

**WHY SEARCH ENGINE MARKETING
IN THAILAND IS UNDERUSED**



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Thematic paper
entitled
**WHY SEARCH ENGINE MARKETING
IN THAILAND IS UNDERUSED**

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Jittapat Silpvisuth

WHY SEARCH ENGINE MARKETING IN THAILAND IS UNDERUSED

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ABSTRACT

This research aims to explore the reason why search engine marketing in Thailand is underused when comparing to developed countries, such as United States and Japan. Qualitative research method is being used in this study. A prepared set of questions are being shared to the 25 respondents from Thailand's top five agencies before the scheduled interview sessions. All interviews were taken place in private meeting rooms to allow interviewees to express their ideas freely and were being recorded from start to finish with respondents' consent. The period of interviews is between April to May 2018. The collected interview data is being interpreted, analyzed and summarized. The study reveals that agencies actually have the knowledge on how to use search engine marketing and understand how it helps answer clients' objectives. However, search engine marketing is still underused because clients from the brand side mostly do not have sufficient knowledge on how search engine marketing can be the target medium given the objectives of their campaigns. Majority of brands in Thailand, especially from fast moving consumer goods industry, still rely on offline medias to market their brands and products. Since high investment costs were being allocated to video ads productions, they usually spend more budget on television and Youtube to make use of the assets as much as they can. Facebook ads were usually more preferred than search engine marketing because clients want to see how many likes, follows, shares and consumers' feedbacks in the comment section. Another reason that search engine marketing is underused is because most big corporations usually have already established websites which do not have taggings at different websites' touch points since the time when these websites were first developed, search engine marketing is not widely practiced yet. To do search engine marketing for their websites, tagging is necessary to track the performance. And revamping the websites to put tagging to different touch points within the websites requires highly skilled web developers, time consuming and very costly. Because of these restrictions, most brand owners usually give up and decide to dismiss search engine marketing. Given the survey results discussed, training on search engine marketing should not only focus to the agencies, but also to clients from the brand side because they are the ones who make budget allocation decision and they need to know how search engine marketing can help them achieve their objectives. Moreover, on hand experience should be given so that clients see the actual performance analysis and understand how budget should be allocated.

KEY WORDS: Search Engine Marketing/ Media Agency/ Online Marketing

53 pages

CONTENTS

	Page
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
LIST OF TABLES	viii
LIST OF FIGURES	ix
CHAPTER I INTRODUCTION	1
1.1 Research Objectives	1
1.2 Introduction	2
1.2.1 Why is the topic important?	2
1.2.2 Why Search is important?	3
1.2.3 Is search still growing?	6
1.2.4 How does SEM work?	7
1.2.5 Search Auction	9
1.3 What are research questions?	10
1.4 Research Method	10
1.5 Limitations of the research:	10
1.6 Benefits of the research:	10
CHAPTER II LITERATURE REVIEW	11
2.1 What is Search Engine Marketing?	11
2.1.1 Television	13
2.1.2 Radio	13
2.1.3 Print ads	13
2.1.4 Billboard ads	14
2.1.5 Search Engine Optimization (SEO)	14
2.1.6 Content marketing	14
2.1.7 Social media	15
2.1.8 Email marketing	15
2.1.9 Search Engine Marketing (SEM)	16

CONTENTS (cont.)

	Page
2.2 Definition of Terms Used	16
2.2.1 Search Engine Marketing (SEM)	16
2.2.2 Media Agency	16
2.2.4 Adwords	17
2.2.5 Quality Score (QS)	17
2.2.6 Search Engine Optimization	17
2.2.7 Performance Marketing	17
2.3 Possible why search is Lagging in Thailand.	18
2.4 Related Studies & Opportunities	21
CHAPTER III METHODOLOGY	23
3.1 Research Methods	23
3.2 Data Collection	23
3.3 Research Approach: Semi-structured Interviews	24
3.4 Informants of the Study	24
CHAPTER IV DATA ANALYSIS	26
4.1 Part I. Search in Thai Market	26
4.1.1 Question: Why search spending is low in Thai market?	26
4.1.2 Question: What is the current status of Search in Thailand market?	28
4.1.3 Question: Will the trend of Search in Thailand change in the future? In which way?	29
4.1.4 Question: What are opportunities and challenges of Search in the market?	30
4.2 Part II. Agencies' Media Choice	32
4.2.1 Question: What are agencies' media choice drivers and especially on Search?	32
4.2.2 Question: What are your choice factor between media channels?	33

CONTENTS (cont.)

	Page
4.2.3 Question: How does your media planner allocate the budget into search spending?	34
4.2.4 Question: Are there usually any struggle when it comes to working on SEM?	35
4.3 Part III. Clients' Media Choice and Spend	36
4.3.1 Question: What are clients' media choice drivers and especially on Search?	36
4.3.2 Question: How do your clients prefer the budget to allocate in each media spend?	36
4.3.3 Question: What are clients' choices factors between media channels?	37
4.3.4 Question: Does Search budget they have match with their perspectives?	37
4.3.5 Question: Do you think clients have sufficient knowledge to be able to utilize Search effectively?	38
4.4 Part IV. How to Efficiently Scale and Educate Search in Thai Market	39
4.4.1 Question: How to efficiently scale and educate Search in Thai market?	39
4.4.2 Question: How agencies can help efficiently scale and educate Search in Thai market?	39
4.4.3 Question: How Google can help efficiently scale and educate Search in Thai market?	40
CHAPTER V CONCLUSION AND RECOMMENDATION	41
5.1 Summary of the Study	41
5.2 Findings and Discussions	41
5.3 Recommendations for Future Research	43

CONTENTS (cont.)

	Page
REFERENCES	45
APPENDICES	48
Appendix A : Data from interviews	49
BIOGRAPHY	53



LIST OF TABLES

Table	Page
1.1 2015 Search Engine Market Share by Country	4



LIST OF FIGURES

Figure	Page
1.1 US Digital Ad Spending to Surpass TV this Year	2
1.2 Spending by Disciplines	3
1.3 Micromoment	5
1.4 Applying AIDA to Digital Marketing	6
1.5 Search volumes	7
1.6 Google adwords working funnel	8
1.7 How AdRank impacts your Cost-Per-Click rate and position in the SERP	9
2.1 Result of search term “insurance” (in Thai) on Google	12
2.2 Result of search term “agoda” and “hotels booking” on Google	12
2.3 Thailand Internet User Profile 2017	18
2.4 Thailand Internet User Profile 2017	19
2.5 Thailand Internet User Profile 2017	19
2.6 Most popular Facebook activities in the United States as of October 2017	20
2.7 Thai-Facebook-Behavior	20

CHAPTER I

INTRODUCTION

1.1 Research Objectives

Nowadays, internet becomes the revolution that changes how people live in today's world. However, not many people know precisely how online marketing really works and how it can help businesses. With traditional media, according to the study, advertisers waste huge amount of money deliver messages to the wrong audiences. The research mentioned that advertisers had lost USD 220 billion a year on failing to do planning and requisite research (Lewis, 2007). On the other hand, online marketing is able to target their audiences more accurately, so advertisers can save a lot of money which makes online marketing better cost efficient than traditional medias. Online marketing can focus those who are already interested in the products or segmented them by targeting such as placements, interests, websites, locations, time, demographics, and so on (Webpagefx, n.d.). On the other hand, for traditional media, they need to blast their ads out, but are people interested? Probably not.

For Search Engine Marketing (SEM), people here already had intent, interest, or aware of the products and brands, so they seek for what they want by searching on the search engine, which is Google. Google contributes 98% of total search engine market shares in Thailand (Returnonnow, 2015). After putting search terms into Google, it delivers relevant content in the search listings for searchers and encouraging them to click through to a destination site.

Therefore, this research wants to understand why SEM in Thailand is still underused when compare to other markets, what are choice factors of media channels in Thai market, what are agencies media choice drivers, what prevent a stimulation of Search spending in Thai market, and to gain SEM understanding for agencies in Thai market.

1.2 Introduction

1.2.1 Why is the topic important?

Search Engine Marketing is a core channel for online marketing. However, in Thailand, the spending remains low when comparing to the more matured market like the US. In figure below shows that Search contributes 46.16% of overall digital spending in US.

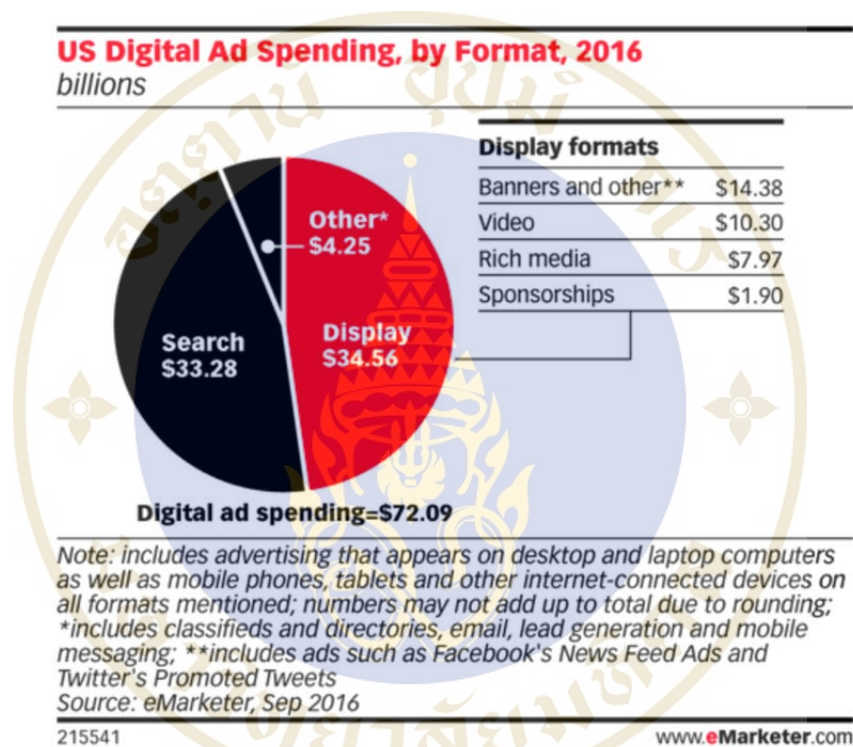


Figure 1.1 US Digital Ad Spending to Surpass TV this Year

Source: eMarketer, Sep 2016

However, in Thailand, the result shows differently as the figure below.

