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Applying Russian Search Engines to market Finnish Corporates

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Abstract			
The goal of this thesis work is to provide basic knowledge of Russia-based Search En- gines marketing capabilities. After reading this material, the user is able to diverge different kinds of Search Engine Marketing tools and can perform advertising campaigns.			

This study includes information about the majority of tools available to the user and provides up to date screenshots of Russian Search engines front-end, which can be useful in further work. Study discusses the main principles and basics of marketing with the help of Search engines.

The result of the project is a collection of main marketing tools, which can be effectively used in marketing Finnish corporates on Russian Internet by the companies willing to sell their goods or to get known in Russia.

This thesis provides basic knowledge of main Search engine techniques, such as Search engine optimization and Search Engine marketing. By combining these two disciplines the user can perform basic tasks. But, for achieving better results, it is necessary to study these disciplines more precisely.

Keywords

Russia, Search Engines, Marketing, SEM



Abbreviations and Terms

Search Engine Marketing or "SEM" is a separate area of business. And, as every area of business, it has its own terms and meaning, which should be clear for everyone entering this field.

Inbound Marketing

The type of marketing strategy, which helps customers to find the desired product or service by using the Social Medias or Search Engines. This marketing style is based on relationship marketing strategy, when the advertiser provides the final user with helpful information about the product. [1,144.]

Traffic

In the Web-based advertising this term refers to the amount of people accessing the web-page in concrete time period [2,1].

There are two types of traffic:

- 1. Organic the number of unique people who accessed the web-page.
- 2. Non-organic when web-page is accessed by search engine robots.

Hits

Term "Hit" is referred to number of requests sent to the server in order to receive files. This term is required in order to calculate the amount of load on the web-page. [3.]

Page view

Page views are unique page visits, without refreshes of the page. The basic formula for calculating the number of page views is: Page views = Hits – Page refresh. Statistical information about the web-page usually collects data only about the Page views.



Page visits

Page views are often called "session". Each session includes more active interaction with the page – visiting several pages from the web-site, downloading some material and etc. One visit ends after 30 minutes of inactivity.

Click-through rate (CTR)

Click-through rate or "CTR" is calculated in every advertising campaign on the Web. It shows the rate of clicks to the number of impressions of the advertised material (banner) and is displayed in percentage. [4,150.] Figure 1 gives an insight in the advertising campaign statistics – the CTR of this campaign is very low, because, as it is seen from other data, there were 7774 Impressions and only 9 clicks. Such advertising campaign is not successful, due to high level of impressions and very low number of clicks.

	Impressions	Clicks	CTR (%)	Total expenditure, EUR	Avg. CPC, EUR
Total for campaign	7774	9	0.12	2.59	0.29

Figure 1 Advertising campaign results. Screenshot taken from personal campaign on direct.yandex.com (2013).

Each advertiser sets his/her own goals for the CTR value depending on advertisement purpose and aim. The average CTR value for Yandex Advertising Network (refer to 7.3.3 Yandex Advertising Network), for example, is 1%. [3.]

Cost-per click (CPC)

Cost-per Click or "CPC" represents a price which advertiser pays for every potential customer clicking on advertisers banner or Ad [4,150]. The amount of money spent per each click is set by the advertiser, but its minimal amount is set automatically by the system which is based on the competition rate. Please refer to "7.1.2 Cost per click".

ROI

Return of Investment or "ROI" is described by every business owner in a different way. Depending on the business type, the aim of applying some strategy can differ. Return



of investment, for some companies can mean increased amount of direct sales, for others – the number of "Likes" of social page. [5,4]

Like

Such action can be performed by Facebook social network user in order to approve message or express the opinion about some user post. [1,145]



Contents

1	Introduction			
2	Sear	ch Mark	keting	2
3	Wha	t is a Se	earch Engine	2
	3.1	Basic (understanding of Search Engine and its operations	2
	3.2	The st	ructure of the Search Engine	3
		3.2.1	Search robots	4
		3.2.2	Search algorithms	4
4	Sear	ch Engi	ines in the World	4
5	Sear	ch Engi	ines in Russia	6
	5.1	Search	n Engines on the Russian market	7
	5.2	Yande	x Search Engine	8
		5.2.1	Front-end	9
		5.2.2	Back-end	11
		5.2.3	Services	14
	5.3	Google	e Search Engine	15
		5.3.1	Front-end	15
		5.3.2	Back-end	16
		5.3.3	Services	16
6	Sear	ch Engi	ine Optimization	18
	6.1	Yande	x SEO	18
	6.2	Google	e SEO	20
7	Sear	ch Engi	ine Marketing	22
	7.1	Payme	ent methods	23
		7.1.1	Cost Per Mille (CPM)	24
		7.1.2	Cost Per Click (CPC)	24
		7.1.3	Cost Per Action (CPA)	25
	7.2	Yande	X SEM	25
		7.2.1	Contextual advertising	26
		7.2.2	Media (banner) advertising	30
		7.2.3	Yandex Advertising Network	31
	7.3	Google	e SEM	33



	7.3.1	Google Search Ads	34
	7.3.2	Google Display Ads	34
	7.3.3	Youtube Ads	35
8	Discussion		37
9	Conclusion		38
Re	ferences		39
Ap	pendices		
Ap	pendix 1. Exa	ample of Google Display Network CPM advertising	

- Appendix 2. Example of Yandex CPC advertising
- Appendix 3. Creating Yandex.Direct campaign
- Appendix 4. Yandex services which support Banner Ads



1 Introduction

Every day people all over the world are searching for different kind of information from different resources. The demanded queries, which are meet in the Search Engines (SE) search bar, are very different and, sometimes, are not concrete or understandable. Moreover, searches are made by using different languages or several languages at once, what causes different SE all over the world to perform differently.

