



Navigating China's Search Engine Market

October 19, 2017





Tom Garzilli

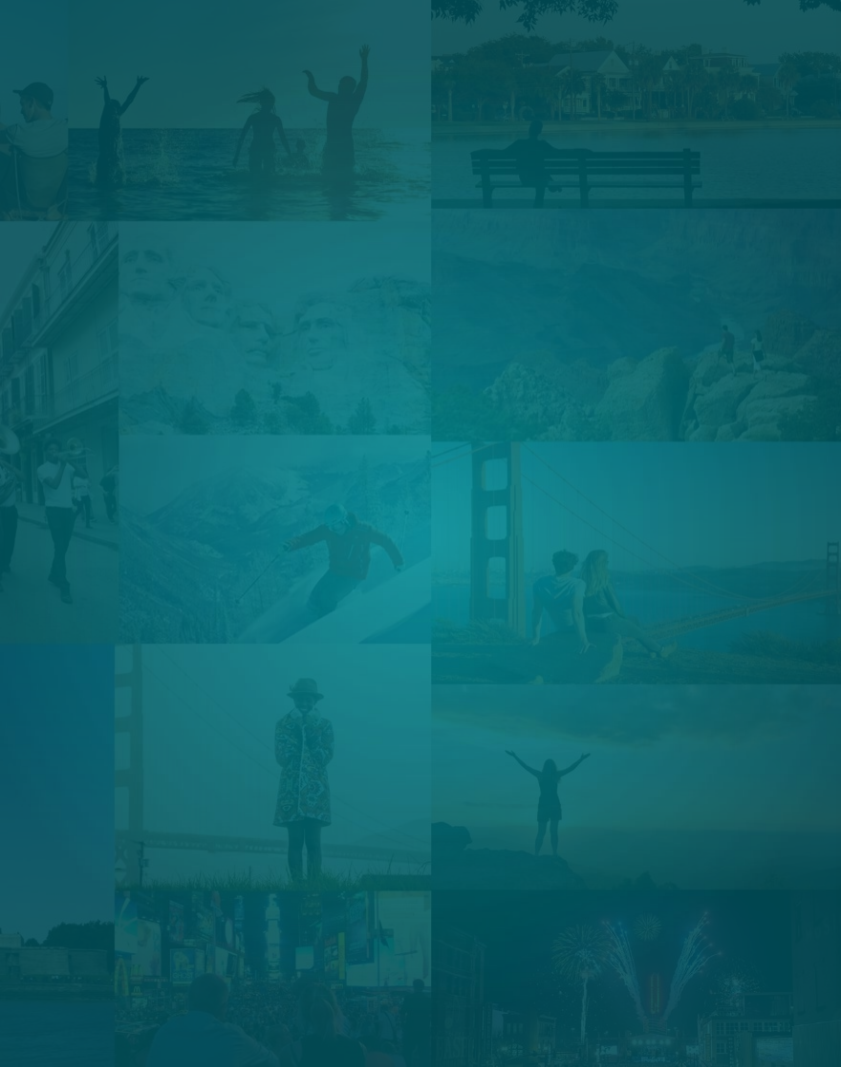
Chief Marketing Officer
Brand USA



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Michael Horvitz

Director, Strategic Partnerships
Hylink Digital Solutions

Baidu 百度 - Search, Data, Technology

In a market without Google, Baidu
dominates the Desktop and
Mobile search market in China.



How to **maximize** the use of Baidu,
bringing market value to your brand?

Agenda

- **Introduction of Baidu**
- **Search for U.S. travel on Baidu**
- **Market your destination on Baidu**
- **Case study- creative AR campaigns on Baidu**
- **Solutions for Brand USA**

A wide-angle photograph of the Golden Gate Bridge in San Francisco, California. The bridge's iconic red-orange towers and suspension cables are prominent, stretching across the frame. In the background, the San Francisco city skyline is visible across the water. The sky is overcast with soft, grey clouds. In the foreground on the right, the back of a person's head and shoulder are visible, looking out towards the bridge. A semi-transparent teal banner with white text is overlaid across the middle of the image.

INTRODUCTION OF BAIDU

USA
VisitTheUSA.com

Brand USA



Baidu is the Google of China



Baidu Desktop Search Page

Baidu 美国旅游 [百度一下](#) [百度首页](#)

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百度为您找到相关结果约9,660,000个 [搜索工具](#)

美国旅游【达美旅行网】畅游美国 精品路线5折起
「达美旅行网」美国旅游 多条旅游线路随意选,专业+优惠,精品美国旅游 路线5折起(美国旅游「优势」导游 5-20年带团经验,司机 10年以上安全驾驶经验,更优质服务)
[www.dameiweb.com](#) 2017-10 [V3](#) · [评价](#) · [广告](#)

美国旅游 众信旅游悠哉网 让您轻松出游不操心
热门推荐: [纽约](#) [洛杉矶](#) [旧金山](#) [费城](#) [华盛顿](#) [拉斯维加斯](#) [更多»](#)
线路玩法: [美国+加拿大](#) [美国西海岸](#) [夏威夷](#) [美东海岸](#) [美洲邮轮](#) [更多»](#)
热门景点: [尼亚加拉大瀑布](#) [黄石公园](#) [好莱坞](#) [自由女神像](#) [更多»](#)
[www.uzai.com](#) 2017-10 [V2](#) · [106条评价](#) · [广告](#)

美国旅游线路-探索世界不同 海外目的地旅行 一站式服务
天天发团,行程更灵活,时间更自由,满足您购物、会友、探亲等各类需求,改签退订有保障!美国旅游线路 与当地资深地接强强联手,中英双语导游,深度体验当地文化,让旅游更local!
[cn.toursforfun.com](#) 2017-10 [V2](#) · [评价](#) · [广告](#)

美国旅游团走四方—北美旅游领航者 专注北美旅游13年
 景点: 美国 适宜季节: 夏季 热门景点: 纽约 洛杉矶等
美国旅游团走四方 —美国权威机构BBB信誉A+认证 专业服务超过百万人,10000+品质自助游,30000+个性自由行,1000+高端私人定制...
[www.usitrip.com](#) 2017-10 [V1](#) · [275条评价](#) · [广告](#)

美国地名 [展开](#)

美国旅游景点	美国50号公路	帝国大厦	黄石国家公园
以夏威夷群岛为代表	全美最孤独的道路	世界七大工程奇迹	美国国家公园

旅游类书籍 [展开](#)

美国地图	加拿大地图	香港地图
中国地图出版社	天津教育出版社	加拿大旅游指南参考书

Baidu Mobile Search Page

中国移动 15:00 [82%](#)

美国旅游 [:](#)

[全部](#) [问答](#) [贴吧](#) [图片](#) [视频](#) [资讯](#) [文库](#)

去美国的旅游团【去北美_找达美】美国旅游专业品牌
「达美旅行网」去美国的旅游团,2017去美国玩什么?玩转美国大峡谷,感受其壮观与瑰丽!去美国的旅...
热门: [2017达美极光团](#)
定制: [定制旅游](#) [不留遗憾](#)
[m.dameiweb.com](#) [V3](#) [广告](#) [评价](#) [电话咨询](#)