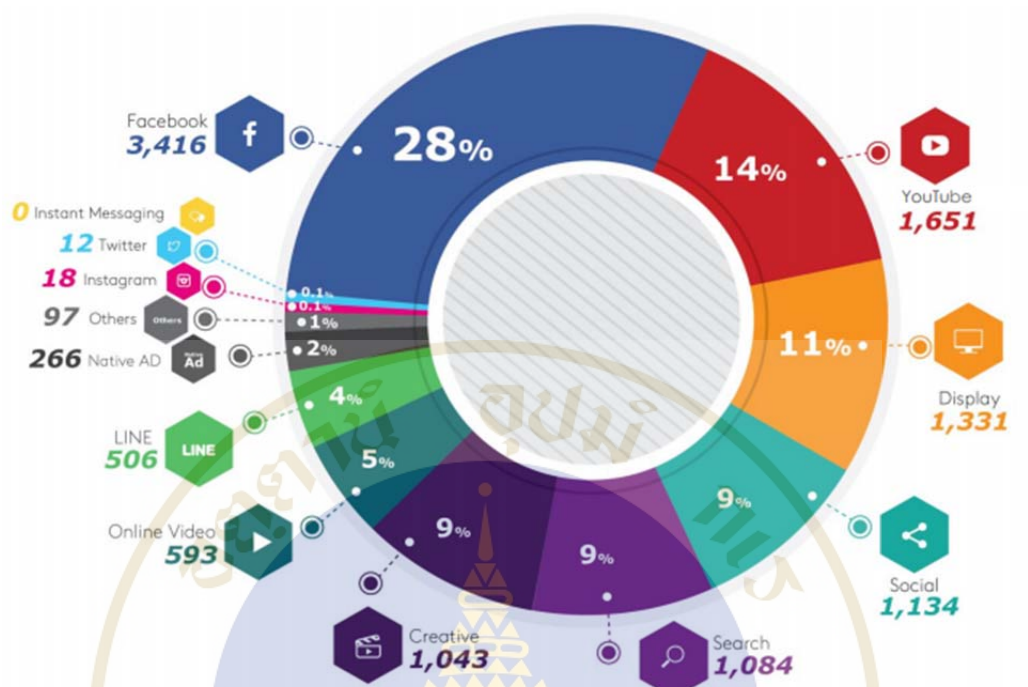


Figure 1.2 Spending by Disciplines

Source: Daat (2017)

It shows that the spending of search covers only 9% of total digital spending in the year 2016 comparing with 46% in the US. Social is a great channel that drives awareness to the audiences that had never seen brands or products before. However, when it comes to performance, Search is able to drive better sales than social media as audiences have already had intent when they search for it. (Hochuli, 2015)

This is why this topic becomes important and needs to be figured out why clients in Thailand are not spending on Search as much as in the US, but put their money in social medias (i.e. Facebook) or video (i.e. Youtube). From the result of this research, we will be able to understand what reasons that cause this behavior in Thai market so we are able to scale this channel further.

1.2.2 Why Search is important?

According to Google, there are approximately 1,500 search queries per second in Thailand or 40,000 search queries per second worldwide. There are 16%-20% of

new search terms each day that Google has never seen before (Internet Live Stats, 2018). Right now, in Thailand, the highest search engine penetration is Google which contributes around 98% of the total search engine usage as in the figure below.

Table 1.1 2015 Search Engine Market Share by Country

Country	Search Engines - 2015 Stats				Internet Penetration
	Leader	Share	Runner-Up	Share	
Argentina	Google	92%	Yahoo	3%	75.0%
Australia	Google	94%	Bing	4%	89.6%
Brazil	Google	95%	Others	6%	54.2%
Canada	Google	87%	Yahoo	6%	92.5%
China	Baidu	55%	Qihoo 360	28%	49.5%
France	Google	92%	Yahoo	4%	83.3%
Germany	Google	94%	Bing	2%	88.6%
Hong Kong	Google	73%	Yahoo	24%	80.5%
India	Google	96%	Others	4%	28.3%
Indonesia	Google	96%	Others	4%	28.5%
Italy	Google	95%	Yahoo	2%	58.5%
Japan	Google	57%	Yahoo Japan	40%	90.6%
Malaysia	Google	93%	Yahoo	4%	67.5%
Mexico	Google	94%	Bing	3%	49.2%
The Netherlands	Google	94%	Bing	2%	95.7%
The Philippines	Google	89%	Yahoo	7%	43.0%
Poland	Google	97%	Others	3%	66.9%
Russia	Yandex	58%	Google	34%	61.4%
Saudi Arabia	Google	94%	Yahoo	2%	65.9%
Singapore	Google	92%	Yahoo	6%	82.0%
South Africa	Google	93%	Bing	4%	49.0%
South Korea	Naver	77%	Daum	20%	92.3%
Spain	Google	95%	Yahoo	2%	74.8%
Sweden	Google	94%	Bing	3%	94.8%
Thailand	Google	98%	Others	2%	34.9%
Turkey	Google	96%	Yandex	2%	56.7%
United Arab Emirates	Google	94%	Yahoo	2%	93.2%
United Kingdom / UK	Google	90%	Bing	5%	89.8%
United States	Google	72%	Bing	21%	87.9%
Vietnam	Google	92%	Bing	4%	48.3%

Data Collected and Provided by



Source: Returnonnow (2015)

Search is able to capture “moment” of people when they are in need of something. That moment when they act on a need – a need to learn something, do something, discover something or buy something. These moments are new battleground to connect with consumers. For Google, they divided moment into 4 main micro-moments; I-want-to-know moments, I-want-to-go moments, I-want-to-do moments, and I-want-to-buy moments. (Think with Google, 2017)

I-want-to-know moments - 74% of online consumers uses internet as their first source of information. Also, 42% of online consumers do product research and information on their smartphones.

I-want-to-go moments - 70% of Thai smartphone users rely on search engine, which is mainly Google for Thailand, when look for local business.

I-want-to-do moments - 81% of consumers use their smartphones to watch videos at least once a week.

I-want-to-buy moments - 48% of online consumers compare prices before purchase. 25% of smartphones users switch to competitors if the site of the brand they want does not work.

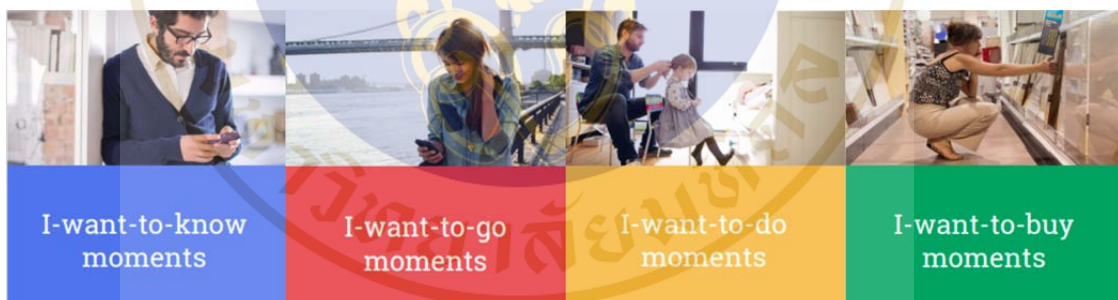


Figure 1.3 Micromoment

Source: Google Search Training (2017)

Search is not only capturing the moment, but also the only “pull” marketing channel in online marketing. Unlike search, other channels are driving awareness which are called “push” marketing (O’Neill, n.d.). For this push marketing, if you are not targeting the right audiences, the money will just go to waste. However, search can deliver ads to the right target by showing ads to people who type search terms that relate to the business. To say, consumers will not search if they do not have intention.

Applying AIDA model with digital marketing

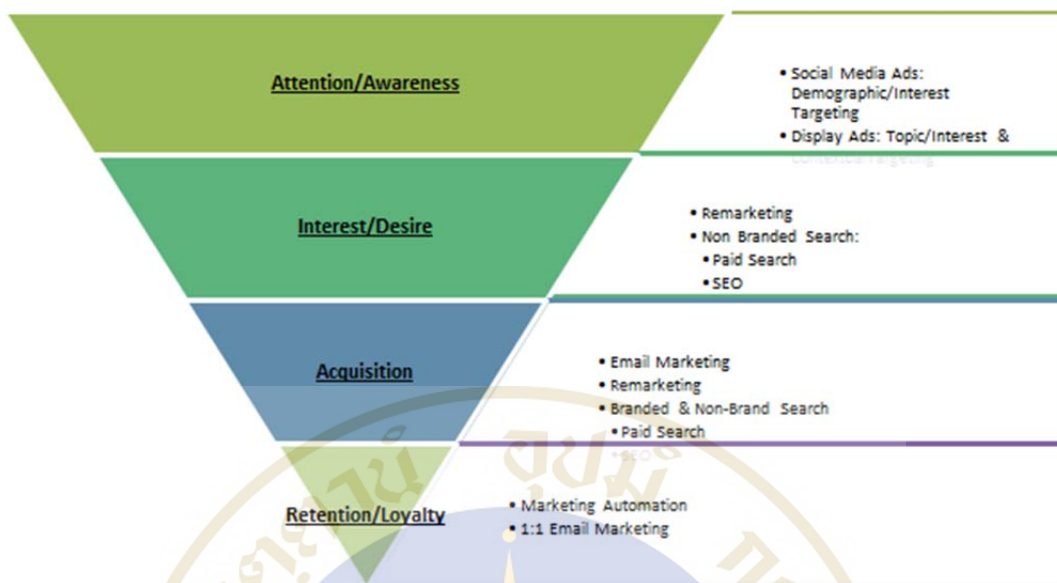


Figure 1.4 Applying AIDA to Digital Marketing

Source: Joe Castro (2013)

From the AIDA figure above, search serves well after people already had intention or interest in the products or brands. While social media, videos, banners are suitable for gaining attention of the brands. As mentioned, search covers those who have intent or interest. Therefore, if you are not there on the search engine page when they are looking for you, you lose that opportunity which could lead to sales or conversions already (Think with Google, 2015). Search normally performs better than other channels because they have to drive awareness first. It is difficult for those channels to make people interested at the first time they see the ad messages. Therefore, it means that you need to show ads frequently enough to make your targeted consumers aware of your products or messages. After they are aware of the products, they will just search for more information. Again, if you are not there, while your competitors are, you will lose your opportunity to acquire them.

