



Does Paid Search Advertising Belong in Your Marketing Mix? How to Evaluate

Energy Circle Webinar Series

Peter Troast

Founder & CEO

Upcoming Webinars

April 28 - Capitalizing on Heat Pump Popularity: Is Your Website Content Ready?

May 5 - What Are Your Online Competitors Up To? Conducting An Assessment

May 12 - Live Video Critique Part 2: With Senior Media Producer Jake VP

May 19 - Call Tracking: A Hidden Source of Value for Customer Insights

May 26 - Marketing Heat Pumps: How To Handle Common Consumer Objections



How Savvy Is Your Company's Review Management?



By Cory Allyn | April 21, 2021

Online review management for your business can be complicated, especially when you're trying to figure out where to start. Here are the key components of a quality review strategy, separated into different stages, ranging from the very basics to advanced, black-belt-level initiatives.

REVIEW STRATEGY OVER TIME

Review Chasing



EARLY STAGE

- Minimum Review Quantities
- Negative Review Cleanup
- Diversity Across Key Sites

MIDDLE STAGE

- Consistent Solicitation Process
- Steady Flow
- Competitive Review Quantities
- Shaping Review Content—Keywords and Service Quality
- System for Review Responses
- Measuring Staff on Reviews and Volume

ADVANCED STAGE

- Open to More 1st Party Than 3rd Party
- Automated Solicitation (Quickbooks, CRM)
- Regular Evaluation of Topics and Sentiment

What We'll Discuss

- 1 PUTTING PAID SEARCH IN ITS PLACE**
- 2 PAID SEARCH ADVERTISING FUNDAMENTALS, MYTHS & MISUNDERSTANDINGS**
- 3 FACTORS TO CONSIDER ON WHETHER IT'S RIGHT FOR YOU**





PAID SEARCH IN CONTEXT

Paid Search Advertising in Context

Brand & Digital FOUNDATION

Strong Website
Google My Business
Reviews
Local Search Success
Content

Active LEAD GENERATION

Google & Bing Ads
Local Services Ads
Facebook Ads/Audiences
Video Advertising



How Many Leads to Achieve Your Goals?