途风 美国旅行社 打破底价 目的地跟团
纽约洛杉矶出发,跟团or自由行,优质路线任您选!服务全球华人,好评率98%!
[m.toursforfun.com](#) [V2](#) [广告](#) [评价](#)

2017美国旅游攻略_百度旅游
 美国7日经典行程
Day1 大都会艺术博物馆 > 百老汇 > 帝...
[<](#) [>](#) [Q](#) [C](#) [狗](#)



Travel in the USA

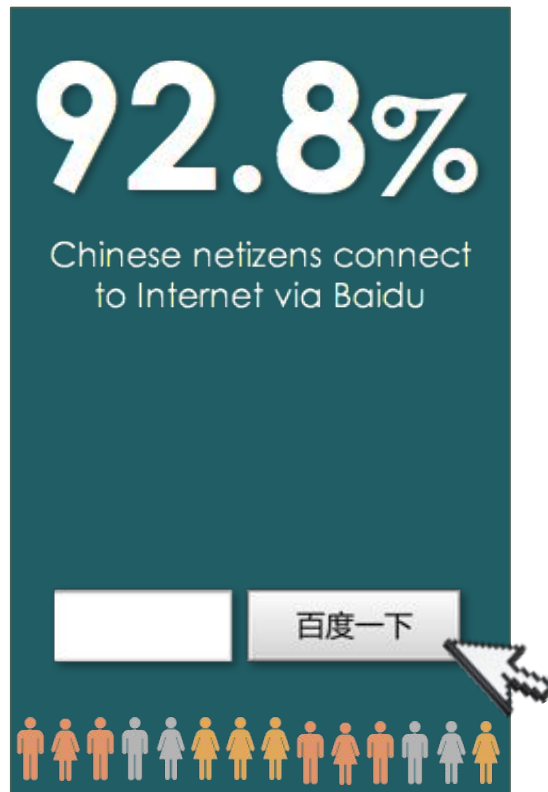


百度一下



Search

Baidu: Key Numbers to Highlight



- **100+ Million** Daily Active Users
- **6+ Billion** Total Daily Search Volume
- **83% Market Share** in China's Search Market

Baidu is More Than a Search Engine



5 million+ queries is equal to

5 times of “The British Encyclopedia”



Has Solved

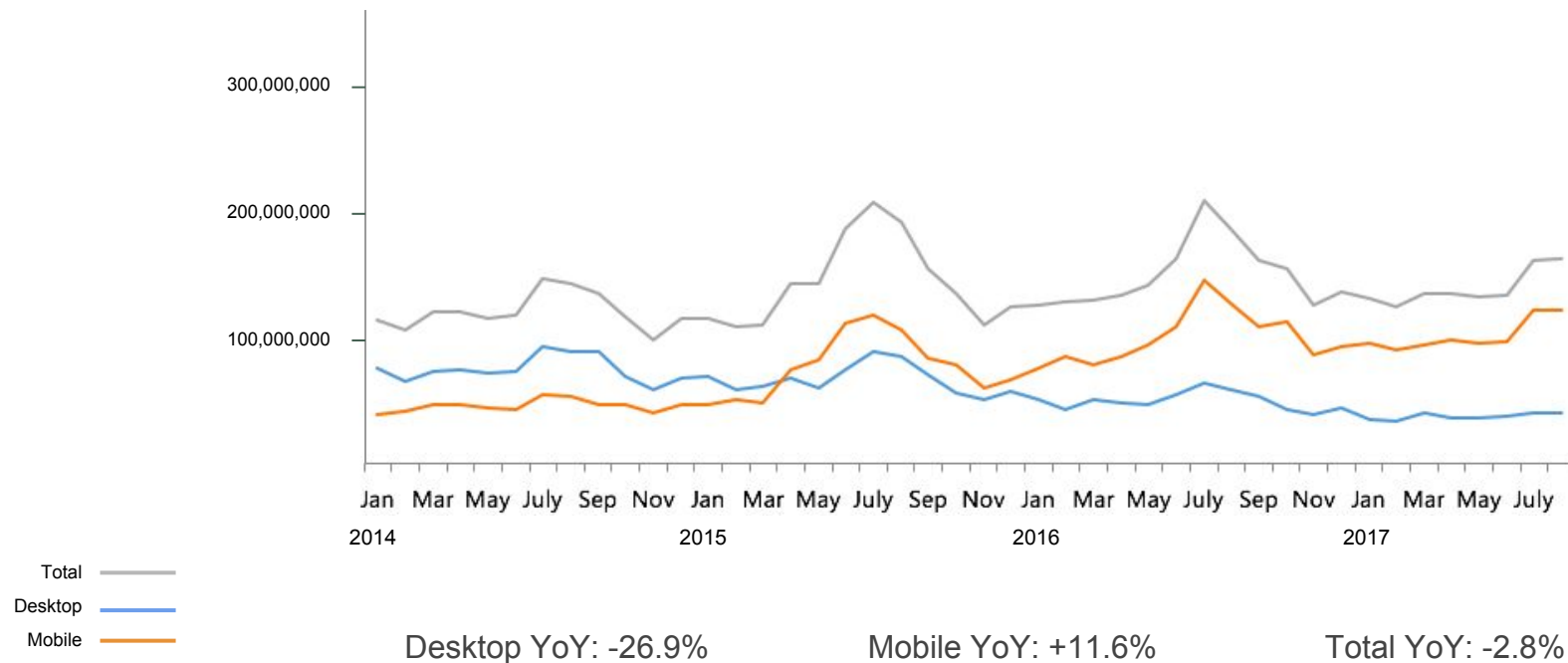
0.23 billion+ questions

If 1 person needs 1 minute to answer 1 question, it would take

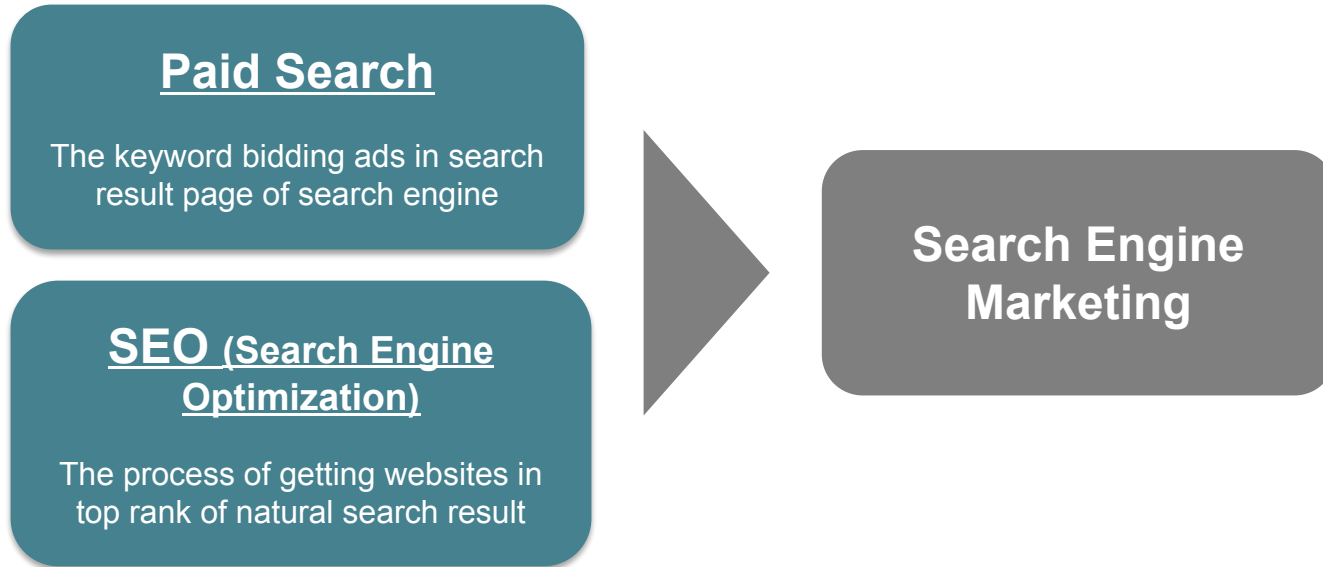
4 centuries to answer all questions

Travel Industry Search Volume Trend

Travel industry search volume on mobile has surpassed desktop and continues to increase.