Today SE market is unequally split into several areas where one SE are dominating over the others. Such fact causes local people to use different search tools and receive different output from using the same keywords but in different SE, for example Google, Yandex, Baidu, Bing and other.

Search Engines are used as a marketing channel for selling and advertising goods in the local or foreign market. Often the main problem for inability to advertise on the foreign market by using the locally based SE is not the language difficulties, but rather not being acquainted with the technologies used to run the SE.

This Thesis explains the Russian Search Engines as a workable marketing platform for selling Finnish Technologies and goods.

2 Search Marketing

Search Marketing (SM) is a process, which provides Internet Web-page or Web-based Advertising with paid and unpaid incoming traffic.

Name of component	Abbreviation used	Traffic generation
Search Engine Marketing	SEM	Generating the traffic by paid promotions and advertising.
Search Engine Optimiza- tion	SEO	Earning the traffic from the organic Search Engine results.

 Table 1. Main Search Marketing components.

Table above explains how the traffic is generated by applying each of the mentioned components.

The term "Search Marketing" originally came from "Search Engine Marketing" phrase and now is used as an overall name for Search Engine Activities, which affect the incoming traffic to Web-page. [6,10.]

3 What is a Search Engine

3.1 Basic understanding of Search Engine and its operations

Search Engines help people to obtain information in very short time periods and provide the output, which would take much longer if would be searched by using the traditional ways – libraries and books. By using the Search Engines users concentrate more on their shopping plans, banking and social communications. [4,1.]

The change of some fundamental processes is called as "disruptive event" and Search Engines are counted as a best example of this events – they provide information about any topic and can help to solve different kind of problems and needs. [4,1-2.]

For the regular customer, Front-end of any Search Engine is represented as a webpage which has an understandable interface and a search tab.

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Figure 2 User interface of Yandex Search Engine web-page (2013).

Main task of the Search Engine (SE) is to classify variety of information on the Internet and instantaneously provide it to the final user as a list of pages containing the links to sources, which satisfy the search request. This output of information is called SERP – search engine result page. [7.]

User is able to see only the "face" of the SE and unable to access the Back-end systems. SE Back-end operations are very similar among each other, but are still different in some points, which are held privately inside every SE owner company.

3.2 The structure of the Search Engine

Every Search Engine (SE) is equipped with "Search robots" which are collecting information about new web-pages and new content on the Internet [8,3]. There are different types of "Search robots" and they all have a different purpose and collect different data types.

SE work is based on the algorithm used in processing the information from user to server-side and back to the user. As time goes by, algorithms are constantly changing

and upgrading to provide the final user with more relevant and precise reply on the required material.

3.2.1 Search robots

There is a system of clusters in the basis of every search engine – be it in the US, Asia or Europe. All information and data is divided into specific areas, which belong to certain clusters. This makes it easier to obtain data on the information they provide for

"Search robots" who are also called "Indexing robots" or "Crawlers". Each robot has its own tasks and is responsible for concrete data collection – RSS feed for blog search, Image indexing, Main search and others. [9.]

All information, which is collected by robots, is being indexed and saved to SE Data Base (DB). Older data and information about web-pages is erased from the DB.

3.2.2 Search algorithms

Every Search Engine core is based on mathematical formulas and huge amount of calculations. Combinations of formulas of Search Engine insides are called Algorithms. Algorithms are meant to be able to find concrete item or value (with specific properties) among other values – basically, they work as a filter of data. [10.]

In Search Engine environment values searched by the Algorithm are words or phrases, inputted by the user of SE.

4 Search Engines in the World

There is a big number of different Search Engines, which exist in the world and all of them have their own purpose, aim and working method. Table 2 reflects the situation when Google is the leading Search service in the Western world.

Core Search	Explicit Core Search Share (%)			
Entity	Aug-13	Sep-13		
Google Site	66.9 %	66.9 %		
Microsoft Sites	17.9 %	18.0 %		
Yahoo! Sites	11.4 %	11.3 %		
Ask Network	2.6 %	2.5 %		
AOL, Inc	1.3 %	1.3 %		

Table 2. Top 5 US-based Search Engines. Modified from Adamo S. comScore(2013).

Table above explains how was the Market share of American Search Engines changing during the 08.13 to 09.13 time period. [11.]

By referring to different information source, which results are based on the World-wide Traffic calculations, "Top 5" table leaders change.

Table 3. Most high-traffic search engines in the world. Data gathered from Alexa(2013).