Revenue Goal: \$750,000

Average Ticket: \$4,500

of Jobs: 168

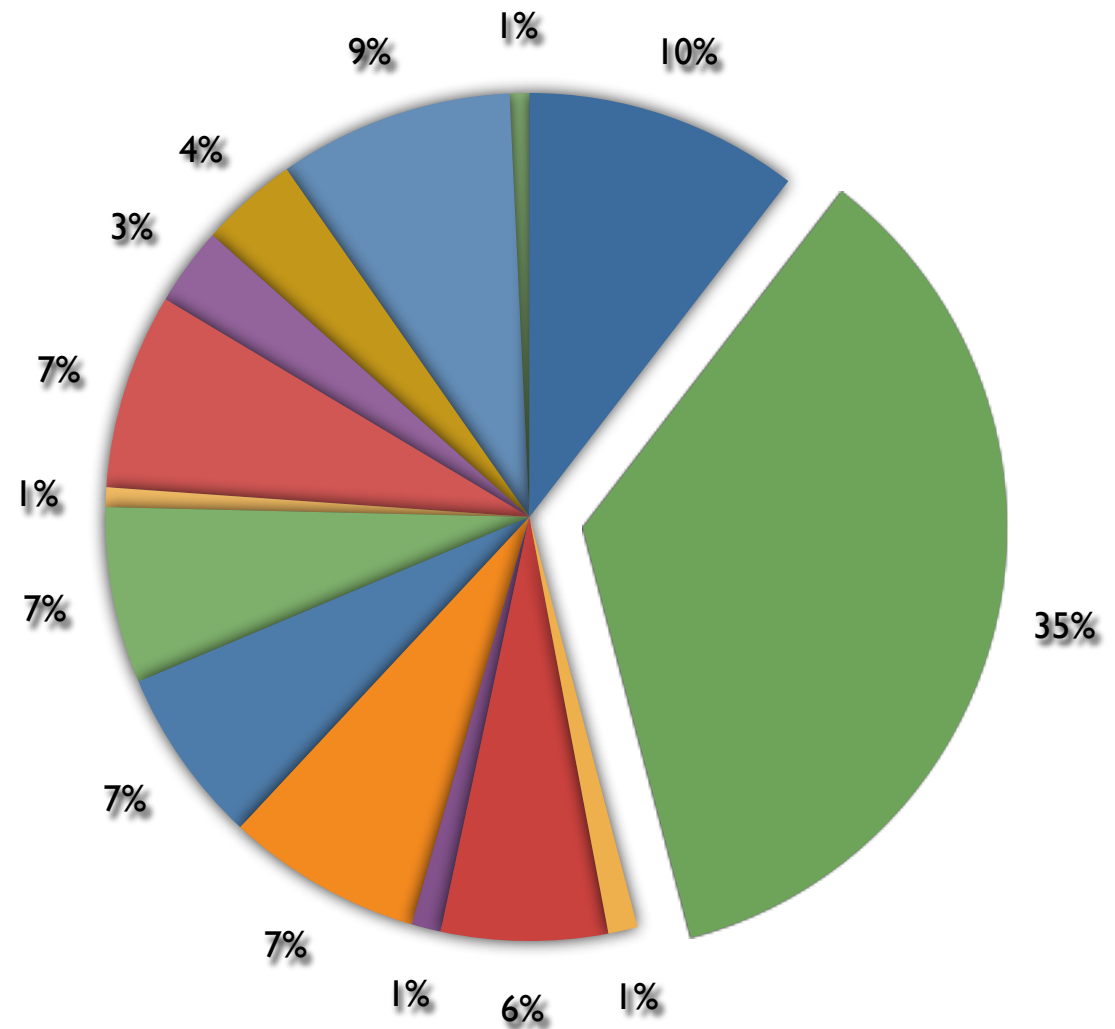
Close Rate: 30%

YOU NEED **556** LEADS



Diversified 2021 Marketing Mix

- Organic Search
- Paid Search
- Direct Mail
- Paid Social
- Print Ads
- Referring Traffic
- Online Directories
- Email
- Home Shows
- Community
- Organic Social
- Past Customers
- Referral Program
- Purchased Leads



How Much Can You Afford to Spend?

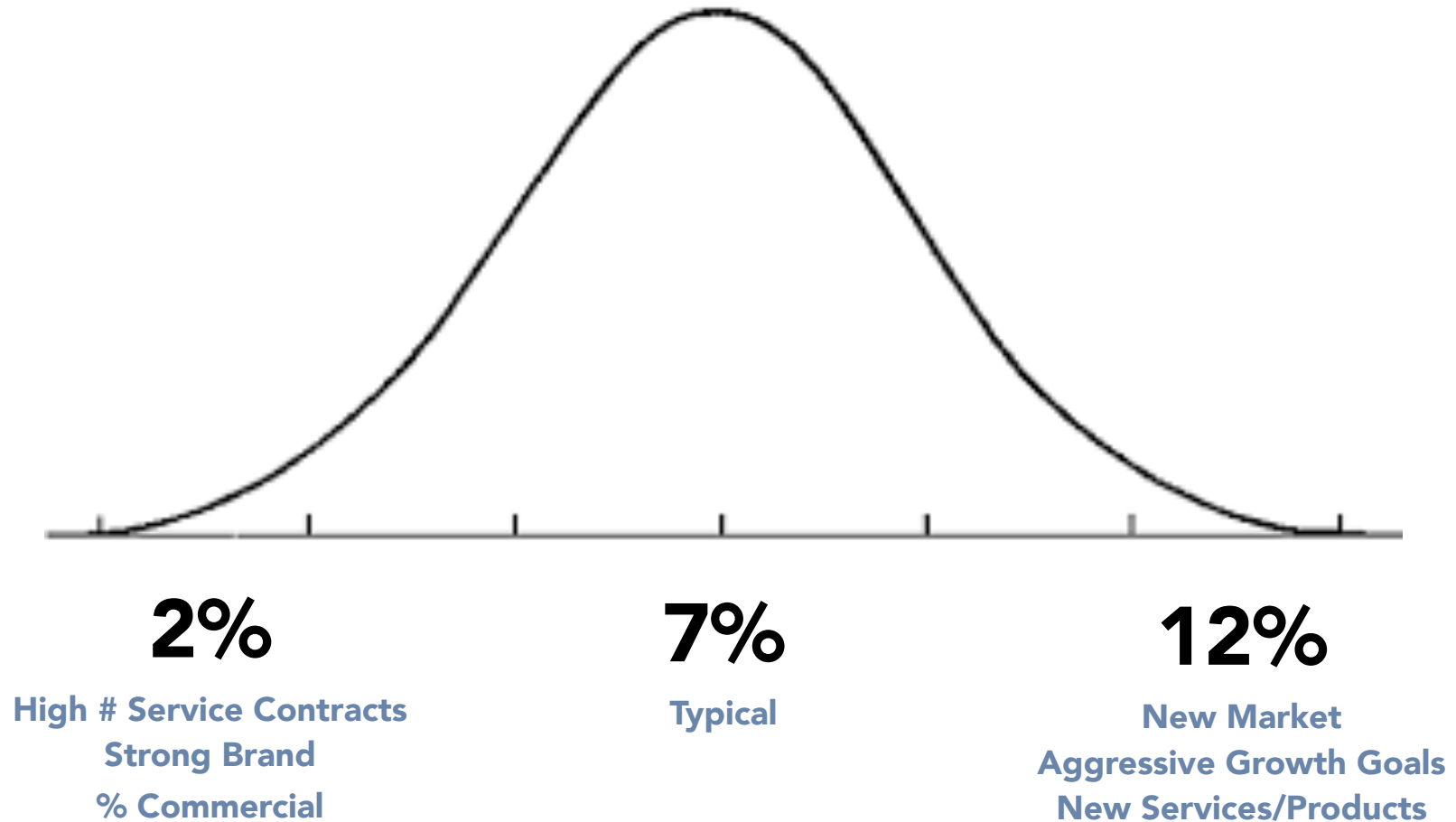
Revenue Goal:	\$750,000
Average Ticket:	\$4,500
# of Jobs:	168
Close Rate:	30%

YOU NEED **556** LEADS

Marketing Budget @ 7%:	\$52,500
Cost Per Acquisition:	\$313
Cost Per Lead:	\$94



What Should You Spend on Marketing?



