

Vertical Search as a Media Platform

An analysis of the marketing effectiveness of iXiGO.com

Henry Ford once said 'Any customer can have a car painted in any color that he wants so long as it is black.' Of course, then times were different and too many products didn't vie for a consumer's attention. Gone are those days, and today every brand, every product, every marketer wants to be seen, consumed and recommended by its target audience. A typical target audience has not only the willingness to consume the product but also the ability to pay for it.

The Internet has historically been seen as a platform where contextual (and behavioral) targeting can ensure that a brand reaches the exact set of individuals who would intend to action on the message being shown to them. Horizontal searches, despite the keyword based targeting technology that they possess, do not ensure that the audience viewing an advertisement is the most qualified to action on it. There is thus a need for a platform that would deliver a qualified audience that had the intent to interact, engage and purchase, and such a platform would give performance marketing a whole new meaning for any consumer brand.

iXiGO.com is a leading travel search engine for Indian consumers. It aggregates the best travel deals from across the internet and allows consumers to search across them. To complete the transaction, it allows consumers to redirect to the booking provider of their choice, enabling a level-playing field, wide range of choice and best prices. Due to the nature of its product, iXiGO's growth has been organic in nature, propelled by strong word of mouth based on product advantages. Unlike other travel portals with mass-marketing approaches that dilute traffic quality, iXiGO's approach of growing steady usage and adopting a neutral meta-search positioning has allowed it to tap into the consumer-base that is more informed, savvy and very action-oriented when searching for travel. With 70%+ of all e-commerce in India being travel-related, iXiGO reaches an audience of qualified e-commerce buyers in India, most of them possessing credit cards.

By virtue of its organic traffic and strong products, iXiGO.com has built an audience of tech-savvy early adopters with very low bounce rate (~20%) and strong overlaps with Facebook, Twitter and other web 2.0 products. This traffic converts well and is action oriented, since the audience uses iXiGO to typically make purchases of an average transaction value of Rs. 7000 on flights and Rs. 10,000 on hotels. In addition, customer surveys have revealed that 70% of iXiGO users consist of SME owners, businessmen, unmanaged business travelers in large corporate houses and working professionals – the most lucrative audience for any major consumer brand. Stickiness of iXiGO users has also been very high – greater than

30% of its users return every month for a purchase and users spend more than 5.5 minutes on every visit to the site, giving branded campaigns due mind-share.

Conventionally, a travel site is always perceived as one where only travel products sell and travel advertisers work well. However, due to the potent mix of Sec-A / Sec-B audience with high willingness to pay and only serious / organic traffic on iXiGO.com we have noticed that branded campaigns from products as varied as printers, education multimedia and even mobile phones have done phenomenally well.

The advertisers we will look at in this case study are from the domains of Printing, Educational Software, Mobile Telephony, Online Travel and Online Photo Printing.

Industry: Consumer Technology

Product: Printers

Case: A Fortune 500 printer manufacturer launched its new range of printers in the middle of 2008. The campaign objective was to induce the self-purchase corporate audience to learn about this new range, understand the key benefits, and thereby generate online and offline sales leads.

Marketing Objective: Product awareness & interest creation. Branding and customer interactions

iXIGO Methodology: Considering the presence of the brand offline and the look and feel of the creative, iXIGO.com served the creative on the flight results page and flight redirect page. The ad size was 468x60.

Result: The campaign delivered a CTR of 0.55% and generated several relevant product queries for the advertiser.

Inference: The important point to note is that even though the audience visits to search and shop for travel related content, brand reinforcement always works as long as the audience and the brand are in sync.

The screenshot shows the iXIGO.com flight search results page for the route Goa - New Delhi, 10 Jul - 14 Jul. The page displays 91 results, showing the first 10. The search filters on the left include price range (Rs. 6000 to Rs. 22100), departure time (0:00 to 24:00), arrival time (0:00 to 24:00), and search flight number or airline (e.g. jet or 9w332). The flight results table is as follows:

