

Searching for business value? SEO can help.

New research on the importance of search engine optimization in digital—and physical—commerce.



Search engines are today's Main Street for commerce—and not just online. They are the primary avenue by which consumers find new products and services, and play a critical role throughout the customer journey, even in physical stores. Yet when it comes to search engine optimization and marketing (SEO and SEM), many brands are driving down a road toward irrelevance.

Those are just a few key findings from a Deloitte Digital-commissioned study conducted in summer 2022. We collected and analyzed input from hundreds of US consumers and business leaders about how SEO mastery impacts customer experiences and business results for business-to-consumer brands. We found that the companies with the most mature search optimization capabilities—we call them **SEO front-runners**¹—are **winning customers and growing revenues much faster than their competition.**

SEO front-runners are positioned for growth.

As the fight for consumer dollars continues to intensify, brands across industries are racing to differentiate offerings, stand up new digital commerce capabilities and elevate consumer experiences. All of that is important in order to carve out and defend valuable market position. But our new research showed that **one position plays an outsized role in revenue growth: the top of search engine results.**

COMPARED TO LOW-MATURITY ORGANIZATIONS ...

2X
SEO front-runners were more than twice as likely to **exceed their annual revenue goals.**

6X
The percentage by which SEO front-runners exceeded revenue goals was **six times greater**, on average (12% vs. 2%).

That's because commerce starts with search.

Even as social media platforms gain in traction as the digital "home" for many people online, search engine results are the No. 1 way that consumers *discover* new brands, by a significant margin. Search engines are also the No. 1 starting place to *research* products or services, and a top influencer of online *purchases* for half of consumers. Brands that underinvest in SEO are missing out on a vital avenue for connecting with customers across the journey from lead to loyalty.

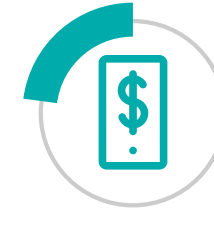
HOW CONSUMERS DISCOVERED A NEW BRAND IN THE PAST THREE MONTHS



56%
Search engine results



38%
Social media ads



22%
Digital ads



35%
Online stores with multiple brands, products or services



21%
Recommendation from friends / family

It's not just about digital commerce.

Since the advent of smartphones, retailers have complained about the rising prevalence of "showrooming," whereby consumers visit a bricks-and-mortar store to try out a product—and then buy the product from a competitor online. Today, most consumers use search engines while shopping in physical stores to compare prices, research features, read customer reviews and more.

SEO front-runners are leaning into this reality by meeting customers where they are—online, in stores or both—with relevant, easily discoverable content and offers that help drive purchases and fend off competitors. Those innovations include connecting real-time inventory and dynamic pricing to search results, providing in-store QR codes linking to customer reviews, and more.



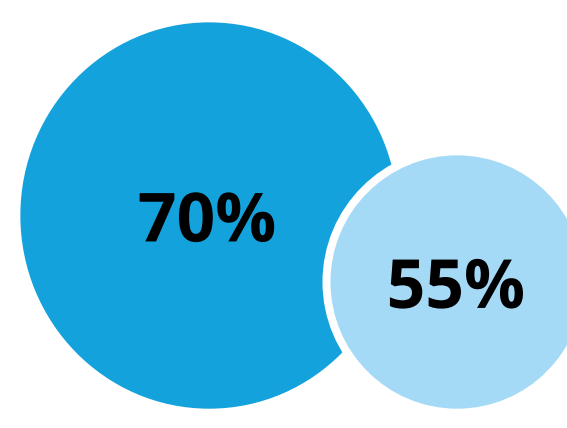
64%
Most consumers said they **conduct online research while shopping in bricks-and-mortar stores**—with 1 in 3 doing so frequently or very frequently.

53%
More than half of consumers are highly likely to **buy immediately** when search results match exactly what they're looking for.

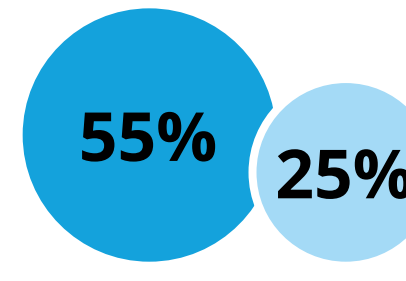
Going local.

To help provide more relevant content—and expand markets—across multiple geographies and languages, SEO front-runners ranked search localization as their top strategic priority over the coming 12 months. Simple translation is no longer enough; front-runners recognize that future growth in global markets depends on cultural relevance, regionalized keyword optimization and understanding of different search engine algorithms and best practices. To further amplify relevance, front-runners are also significantly more likely than low-maturity organizations to be focusing on customer experience (CX) improvements as they evolve their SEO strategies.

PRIORITIES FOR SEO FRONT-RUNNERS



SEO front-runners were 1.25x as likely to say **localized SEO** is very important to their future strategies.



SEO front-runners were more than 2x as likely to say **improving CX** is very important to their future strategies.

● SEO FRONT-RUNNERS ● OTHER BRANDS

Widening the gap.