Example: Paid Search vs Purchased Leads



Cost Per Lead: **\$120**

Lead to Appointment 85%

Cost Per Appointment \$141

Appointment to Job 50%

Cost Per Acquisition **\$282**

Acceptable Job Size @ 7% **\$4,029**



Example: Paid Search vs Purchased Leads



Cost Per Lead:	\$120	\$25
Lead to Appointment	85%	15%
Cost Per Appointment	\$141	\$166
Appointment to Job	50%	25%
Cost Per Acquisition	\$282	\$664
Acceptable Job Size @ 7%	\$4,029	\$9,486



Example Paid Search Results

	Cost Per Click Range*	Typical Conversion Rate	Cost Per Conversion (Lead)
Ductless	\$3.36 - \$10.43	10.8%	\$31.11 - \$96.57
Heat Pump	\$2.76 - \$8.51	8.6%	\$32.09 - \$98.95
Mini Split	\$1.89 - \$7.02	16.6%	\$11.39 - \$42.29

* Google
Estimates

2020 Data
26 Energy Circle Accounts
Nationwide





FUNDAMENTALS, MYTHS & MISUNDERSTANDINGS

Paid Search Myths & Misunderstandings

- **We Tried, It Didn't Work**

 - Poor Conversion

 - High Cost

 - Adwords Express—Our Sector is Too Nuanced

- **Nobody Clicks on Those Ads**

- **It's Too Complicated**

- **I Just Don't Like Them**

 - How urgent is your need for leads?