depart	arrive	stops (time)	airline	book directly	price per adult*
GOI 14:15 DEL 17:00	0 (2:45)	spicejet	book SpiceJet	Rs. 6880	
DEL 11:10 GOI 13:45	0 (2:35)				
GOI 14:20 DEL 16:55	0 (2:35)	FLY SMART	book Go Air	Rs. 7031	
DEL 10:50 GOI 15:00	1 (4:10)				
GOI 15:30 DEL 19:15	1 (3:45)	FLY SMART	book Go Air	Rs. 7031	
DEL 10:50 GOI 15:00	1 (4:10)				
GOI 15:10 DEL 17:35	0 (2:25)	IndiGo	book IndiGo	Rs. 7057	
DEL 10:50 GOI 15:00	1 (4:10)	SMART	book Go Air		
GOI 14:20 DEL 16:55	0 (2:35)	SMART	book Go Air	Rs. 7503	
DEL 12:15 GOI 14:40	0 (2:25)	IndiGo	book IndiGo		
GOI 15:30 DEL 19:15	1 (3:45)	IndiGo	book Go Air	Rs. 7503	
DEL 12:15 GOI 14:40	0 (2:25)	IndiGo	book IndiGo	Rs. 7529	
GOI 06:30 DEL 10:05	1 (3:35)	KINGFISHER	book Kingfisher	Rs. 11883	
DEL 10:35 GOI 13:05	0 (2:30)	KINGFISHER			
GOI 14:50 DEL 23:10	1 (8:20)	spicejet	book SpiceJet	Rs. 12892	
DEL 06:00 GOI 13:10	1 (7:10)		book SpiceJet		
GOI 13:35 DEL 16:05	0 (2:30)	KINGFISHER	book Kingfisher	Rs. 12908	
DEL 10:35 GOI 13:05	0 (2:30)				

The sponsored advertisement at the bottom of the results list is for 'advertiser: printers' and is highlighted with a red box.

Industry: Education

Product: Education Software & Services

Case: An education system served through satellite TV and the web interactivity model needed deeper inroads with the audiences across various spectrums.

Marketing Objective: Audience exposure and communicating the benefits of the educational software to parents, teachers and students.

iXiGO Methodology: Since this brand and product was relatively unknown in the market, iXiGO served the campaign alongside its flight results which gets the best attention span for an ad. The size was 120x600.

Result: The campaign enjoyed a CTR of around 0.28% over the campaign period of 2 weeks.

Inference: Since the campaign targeted a smaller subset of the overall userbase, the CTRs were in the range expected by the advertiser and several conversions were reported within a short run.

The screenshot displays the iXiGO.com flight search interface. The search criteria are Bengaluru to London, 14 Aug - 15 Aug, with 565 results shown. The results table includes columns for departure/arrival times, stops, airlines, and prices. A vertical banner on the right side of the page contains the text "advertiser: education software & services" and two small icons.

depart	arrive	stops (time)	airline	price per adult*
BLR 06:00	LHR 09:00	2 (31:30)	IndiGo	Rs. 35378
LHR 10:40	BLR 23:15	2 (32:05)	SriLankan	multiple airlines
BLR 06:45	LHR 09:00	2 (30:45)	SMART Air	Rs. 35664
LHR 10:40	BLR 23:45	2 (32:35)	SriLankan	multiple airlines
BLR 08:35	LHR 09:00	2 (28:55)	SMART Air	Rs. 35664
LHR 10:40	BLR 23:45	2 (32:35)	SriLankan	multiple airlines
BLR 09:50	LHR 09:00	3 (27:40)	IndiGo	Rs. 35778
LHR 10:40	BLR 23:15	2 (32:05)	SriLankan	multiple airlines
BLR 10:00	LHR 09:00	3 (27:30)	IndiGo	Rs. 35778
LHR 10:40	BLR 23:15	2 (32:05)	SriLankan	multiple airlines
BLR 10:50	LHR 09:00	2 (26:40)	IndiGo	Rs. 35778
LHR 10:40	BLR 23:15	2 (32:05)	SriLankan	multiple airlines
BLR 06:45	LHR 09:00	2 (30:45)	WINGS AIR	Rs. 38299
LHR 10:40	BLR 23:15	2 (32:05)	SriLankan	multiple airlines
BLR 10:00	LHR 09:00	2 (27:30)	WINGS AIR	Rs. 38299
LHR 10:40	BLR 23:15	2 (32:05)	SriLankan	multiple airlines
BLR 04:15	LGW 12:25	1 (12:40)	Emirates	Rs. 38536
LHR 08:40	BLR 03:00	1 (13:50)	Emirates	fly.emirates.com
BLR 04:15	LHR 14:20	1 (14:35)	Emirates	Rs. 38536
LHR 08:40	BLR 03:00	1 (13:50)	Emirates	fly.emirates.com

Industry: Mobile

Product: Handset

Case: One of India's best known mobile handset brand which is always on the cutting edge of technology and understands the importance of being on the digital medium launched their latest offering and decided to target our internet savvy and techie audience towards end of Q3,08.

Marketing Objective: Higher degree of customer engagement and new product awareness.

iXiGO Methodology: Since the advertiser needed the maximum exposure and interactions with the users, iXiGO.com served the campaign across the site. The sizes used were 120x600, 468x60 and 728x90 and exposure was provided on the result pages & redirection pages of the search.

Result: The creative was attractive to users and finally peaked at a CTR of 0.85% for the impressions served.