Search Engine Marketing is Comprised of Paid Search + SEO



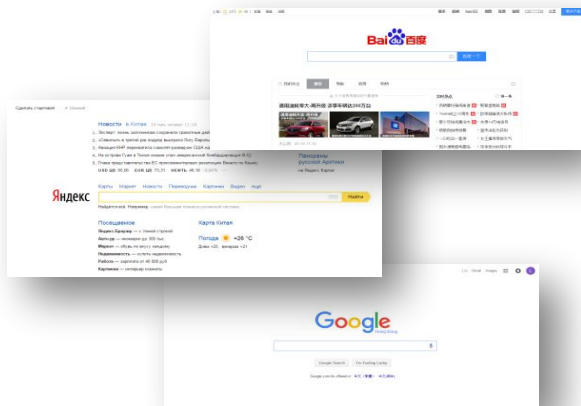
Our focus in today's session is **Paid Search**

Difference between Paid Search and SEO

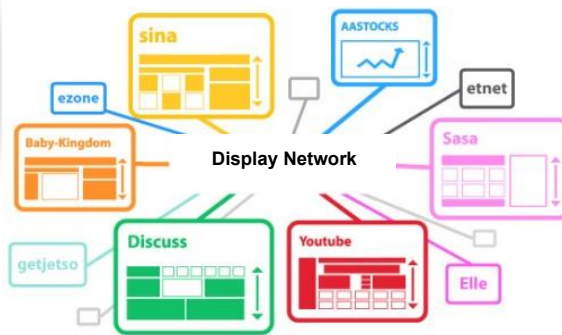
	Paid Search / SEM	SEO
Format	<ul style="list-style-type: none">• Ad	<ul style="list-style-type: none">• Natural search result
Advantages	<ul style="list-style-type: none">• Instantaneous result• Unlimited keywords• Control daily budget• Keywords can be replaced	<ul style="list-style-type: none">• Relatively low budget• SEO optimized site has extensive effect• Effect on site lasts longer
Disadvantages	<ul style="list-style-type: none">• Multiple search engines work in silo• Management cost is relatively high• Fierce competition	<ul style="list-style-type: none">• Takes longer to see results• Relatively difficult to estimate results• Requires talent to be highly knowledgeable on technical side to understand search engines and optimize for SEO• High level of site requirements

There are Similarities between Baidu and Google

Search on Desktop & Mobile



Owns Display Network

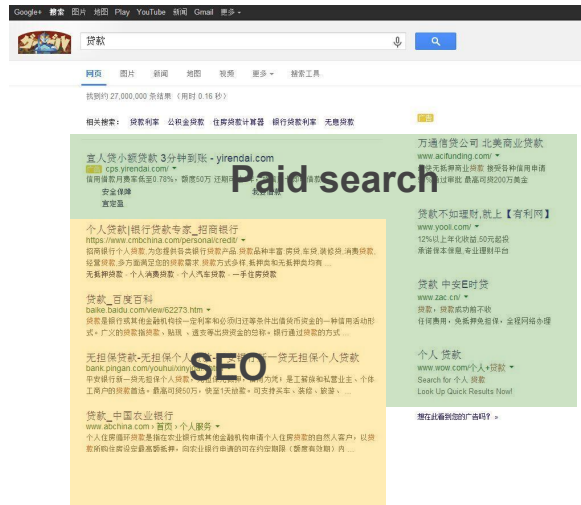


Popular map service in their respective countries



How Baidu Displays the Search Results

Baidu search page is similar to Google, where paid search and SEO are both featured.



Brand Zones

Minizone for
generic keywords

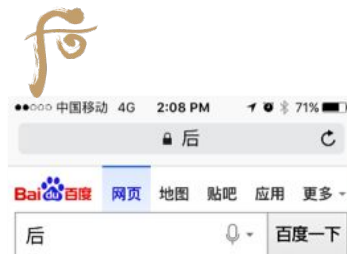
Higher quality
display placements

Baidu Brand Zone



- ✓ Maximize brand traffic to website.
- ✓ More impactful content can be delivered to target audiences.
- ✓ Provides more premium brand image.

Brand Zone Formats for Desktop and Mobile



Mini Zones for Generic Keywords

Leverage mini zones to deliver better brand awareness.



ESTÉE LAUDER



LANCÔME PARIS



Trigger Query	Channel	Display Format	Ad Position
Generic keywords	Keywords	Text ads	May differ depending on bidding price
Generic keywords	Minizone	Supports banners, videos with multiple links	Top right on Desktop; 1st ad on mobile 100% impression share within given time

Higher Quality Display Placements

Ad placements on display networks on 3rd party verticals



Chinese search engines are integrated media platforms.
Their network inventories include their own internal channels that guarantee more qualitative placements.

Internal Channels

+

3rd Party Verticals



Key Products Costing Mechanism

Baidu Products	Costing	Devices Support	Ad Format
Keywords	Cost Per Click	Desktop, Mobile	Text
Brand Zone	Cost Per Month (minimum 1 month)	Desktop, Mobile	Multimedia, Supports Images and Videos
Display	Cost Per Click	Desktop, Mobile	Banners, Videos, Text
Feeds	Cost Per Click/Cost Per Time	Desktop, Mobile	Banners, Videos, Text

Baidu Network Owned Sites

- Ctrip, **China's largest** online travel agency



- Baidu Map, **China's largest** mapping service



- Nuomi, (Groupon of China) **China's second largest** o2o platform



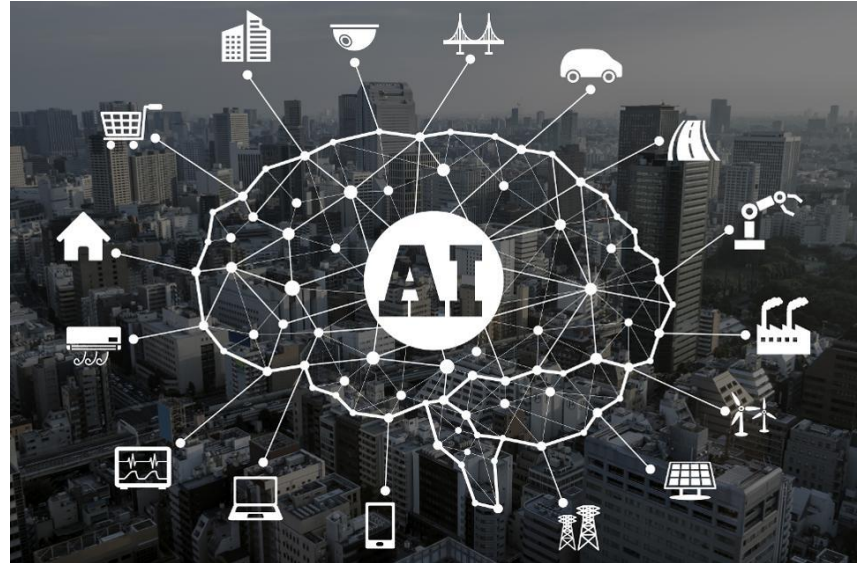
- iQiyi, **China's second largest** online video platform