Google Ad Revenue
\$412 million/day

Alphabet Q3-20 Earnings Report



Paid Search as Core Lead Driver

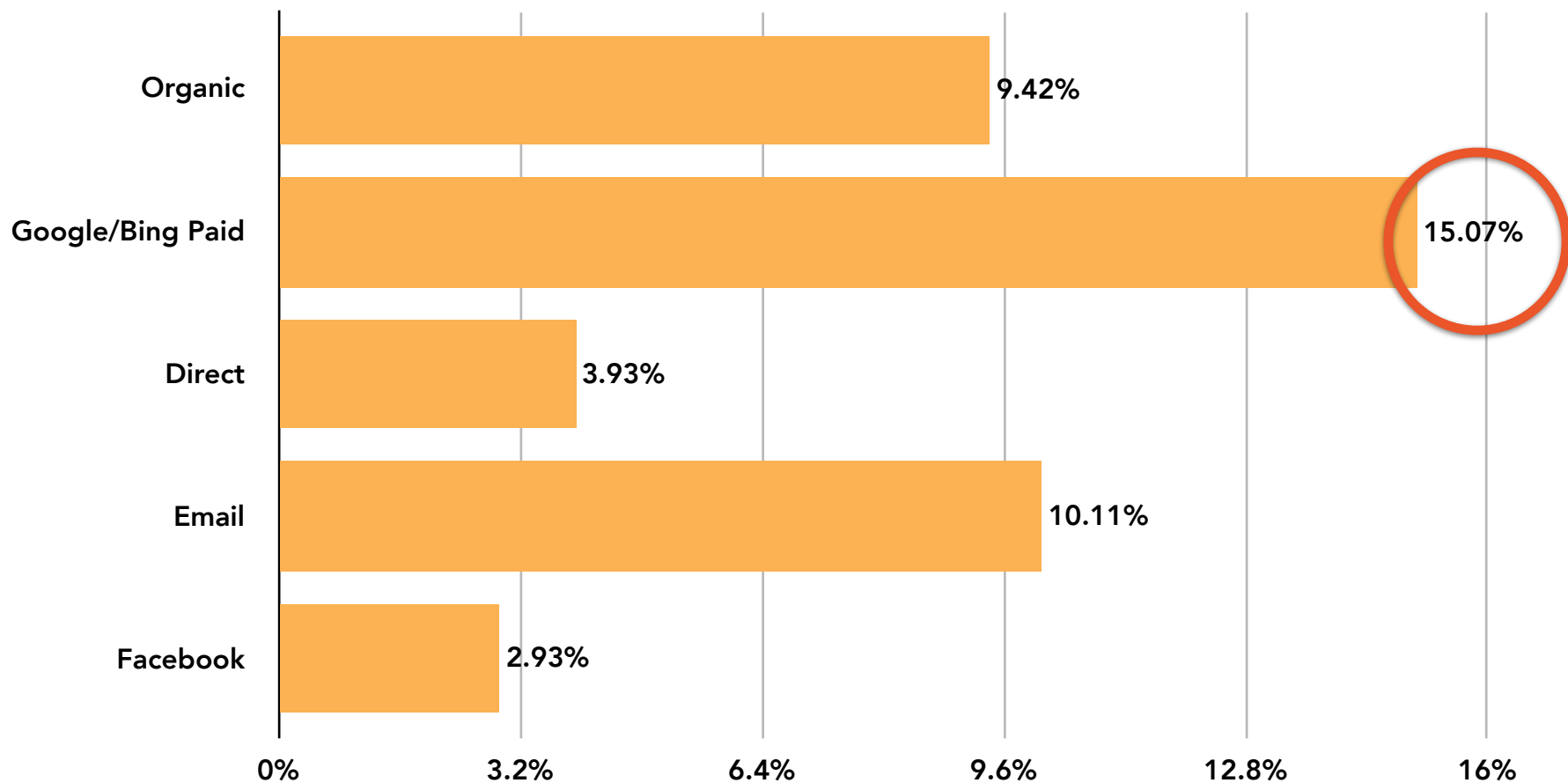
71%

of All Digital Leads
from Paid Search

*Energy Circle clients; mix of HP, HVAC, Insulation, New Construction, Solar



Buying Intent = High Conversion



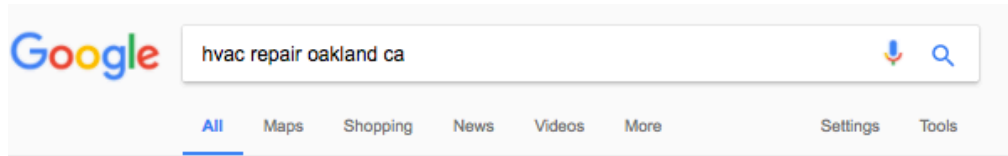
Data from 65 Energy Circle Clients, 12 months of 2020





FACTORS TO CONSIDER

Do You Rank Outside of Paid Search?



About 270,000 results (0.86 seconds)

HVAC repairs - 20+ HVAC pros serving Oakland Sponsored

Element Home Solutions 5.0 ★★★★★ · See reviews ✓ Google guaranteed Oakland (510) 871-3894 Open now	The Appliance Repair ... 4.8 ★★★★★ · See reviews ✓ Google guaranteed Alameda (510) 871-3938 Open now	Service Champions He... 4.8 ★★★★★ · See reviews ✓ Google guaranteed Pleasanton (925) 732-6744 Open now
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→ More HVAC pros in Oakland

Local Services Ads

Oakland BBB A+ HVAC Technician - Diamond Certified Same Day Svc
[Ad](#) eb.onehour-heat-and-air.com/Oakland (510) 969-6777
Providing Quality, Service, Integrity, And Convenience. Call Now!
Locally Owned & Operated · 24/7 Emergency Service · Guaranteed Repairs · Licensed & Insured
Highlights: On-Time Service, Straightforward Pricing...

HVAC Repair - Quality Work - No Surprises - airmenheatingandair.net
[Ad](#) www.airmenheatingandair.net/ (888) 259-7783
Call Our HVAC Repair Experts. Make An Appointment And Save.

Google Paid

Rating ▾ Hours ▾

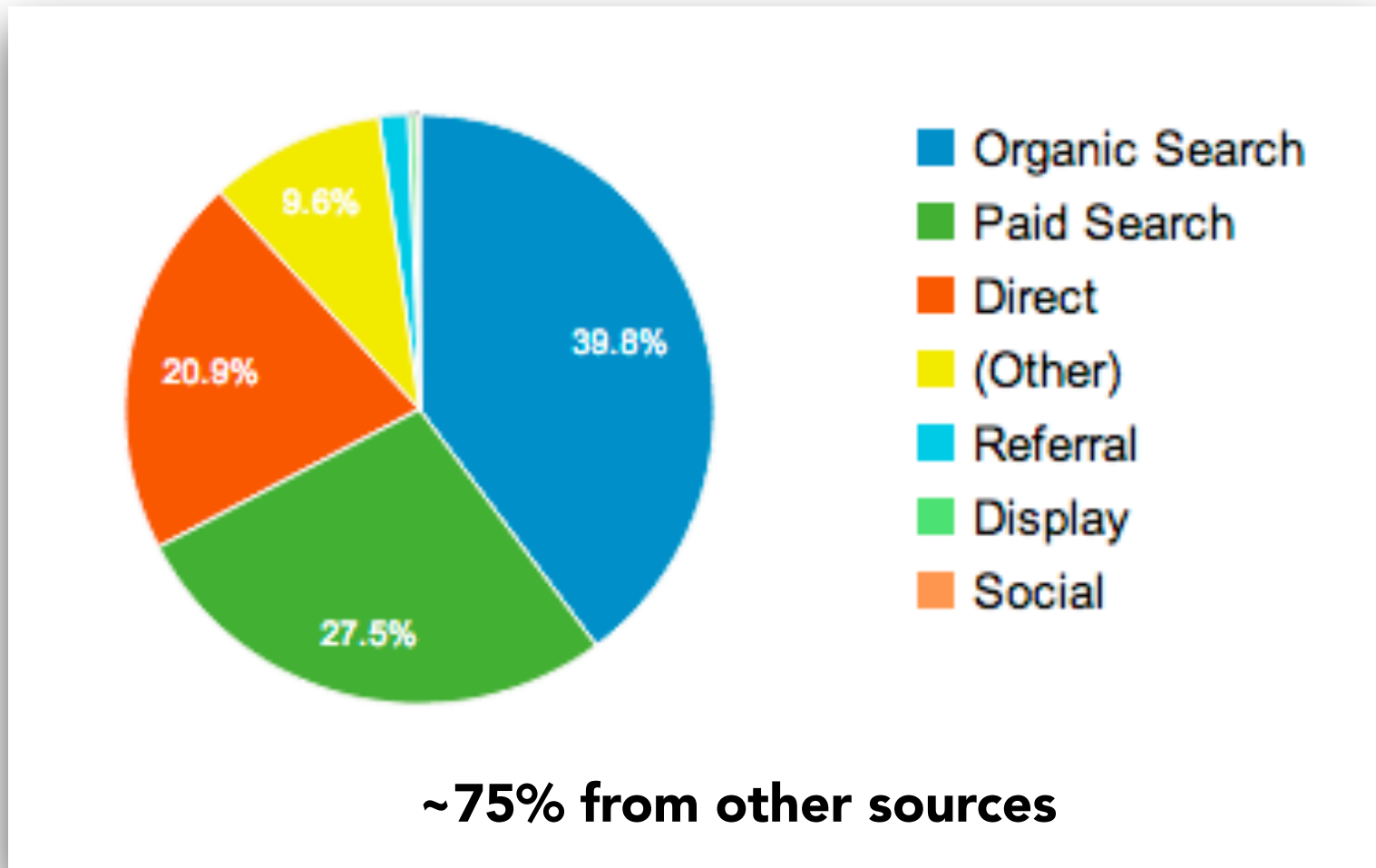
Atlas Heating and Air Conditioning Company 4.7 ★★★★★ (24) · HVAC Contractor 1451 32nd St · (510) 893-1343 Open until 7:00 PM	WEBSITE DIRECTIONS
Eco Systems Heating & Air 5.0 ★★★★★ (1) · HVAC Contractor 712 56th St · (510) 698-6219 Open until 11:00 PM	WEBSITE DIRECTIONS
Albert Nahman Plumbing and Heating 4.7 ★★★★★ (185) · HVAC Contractor 3333 M.L.K. Jr Way · (510) 843-6904 Open until 8:00 PM	WEBSITE DIRECTIONS

