



How Impact Engine's business grew 600 percent in less than a year.

Case study : Impact Engine : [www.impactengine.com](http://www.impactengine.com)

### Business

If any business seems tailor-made for search advertising, Neil Greer believes it's the company he leads, called Impact Engine. The three-year-old San Diego-based firm offers a subscription service for creating dynamic Flash-based online presentations, ads, email, and other message vehicles. As with many online services, customers have to experience Impact Engine to appreciate its effectiveness. To try it out, they must first register

The company's site, [www.impactengine.com](http://www.impactengine.com), includes many see-it-at-work demos that enable visitors to imagine their marketing messages embedded in a crisp multimedia format. "The ability to click through from ads to see a demo and sign up for trial is critical to our business," says Greer. "We know that if they try, they buy."

### Approach

As CEO, Greer keeps a close eye on the economics of pay-per-click advertising. "When I talk with professionals in marketing circles, it's still new to them. But our numbers have shown for some time that this is the most efficient way to reach customers and prospects."

A Google AdWords advertiser since early 2002, Greer started seeing more clickthroughs on Impact Engine when Google added Content-Targeted Advertising earlier this year. His goal was to expand ad coverage on sites where people would be looking for information about corporate presentations, dynamic email, and similar concepts. Greer also wanted to see if he could drive down advertising costs in general, and was curious about the effectiveness of content-based ads, a very new development in the world of search advertising.

### Results

The Google AdWords program represents 80 percent of Impact Engine's online advertising budget, and generates 90 percent of the site's traffic. Greer reports that visitors coming through Google are opting for the Impact Engine product trial at a steady rate of 15 to 20 percent. Of that subset, fully 6 percent are purchasing a subscription.

And Greer has discovered a very interesting fact: even though his Google Content-Targeted Ads have a higher cost-per-click (CPC) and a lower clickthrough rate (CTR) than his Google search-based ads, he generates more money from the former than he does from the latter.

Customers coming through Google AdWords on search pages spend an average of \$75 per month on the site – and the leads Greer receives from Content-Targeted AdWords are yielding \$275 per month. He says the lower CTR doesn't concern him because he only pays for clicks, and those he gets make him a lot of money.

"Our AdWords ads are doing well," says Greer, "and it's clear that with content ads we're reaching further into a customer segment that spends more. A whole society is forming around content ads." Regardless of the route they take, says Greer, "when Google users click through, we know they are serious customers."

In looking over the online ad landscape, he says, "The first generation was run-of-site advertising. Next came sponsored areas on specific topics. Now it's Google Content-Targeted AdWords. We used to spend \$100,000 on advertising based on a CPM of \$60 to \$100. With Google, our CPM is about \$5. So I know if we spend \$5,000 with Google, I have the opportunity to book 20 times that in revenue. No one else can make that claim." An industry veteran who has seen many promises made – and broken – in the realm of online

advertising, Greer is sold on Google. The fact is, says Greer, "Our business is up 600 percent this year, and Google gets the lion's share of credit for that."