What's Next For Baidu



**Baidu connects people with
artificial intelligence.**



Baidu: AI in Action

Baidu AI has already been used in many areas:



Big Data



LBS



Driverless Car



Deep Learning



AI



Baidu Brain



SEARCH FOR U.S. TRAVEL ON BAIDU

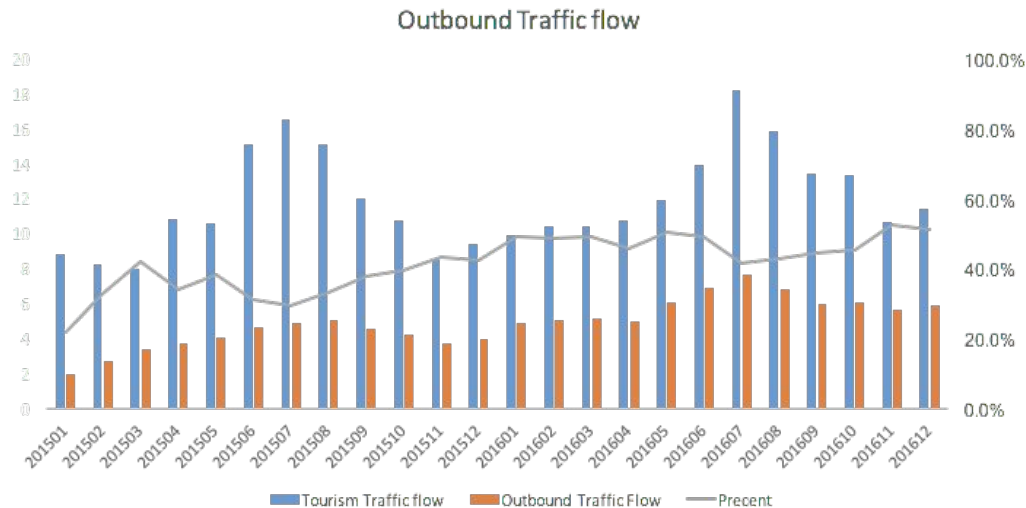
USA

[VisitTheUSA.com](https://www.visittheusa.com)

Brand USA

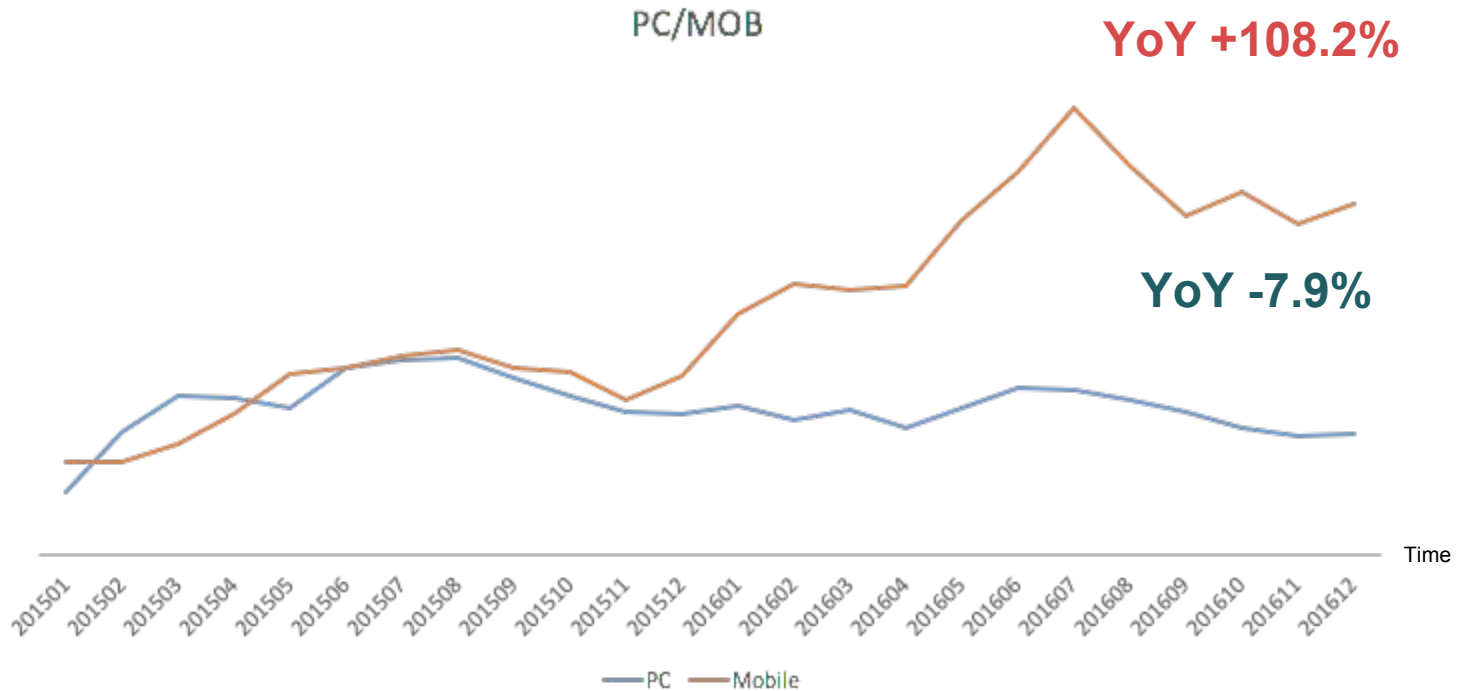
Baidu Outbound Tourism Traffic Trends

- In 2016, the traffic flow for outbound tourism accounted for **47.2%** of the whole tourism traffic.
- YoY growth rate of **51.1%**, which is higher than the entire industry growth (YoY +12.2%).
- **Summer** has the highest traffic flow of the year.