More places

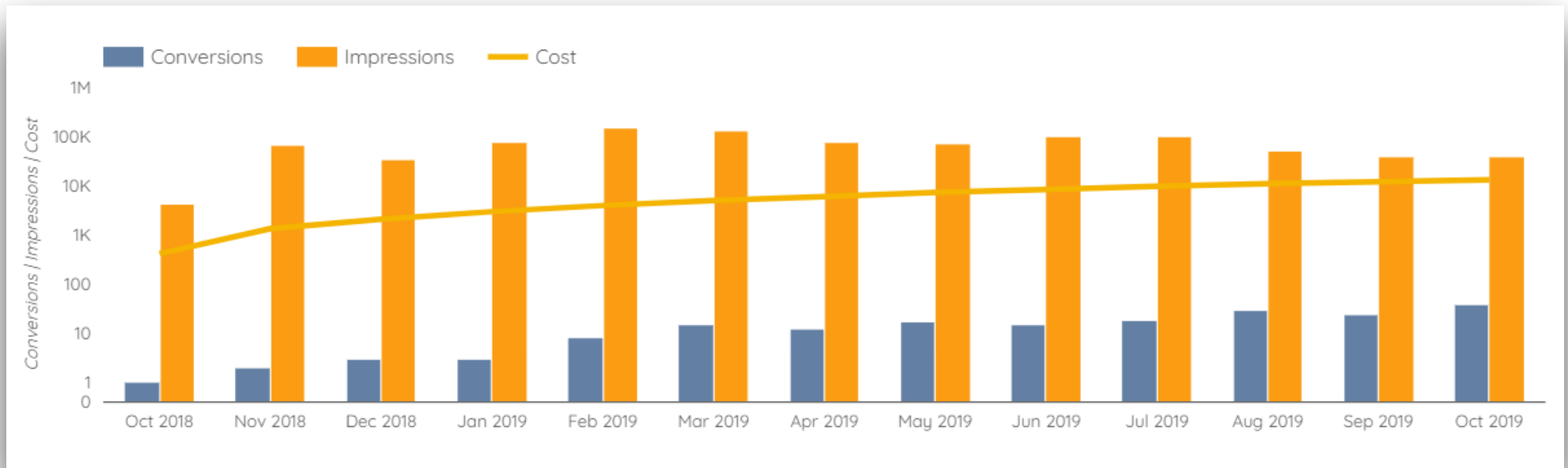
Google Local 3 Pack

Organic

Healthy Lead Mix Without Paid Search?