1.2.3 Is search still growing?

The number of searches has been growing since 1999 where Google had only around 1 billion searches per year. In the year 2000-2008, number of searches on

Google shifted to 142 billion searches per year on average. However, in the year 2009-2015, the number was even a lot more. It grew 10 times in less than 10 years to 1.5 trillion searches. However, that does not stop the growth rate of search. The number went up another 33.3% to 2 trillion searches in the year 2016.

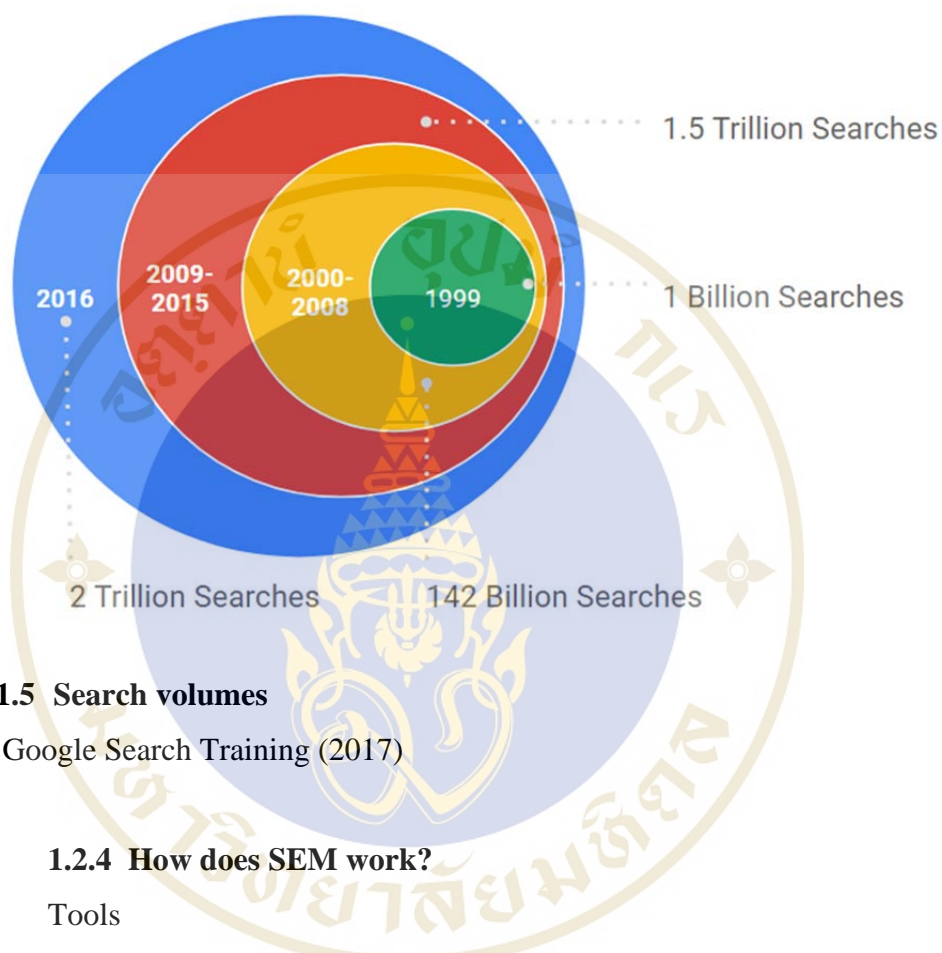


Figure 1.5 Search volumes

Source: Google Search Training (2017)

1.2.4 How does SEM work?

Tools

Search Engine Marketing on Google can be managed under Google tool called Adwords. Advertisers or agencies can manage under either Adwords User Interface, Adwords Editor, or Search Engine Marketing Tools to create SEM campaigns.

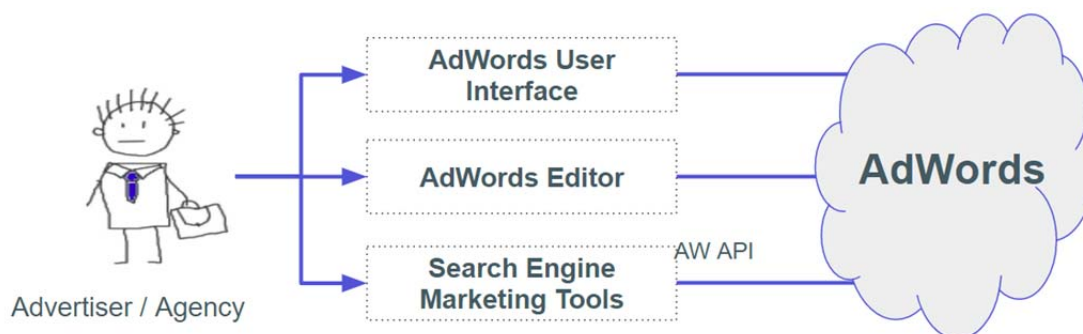


Figure 1.6 Google adwords working funnel

Source: Google Search Training (2017)

Adwords Interface - Normal interface of Adwords provided by Google itself. This tool is commonly use among advertisers and agencies. All changes are managed in real-time.

Adwords Editor - Another tool that is provided by Google. This tool is an offline tool and it will be linked with Adwords once the advertisers or agencies fetch the data with the system. This tool is good for managing campaigns in bulk.

Search Engine Marketing Tools - Google allows developers that build features on top of the AdWords API offering advertisers and agencies an alternate user flow for buying AdWords Media.

The ads will be shown once search terms that people search are matched with keywords that are bought in the system. Advertisers or agencies can choose how much they are willing to pay per click. Every query has to travel around 1,500 miles on average to Google data center and come back with the result. It uses around 1,000 computer per query to compute and retrieve the answers (Internet Live Stats, 2018). However, not all ads can be shown in the system all the time. On the first page, there are only 7 positions for ads to show on that page; 4 on top, and 3 at the bottom (Kim, 2016). Therefore, Google has criteria to choose which ads to show or not to show as well as on which position. They are quality score (QS) and maximum bid. Quality score is the most important factor that Google weights on. If ads are friendly and relevant to what users are searching. People will click on the ads which will lead to a landing page. Users will be happy from finding relevant products. Brand owners will be happy from selling their products or services. Moreover, Google will also be happy because if the users are happy, they will return to use Google products (Varian, 2015).

1.2.5 Search Auction

Google search auction happens in every search query that was typed in the search bar. The query will be sent to data center to compute. This process happens in less than a second by 1,000 computer for a single query. Google uses Quality Score [Max Bid * (Expected CTR%, Landing page Experience, Ad Relevance) + Extension formats] to calculate the Ad Rank (second price auction) and then adjust how each advertiser rank in the search result page. However, ads will not be able to show if advertisers or agencies breaking Google policy or have really low Ad Rank. Many people understand that if they pay higher price, they will be able to get the ad at the first position, but actually it is not working that way. Quality Score can help advertisers who have the highest Ad Rank get into the first or top of page position which they do not have to pay high price to be on those positions. Each person will see ads differently depends on location, time, place they are searching because Google wants to maximize experience of the users by using the user signals and serve ads that fit them the most.





ADVERTISER	MAX BID	QUALITY SCORE	FORMAT IMPACT	AD RANK
 BOB	\$4	Low	Low	NOT SHOWN 5
 JANE	\$3	High	Low	2 ND 15
 SUE	\$2	High	High	1 ST 20
 TOM	\$1	Medium	Medium	3 RD 8

Figure 1.7 How AdRank impacts your Cost-Per-Click rate and position in the SERP

Source: Walsh (2017)

1.3 What are research questions?

1. Why search spending is low in Thai market
2. What are agencies' perspectives towards Search
3. What are clients' perspectives towards Search (from agency's point-of-view)
4. How to efficiently scale and educate Search in Thai market

1.4 Research Method

This research will use qualitative method which will be one-on-one interview, and focus group. The main target interviewee would be 20-25 media biddable team and planners from big media agencies which are GroupM, IPG, OMG, Dentsu, Cheil and Starcom.

1.5 Limitations of the research:

This research will only focus on the agency's side where they work with clients on online media closely. From working experience with big clients, this research wants to find out what are agencies' perspectives towards Search Engine Marketing in Thai market.

1.6 Benefits of the research:

This research provides understanding towards Search Engine Marketing (SEM) in Thailand. Especially why they are still not the main channel to choose from for clients to drive performance. Therefore, the knowledge gained from this research helps clients understand more on how they should react with the trends nowadays and understand more on how SEM can help them achieve their goals.

CHAPTER II

LITERATURE REVIEW

This chapter will discuss the literatures and related research studies. The content will cover references in digital advertising including definitions, pros and cons of each media channel, possible reasons why Search is lagging in Thailand advertising market, and review of related studies.

2.1 What is Search Engine Marketing?

Search Engine Marketing (SEM) or also known as Paid Search is one of online marketing channels apart from social medias, e-mails, display, videos, and so on. SEM is a cost-per-click based channel, which advertisers will pay only when the ads were clicked. It will be shown, when people search on Google search engine, on either top and bottom parts on the Search Engine Result Page (SERP). It can be shown in all devices such as desktops, tablets, and mobiles.

Result of a search term “insurance” in Thai language in Google search engine on desktop.

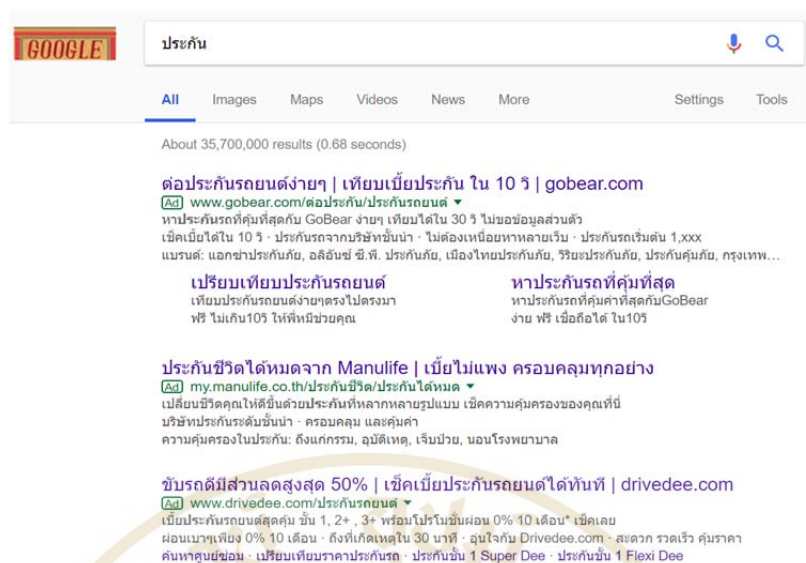


Figure 2.1 Result of search term “insurance” (in Thai) on Google

Source: Retrieved on Jan 28th, 2018

Result of two search terms, “agoda” and “hotels booking” in Google search engine on mobile.