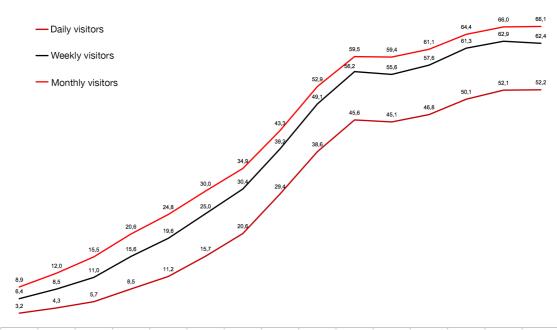
Core Search Entity	Page rank in the world
Google.com	1
Yahoo.com	4
Baidu.com	5
Live.com	9
Yandex.ru	17

Table above includes the ranking which is calculated on the basis of a combination of average daily visitors and page views over the past month. [12.]

By combining results from different sources it is possible to point out the most popular Search engines – Google.com, Yahoo!, Baidu, Live.com (belongs to Microsoft Corporation), AOL, Ask.com and Yandex.ru.

5 Search Engines in Russia

Every year Russia gets more deeply evolved into Internet usage. The share of active audience (users who use Web at least once a day) is 45% (52.2 million people). The annual growth of the users, who access Web at least once a month, is 11%, but for daily audience this figure has increased by 15%. Seasonal decline is not observed. [13.]



 Spring 2003
 Spring 2004
 Spring 2005
 Spring 2006
 Spring 2007
 Spring 2008
 Spring 2009
 Spring 2010
 Spring 2011
 Spring 2012
 Mutum 2012
 With re 2012 Spring 2013
 Spring 2014
 Spring 2014

Figure 3 Dynamics of the Internet penetration in Russia. Reprinted from FOM Media (2013).

By increasing number of Internet users, the number of searches is also rapidly growing over the time period. Users in Russia are mostly using their Internet connection for searching information (73%), reading the news (64%) and communicating in Social Media (63%) [14]. Figure 4 provides the screenshot of the graph made by the FOM Media research centre, which includes the information on user orientation (users activities) on the web.

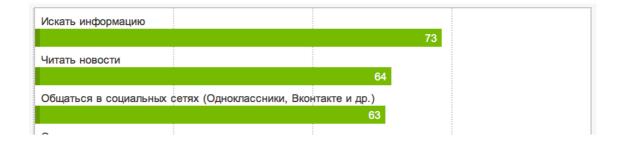


Figure 4 Most extended internet activities in Russia. Reprinted from FOM Media (2013).

As it is shown in Figure 4, search services are the most demanded on the Russian web. More than 200,000,000 search queries are made daily in Russia [15,61-191;16].

5.1 Search Engines on the Russian market

Russian Internet Search Market is dominated by 4 main Search platforms – Yandex, Google, Mail and Rambler. Market shares for every platform also differs a lot. From all Internet searches made in Russia, the lowest position in the rank is taken by the Rambler SE, which has only 1.4% of search queries. Next one is Mail.ru platform with 8.5% shares, and then the US giant Google with only 26% of shares. Yandex is the most popular Search Engine in Russia, it is also ranked as number #1 Web-page in Russian Federation. [12.] By processing 61.9% of all search queries from Russia Yandex becomes the absolute leader among other Search Engines.

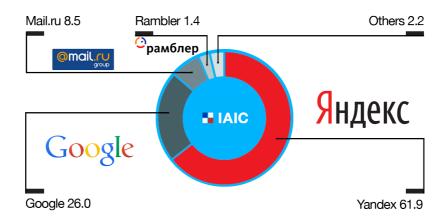


Figure 5 Market share of Russian Search Engines market. Copied from Korpela and Pankratovs (2013).

The Figure 5 explains the current situation with Russian Internet Search market shares and points out the main two leaders – Yandex and Google.

5.2 Yandex Search Engine

After receiving the search query, each Search Engines job is to provide final user with reply, or answer to requested query. The answer of the search engine is made in a form of hyperlinks arranged by their relevancy.

Internet grows from year to year and it is important to adjust the search tools for providing better and more specific results. This is why the term of "Machine learning" is required. It is impossible to create a perfect algorithm, which will completely satisfy each search query, but, by making the Search Engine to learn, users can receive more relevant replies to their questions.

Yandex has developed its own "Machine learning" methods, which are called "MatrixNet" and "Crypta".

MATRIXNET

One of the biggest problems of any search engine is "overfitting". This is a process, when, by applying machine learning method, algorithm works perfectly on the example, which was received while training the system. However, when algorithm is used to solve the real tasks (examples, which have not participated in the training) it is unable to achieve the same quality of output material. [18,826–833.]

This is the reason why in year 2009 Yandex launched its own machine learning system "MatrixNet". The main features of MatrixNet system is the ability to resist the overfitting by using huge number of factors in processing the search query.

"MatrixNet allows generate a very long and complex ranking formula, which considers a multitude of various factors and their combinations." [16,4.]

One more useful option of MatrixNet is automated ranking formula customization, which allows Search Engine to specify different classes of search queries. By applying

search of, for example, "Finnish business contacts", the search engine MatrixNet algorithm will be automatically adjusted in the way, which will not affect the quality or ranking of other searched queries.

CRYPTA

Second Yandex-developed machine learning method is called "Crypta" and its work derives from "MatrixNet" system. Crypta records the data of how do people act on the Web. Such information allows Yandex to predict next steps of the user and propose him/her most relevant information, which maximally satisfies the search query.