Time & Budget Expectations



\$500/mo minimum* + management



Primary Drivers of PPC Costs

- **Value of the Product/Service**

High ticket value = higher ad costs (solar, geothermal, system replacement)

- **Level of Competition**

Big markets

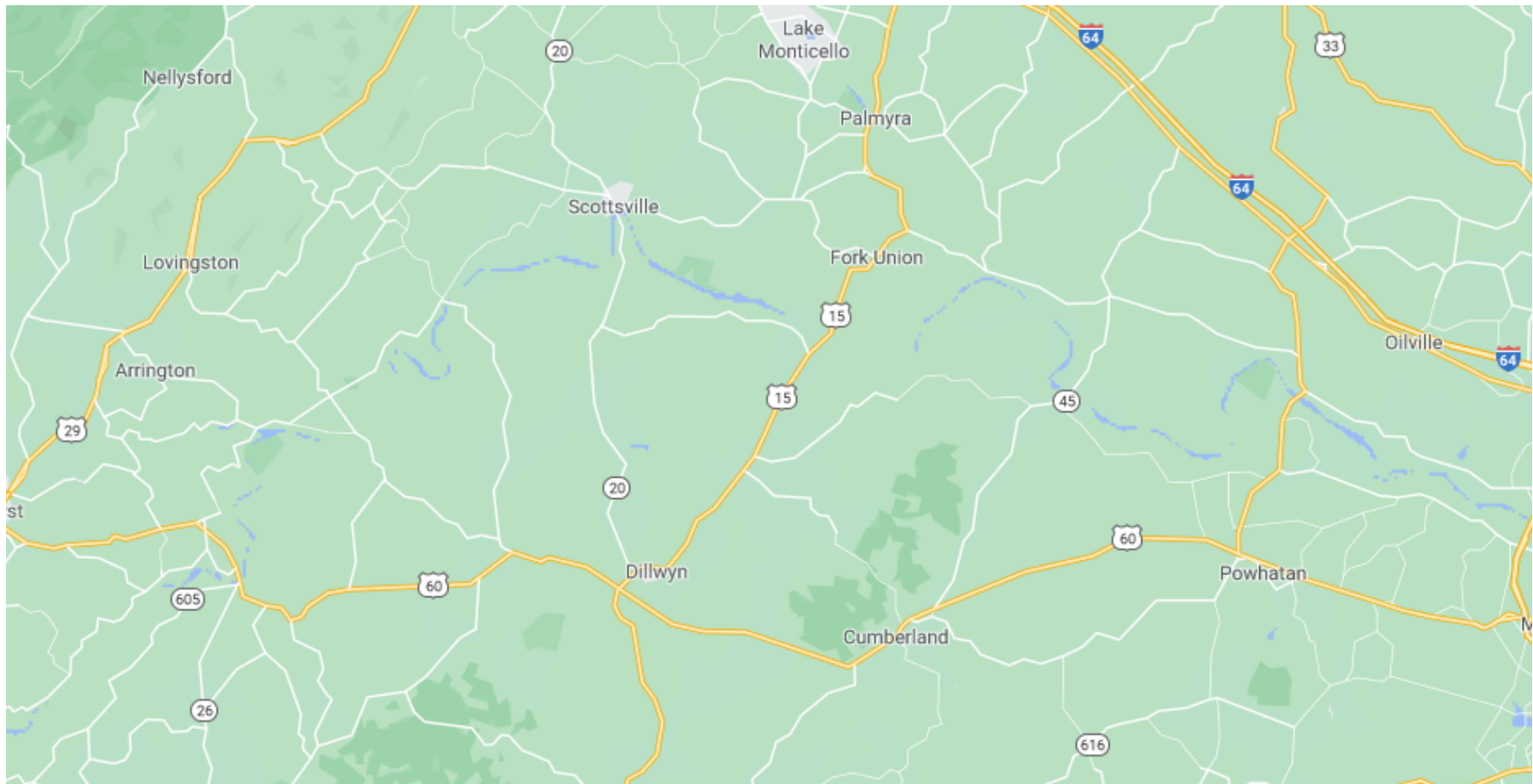
Core services in key markets (AC in Phoenix)

Sectors that overpay (HVAC)



Small or Very Rural Service Areas

Low population density = low search volume



Highly Localized Keyword Data

Heat Pump Keyword Research (January 1, 2020 - January 31, 2021) ☆ 🔄 ☁

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100% \$ % .0 .00 123 Arial 12 B I S A