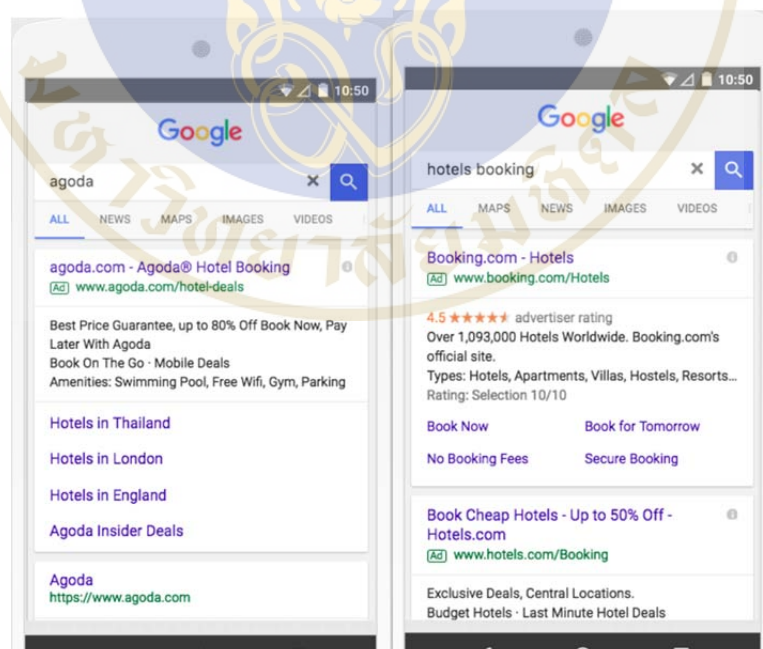


Figure 2.2 Result of search term “agoda” and “hotels booking” on Google

Source: Google Search Training

Brief definition and pros and cons of media channels

2.1.1 Television

Television is one of traditional media channels. It is a telecommunication medium used for transmitting moving images and sound. Television sets became commonplace in homes, businesses, and institutions after World War II and afterwards the improved versions are available in markets. Television ads can be very effective when targeting a broad audience, either the population in general or a wide swath of a particular demographic, due to the popularity of televisions. The most significant pros of television includes high power to reach broad or targeted audiences depending on the reach of the channel or channels selected to run an ad. However, television is one of the most expensive form of marketing, if not the most. Also the rise of smartphone means that audience attentions may not be on television ads as much as in the past anymore. (Bomamarketing, 2017)

2.1.2 Radio

Radio is another form of traditional media channels, but with sound only. Commercial radio broadcasting began in the 1920s and became an important mass medium for entertainment and news. Radio has the same advantage with television on broad reach to the population in general or a particular demographic. A radio ad can target a sport show for male listeners or people in specific area. However it comes with expensive advertising cost, although not as much as television. (Bomamarketing, 2017)

2.1.3 Print ads

Print ads is another method of reaching broad audiences that has the same advantage on broad reach to the population in general via newspapers or a particular demographic through magazines. However, the availability of internet posed an ongoing challenge on printed ads. Many magazines and newspapers now publish online editions along with printed ones, and offer advertising packages featuring both print and online ads. (Bomamarketing, 2017)

2.1.4 Billboard ads

Billboard ads usually located in highly visible, heavy traffic areas such as expressways, primary arterials, and major intersections. Billboard ads access to consumers in a specific geographical area. The advantage is the ability to target broad audiences in a very specific area. The disadvantages are limited area of reach and inability to target at specific demographic groups in the same way that digital ads can. (Bomamarketing, 2017)

2.1.5 Search Engine Optimization (SEO)

Search Engine Optimization is one of digital media channels. It refers to a series of processes by which a website improves its rankings in search engines like Google. Research has shown that your search engine presence is strongly tied to the number of leads and revenue your business is able to generate. The difference from pay-per-click advertising is that SEO focuses solely on rankings in organic results. The advantages of SEO includes long term impacts, mutual benefit with pay-per-click, fixed cost that is not scalable with traffic. SEO is also better than SEM in the way that it brings better quality traffic leads as natural search visitors to the website are far more likely to trust in the website they click. The disadvantage includes inability to control messages, time required to see impact, no guarantee that ranking will be high, risk of algorithm change, risk of penalty due to black hat SEO, and hidden cost from optimization, such as hiring outside vendors to manage SEO strategy for the website. Although SEO could take time and hidden cost, in the end, it will directly support SEM performance (Wardle, 2015).

2.1.6 Content marketing

Content marketing is another digital media channels. It relies mainly on the distribution of content including but not limited to articles, blog posts, guides, infographics, and videos to appeal to potential customers and business leads. Consumers tend to react positively to businesses that provide entertaining, engaging, or helpful content. A consumer is much more likely to learn more about an unknown company if it has provided them something of value. Content marketing also have an impact on a website's SEO due to Google's page rank that favor a site with substantial content. (WebpageFX, n.d.) The pros of content marketing are capability to create positive experience to consumers or

brand trust and assistance to SEO impact. The con of content marketing is that creating quality content generally take time and effort.

2.1.7 Social media

Social media networks like Facebook, Twitter, Google+, and Instagram are used by businesses to establish connections with their potential customers, and also strengthen the relationships they have with current ones (WebpageFX, n.d.). For Facebook, it gives you potential of huge reach to your targeted customers. The platform has a lot of data on them and allow for extensive targeting. (Click.co.uk, n.d.) More importantly, the platform provide you features to interact with your customers directly, which is not common for other marketing channels. Customers can interact with ads by exposing their emotion via likes, comments, or shares. The company is able to answer questions, respond to feedback, and address concerns or possible issues quickly, and in a very personal way. (WebpageFX, n.d.) Good answers or impressions can go a long way in building up trust. According to E-consultancy report, $\frac{3}{4}$ of those 18 – 26 age group used recommendations on social media sites before making a purchase. Once you have a presence on Facebook, Twitter, or Google+, peer recommendations will happen when someone likes your page, mentions your Twitter handle, or tags your brand name (Pellegrino, 2016). One of the disadvantages is that any negative responses can impact business quickly and greatly since everything is public and easy to record on social media. Another disadvantage is the need for constant attention to make sure that responses are provided for any questions or concerns that can be raised any time.

2.1.8 Email marketing

Email marketing is one of the early forms of digital advertising, it allows a company to directly reach customer and offer them news, deals, or promotion to motivate them to react further. Email marketing can be used as an extension of content marketing by providing unique content to email subscribers. The major disadvantage of email marketing is the likelihood to for emails to be blocked by bot or ignored by consumers due to its nature of outbound marketing. (Cooper, n.d)

2.1.9 Search Engine Marketing (SEM)

Search Engine Marketing is a form of advertisements used to direct traffic to websites and requires paying for each click a company received. SEM can appear as text ads above organic results. Unlike SEO that takes time to be on top of the page, SEM can be boosted to be on top very fast. Therefore, if you are looking for quickly boost sale, SEM is one of a great options. (WebpageFX, n.d.) The major benefits include flexible and controllable creatives, high visibility, instant traffic, target selection, and reservation of digital area against competitors. Also, SEM can help capturing the moment when people search for something that relate to your business. As customers already have desires or intents towards products they are searching for, they seem to have greater chance to generate leads or conversion to the business more than other channels. The cons of SEM includes scalable cost per click and need for constant optimization. (Click.co.uk, n.d.)

2.2 Definition of Terms Used

2.2.1 Search Engine Marketing (SEM)

Search engine marketing (SEM) is a form of Internet marketing that involves the promotion of websites by increasing their visibility in search engine results pages (SERPs) primarily through paid advertising. SEM may incorporate search engine optimization (SEO), which adjusts or rewrites website content and site architecture to achieve a higher ranking in search engine results pages to enhance pay per click (PPC) listings (The State of Search Engine Marketing, 2006).

2.2.2 Media Agency

Media agency is a company that advises companies on how and where to advertise and how to present a positive picture of themselves to the public (Cambridge Dictionary, 2018)

2.2.3 Search Engine Result Page (SERP)

A search engine results page (SERP) is the page displayed by a web search engine in response to a query by a searcher. The main component of the SERP is the listing of results that are returned by the search engine in response to a keyword query (BJ Jansen, A Spink, 2008)

2.2.4 Adwords

Google AdWords is one of the services advertisers use for online promotion of their content, brand, website, etc. through certain defined keywords to achieve traffic or leads. It is a form of brief advertising copy with keywords that are displayed on Google web pages and partner websites (called publishers) after matching their content with the keywords (Economic Times, 2018).

2.2.5 Quality Score (QS)

Quality Score is a variable used by Google, Yahoo! (called Quality Index), and Bing that can influence both the rank and cost per click (CPC) of ads (Google AdWords Help, 2009).

2.2.6 Search Engine Optimization

Search engine optimization is the process of improving the quality and volume of web traffic to a website by employing a series of proven SEO techniques that help a website achieve a higher ranking with the major search engines when certain keywords and phrases are put in the search field (Brick Marketing, 2018).

2.2.7 Performance Marketing

Performance marketing refers to marketing techniques and campaigns by which the advertiser pays only for results. Performance marketing is an important part of digital marketing due to the tracking capabilities of the Internet (The Digital Marketing Glossary, 2018).

2.3 Possible why search is Lagging in Thailand.

We cannot deny that social media has increasingly become a very important tool for business marketing in Thailand. Thailand has remained in the top 10 worldwide for social media usage. The statistic shows as of May 1, 2017 that the number of social media users increased by 20% year-on-year (Fredrickson, 2017). Bangkok is the Facebook's most active city with 30 million people using it in the past 30 days. The statistic even shows that Thailand contributes 2% of total Facebook users in the world from the total of 1.968 billion Facebook users. This is a very huge number when comparing with the condensity of people who uses Social media at 67.14% from the total population in Thailand. This part is going to be discussed on the points that relate to behaviors in social media usage and how the connections of each point could explain the reasons why SEM is lagging in Thailand.