Crypta is also a machine based learning system, which trains 30 000 people of different age, gender, interests, income, habits and education. These people are found by Yandex via marketing agencies and their data is held privately by Yandex.

By applying over 300 factors Crypta instructs on how people interact with the Webpage, which words do they use, what is the usual interaction time and etc. After collecting this material, separate groups of users are created. Information about every group is adjusted by making more tests and collecting more material on each groups interaction styles.

Each Internet user is evaluated from the perspective of Crypta groups, and is placed in one of them in order to provide him maximally relevant content based on his/her interests. The data about the groups is updated daily, in order to provide the maximally fast response about all changes in people Web interaction habits.

Crypta is used in both – contextual and Media (banner) advertising. It helps to target the contextual advertisement to people, who are most likely interested in the advertised product. In Media (banner) advertising technology is used to display banners for people based on their gender type, age or for those who do not watch television. [16;19.]

5.2.1 Front-end

Front-end is responsible for collecting data in various forms from the user input on the web-page. Afterwards front-end transfers this data further to the Back-end (see 5.2.2

Back-end). Front-end is the visual part of the web-page (interface) which is seen by the user. [20,183.]

One of the main tools, while creating the front-end of any web-service, is CSS coding. CSS stands for *Cascading Style Sheets* and is responsible for formal description of the web-page outlook [21,272.]

Creating a Front-end platform is not limited only by using the CSS styling – web developers use multiple systems to achieve maximally effective and user-oriented design. There is a big number of different front-end solutions, and the one, which is used by Yandex, is BEM Methodology. Figure 6 shows the modular solution used in Yandex Search Engine for its front-end.

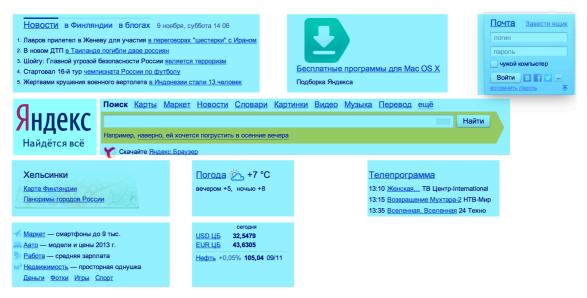


Figure 6 Yandex starting page with marked BEM elements (2013).

As it was shown in Figure 6, Yandex starting page is made of "blocks" (marked with blue colour on the original screenshot). In the HTML code, each block has its own name and CSS class. There are several not interface-dependent pieces, which are called elements of the block – in the Figure 6 example such elements are, for example, "Login" and "Password" of "Mail" block.

Many blocks of Yandex front-end look the same, but have slightly different options and features, this is why each of them is provided with its own CSS file. The system, collecting and editing all of these CSS files is called Block Modifier. [22.]

5.2.2 Back-end

The Yandex database updates are applied regularly in order to ensure the fullest collection of information. The database of Search information is being updated every month to provide the Yandex search output with up-to-date information. This type of information is added by the main robot scanner.

Code or "engine" itself is updated every time when there are several shortcomings or "bugs" identified. Such updates are made more rarely due to complexity of discovering the errors and fixing them. As a rule, Yandex publishes the announcement about up-coming updates.

The main feature of Yandex , which makes it popular among Russian-speaking users, is the ability to define different word forms with the morphological features of the Russian language. In addition, Yandex differs with its determination of most relevant content (indexed web-pages). The "relevance" is referred as the ratio of the content applicability of the web-page to the amount of the content of a search query. Also the good work of Yandex is described with high speed of response to queries and stable, without overloading, server operations.

The appearance of dynamic links on the web-page can cause cancellation of indexing process of the web-resource. During the indexation process (which is made with the help of Crawlers), Yandex determines the text information inside the documents with following extensions: .pdf, .rtf, .doc, .xls, .ppt. The last three extensions mentioned belong to Microsoft Office packaged software – Microsoft Word, Microsoft Excel and Microsoft PowerPoint. Also Search Engine reads the data from "robots.txt" file and supports the "Allow" attribute with some meta-tags. But, some meta-tags, as "Revisit-After" and "Keywords" are ignored.

Snippets are brief descriptions of text documents and they are built from the phrases on the indexed page and do the same job as a description in tag. Sometimes it allows to ignore the existence of additional tags connected to the document.

The term "Last-Modified" is one of the most important criteria for the Search Engine. If a server will not transfer this information, indexation process for current resource will not happen very often. However, the problem with pages, meaning that use frame-based structure webmasters can use scripts allowing the users to redirect users from the Search Engine to required place on the web-page, still remains. If the web-page has "mirrors" (for example, http://www.website.ru, http://website.ru, https://www.website.ru, https://website.ru,) webmaster should avoid indexation of them. If the indexation process was already done and all "mirrors" were indexed, it is possible to include information about them to "robots.txt" file. [23,62-63.]

As it was mentioned in point "3.2.1 Search robots", each Search Engine is collecting information about the web-resource by using different types of "Indexing robots". Table 4 includes the information about Yandex Search Engines robots and their responsibilities.