F:F fx Impressions

	C	D	E	F	G	H	I	J
1	Campaign	Ad group	Search term	Impressions	Clicks	CTR	Conversions	Conv. rate
2	Search Trane CoOp	Hybrid Heat Pumps	heat pump	22,569	719	3.19%	14	1.95%
3	NB HVAC Beta	Heat Pumps	+heat +pumps	19,489	605	3.10%	50.66	8.37%
4	Mini Split	Ductless Mini Split	+mini +split	7,985	307	3.84%	11	3.58%
5	Search Trane CoOp	Hybrid Heat Pumps	+mini +split	7,451	123	1.65%	1	0.81%
6	Search Trane CoOp	Hybrid Heat Pumps	mini split	6,161	104	1.69%	0	0.00%
7	NB HVAC Beta	Heat Pumps	+heating +pump	4,314	180	4.17%	15.18	8.43%
8	_Heat Pumps Beta	Ductless Heat Pump	heat pump	4,259	61	1.43%	0	0.00%
9	NB HVAC Beta	Mini Split	mini split	4,045	143	3.54%	3.5	2.45%
10	Heat Pumps_Alpha	Mitsubishi Heat Pump	mitsubishi heat pump	3,974	246	6.19%	10	4.08%
11	_Heating Beta	Heat Pump Service	heat pump	3,757	58	1.54%	3	5.17%
12	HVAC Install Beta	Mini-Split	+mini+split +system	3,407	88	2.58%	2	2.27%
13	_Cooling Beta	Mini Split	+mini +split +systems	3,240	126	3.89%	5	3.97%
14	NB HVAC Beta	Mini Split	mini split system	3,130	45	1.44%	1	2.22%
15	NB HVAC Call-Only	Mini Split	+mini +split	3,067	20	0.65%	5	25.00%
16	Heat Pumps_Beta	Mini Split Install	+mini +split	2,920	87	2.98%	7	8.05%
17	NB Cooling System Beta	Mitsubishi Mini Split	+mitsubishi +mini +split	2,402	73	3.04%	6	8.22%
18	Heat Pumps	Mitsubishi Heat Pump	+mitsubishi +mini +split	2,349	80	3.41%	3	3.80%
19	HVAC Install Beta	Mini-Split	+split +system	2,303	53	2.30%	2	3.77%
20	NB HVAC Beta	Ductless Mini Split	ductless mini split	2,290	51	2.23%	1	1.96%
21	HVAC Install Beta	Mini-Split	mini split ac	2,276	53	2.33%	6	11.32%
22	_Heating Beta	Mini Split Systems	mini split system	2,273	69	3.04%	4	5.80%
23	NB Cooling System Beta	Ductless Mini Split	+ductless +mini +split	2,215	22	0.99%	2	9.09%
24	_Heat Pumps Beta	Ductless Heat Pump	mini split	2,101	20	0.95%	0	0.00%
25	NB HVAC Beta	Ductless Air Conditioner	ductless air conditioner	2,026	90	4.44%	8	8.89%
26	HVAC Install Beta	Mini-Split	+ductless +mini +split	1,973	27	1.37%	2	7.41%
27	NB Heat Pumps	NB Heat Pumps	+heat +pumps	1,885	32	1.70%	0	0.00%
28	_Heating Beta	Heat Pump Service	+mini +split	1,850	61	3.30%	1	1.64%
29	Heat Pumps_Beta	Mitsubishi Heat Pump	+mitsubishi +heat +pumps	1,834	59	3.22%	6	10.17%
30	NB HVAC Call-Only	Heat Pumps	+heat +pumps	1,826	14	0.77%	6.31	45.09%
31	NB Heat Pumps	NB Heat Pumps	heat pumps	1,774	41	2.31%	0	0.00%
32	NB Cooling System Beta	Mini Split	+mini +split +ac	1,723	32	1.86%	2	6.25%
33	Heat Pumps_Alpha	Mini Split Heat	heat pump	1,657	152	9.17%	2	1.32%
34	Heat Pumps_Beta	Heat Pump Installer	+hvac +installer	1,608	10	0.62%	0	0.00%
35	_Heating Beta	Heat Pump Service	mini split	1,607	43	2.68%	1	2.33%
36	NB Cooling System Beta	Mini Split Systems	+mini +split +systems	1,604	34	2.12%	0	0.00%
37	Search_Heating_Beta	Heat Pump	ductless ac	1,455	122	8.38%	6	4.92%



Website Investment is Critical

COVID-19 Update From Ideal Energy – Keeping Customers & Employees Safe

ideal energy
air conditioning done right

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WE HAVE A ★★★★★ RATING AND OVER 50 REVIEWS ON **yelp** !! | **SEE OUR REVIEWS**

Looking to keep your Phoenix area home cool and comfortable without emptying your bank account? Ideal Energy designs, installs, and services heat pumps in Scottsdale, Mesa, Tempe, Chandler, and the surrounding areas.

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- **Lower energy bills compared to regular AC**
- **Dual cooling and heating settings**
- **All electric operation**
- **Easily connects to your central ductwork**

Ad Creative Flexibility: Storytelling


Ad · <https://www.haleysmetal.com/request/free-estimate> ▾ (207) 305-9779

[Ductless Mini Splits for Maine - Mitsubishi Diamond Contractor](#)

Southern Maine's Trusted Heat Pump Installers. Licensed & Experienced Techs. Free Estimate. Serving Mainers Since 1917. Invest in Comfort w/ Efficient Heat and AC. Get Free Estimate. Fix Uncomfortable Spaces · Energy Savings All Year · Serving Maine Since 1917.
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Integration with Display Advertising




Mini Splits Put You In Control

Save Up To \$500 On A New Mini Split. Kearney Works W/ Mass Save Rebates Helping You Save.



Mini Splits Keep Rooms Warm

Mini-Split Systems Allow Different Thermostat Settings In Separate Rooms In Your Home.