Figure 2.3 Thailand Internet User Profile 2017

Source: Ourgreenfish (2017)

From the figure above, we can see that Gen Y and Z spend highest hour on the internet when comparing with other ages. With the estimate of 6-7 hours per day,

whereas they use social media the highest at around 3 hours 30 minutes and followed by watching video content online at around 2 hours per day.

ภาพ 2 จำนวนชั่วโมงการใช้อินเทอร์เน็ตโดยเฉลี่ยต่อวัน รายกิจกรรมการใช้งาน
จำแนกตามวันทำงาน/วันเรียนหนังสือและวันหยุด



Figure 2.4 Thailand Internet User Profile 2017

Source: Ourgreenfish (2017)

However, surprisingly, from the image below, we can see that user activity spend time on search and social media at the same rate. Thus, spending on SEM is much lower than social media when it comes to online media spending. We set hypothesis that Thai people do not understand SEM that much or even clients themselves.

ภาพ 6 ร้อยละของผู้ใช้อินเทอร์เน็ต
เปรียบเทียบตามกิจกรรมการใช้งานผ่านอินเทอร์เน็ต



Figure 2.5 Thailand Internet User Profile 2017

Source: Ourgreenfish, 2017

Also, Thai people are collectivists (Manewan Chat-uthai, 2016). They prefer use of social media (ex: Facebook, Instagram, line messenger) as the channel to learn and get updates through interactions with their friends. (For googling, they'd have no interactions with peers or at least indirectly). We can see below that Thai and US have different behavior when it comes to how they consume social media. According to 2 figures below comparing activities between American and Thai, Thai people use Facebook for uploading and sharing photos the most while American uses it for sending private message to friends and family.

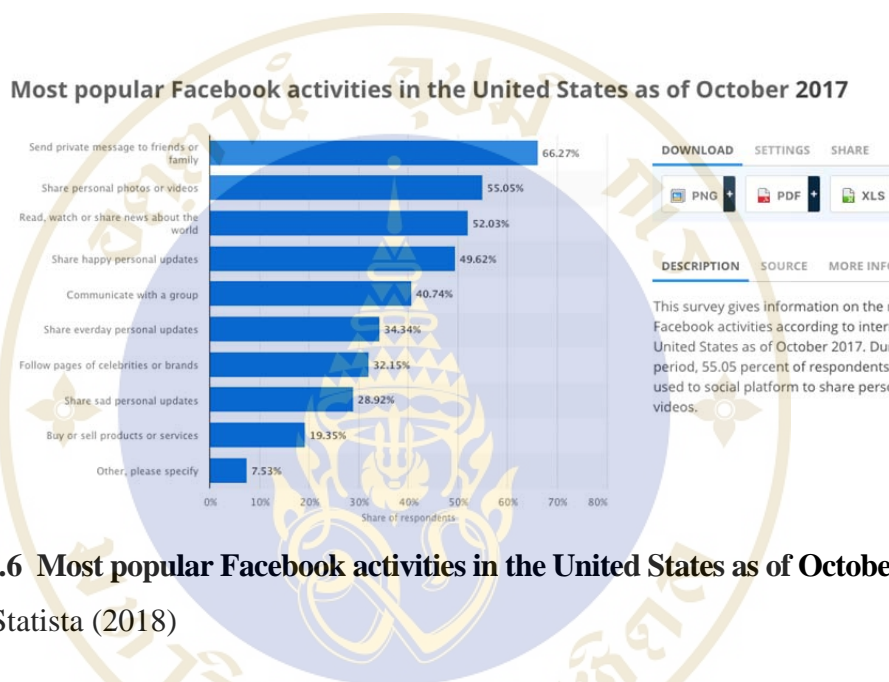


Figure 2.6 Most popular Facebook activities in the United States as of October 2017
Source: Statista (2018)

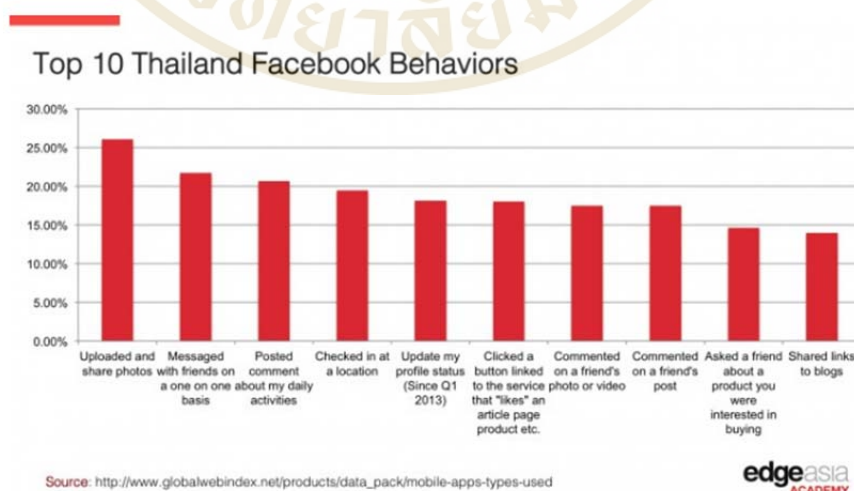


Figure 2.7 Thai-Facebook-Behavior
Source: Aripfan, n.d.

2.4 Related Studies & Opportunities

The landscape of digital marketing study, at best, limited to overall internet acceptance as marketing mediums and the impact of eCommerce. The situation is understandable since those two topics can significantly help companies decide whether they should invest a big sum in complex and unique infrastructure of digital world or not. The statistically less frequent study is the study that focus on relatively granular digital marketing channels like Google Search advertising. This occurrence shows a great opportunity of the additional research specifically on Google Search in Thailand which can disseminate valuable insights throughout the whole market. The insights also can help highlight difference or similarity between Thailand and other market which can indicate or predict the future trends of digital landscape.

In 2014, Amruta Vijay Pawar published 'Study of the Effectiveness of Online Marketing on Integrated Marketing Communication' (Amruta Vijay Pawar, 2014). The study use a structured & closed ended questionnaire as a method to collect data, and limited samples to Mumbai suburbs only.

It is worth noting that in 2014, Mumbai has 16.4 million internet users which is the top city with most internet users in India. The incremental users in 2014 is about 34% more than the year 2013.

The study found that consumers reckon upon more than one medium could get knowledge of any brand. They do refer various mediums to get awareness but highest preference is being given to the online media. Majority of consumers believe that companies should use online activities in their marketing efforts. The study reveals that the majority of consumers have stopped preferring television commercials or print ads to get brand awareness. Thus, the popular traditional mediums are no longer remained first preference for the consumers to receive ad messages.

It is obvious that, thanks to different time period, demography, culture, and technological acceptance, the study cannot be used to reflect true situation in Thailand digital landscape accurately. Hence there is an opportunity here to gain these information from Thai population directly. The result from this study can also help gain insights on similarity between Thailand and Mumbai digital landscape.

Kiran Neupane published 'Search Engine Optimization and Its Implications in Internet Marketing' in 2013. The research focuses mainly, as its name implied, on

Search Engine Optimization or SEO. Although this is only one of many studies on digital marketing, it represents popularity and trend on SEO which got its own shares of spotlight more than Search Engine Marketing (SEM) or paid search (Neupane, 2013).



CHAPTER III

METHODOLOGY

3.1 Research Methods

The research method that will be used in this individual study is qualitative research or semi-structured interview. Qualitative analysis is the method used to find out a complete, detailed description on the topic. The basic purpose of this study is to find the root causes of limited use of Search Engine Marketing in Thailand. The method of the qualitative research will be an interview which is the most common method in qualitative research. Semi-structured interview had been chosen because interviewer can prepare questions ahead of time. The benefit of it is that the interviewer has time to prepare and take note during the interview. Also, semi-structured interview allows interviewees to express their ideas freely, which can provide reliable, comparable qualitative data (Cohen D, 2006)

3.2 Data Collection

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. The sources from which the data are abstracted can be divided into three categories. Primary sources are the original materials that have not been interpreted or evaluated which can include journal articles, newspaper articles, surveys etc. Secondary sources are the ones that have been abstracted from the primary sources and are already gone through interpretations and evaluations. Some examples include dictionaries, journal articles. Lastly, tertiary data are those abstracted from the primary as well as the secondary data and are more distilled in nature, for instance, fact books, guidebook, textbooks etc. Data on this research will be abstracted from all the sources available. Collection of data in the preparation of this study is from three main sources. Literature review from the books, online materials and articles are

used to collect information for the theoretical aspect of the research, similarly interview strategy is used to collect data from direct agency managers and others related to the field of search engine marketing. The primary reason for selecting the managers for interviewing is that they would have a good knowledge in the field and would provide relevant information on the current situation of search engine marketing in Thailand as well as root cause of lack of broad usage compared to other channels (lhs.gov, n.d.)

3.3 Research Approach: Semi-structured Interviews

There are four main sections to study as follows:

1. Why search spending is low in Thai market?
2. What are agencies' perspectives towards Search?
3. What are clients' perspectives towards Search (from agency's point-of-view)? and
4. How to efficiently scale and educate Search in Thai market?

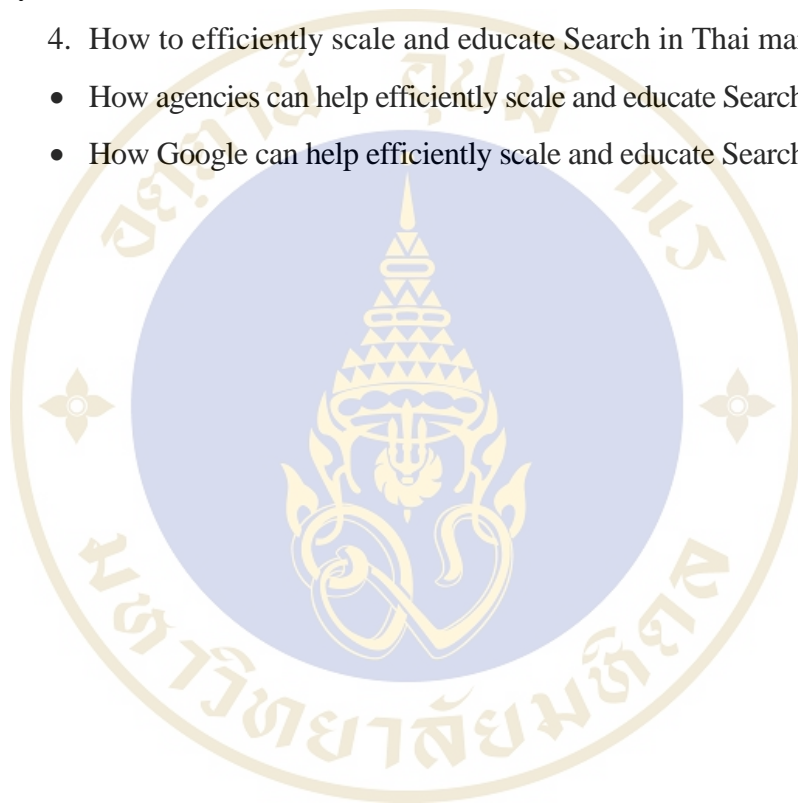
3.4 Informants of the Study

The informants of this study consist of 25 targeted participants including online media biddable team and online media planners from five agencies in Thailand which are GroupM, OMG, Dentsu, IPG, and Starcom.

