

Cheapflights found a 45% return on ad spend with Google AdWords.



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Rob Passmore
Head of Marketing



ABOUT GOOGLE ADWORDS

Google AdWords is currently used by thousands of businesses worldwide to gain new customers in a cost-effective way. AdWords uses keywords to precisely target ad delivery to web users seeking information about a particular product or service. The program is based on cost-per-click (CPC) pricing, so advertisers only pay when an ad is clicked. Advertisers can take advantage of an extremely broad distribution network and choose the level of support and spending appropriate for their business.

For more information, go to www.google.co.uk/ads

Travel comparison site Cheapflights.co.uk is in business to help travellers find affordable fares and accommodations for their vacations. The company enables buyers to compare prices, resorts and deals from more than 600 travel service advertisers and partners such as Priceline, EasyJet, Thomas Cook, Orbitz, Lastminute.com, British Airways and Travelocity. These advertisers in turn are able to reach a large number of visitors through one site at an affordable cost. Though a small private company, Cheapflights has a worldwide reach and has been profitable since its launch in 1996. Cheapflights.co.uk is consistently in the Hitwise top five U.K. travel websites.

“The key to our service is that we cover all the sales channels to market,” says Head of Marketing, Rob Passmore. “We work with the airlines – scheduled, charter and discount – the tour operators, the travel agents and the online aggregators, which provides a high-value starting point to users searching for their ideal travel products.”

Challenge

Cheapflights approached Google AdWords™ about driving a high volume and highly qualified stream of traffic to their sites. Since travel is an intensely competitive marketplace, it was key that Cheapflights was able to get its message about delivering a price comparison model to an audience actively searching for travel products. This issue has been even more critical for the business since the launch of sister products focussing on accommodations (www.cheapaccommodation.com) and short breaks and holiday travel (www.cheapholidaydeals.co.uk).

Approach

Working with AdWords account management and maximiser teams, Cheapflights was able to develop a high volume keyword campaign with more than 50,000 terms. This focused largely on three- to five-keyword combinations, such as “cheap flights Boston to Chicago”, with the aim of being able to deliver users to relevant areas of content within their site, thus maximising conversion. This also helped to side step many of the highly competitive ‘golden’ keywords, such as “flights.”

Ad copy was customised so that where possible actual keywords appeared in the ads, thus increasing relevance. Additionally, AdWords’ automatic optimisation feature quickly determined the most successful ads and served them more frequently.

Results

Given the fast-moving and competitive nature of the Internet travel market, this approach has proved to be a good one. “Because AdWords is so focused on adding value to the experience of its search users, advertisers can’t just buy their way to the top. You also need to prove that you’re relevant to their audience,” Passmore says. During the test, the company saw an excellent 3.4% clickthrough rate. Combined with its keywords strategy, this meant Cheapflights could get high placements and volumes of traffic whilst maintaining a very competitive 12p CPC. “This traffic also converted through to revenue better than traffic from other advertising sources,” Passmore says.

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The Cheapflights franchise is now tackling the huge North American market through www.cheapflights.com. Six months after launch, it is already in the top 40 U.S. travel sites, despite having no marketing spend. Passmore says Google AdWords will play a big part of this rollout as well. “We have already undertaken some trials in the U.S. market and the initial results are very exciting. The accelerator effect which AdWords can bring to your business is just too significant, controllable and transparent to ignore,” he says.

In assessing what sets AdWords apart, Passmore says there are three elements. “Firstly, scale. AdWords can generate larger levels of affordable traffic than any other platform.” Second, AdWords offers control and accountability: “The AdWords interface enables very direct control of our advertising activity in terms of managing campaign spends, CPC, keywords and analysis. This enables quick decisions to be made, or to have activity ramped up at key times.” Finally, there is account management: “The quality of the account interface means that the account team is able to concentrate on adding value, maximising campaigns and helping to plan future activity. From a client’s perspective, this adds considerable value.” It’s for these reasons that Passmore concludes, “We think of Google as a strategic partner whom we work with very closely. The AdWords team will definitely form a central portion of our marketing activity going forward.”