"Name" of the robot	Responsibilities		
Mozilla/5.0 (compatible; YandexBot/3.0;	Main robot, dealing with Web-page		
+http://yandex.com/bots)	indexation		
Mozilla/5.0 (compatible; YandexImages/3.0;	Image indexation		
+http://yandex.com/bots)			
Mozilla/5.0 (compatible; YandexVideo/3.0;	Video indexation		
+http://yandex.com/bots)			
Mozilla/5.0 (compatible; YandexMedia/3.0;	Indexes Multimedia data		
+http://yandex.com/bots)			
Mozilla/5.0 (compatible; YandexBlogs/0.99;	Indexes blogs and blog comments		
robot; +http://yandex.com/bots)			
Mozilla/5.0 (compatible; YandexFavicons/1.0;	Icon indexation (favicons)		
+http://yandex.com/bots)			
Mozilla/5.0 (compatible; YandexWebmaster/2.0;	Indexes pages which were added by		
+http://yandex.com/bots)	"Add URL" form or		
	Yandex.Webmaster		
Mozilla/5.0 (compatible; YandexPagecheck-	Validates the microformat of the		
er/1.0; +http://yandex.com/bots)	page		
Mozilla/5.0 (compatible; YandexImageResiz-	Mobile service indexing		

er/2.0; +http://yandex.com/bots)	
Mozilla/5.0 (compatible; YaDirectFetcher/1.0;	Yandex.Direct service robot. Index-
+http://yandex.com/bots)	es "robots.txt" file
Mozilla/5.0 (compatible; YaDirectFetcher/1.0;	Yandex.Direct service robot. Checks
Dyatel; +http://yandex.com/bots)	the link accuracy
Mozilla/5.0 (compatible; YandexSitelinks;	SERP link validator. Checks the link
Dyatel; +http://yandex.com/bots)	accuracy
Mozilla/5.0 (compatible; YandexDirect/3.0;	Yandex Advertising Network service
+http://yandex.com/bots)	robot.
Mozilla/5.0 (compatible; YandexMetrika/2.0;	Yandex.Metrika robot
+http://yandex.com/bots)	
Mozilla/5.0 (compatible; YandexNews/3.0;	Yandex.News robot
+http://yandex.com/bots)	
Mozilla/5.0 (compatible; YandexNewslinks;	Yandex.News link verifier
+http://yandex.com/bots)	
Mozilla/5.0 (compatible; YandexCatalog/3.0;	Checks the link availability from
+http://yandex.com/bots)	Yandex.Catalogue sites
Mozilla/5.0 (compatible; YandexAntivirus/2.0;	Checks web-pages for presence of
+http://yandex.com/bots)	malicious code
Mozilla/5.0 (compatible; YandexZakladki/3.0;	Verifies the availability of links on
+http://yandex.com/bots)	Yandex.Bookmarks
Mozilla/5.0 (compatible; YandexMarket/1.0;	Yandex.Market robot
+http://yandex.com/bots)	
Mozilla/5.0 (compatible; YandexVertis/3.0;	Vertical search robot
+http://yandex.com/bots)	
Mozilla/5.0 (compatible; YandexCalendar/1.0;	Verifies the Yandex.Calendar syn-
+http://yandex.com/bots)	chronization
Yandex/1.01.001	Searches for Web-page "mirrors"
(compatible; Win16; H)	
Yandex/1.03.000	Is used when redirected to the page
(compatible; Win16; M)	by reference "Words found"

Main search robot is the most important among others – the results of its indexation are used by the other robots. The significance of the resource for the search engine is based on the way it indexes the pages.

Operations of all robots are divided into schedule. It means that if the web-page is indexed by one of them, the next robot will start its work only after some time. Main Search robots have some small helping robots, which are responsible for checking the availability of the web-page. Such robots are working, for example, in Yandex.Catalogue and Yandex Advertising Network. [24.]

5.2.3 Services

Yandex system offers more than 60 different services, which are, mostly, searchbased, but are also available without direct connection to the search engine. Yandex services are split into different categories in order to provide clear understanding of target group for each of the service. Table 5 includes information on different types/groups of services which Yandex provides to its final users.

Name of the service	Sub-categories/services		
Search and information	Plane tickets, Cars, Posters, Video, Time, Exams 2013,		
	Pictures, Maps, Catalogue, Market, Music, Personal		
	Maps, Real Estate, News, Translate, Weather, Search,		
	Search in blogs, Traffic jams, Work, Timetables, Dic-		
	tionaries, Taxi, TV program.		
Personal and Entertainment	Yandex.Money, Yandex.Disc, Calendar, My circle, Mail,		
	Photos, Ya.ru		
For business	Yandex.Direct, Advertising, Directory, Statistics		
Mobile	Yandex.Mobile		
For Webmaster	Yandex.Webmaster, Metrika, Web-page search, Do-		
	main mail, Advertising network, Yandex.XML		
Yandex API	Yandex.Money, Yandex.Direct, Maps, Search in blogs,		
	Photos, Yandex.Widgets		
Software	ABBYY Lingvo x5 Yandex-edition, IE with Yandex,		
	Firefox with Yandex, Opera with Yandex, Punto		
	Switcher, Kaspersky Security, Bookmarks, Browsers		
	manager, Yandex elements, Yandex.Browser		
Around the Web	Internetmeter, Collection		
Special Search	Foreign search		

Table 5 Yandex	provided	services	and	tools	(2013)	

By using all services listed in Table 5 in June 2013 Yandex was able to attract 54.7 million unique users (62% of all search traffic in Russia) in 2013 year [15].