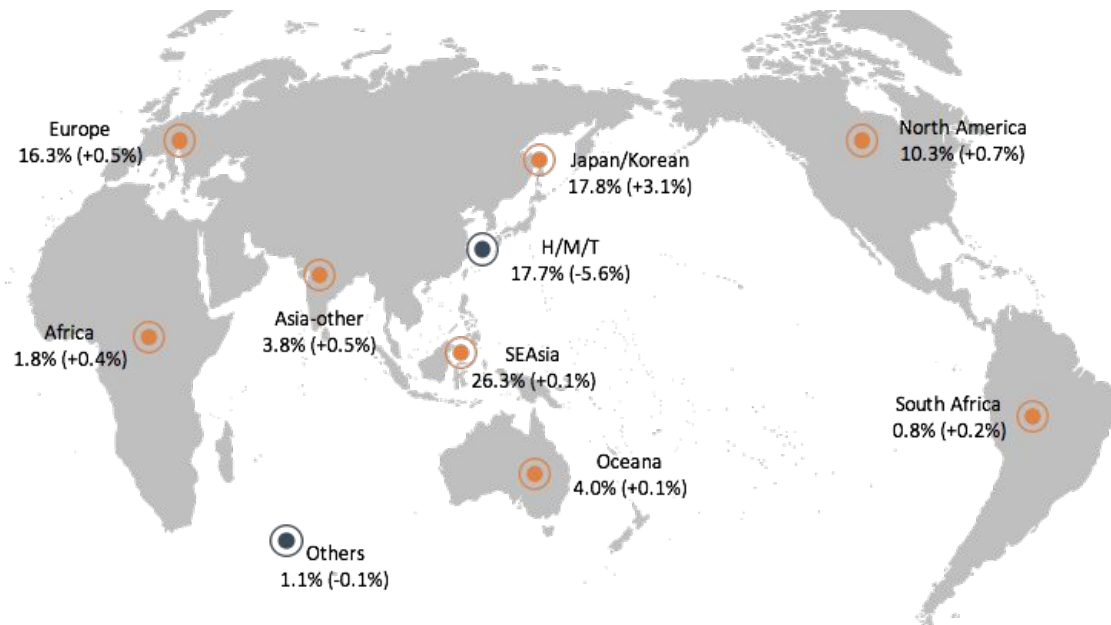
Baidu Outbound Tourism Traffic Trends: Desktop/Mobile

Significant growth for outbound travel on Baidu mobile.



Destinations Highlight

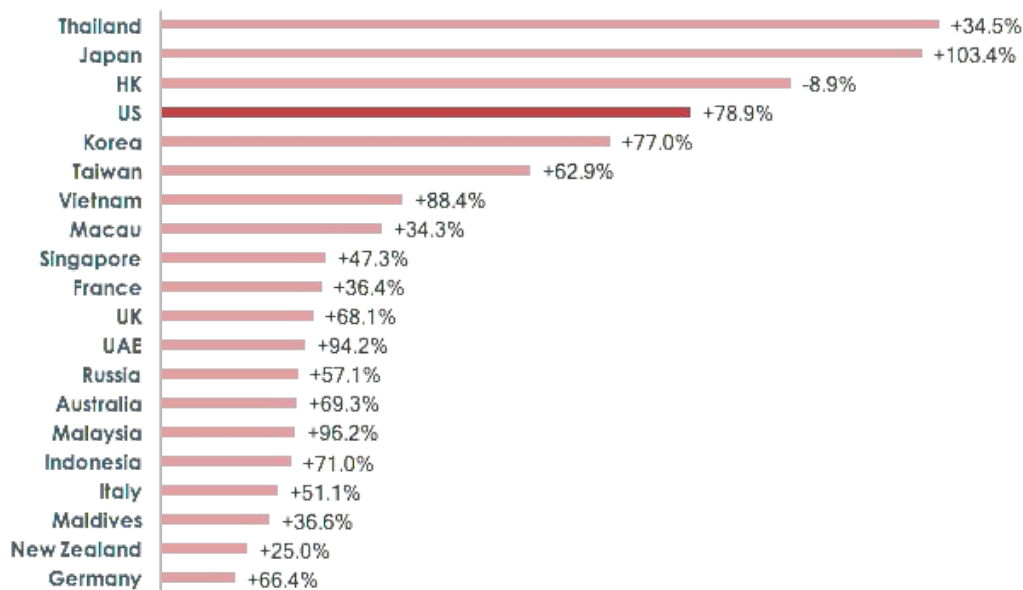
South Asia, Japan & Korea, HK & Macao, Europe and North America are the Top 5 region for Baidu outbound travel, while HK & Macao have declining tendency, YoY growth is -5.6%.



USA is Ranked No.4 Among Outbound Traveling Countries

USA is ranked **No.4** among outbound travel countries, YoY growth is +78.9%.

Top Countries for Outbound Traveling

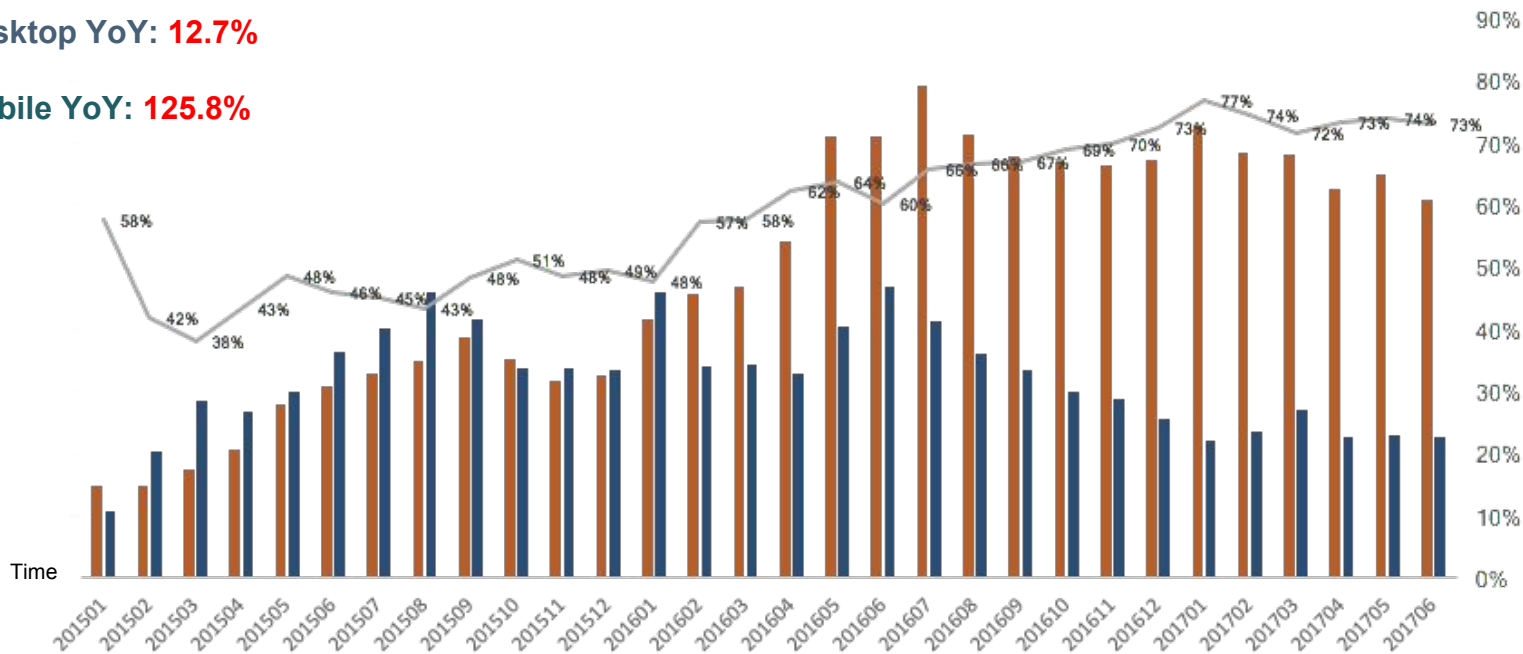


Search Volume of Traveling to USA Grows Fast

Significant growth for USA-travel related query, especially on mobile.