Today, front-runners are a step ahead when it comes to current best practices in SEO. But they're also **paving a runway for greater future advantage by prioritizing artificial intelligence and machine learning capabilities.** Effectively deployed, AI- / ML-based tools enable SEO teams to optimize keywords, dynamically generate content, and serve that content in the moments that matter—all with less human intervention and greater return on investment over time.

85% of brands **have or plan to invest in AI / ML capabilities** for SEO by the end of 2023.



BUT ...

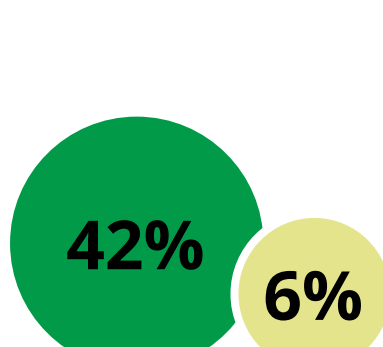
2X
SEO front-runners are more than twice as likely as low-maturity organizations to **already have AI / ML capabilities in place.**

3X
Compared to low-maturity organizations, SEO front-runners are three times as likely to say **AI / ML is extremely important to their SEO strategy** going forward.

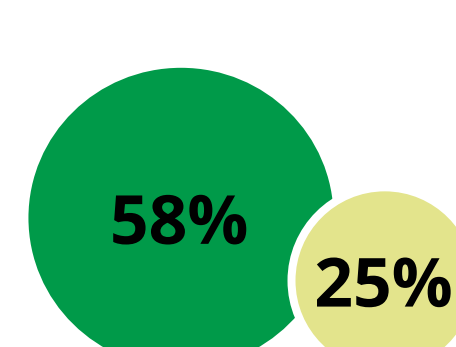
Outsource to outperform.

Localization, automation, CX personalization—when it comes to SEO, these are interconnected and complex initiatives to get right, with best practices and technologies evolving rapidly. That's why the most effective brands aren't doing it alone. In fact, the more SEO responsibility that a brand outsources to third-party consultancies or agencies, the more likely they are to meet their goals and achieve strong return on investment—by wide margins. Tapping into the expertise and capabilities of an SEO-specialized team that is exposed to a variety of brands in the larger market helps produce measurable SEO program performance benefits.

IMPACTS OF SEO OUTSOURCING



Brands that fully outsource SEO responsibilities were **7x as likely to have met 80% - 100% of SEO goals** in the prior year.



Brands that fully outsource SEO responsibilities were **more than 2x as likely to rate SEO on investment as excellent.**

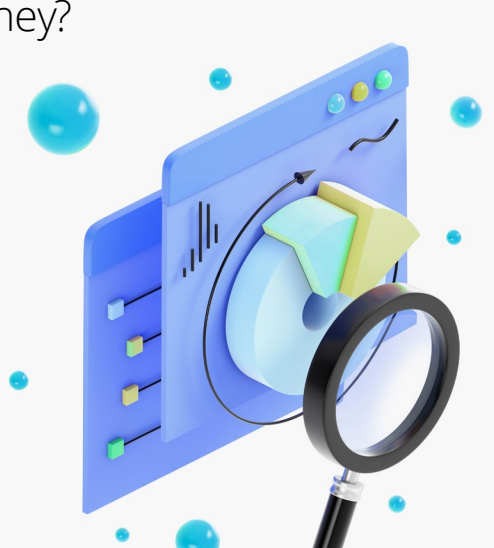
● BRANDS THAT FULLY OUTSOURCE ● BRANDS THAT DON'T FULLY OUTSOURCE

Searching for advantage?

Location, location, location. During the early years of e-commerce, established bricks-and-mortar brands still retained significant advantages—including convenience, immersive and hands-on experiences, personalized service and more. Today, digital and hybrid businesses are leveling the playing field by leveraging new distribution models, virtual and augmented reality capabilities, and CX personalization to meet customers where they are with the products, services and experiences they seek.

As the line between digital and physical commerce continues to blur, SEO mastery is becoming increasingly critical to future growth. **Here are some questions to ask yourself on the path.**

1. How can SEO help sustain or improve engagement throughout the purchase journey of your customers?
2. How can you create enough timely content at efficient cost to serve customer needs across the full journey?
3. Does the user have a cohesive, consistent experience finding the product they're searching for, from web to store?
4. What people, processes and tools will you need to continue enabling growth through SEO?



Endnote

1. The maturity model identified front-runners (top tercile), medium-maturity (middle tercile) and low-maturity (bottom tercile) organizations based on factor analysis of nine areas of self-reported SEO capabilities.

About the research

The foundational research for this series, conducted by Lawless Research on behalf of Deloitte Digital between July 25 to August 8, 2022, is based on blind surveys of:

- 500 marketing leaders responsible for SEO and 100 customer service, data & analytics, or IT leaders with a role in SEO at US-based business-to-consumer companies with 1,000 or more employees and revenues of \$500 million or more (\$100 million or more for hospitality and transportation).
- 1,000 US consumers age 18 or older who, in the prior 30 days, had searched online for a business, product or service; visited an online retailer or e-commerce site; and purchased a product or service online or using a mobile app.