	Bogan Date Night	115
TV	Head First S2	69
TV	Hiding	86
TV	iview	7114
TV	Our ABC	8
TV	Please Like Me S2	42
TV	Soul Mates	47
TV	The Code	83
TV	Time of our Lives	68
TV	Nowhere Boys	43

5. As demonstrated by the list provided in response to question 4 (above), the ABC may set up a large number of keywords in any given campaign. This is because it is difficult to predict how the public will phrase their search query. For this reason, it is an unreasonable diversion of resources to provide the full list of keywords for each campaign. It is important to note however, that the ABC only pays for a keyword if a member of the public actually clicks on one of the ads that appear in the search results for which it targeted a keyword or words.
6. Each year, ABC Marketing undertakes a planning process where marketing plans are developed to achieve the most effective and efficient audience reach. Spend across a range of marketing channels is prioritised against target audiences.
7. At the conclusion of a campaign, the ABC conducts a review to evaluate its success in achieving these outcomes against the marketing plan. As part of this process, all expenditure associated with social media and search engine marketing is reviewed. The inclusion of search advertising as a marketing channel allows the ABC to promote its services in a more prominent position on search engine results page. The ABC carefully selects its keywords to ensure relevancy, which, in turn, ensures a high “click through rate” (CTR) for each ad and means the ABC pays a lower price per click, representing an efficient return on investment.
8. While the ABC uses search engine marketing to complement its traditional marketing techniques, it is incorrect to say that there has been a rapid increase in advertising and marketing at the ABC over the last year.

In reviewing expenditure over time, the ABC is spending approximately 3.5% less on promotion and market research than it did in 2010-11. As noted in response to question 3 above, search engine marketing is a more efficient way to allocate the ABC’s marketing spend, as it can be closely controlled and targeted to reach audiences who have an interest in specific services.