Desktop YoY: **12.7%**

Mobile YoY: **125.8%**



A Third of the Market Comes From Tier One Cities

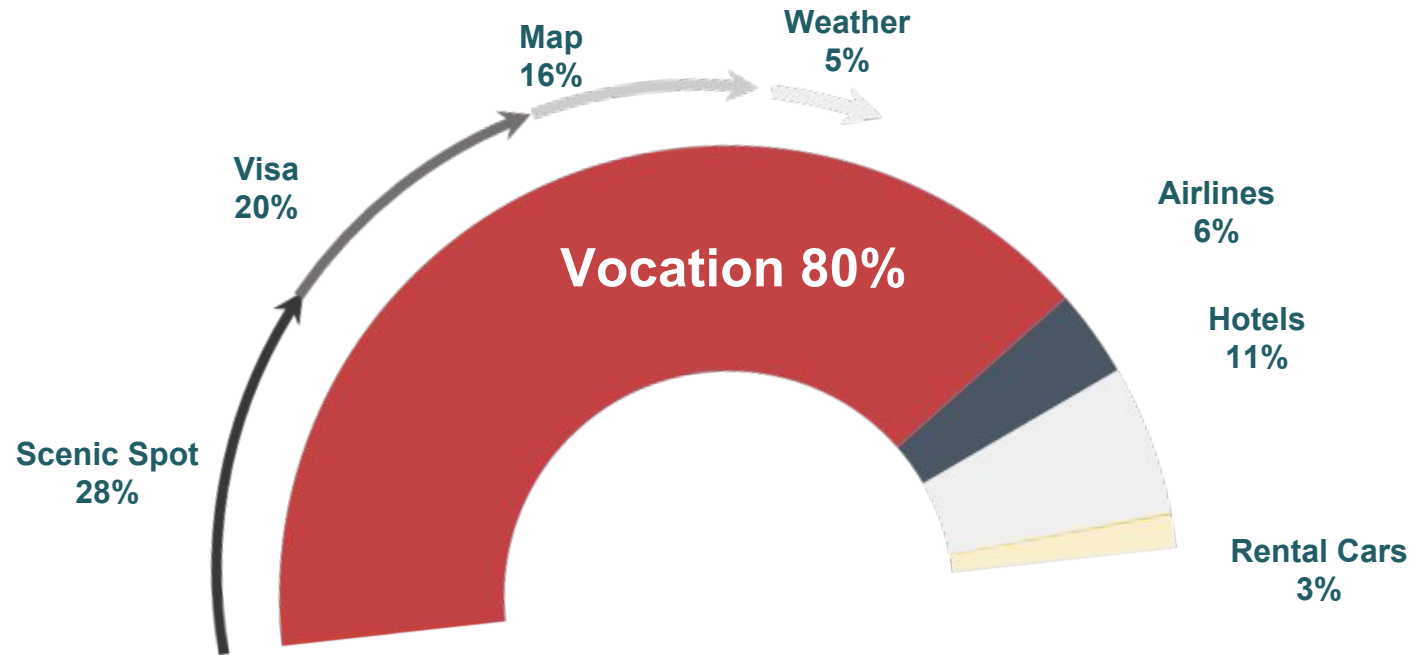
More marketing spend should be focused on **Tier One** cities in China.



<u>Top Provinces/Cities</u>	<u>Coverage</u>
Beijing	13.74%
Guangdong	13.62%
Shanghai	11.02%
Jiangsu	7.69%
Zhejiang	7.55%
Shandong	6.13%
Sichuan	4.11%
Liaoning	3.91%
Hubei	3.47%

What are Tourists Interested in for a Travel to US?

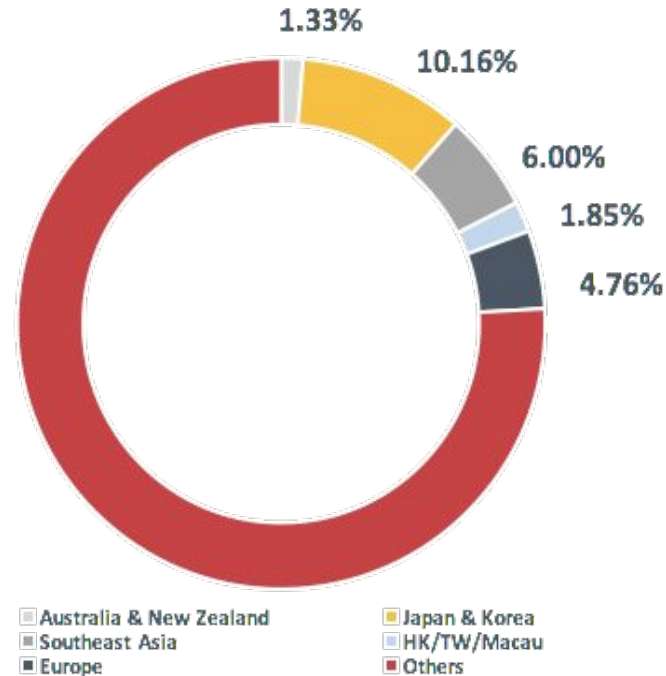
80% of the search queries come from vacation related keywords, including scenic spot, visa, map and weather.



What Additional Destinations are USA Travelers Considering?

Among the Chinese tourist traveling to the USA, 25% will search for additional destinations and compare.

Japan & Korea are the top searched destinations, followed by Southeast Asia.

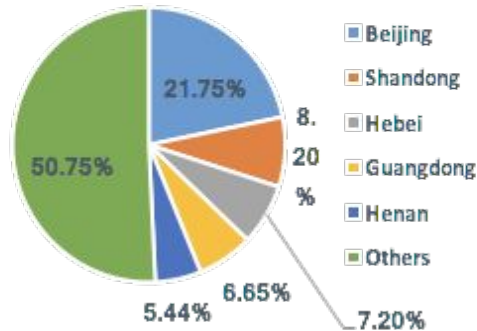


Where Do USA Tourists Depart from China?

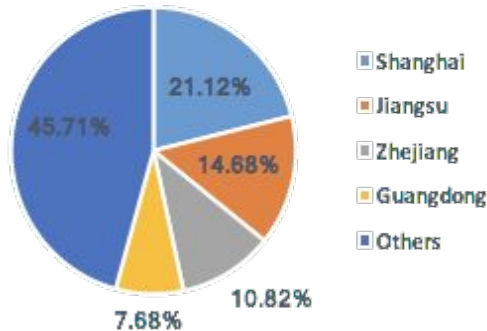
Provinces in Northern China are more willing to depart from Beijing.

Provinces in the East and South regions are more willing to depart from Shanghai and Guangzhou respectively.