5.3 Google Search Engine

5.3.1 Front-end

By comparing the user interfaces of Yandex and Google it is easy to focus the attention on different designs of Front-end structure. Google starting page does not include any user-adjusted blocks of information or do not provide any additional content.

Media giant Google recently changed the outlook of its starting page [26]. From now on, Front-end of the page includes regular Search bar, two search buttons, Google logo, which is laso known as "Doodle". The top bar of the starting page includes shortcuts to different Google services. Figure 7 displays the outlook of the new Google starting page.



Figure 7 Google.ru Search starting page (2013).

Google CSS code includes additional sprites, which appear on high-resolution screens and Retina displays. This feature allows to provide more crisp and sharp images for the service users regardless of the device type. [26.]

5.3.2 Back-end

Google back-end system is based on the "Bigtable" distributed storage system. This system is scalable to work with huge data amounts – petabytes of information which are stored on different servers. Such services as Google Web indexing, Google Earth and Google Finance use the "Bigtable" structure to operate with all data, which was requested or imported by the users.

These applications place very different demands on Bigtable, both in terms of data size (from URLs to web pages to satellite imagery) and latency requirements (from backend bulk processing to real-time data serving). [27,1]

Bigtable structure provides users with simple data model, which is able to control the dynamic data layout and format. All content (data) is indexed in this system by row and column names which can be presented as an arbitrary strings. Figure 8 shows the storage system behind the "Bigtable" structure.

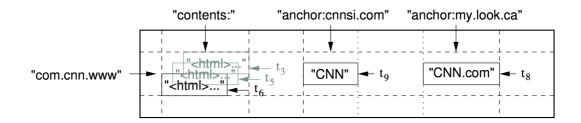


Figure 8 Disturbed Structured data. Reprinted from Chang F, Dean J, Ghemawat S, C. Hsieh W, A. Wallach D, Burrows M, Chandra T, Fikes T, E. Gruber R. (2006) [27,2]

5.3.3 Services

Google company provides its clients with several Search-based services, which are made to satisfy different needs and answer different questions clients might have. There are 12 Google services or "Products" which are shown in Table 6.

Name of the service	Sub-categories/services
Web Search	Internet-based search with Voice-search
	feature
Mobile	Android OS platform with all services
	available on mobile device
News	News feed with different categories and
	areas of interest
Translate	Translations of any text size for 71 lan-
	guages
Blog Search	Blog-based search for concrete topics of
	interest
Alerts	Alerts for latest relevant Google results
	based on the client requested queries.
Google Chrome browser	Freeware PC/Mac browser with all Google
	services functionality
Image Search	Searching the web for images. Searching
	user uploaded image copies
Drive	Storage service. Allows to create docu-
	ments and share them
Groups	Mailings lists for sending different kind of
	content to groups of people
Scholar	Searches for cholarly literature – articles,
	theses, books and etc.
Code	Developer tools for applying Google APIs
	to other platforms

Table 6 Google-based services (2013)

Every service provides unique functionality, but some options are overlapping each other, what helps users to combine different services in one unique experience. Example of such experience could be the option of combining Map service with Image service in order to mark where the images were taken.

6 Search Engine Optimization

Search Engine Optimization or "SEO" is one of the most crucial marketing activities, which helps web-pages to be recognizable on the SERP of any Search Engine. Appearing on the high position in the Search Engine, SERP provides the web-page owner with additional brand-attraction from client point of view. Potential customers go online to search for the product or service before making the final decision in the offline store. [4,79-80.]

6.1 Yandex SEO

In order to create a powerful web-page presence in Yandex SERP, the webmaster should know the main Yandex indexes, which are taken into account when the web-page is ranked automatically by Yandex robots.

Yandex Search Engine can be characterized by several indexes.

- Thematic index of citing or "TIC" is a public index which has no direct influence on the ranking and is used to determine the position in the thematic category of Yandex.Catalogue. It is used in the process of web-page popularization – TIC shows the number of links, in average, which link to current web-page.
- Weighted citation index or "WCI" is an algorithm for counting the number of inbound links. Value of this index is kept in secret and is used by the Search Engine to determine the ranking of the websites.
- Presence in Yandex.Catalog.
- The total number of pages which were indexed.
- The frequency of indexation of page content.
- The presence or absence of the links from the Web-page and appearance in Search Engine filters.

Citation Index (CI) provides the basis for both TIC and WCI, and effects ranking of the web-page. Citation Index – displays the amount of citations (number of links to the source) among publications. It allows to calculate which older documents are referring to newer files.

In Yandex and other Search Engines CI means the quantity of backlinks to the source

excluding the following resources: unmoderated catalogs, bulletin boards, newsgroups, pages, server statistics, XSS links and other resources which can be added without permission of web-page owner.