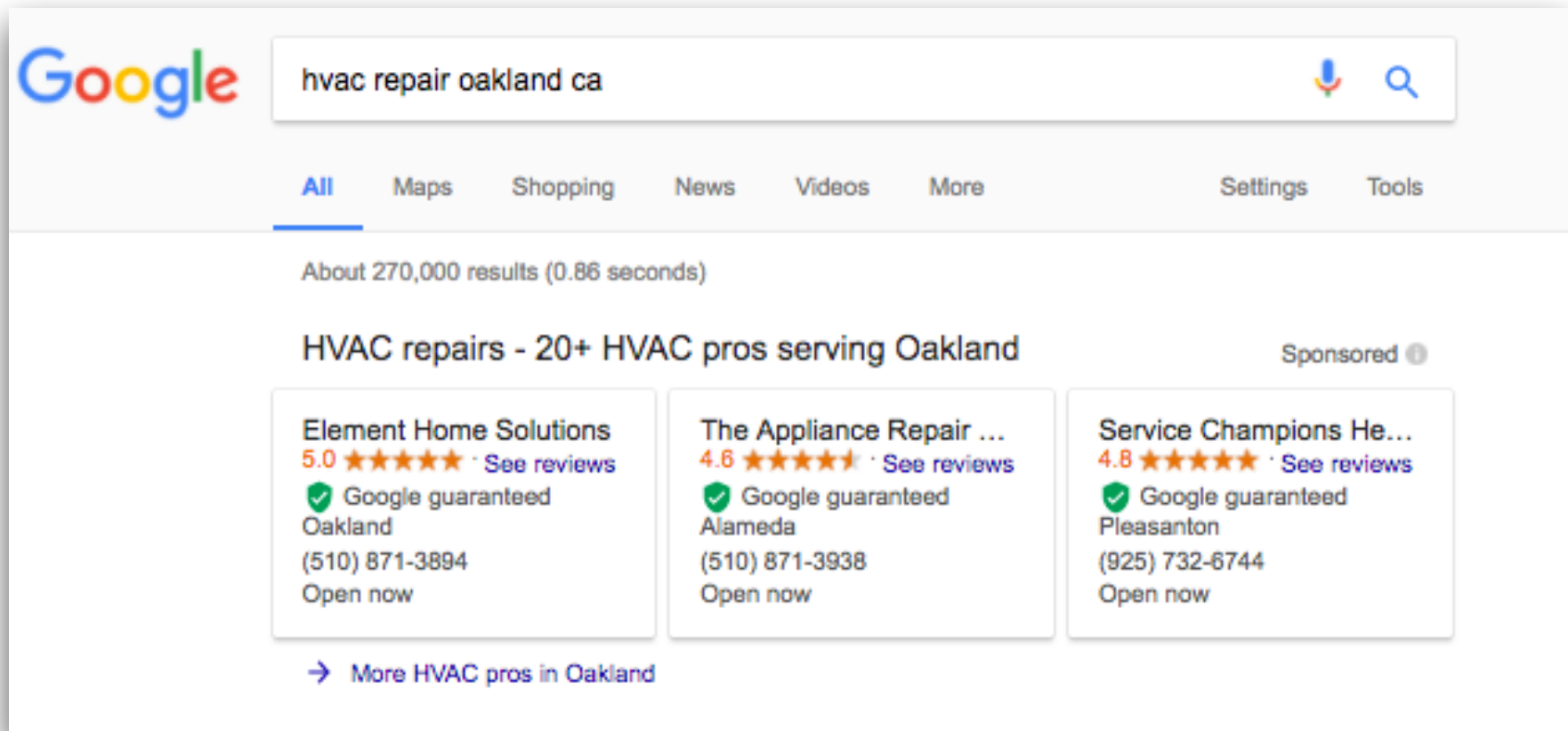


Ductless Mini Split Heat Pumps Work In Winter & Summer. Rebates & Financing...

Open >



Integration with Local Services Ads



The screenshot shows a Google search interface for the query "hvac repair oakland ca". The search results page displays "About 270,000 results (0.86 seconds)". The top result is a sponsored local service ad titled "HVAC repairs - 20+ HVAC pros serving Oakland". Below this title are three individual service cards, each featuring a business name, a star rating, a "Google guaranteed" badge, and contact information. The first card is for "Element Home Solutions" with a 5.0 rating and phone number (510) 871-3894. The second is for "The Appliance Repair ..." with a 4.6 rating and phone number (510) 871-3938. The third is for "Service Champions He..." with a 4.8 rating and phone number (925) 732-6744. A link to "More HVAC pros in Oakland" is provided at the bottom of the ad section.

Google

hvac repair oakland ca

All Maps Shopping News Videos More Settings Tools

About 270,000 results (0.86 seconds)

HVAC repairs - 20+ HVAC pros serving Oakland Sponsored ⓘ

Element Home Solutions 5.0 ★★★★★ · See reviews ✓ Google guaranteed Oakland (510) 871-3894 Open now	The Appliance Repair ... 4.6 ★★★★★ · See reviews ✓ Google guaranteed Alameda (510) 871-3938 Open now	Service Champions He... 4.8 ★★★★★ · See reviews ✓ Google guaranteed Pleasanton (925) 732-6744 Open now
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→ More HVAC pros in Oakland





**THANK YOU!
QUESTIONS?**

peter@energycircle.com