Interview questions

1. Why search spending is low in Thai market?
 - What is the current status of Search in Thailand market?
 - Will the trend of Search in Thailand change in the future? In which way?
 - What are opportunities and challenges of Search in the market?
2. What are agencies' media choice drivers and especially on Search?
 - What are your choice factor between media channels?
 - Can you briefly explain the workflow between agency and clients from beginning to end?
 - How does your media planner allocate the budget to search spending?

- Are there usually any struggle when it comes to working on SEM?
3. What are clients' media choice drivers and especially on Search (from agency's point-of-view)?
- How do your clients prefer the budget to allocate in each media spend?
 - What are clients' choices factors between media channels?
 - Do they have search budget match with their perspectives?
 - Do you think clients have sufficient knowledge to be able to utilize Search effectively?
4. How to efficiently scale and educate Search in Thai market.
- How agencies can help efficiently scale and educate Search in Thai market?
 - How Google can help efficiently scale and educate Search in Thai market?



CHAPTER IV

DATA ANALYSIS

This chapter explains the findings of the interview analysis. Details of the interview obtained from the surveyed respondents is analyzed and explained, which include four parts: search in Thai market, agencies' media choice, clients' media choice and how to scale search.

4.1 Part I. Search in Thai Market

4.1.1 Question: Why search spending is low in Thai market?

From the question asking respondents why search spending in Thai market is low, it is found that the resource of brand owners and the skill of manpower in Thai market do not support search. Brand owners, also known as clients, do not have knowledge on search because they are used to using offline medias, such as television ads, radio ads, billboards and magazines. They also do not see that search can help their business as they do not understand how it works. For example, most FMCG companies rely on expanding trade distribution to scale up their sales instead of selling through e-commerce.

Another reason is, in order to measure performance on search, clients need to have a well established website which allow the search engine to track the performance. But it turns out that majority of clients have the established website long before they are introduced to search, which those websites do not have tag allowing the search engine to track consumer journey or lead to conversions as their end goals. This takes huge amount of time and money to establish the website. Moreover, some clients have website that has to align with their regional structure, so they cannot edit anything, and have to follow the structure. Therefore, many clients would just switch to other medias that do not require their efforts to rebuild their website, such as Facebook, Youtube, etc.

Respondents also answered that customers are required to know or have enough intention to search for the product advertised in SEM. So brand owners are more interested in other media channels which can target those customers who are not aware of the product, even though, conversion rate will be lower compared to SEM. Also, some brands focus on number of reach and awareness more than consideration, in which SEM may not be the best tool to reach the objective. Thus marketers divide budget to other media that may earn more reach than SEM.

Another respondent answered that because in SEM, the creativity of the ad is not available as the advertisement is only texts. Another respondent also agreed on this reason as most clients focus on creating awareness through promoting video ads instead of through texts in SEM.

Respondents agreed that most people, especially in Thailand and SMEs, do not have knowledge on SEM and do not understand why SEM is important. A respondent even suggested that SEM is too difficult to use for many marketers, so the ads spend is low reflecting the availability of manpower resource. The lack of knowledge on search also reflect how brand owners did not do a full funnel marketing as they want sales conversion in short term. One agency answered that agencies do not like to propose SEM to clients because search takes much more man hours to execute comparing to social platform. Also, higher competition in search platform cause cost per click to be higher and make small SMEs do not want to spend. Ending up that only big brands which have higher budget are willing to spend on SEM.

One respondent gave a very interesting answer. He thinks that SEM spending is low because it is seen as an "always on" platform, while other platforms might get additional spending to cover any "new awareness campaigns" throughout the year. Clients would usually spend a fixed amount of budget on search in an always on format. And search is based on demand. We usually get best result from brand or product-related keywords and these keywords don't require a lot of budget to cover. Investing too much into non performing keywords would only drive performance down. Another interesting answer is that most products' target is nationwide and target in upcountry are still consuming television and print medias.

A surveyed respondent answered that consumers do not like to click on search ads because it doesn't look trustable and seems like advertisers are trying to force consumers to click on it.

A respondent suggested that the reason is probably because Thai people are sticky to social medias and prefer two way communication, thus, social platforms get more chance of getting picked compared to search.

4.1.2 Question: What is the current status of Search in Thailand market?

When asked about the current status of search in Thai market, all respondents answered that search is still growing in Thai market, but the growth pace is slower than other available digital medias. Respondents answered that they notice there were a lot of seminars arranged to train about search and clients are becoming more and more interested in investing in search.

One respondent answered that the current status is better because it is a digital era and when Thai people want to find out anything, they will do online search. Another respondent said that search is being used a lot, but not enough. Another respondent mentioned that with the help of technology and customer relationship management data, search can grow a lot more.

Respondent commented that there is very limited manpower resource that know how to do search marketing. Especially with the SMEs firms who have limited budget amount, which makes their search result even worse because they lend small portion of budget to search marketing. When there's low demand on search engine marketing which caused by limited brands' knowledge, the willingness to hire search engine marketing specialist will be lowered and specialist supply will be lowered as well. Another respondent agreed on the reason that not a lot of advertiser correctly utilize the benefit of search marketing.

On another hand, some keywords are very competitive and have more than 20 competitors bidding on the keywords, which make some clients do not want to pay for search as the cost per click is too high. Thus, brands turned to focus on other media channels other than search.

Another respondent mentioned that, in Thailand, less priority is given for search in comparison to other media channels. But it also depends on the industry which

the search is practiced in. For example, real estate and e-commerce industries are more competitive on search, thus has more advanced search engine marketing when comparing to snack and beverage industry. This is especially on the industries that consumers are required to do a lot of research before making purchasing decision. Most of the brands know that search engine marketing is more difficult to do than purchasing ad in Facebook or selling through LINE messenger.

One respondent gave opinion on the status on search in Thai market that brands that want to focus on the performance will definitely invest in search, while brands that focus on building awareness might overlook search marketing.

Brands in Thailand usually focus on channels other than search engine marketing, such as Youtube and Facebook. The reason that brands spend on search engine marketing is only because they want to have brand presence when consumers search for the product, but, in fact, if consumers are to search, they would search for problem and solutions rather than for the products.

One respondent said that he saw search is growing slower than other media platforms, but search should grow more steadily because in the end people need to search and he still don't see anything that can disrupt the need to search in the future.

4.1.3 Question: Will the trend of Search in Thailand change in the future? In which way?

Asking about the future trend of search in Thai market, all respondents answered that they see opportunity for search to continue to grow as more and more marketers allocate their budget on search. There will be more bids, more competition and search will become more popular. Respondents also answered that in the future, search spending that directly lead to sales conversion will be more widely practiced as they see many FMCG companies practice in marketing their products in e-commerce channel.

One respondent said that technologies and data are being used in optimizing search spending performance. Another respondent answered that, in future, search will be more and more popular in large organizations, but will be less practiced in smaller SMEs.

A respondent commented that in the near future, search engine marketing is likely to grow especially in e-commerce sector, since a lot of features has been developed to support this industry, for example, Google shopping. Once marketers are more educated about search engine marketing, they will see its value and importance. Thus, search engine marketing might be the always-on media in the brands' media plans in the future.

Another respondent said that as both platforms and clients give more focus into the action-oriented objectives, search engine marketing will become more and more important.

Another respondent said that more advertisers might spend more on search if the education level on search is plenty enough.

One respondent said that search engine marketing should be growing in accordance to the growth of mobile phone and internet market. Searching data from mobile phone is especially a micro moment that consumers use search and SMEs will soon adapt to practicing search engine marketing, since it is the most effective media choice in term of driving and reaching prospecting and in-market consumers. And marketers may use more search engine marketing in the future as nowadays' people behavior tend to search for product details before making purchasing decisions.

Some respondents gave different opinion that if the cost per click is still too high to compete, some brands might stop allocating their budget to search and spend on other media channels. In the end, only big brands will remain competing in the search marketing. And some respondent even offended on search that social media platform can grow faster in future because consumers want to search to get the most recent information and the easiest to contact information.

4.1.4 Question: What are opportunities and challenges of Search in the market?

From the question asking what opportunities and challenge they see for search in Thai market, respondents answered that the opportunity in search is the media that can be easier to convert to sales because consumer behavior has began to accept online purchase. This is especially for rural area markets. More than half of e-commerce transactions are from upcountry areas and brands can localize the message to target those people.

One respondent even answered that search is an easy way of stealing competitors' customer as any brand can bid for the keywords of their competitors.

A respondent said that opportunity is that it can help consumers get to know more about the product, but the challenge is that the quality of webpage based on the search engine optimization. Another respondent said that the opportunities lie in the fact that more and more people are searching, either that will be where to eat or where to go. These micro moments are where search comes in and provides solutions. As for the challenges, there are more and more services to advertise products which makes it difficult to compete.

Another respondent said that the challenge is that SMEs firms need to understand and gain more knowledge on search engine marketing. Search engine marketing not only gives the opportunity for brands to "be there" for the audiences which they search for it, but it also helps to build quality audiences for retargeting or targeting the right audience with others Google products. The biggest challenge is the lack of experiences and knowledge in search engine marketing.

Another respondent answered that search engine marketing is now developed to the point that it can really helps clients to reach their business objectives. The challenge now is to keep maintaining competitive edge over other competitors. Now it's like "if we can do it, so can others".

One respondent said that the challenge is to educate advertisers to understand how search is important and teach them why they need to include search as their media channel.