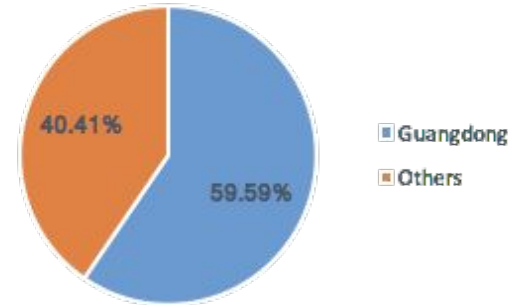
Departure Cities/Provinces in Northern China



Departure Cities/Provinces in Eastern China



Departure Cities/Provinces in Southern China



Page Views for Popular Q&A

Questions	Page Views
What's the opening days for Yellowstone National Park? How many entrances are there?	7,152
Who donated for Central Park in NYC?	1,914
How much it costs to have a helicopter tour of Colorado Grand Canyon?	1,244
What's the best season for a road trip on Route 66?	932
Distance between Colorado Grand Canyon and Las Vegas	866

Chinese travelers, while researching their itineraries, are interested in USA scenic spots.

They ask questions about information on USA scenic spots directly on Baidu.



MARKET YOUR DESTINATION ON BAIDU

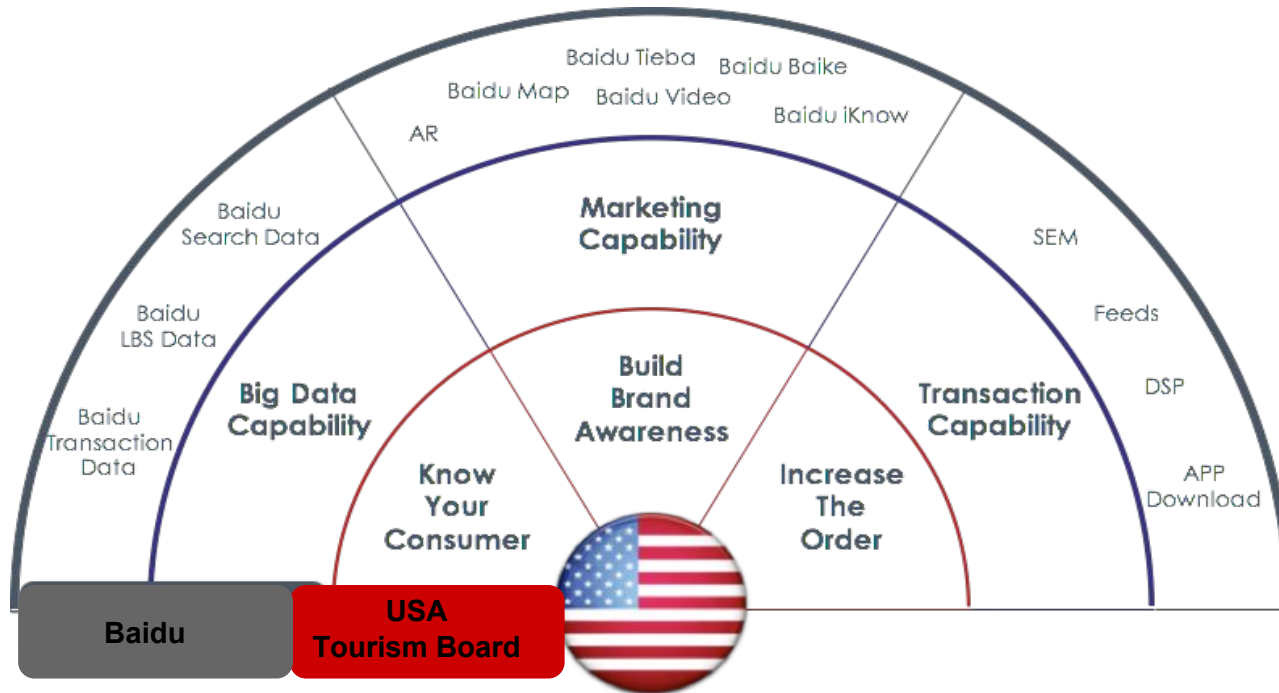
USA

VisitTheUSA.com

Brand USA

Baidu Marketing Solutions

Baidu provides multiple products to help know your consumers, build brand awareness, and lift the travel bookings.



Marketing Capability: Baidu Map



- Over **300 million** Monthly Active Users
- Respond to over **26 billion** location request
- **No. 1** player in China's map market; accounts for **73%** market share
- Cover over **700** cities in China

Not only a map,
But also a transportation
ecosystem

Navigation

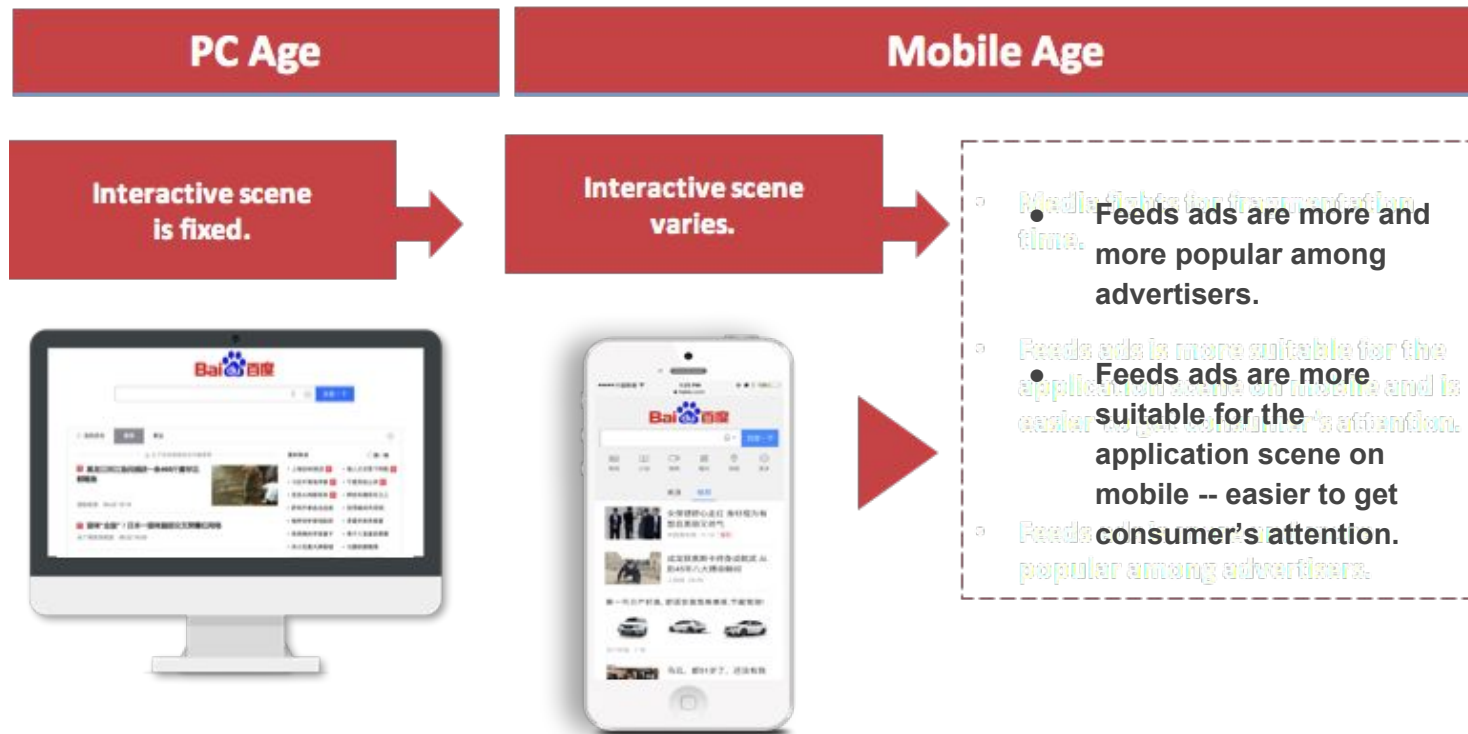
Big Data

Merchant



Feeds Ads

Feeds ads is born to be prosperous in mobile age.