Inference: The campaign performance gave the advertiser and the agency ample proof of performance and reassured our users in our ability to bring them campaigns that they can relate to and see value in. The savvy audience could relate to the high end handset and technology communication



Industry: Travel

Advertiser: Online Travel Portal

Case: Finally, coming to a travel client, a global online travel giant that had recently entered India was looking at introducing its brand to Indian consumers and drive qualified conversions at the same time.

Marketing Objective: Greater degree of customer awareness and driving qualified travelers to their website.

iXiGO Methodology: Since this particular company was marketing across various media, iXiGO served this campaign across the site and even reached out to its mailer database who may or may not have visited the site during the campaign duration. More importantly iXiGO served search-targeted contextual ads for this advertiser thereby increasing the performance and resulting conversions multifold. The mailer campaign was done alongside the branded campaign and discount vouchers were sent to the database to increase interactions with the brand.

Result: The campaign was served in Q4 '08 and reached very impressive CTR figures of above 1.70% and correspondingly significant conversion rates on the advertiser site upwards of 7%.

Inference: Performance mapping is very important for an online travel company. Even though the campaign was a branding one, the conversion matrix looked like a performance campaign had been served

Industry: Custom Merchandising

Advertiser: Online Photo Printing

Case: A new entrant in the custom merchandising industry specializing in online photo printing and sharing was looking at advertising and reaching out to a qualified audience who would connect with their brand.

Marketing Objective: Reach out to the savvy travel search user and initiate interactions.

iXiGO Methodology: A service like custom merchandising requires time and effort from the users end and may not be effective as a banner ad. Hence, iXiGO targeted its users through an mailer campaign where they could interact and understand the brand and service at ease.

Result: A personalized mailer campaign was served in Q1 '09 and enjoyed open rates of above 15%. The queries for their services started flowing in from the first day !

Inference: It's important to understand the service a brand is offering and then accordingly use the right mode of communication to reach the end user

Overall Advertiser Behaviour

Average CTR across iXiGO.com for all campaigns over 12 months	0.80%
Average length of a campaign	45 days
Average creative changes in 1 campaign	2
Repeat-rate / Renewal-rate of advertisers	65%

Effectiveness Comparison Matrix

Advertiser	Objective	Result	Inference
Printers	Awareness & Branding	0.55% CTR	Brand and Audience sync always works
Education Software and Services	Exposure & Awareness	0.28% CTR	Small but targeted user group can be reached effectively
Handset	Customer Engagement	0.85% CTR	Savvy audience relates to technology early adoption
Online Travel Portal	Awareness & Traffic	1.70% CTR	Organic traffic converts well for travel advertisers
Online Photo Printing	Awareness and Customer Engagement	15% + Open Rate on Mailer Campaign	Audience should be selectively targeted with personalization

Key Learnings

From this case study, we derived the following key learnings:

1. A Vertical Search Engine for travel is an effective medium for reaching out to the most e-commerce savvy Internet audience in India given the structure of the e-commerce industry in India. It thus becomes relevant for any consumer brand wanting to reach out to the most qualified Sec-A / Sec-B consumers
2. Strong internet products with good quality organic word-of-mouth traffic grown without the use of mass media tend to have more focused, serious and engaging audiences for advertisers
3. Advertisers need to compare the traffic acquisition method of the site while comparing two travel sites for a media-plan – whether it is 'Pull or Organic' or 'Push or Bought.' Push traffic typically has lower viewer engagement, higher bounce-rates and poor conversion ability.
4. Media Plans should consist of a mix of horizontal search engine marketing for volume of audience and vertical search engine marketing for quality of audience. Advertisers with branding as an objective should keep vertical search in their marketing mix, since even with smaller volumes of traffic as compared to horizontals, verticals reach out to the most qualified audience and convert advertising much better into leads and purchases
5. Placement of banners / creatives and contextual targeting suited to the campaign's objectives can make a significant impact on CTRs and conversions.
6. ROI on vertical search will be much higher than on any other channel for similar CPM spends, including travel agency portals and horizontal searches.
7. Mailer campaigns done alongside a banner/contextual based branding campaign leads to higher brand reinforcement and recall for the advertiser.

About iXiGO.com:

iXiGO.com is India's leading online & mobile travel search engine based out of Gurgaon. iXiGO.com searches across multiple airlines, hotels, trains and bus booking sites to find the best travel deals. Launched in June 2007 by IIT, INSEAD and Amadeus alumni Alope Bajpai, Rajnish Kumar and Dharmendra Yashovardhan, iXiGO.com has been recognized by NASSCOM as India's Top-100 Innovator. BusinessToday and Wall Street Journal/Mint have named it among India's 10 hottest startups in 2008 for its unique market approach, product usability, and passionate management team.

iXiGO is backed by BAF Spectrum, a Singapore-based seed-investment fund. For more information about iXiGO, visit www.ixigo.com or m.ixigo.com (WAP).

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