Another respondent said that the opportunities of search are that it can reach people in their micro moments, track consumers' search trend, show the right advertisement to the right consumers and can helps acquire consumers from competitors. The key challenge is that even though the market is growing, but the search specialists are limited. This key challenge also impact the brands' performance on search because as search specialists are limited, the service fee of the highly experience specialists is high and brands do not want to pay for the fee. When the brands ended up paying cheaper service fee, they do not get the quality outcomes or outcomes that do not create impact for their business. Thus, in the end, brands don't see how search help their business and don't invest in search media.

Another key challenge for search is that the high cost per visit when compare to other online media channels. But looking at the opportunity angle, machine learning is developing by Google to help optimize ROI and ROAS.

A respondent said that search is a channel that can really help business grow, but brands need to keep on trial testing on which practices that suit their business the most. The challenge is that brands need to adapt to development in search all the time. Especially search is the most difficult media channel to optimize to get the highest click through rate.

Another respondent mentioned that opportunities in search engine marketing is that doing search marketing will cover the consideration stage in the consumer's journey, which leads to higher chance of consumers ending up buying the products. The challenge is that competitors may use clients' brand as their keyword in order to show their ads, thus brand may list its customers to competitors.

Search is almost the only online media channel that can tell marketers what consumers are really looking for. As such, brands can get to know consumers' intention. But online consumers' behaviors change all the time, so the challenge is that it is difficult to capture the I want to buy moments.

The opportunity for search is that Google is still the number one search engine in Thailand, thus targeting can ensure brands that consumers will see the ads. But the challenge on this is to make creative and high engagement ads.

4.2 Part II. Agencies' Media Choice

4.2.1 Question: What are agencies' media choice drivers and especially on Search?

When asked about drivers on how agencies make choice on media, answer got is it depends on their clients' business objectives. Different medias serve for different purposes. For example, Youtube and Facebook are medias that push ads to consumers, so they are suitable for creating awareness. While for search, consumers already have the awareness, which is why they search, so the objective of search media is to encourage purchasing decision.

One respondent said that clients choose medias based on the expected performance result that can help with their KPIs. Another respondent said that he choose search as the media choice because the product needs to be there on the customer journey, but all other media channels need to be included too.

Another respondent mentioned that the media choice depends on their campaign's objective and evaluate which media channels can help drive their objective. If the objective is conversion, search marketing needs to be included. But if the objective is awareness, medias other than search will be the chosen priority.

One respondent suggested that media choice is depends on the number of users, the options for target the audiences, the cost and the reliability of the media channels.

One respondent gave a very insightful answer. He mentioned that the decision to do search engine marketing usually depends the budget that client will spend on search. The reason is because in doing SEM, the man-hour is the same whether the budget is small or large. And agencies make profit based on agency fee as percentage of budget. So, if client is very little, agencies do not want to recommend client to do search because agency fees earned doesn't worth their efforts.

Another respondent said that the type of product do impact choice of media. And budget available also impact on media choices. A respondent said that media choice depends on how fast the message get sent to the target consumers and how fast it can deliver the final results. Which, in this case, search engine marketing usually requires tactics to implement and time to see results.

Some respondent even gave opinion that, in some case that the campaign only promoted through online media channels, search engine marketing is not necessary because customers can always find their campaign and see other media channels when they make a search.

4.2.2 Question: What are your choice factor between media channels?

The media choice is also depends on the consumption behavior and the target consumers. If the nature of the product require some research before purchasing and the target consumer's behavior is to search before making purchase decision, search will be chosen as their media choice.

Anyhow, clients, especially from FMCG corporations, are sticky to choose television ads as their priority media choice. And digital media often become the last media choice that they will spend on if they still have leftover budget after spending on traditional medias. Moreover, most clients often have video ads on hand to promote their campaign or new products, which this resource requires high investment cost and is applicable to medias other than search, for example, Youtube, Facebook, Instagram. For this reason, search media is often overlooked by clients.

One respondent gave a very useful insight about the media choice. He mentioned that, often time, one planner is assigned to service many clients. And when the number of projects are too loaded, instead of recommending media plan for clients, it becomes asking clients on their preference on budget allocation on each media and do as commanded by their clients. As clients are sticky to traditional advertising medias, and video resource invested from traditional medias can best used in digital medias other than search, search medias become the last chosen media that client will spend on.

The workflow between agency and client are the same in every corporations. It will begin with clients' business plan and their campaign objectives. Client will also share the budget allocated for the campaign with agency. Then strategic planners, creative planners, media planners and biddables will work together to come up with a plan to achieve client's campaign objective. Then, appointment with client will be scheduled for pitching. If the client buy in the plan after the pitch, agency can start on booking medias, sharing creative assets and work on the campaign. At the end of the campaign, agency will provide report to client and collect service fee.

4.2.3 Question: How does your media planner allocate the budget into search spending?

When asked about how budget is allocated between each media, answer got from respondents is that, nowadays, most global agencies will have a tool which can help recommend how much to invest in each particular media. The tool allow agency to plug in all the details of the campaign, including time frame, budget, objective and others, then media recommendations will be generated. But, even with this tool, many times, agencies will end up allocating the budget across medias as commanded by clients as agencies' priority is to favor their clients and make their clients buy in after the pitch.

So, many respondent answered that the budget allocation depends on the client brief and what they have done on the previous campaign. It also depends on the campaign objectives and which medias can help in which ways. Hence, past performance on search spend will also considered by clients. A respondent answered that mostly 40% is allocated to SEM, 50% allocated to Facebook and 10% allocated to GDN.

One respondent said that budget allocation depends on the type of campaign. For those always on campaign, agencies will consider between historical data and monthly budget, then see how much can be spent to the given keywords. For new campaign, more budget will be allocated to SEM because there should be higher demand to search for it.

4.2.4 Question: Are there usually any struggle when it comes to working on SEM?

The struggles that agencies faced with when working on search engine marketing is that it is troublesome to estimate the accurate cost. Unlike traditional medias like television ads which gross rating point, reach number and media cost is known before launching the campaign, search engine marketing final cost is known after the campaign because it works by bidding on the keywords.

After the campaign, digital marketers use Google's tool to measure conversion performance and clients use corporate system to measure the conversion, which often times do not match. Another major struggle is the lack of skilled and experienced manpower who can actually optimize the search performance because the search algorithm is complicated and as new features are continuously added, it can be difficult to teach.

Hence, if clients have limited knowledge on search and agency also lack of skilled manpower who can thoroughly explain about search to client, convincing clients to pay for what they do not understand is almost impossible. Also, many times, it can be difficult to measure if the sales is converted from which keyword bought, so client sometimes prefer Facebook ads because at least the message is being pushed out to consumers.

4.3 Part III. Clients' Media Choice and Spend

4.3.1 Question: What are clients' media choice drivers and especially on Search?

As most clients have limited knowledge on digital marketing, the media choice driver is very much depends on the corporate culture. For FMCG companies, for example, their usual practice is put heavy spend on television ads instead of digital advertisement.

Another key media choice driver is from keywords that their competitors' bought. If clients see their competitors buy any related keywords, they would also spend on those keywords. Clients spend in order to take the market share from their competitors, said one respondent.

One respondent said that if the clients are performance oriented, they will make choice based previous campaigns performances on the cost per result each media can make. But there are also other cases that client still choose certain medias even though the performance does not support, that are competitors are doing it, social voices are high on certain medias and number of users are high.

Another respondent mentioned that media choice is depends on the importance of search towards the nature of the products or services clients are offering. If the products or services are high in prices or require high involvements with consumers, search spend is a must for clients. But many times, clients will just make media choices based on agency's suggestions, especially with clients that are not very digital savvy.

4.3.2 Question: How do your clients prefer the budget to allocate in each media spend?

When asked about how clients prefer the budget to allocate in each media spend, the answer is it depends on the performance of medias they used to invested in the past. Clients will look at the percentage of budget spent on each media in previous year, then see how much sales conversion is generated from each type of media.

Usually, clients will have the number in mind on how much budget to allocate for television ads, which takes up a big portion from total annual budget, and the rest will be allocated to other medias. For the budget portion that clients allocate to digital

medias, Facebook ads is the media that will get highest budget on because clients want to get more reach and awareness and Facebook is the ideal media.

One respondent said that client will find the best practice and follow it to make decision on each media channel spend. Another respondent said that clients usually listen to agencies' recommendations and then make decisions based on budget already allocated to other medias.

4.3.3 Question: What are clients' choices factors between media channels?

Asking about the factors that affect client's media choice, one respondent suggested that the certainty of cost estimation before execution can affect clients' choice of media. For example, for traditional medias, such as television, radio and billboards, cost of media is known beforehand, but in case of digital medias, such as search, Facebook and Youtube, required budget to achieve target is not known until the target is being achieved, and accurate budget estimation is difficult to forecast most of the time.

Another respondent answered that the factor is the lifestyle of the target. As Thai people's lifestyle is to watch Youtube and Facebook, those two medias often become the priority choices. Other respondents answer that past performance is the factor that affect clients media choices. For example, client will look at previous year's media spend and compare for the clicks, impression, and sales conversion, then make decisions for current year's media plan based on those data.

Respondents answered that the objective, expected return on investment, media favorability, and budget are also another important factors that clients make choices on media channels. But most of the time, clients prefer low cost per traffic and high conversion medias.

4.3.4 Question: Does Search budget they have match with their perspectives?

Respondents answered that their clients do have their search budget match with their perspectives. Their clients normally spend 60% of the digital budget to Facebook, 20% Google search and the rest on other online medias. They admitted that search media is 70% cheaper on conversion rate and generate higher ROI, but Facebook is still the leading media choice because it is closer to consumers' lifestyle.

One respondent also mentioned that his client's perspective does match with the budget they spent because search returns better results quality. Another respondent mentioned that search budget most of the time will match with clients' perspective on search. Another respondent said that it will match with client's perspective if the products they are advertising fall into the categories that consumers usually research before making purchasing decision.

On the other hand, nine out of twenty-five respondents mentioned that they are unsure if the budgets spent on search match with their clients' perspective because most clients expect search marketing to be the channel that generates highest impression share, leads and clicks, but they usually allocate lowest budget to search marketing, especially those that are not doing e-commerce business. Another respondent said that their clients are not content with the search result when comparing to the budget spent because some clients focus on sales as their only KPI.

4.3.5 Question: Do you think clients have sufficient knowledge to be able to utilize Search effectively?

Moreover, respondents mentioned that their clients have very little knowledge about search. Most clients will understand only to the awareness stage, but not to the level where search media can help create sales conversion.