Feeds Ads

“

Platform

- Mobile Baidu APP
- Browser Baidu Tieba

“

Refresh

- On the front page, every 7th place is feeds ad.

“

Target

- Search intention targeting (keywords)
- Search interests targeting
- Search environment (e.g. wifi or not, province, etc.)
- Consumer demographic (e.g. age, gender, etc.)

“

Payment

- CPC/CPM/CPT



Loading news
information

First
feeds ads

6 news

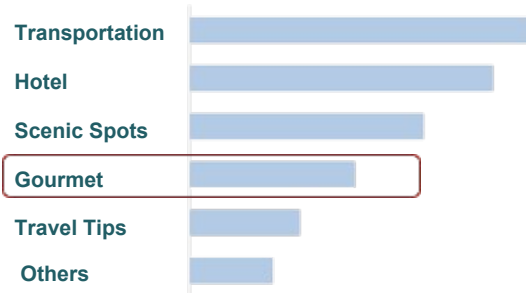
Second
feeds ads

* The first feeds ads appears
in the 7th place.

Case Study: Fujian Province Traveling

Fujian province travel bureau aimed at improving Fujian travel **branding awareness**. From Baidu search data, we found out that people were interested in **gourmet** when traveling. Thus, we advised Fujian travel bureau to use food related images as advertising to attract people to the official website.

What are people interested in when traveling?



Daily Impression: 123 million
Average CTR: 4.5%
Average CPC: 0.75 RMB (0.11 USD)



Landing page



A wide-angle photograph of the Golden Gate Bridge in San Francisco, viewed from a high vantage point on the left. The bridge's iconic red-orange towers and suspension cables are prominent. In the background, the San Francisco skyline is visible across the water. On the right side of the frame, the back of a person's head and shoulder are visible, looking out at the bridge. A semi-transparent teal banner with white text is overlaid across the middle of the image.

CREATIVE AR CAMPAIGNS ON BAIDU

USA
VisitTheUSA.com

Brand USA

Shennongjia Scenic Spot & Baidu - AR Cooperation



Strategy:

Full experience
Online/Offline

Key results:

Website CTR increase by
43.1%

Leveraging All Baidu Properties

Triggered by
brand zone



Augmented Reality



Full scenery of the scenic
spot embedded with
related service



Leveraging All Baidu Properties

Augmented Reality



Triggered by picture

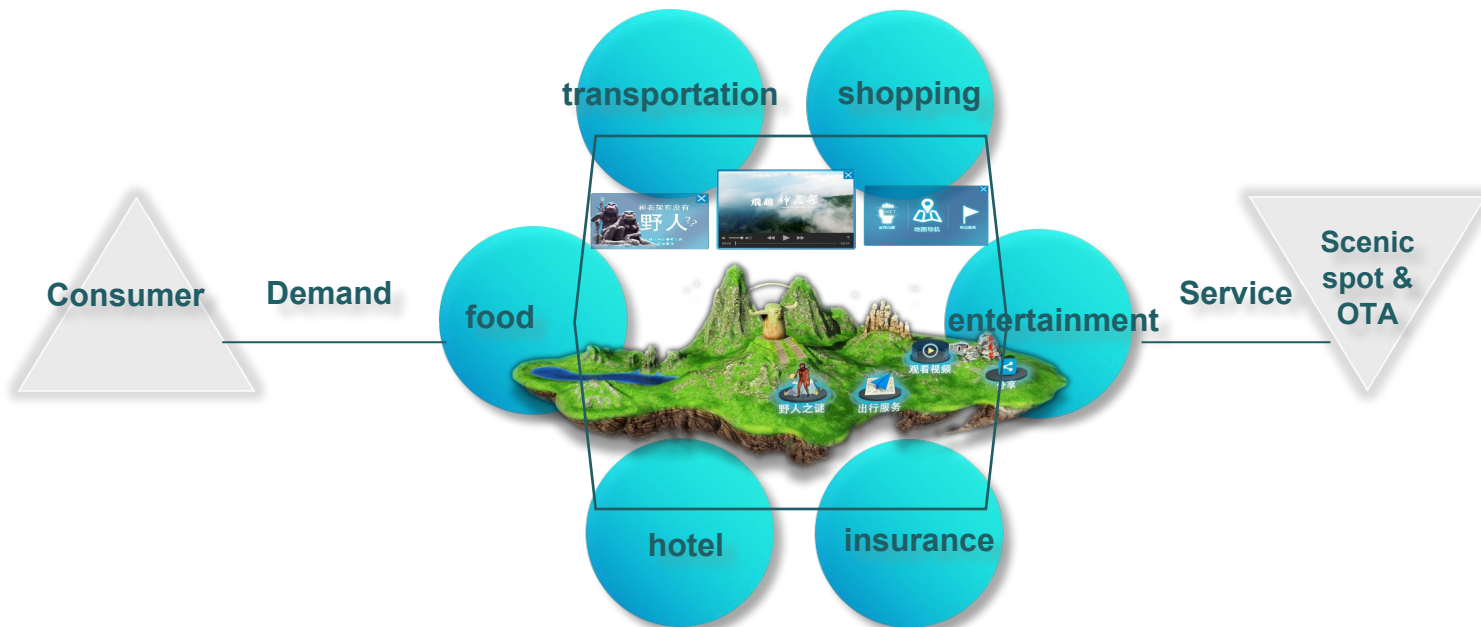


Full scenery of the scenic spot embedded with related service



Augmented Reality of Scenic Spot

Baidu Artificial Intelligence links online & offline together



Terracotta Army Panorama Display: 360° + AR

360°+AR

With the approaching of 2017 International Museum Day, Baidu Baike cooperated with Emperor Qinshihuang's Mausoleum Site Museum, and released a new project of the reproduction of Terracotta Army.

We used an adapted rectangular panorama technique to give the overview of Terracotta Army with a resolution of 20 billion pixels. The campaign was covered by multiple media including CCTV News, Beijing TV Station, Shanxi TV station, and People's Daily.



How We're Working with Baidu

- Increasing travel to your destination starts with Baidu, the **most popular search engine** in China. With more than an **80% market share** by advertising revenues, Baidu holds the key to unlock your destination's potential among Chinese travelers.
- More than 85% of internet users in China use Baidu as their primary search engine to search websites, music, and videos, resulting in over 3.3 billion queries every day. Take advantage of Brand USA's keyword buy program, and maximize visits to your destination!

Program Tier	Tier 1	Tier 2	Tier 3	Tier 4
Package Value	(Value \$632,500)	(Value \$316,250)	(Value \$126,500)	(Value \$63,250)
Package Description*	Keyword research and insights provided by our Chinese digital team	Keyword research and insights provided by our Chinese digital team	Partner provides keywords for our Chinese digital team to translate	Partner provides keywords for our Chinese digital team to translate
Minimum Commitment	1 year	1 year	1 year	1 year



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**Travel
Industry**

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Thank You