Figure 8 includes the reference graph, which explains the way of calculating the CI. If the information sources are interpreted as a graph vertexes, but citations from other sources are drawn as connecting lines from one vertex to another, then the reference graph can be drawn as follows.

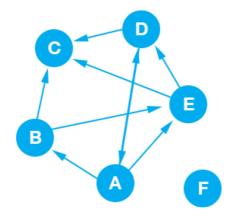


Figure 8 Reference graph (2013).

Letters A, B, C, D, E, F in the Figure 8 give an example of different indexed web-pages, which have different types of connections (shown by arrows) – one-directional and twodirectional.

CI is used as one of the factors for ranking the web-pages in SERP, but it is not the main tool in this case. It is important to separate and clearly understand the difference between CI in comparison to TIC and WCI. Citation Index is always an integer and is independent from the topics of linked documents. CI is unable to show the complexity of indexed content – the integer value for CI can be the same for significant as well as for less significant texts. Due to this the WCI (Weighted Citation Index) was invented – it is able to show not only the quantity of contents, but also the quality of referred sources. This type of search tool is used in order to find and block primitive web-based spam content, which would completely destroy all statistical information. WCI is an analog of PageRank from Google and can be calculated from reference graph.

Thematic Citation Index (TCI) is used for distinguishing how respectful and reliable a

web-page is in its thematic field. In order to build the web-page theme the first thing which is done, is completion of web-page overview (from the web-page categories names, headings, URL structure, pages). Then the received grade is compared to already existing numbers in different thematic sources from the catalog. TCI calculation is based on the formula displayed in Figure 9. [28,1.]

$$PF(v,t) = \frac{n_v}{N} \cdot \sum_{i \in P} \frac{PF(i,t) \cdot w(i)}{N(i)}$$

Figure 9 Formula for Thematic Citation Index (TCI) calculation. Data gathered from Yandex Help (2013) [28,2]

In the formula mentioned in Figure 9:

PF(v,t) –TCI of the "v" resource;

P – number of pages who refer to he source and have the same theme;

nv-number of pages in the "v" resource;

N – overall number of pages in Yandex index (nv/N is a likelihood that user is reading "v" resource);

w(i) - frequency of citation of "v" resource by resource "i";

N(i) – overall number of links on the "i" resource;

In the beginning TCI was used to calculate the overall situation in the Russian web, but after some time, when Yandex spread over different regions (Belarus, Ukraine and others), additional versions of Catalog appeared. To arrange and index sources in different regions the "Regional" version of TCI appeared. The only difference it has is the ability to compare documents not only by their topic, but also by their geographical location. [28.]

6.2 Google SEO

Indexation process of the web-page is the first thing which is done by the SE regarding the visited web-page. If the web-page of the client is not indexed, it will not appear in Google SERP. Web-page can be placed to Google Indexation queue manually by the webmaster. Client can become a webmaster himself by creating Google webmaster account and signing with clients Gmail account. [8,30.]

In order to figure out whether the web-page is indexed or not – client needs to search the name of the web-page in Google Search service. If the web-page does not appear in Google SERP, it is not indexed yet.

Google crawlers (robots) are more efficiently indexing the data, if data is properly structured and logically placed on the web-page. This is why it is very important to arrange all data in order – all headings, titles and descriptions on the web-page should be marked as follows:

- Headings should concretely explain the topic of the content of the page. It is
 necessary for a heading to include required keywords and be readable for the
 web-page visitors.
- Each page should have its own unique heading.
- Title should be short and descriptive. In Google, it is allowed to have long text, which exceeds the browser tab displayed text, but it is strongly suggested to avoid long texts. [29,252-257.]

Other meta-tags (such as description and keywords) are less iportant and do not affect Google-oriented SEO. But, it is a good habbit to fulfil all possible meta-tags. For example, Google-made snippet information is taken from description tag.

Web-page should be placed on qualitative hosting service, due to importance of reply time of the server. Google will not allow the low speed web-pages appear on the highest positions of SERP. [6,3-5.]

The content of the web-page should be unique. Optimization is impossible without providing unique content, which is not repeated inside the web-page. In case the content is hard not to repeat, some of it should be included into robots.txt file in order to hide it from the Google crawlers. [6,3-5.]

Web-page should have several well rated links to it. Google crawlers are monitoring the amount and quality of links, which lead users to the actual page.

There are some factors, which affect the link quality:

- Links to the web-page should be placed on respectful (already well ranked) web-pages.
- Anchor text the text which surrounds the link to the page. This text should be thematic and link should lead to the exactly topic-matching page. [6,3-5.]

Google-based SEO is not very different from any other browser-oriented web-page optimization process. It means that, while working on Google SEO, user also partly helps web-page to appear on the other search engines. Each Search Engine has its own rules, but there are some common points and strategies for optimization process.

7 Search Engine Marketing

Search Engine Marketing provides users with non-interrupting way of advertising. In comparison to TV Ads or classical advertising, Internet-based Ads are not interrupting the user – they provide content, which could be interested for the user. [29,249-250.] Russian Internet, mostly, has its own structure, which differs from the Western Internet not only with the language, but also with the strategies, which are used to target the relevant traffic. By knowing different medias (shown in Figure 10), which can be used to advertise the same product or service, advertiser is able to connect multiple services to increase the ROI.