Except for clients in real estate industry like AP. Clients in this industry understands the importance of search engine marketing very well.

Majority of the respondents mentioned that clients do understand search engine marketing much enough to know its importance and how it can helps drive their business goals. However, they still need to rely on agencies to help implement, bidding and optimize performance. What they know is just in the concept level.

4.4 Part IV. How to Efficiently Scale and Educate Search in Thai Market

4.4.1 Question: How to efficiently scale and educate Search in Thai market?

When asked about how can Thai market get educated on search engine marketing efficiently, respondent suggested having courses posted in Youtube so that people can self learn from there. Another respondent suggested Google to make the courses more accessible to everyone so that Google products are more known.

One respondent said that Google should provide courses by designing courses uniquely for each job type. For example, provide unique courses for marketers, planner and biddable.

Another respondent suggested Google to train the freelance search training speakers so they have the correct knowledge. At the same time, Google can also require certificate in order for these freelance trainers to have the correct information. Another respondent even mentioned that people in the industry will be eventually forced to learn about search and other digital medias in the future.

Generally, respondents mentioned that on-hand training is necessary to efficiently educate the human resources. One respondent even suggested that Google should set up a workshop in which participants from each agencies and Google trainers join to share how they work, so everyone can learn from each other's best practice.

4.4.2 Question: How agencies can help efficiently scale and educate Search in Thai market?

When asked how agencies can help efficiently scale and educate search in Thai market, all respondents answered that agencies can use the knowledge from training at Google and help teach clients on why it is necessary to invest in search. However, one respondent mentioned that this can be useful only in some industry that need to focus on search engine marketing a lot.

Another respondent said that it also depends on if clients are willing to learn about search. And it is best to let the client know how to do search by themselves as this can make search ads more effective and can solve the always on keywords problem. Respondent added that Google is in fact lost its search query to other search platforms.

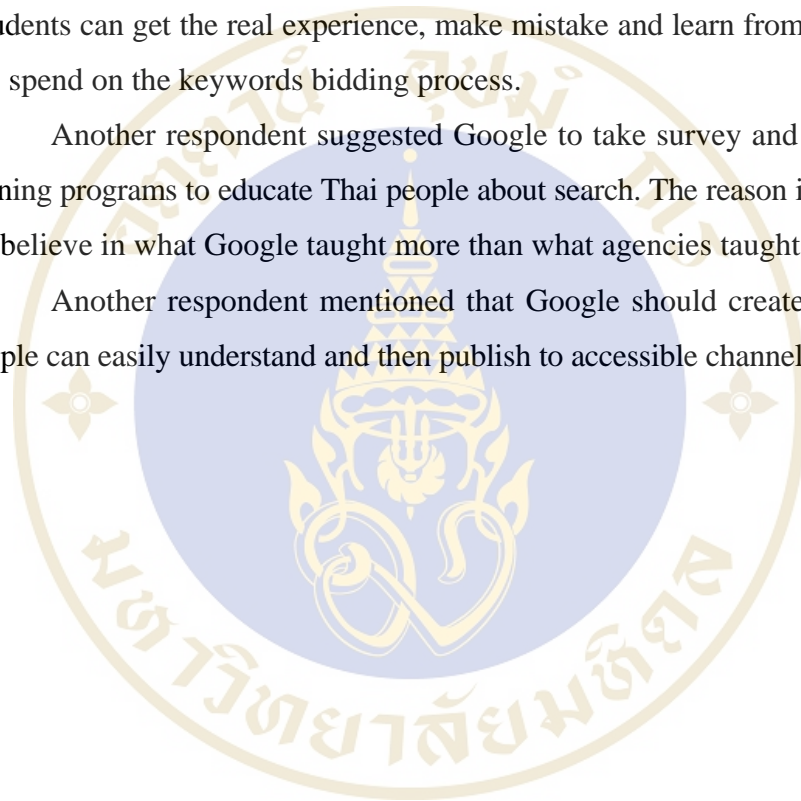
For examples, customers search for products directly from Lazada website or in Instagram instead of Google.

4.4.3 Question: How Google can help efficiently scale and educate Search in Thai market?

Another suggested DAAT to set up competition between agencies or between universities. Then a simulating search bidding platform can be established by Google to serve this competition without being actually spend money on the media. In this way, students can get the real experience, make mistake and learn from mistake without actually spend on the keywords bidding process.

Another respondent suggested Google to take survey and set up events or free training programs to educate Thai people about search. The reason is because clients usually believe in what Google taught more than what agencies taught them.

Another respondent mentioned that Google should create online contents that people can easily understand and then publish to accessible channels like Youtube.



CHAPTER V

CONCLUSION AND RECOMMENDATION

This chapter contains three main sections: summary of the study, discussion of the major findings and recommendations for future research.

5.1 Summary of the Study

This study was conducted with semi-structured interview with 25 media agencies who take care of online media function. Each respondent is being interviewed with same questions with same sequence of questions. Each interview takes 30-50 minutes on average and the sessions are being recorded from start to finish. The purpose of this study is to explore why search engine marketing is underused in Thai market.

5.2 Findings and Discussions

The findings of this study reveals that even though data proves that search in Thailand is underused when comparing to other countries such as UK, Japan, US, and Australia, which have search spending share of more than 50%, the future prospect if search engine marketing is still positive because all interviewees responded that search should be continued to grow in Thailand, despite slower growth comparing to other online medias, such as Facebook, Youtube and Twitter. Moreover, the growing amount of seminars and registering audiences developed to train about search in Thailand proves that people in Thailand is still interested in doing search engine marketing, thus this growing demand will help push the adoption of practice in search. When there are more demands and adoptions, competitions in keyword bidding will increase, which will create even more demands for keyword biddings. The reason is that if any brands start adopting search in their media spending, their competitors will start to adopt the same medias with similar keywords too.

By the reason that brands normally measure performance based on sales conversion, search engine marketing has highest potential to optimize on sales conversion from media spend because it is run on pull marketing strategy, rather than push marketing strategy, like in Facebook and Youtube. Generally, the consumer will only be exposed to search ads only when he/she is looking for that searched product. And, nowadays, e-commerce is a lot more practicable and accepted by Thai consumers. E-commerce is especially popular among rural areas and search can used to customized messages targeting to different areas. This data also tells that Thai consumers use e-commerce because it provides conveniency in term of travel time, and not because of the discount. So once consumers are more sticky to e-commerce, there is high opportunity in the future that brands can still sell their products online without using heavy discount promotions to create sales conversion.

Although the future prospect of search is positive given all factors mentioned in above paragraph, there are still some threats that will prevent search to be fully practiced in Thai market that worth to discuss on. The main and most important reason that currently and possible continue to affect future of spend on search is that the existing employment market is lacking of skilled resources that know how to use search engine marketing. Even though the agencies have plenty of skilled staffs to optimize the search marketing performance for the brands, clients from the brands side would not allocate their budget to search marketing if they do not understand the concept of how it can help with their business targets.

From analyzing answers got from the survey questions asking about their media choices, the agencies actually understand which medias to target given the objectives of clients' campaigns. So, the major problem is to staffs from the client's side.

According to the surveyed respondents, majority of clients, especially those from FMCG industry, are used to rely on offline medias to market their brands and products. Television media is the must have media for clients in this industry and huge amount of budget is usually allocated to this media channel. Since clients invest a lot in television ads production, usually they would try to make use of this asset as much as they can. Which the medias that provide solution to them are Youtube, Facebook, Instagram and Twitter. Although the ads in video format can also advertised as GDN, which is also a

form of search, GDN doesn't allow clients to see how the audiences or consumers interact with their brands or products like other online medias do.

For examples, seeing how many likes, followers, shares, retweet and how consumers put comments on their posts. There are a lot of clients from big corporations whose scale is large enough and have a lot of product SKUs who wants to upgrade to sell their products through e-commerce, thus promote them through search marketing engine. These corporations usually have their own established websites, either for the corporate or for the brand alone.

Since e-commerce is still not popular and widely practiced when they first develop the websites, these websites do not have taggings put in different touch points so that online marketers can track the ads performance. And to revamping the websites and put tagging in each touch point within the websites require highly skilled web developers, time consuming and very costly. Because of all these restrictions, most brand owners would end up giving up and dismissing search engine marketing.

So, given the reasons discussed above, training on search engine marketing should not only focused to the agencies, but it is equally important to educate staffs from clients side because clients are the ones who make the budget allocation decision and they need to know how it can help with their brands' objectives and target with certain amount of budget. Moreover, the trainings should be done by Google so that the trained staffs can get the same correct messages about the techniques and mechanics in doing search marketing.

5.3 Recommendations for Future Research

Since the solution from this research is to expand the training not only to agencies staffs, but also to brands staffs from clients side, the most effective form of training is to let the staffs have an on-hand experience with the tools. And since search engine marketing platform is constantly developing with the user experience constantly changing, it will be beneficial to allow them to experience and learn through a simulated search marketing engine platform. In this way, staffs who are new to search engine marketing can learn from this platform without actually spending any money and experienced staffs can use it to learn new features or practice on how to optimize their

search medias. To do this, there is one simulating platform developed for stock trading by Security Exchange of Thailand, Click2Win. This platform also works on bidding, which is similar to keyword bidding in search except that it shows all the transactions made in realtime. Future research can explore on the experience of SET simulated platform to work on how it can be applied to search engine marketing.



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Appendix A: Data from interviews

Name: Supaporn Changcharoen
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Name: Thawinee Kunanansak
Position: Senior Media Planner
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Position: Business Associate Director
Company: IPG

Name: Jirapapha Wongthongbang
Position: Bidable Media Executive
Company: Minteraction

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Position: Specialist - Performance Media
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Name: Burunlak Thammajak
Position: Manager, Digital Strategist
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Name: Wipusti Phaphimolwat
Position: Biddable Executive
Company: GroupM

Name: Jantaporn Padungthanachareon
Position: Executive digital planning
Company: Mindshare

Name: Pun Putimahatama
Position: Manager, Exchange Planning
Company: Mindshare

Name: Paweenut Pojndhanamas
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Name: Pasiri Tunshevavong
Position: Digital media planner
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Company: Dentsu X Thailand

Name: Natthanich Chomintra
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Company: i-dac Bangkok

Name: Onuma Niyom
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Company: GroupM

Name: Rachan Tamarid
Position: Associate Digital Planning Director
Company: Mindshare Thailand

Name: Santhakan Kaewmanee
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