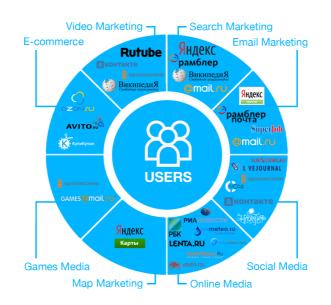


Figure 10 Russian Media wheel (2013).

Russian Media wheel differs from the Western Internet-based wheel in most categories. The main difference is based on the change in the Search Marketing sector which leads to changes in such areas as "Online Media", "Map Marketing", "E-commerce" and "Video Marketing". These Media categories are closely connected to the Search Engine Marketing term, because each of them has its own connection to Search Engine itself – big online medias belong to Search Engines partner networks, maps are based on search engines data about company or stores locations, e-commerce sites advertise their products directly is Search Engine markets and, finally, video sharing services build each Search Engines "Video" category page.

7.1 Payment methods

Russia is a country with huge number of Internet users but only a small number of people who is using online payments and buy goods online.

However, users are still mostly using the Search Engines to access different online stores to familiarize themselves with desired product or service. And, after making their choice, they proceed to local physical stores to make final decision. [30.]

Such strategy harms the advertisers and they are forced to use different payment methods for their advertisement. Figure 11 shows three main types of how the advertiser can be charged for the posted Ad.



Figure 11 Three main Advertising payment methods (2013)

Each of them can be used in different marketing campaigns, but all of them lead to one result - money is taken from the advertiser, not from the customer.

7.1.1 Cost Per Mille (CPM)

Cost per mille method is also known as "Cost Per Impression" term and is widely used by Google and Yandex in "Media" or "Banner" advertising. This method is mostly used for creating an awareness of the brand.

CPM model charges the advertiser every time the customer sees Advertisement. Such advertising, usually, looks like a banner on some starting page (for example, banner on one of the Google Display Network sites). An example of such banner can be found in Appendix 1 of this document.

CPM is calculated for thousand of impressions, due to big amount of "empty impressions" – those advertisement showings, when client is not interested in the advertised service and just ignores it. [31,375-376.]

7.1.2 Cost Per Click (CPC)

Cost per click method is one of the most popular ways of charging the advertisers for their advertisement. Yandex and Google developed their unique systems, which provide advertisers with the ability to create and maintain their own advertising campaigns and manually adjust the price for clicks.

In this payment method, Google and Yandex advertisers are charged for every user (potential client), who clicked on the advertisement located in Google or Yandex page or their Partner Network sites. Example of CPC method can be found in Appendix 2 of this document [31,383].

Cost of each click depends on the field of business of the advertiser, on the number of competitors in the same field and placement of the Advertisement. Please refer to "7.2.1 Contextual advertising" for more information.

7.1.3 Cost Per Action (CPA)

Cost per action or "Cost-per-aquisition", when active, charges the advertiser only after the client has made some valuable action on the web-page or made an order or registered. This method is good from the measurement point of view, because advertiser keeps track of how many clients made transactions or interactions with the web-page. This method is suggested for seasoned AdWords advertisers who are interested only in beneficial interactions with their web-page.

7.2 Yandex SEM

As it was mentioned in "5.1 Search Engines on the Russian market" point of this document, Yandex Search Engine is ranked as #1 web-page and web-service on the Russian Web. By monitoring the Figure 6 results it is possible to say that Yandex covers the most of Internet users in Russia.

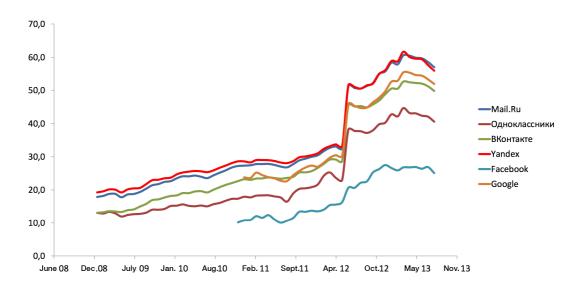


Figure 12 Media platforms coverage of Russian Internet users. Copied from Nemirovskiy (2013) [32,6]

By having over 60 million users in Russia, Yandex becomes a very interesting platform for advertisers to show their goods and services.

Yandex Search Engine Marketing can be split in two main categories:

- Contextual advertising
- Media (banner) advertising

7.2.1 Contextual advertising

Contextual advertising is a term used to describe type of advertisement, which is shown only for users, who are trying to find concrete product. In other words, contextual advertising appears as a reply to search query, which was made by the client on the Search Engine web-page. Even, if the advertised product is searched only by one person, the advertisement will be shown only to him/her. [31,383.]

Contextual advertising on Yandex can be made in two ways:

• Yandex.Market - is a placement system for product offers on Yandex.Search and Yandex.Market. The Market stores are placing their product advertisement in order to attract customers from the Web. This service is used by more that 20000000 people monthly. Figure 13 describes the way, how Yandex.Market provides the customer with easy to use product search tools, places of goods purchase, descriptions, model comparisons, prices and etc.

	Яндекс	ак Почта Карты Маркет Новости Словар скать только в этой категории	<u>ж Блоги Видео Кар</u>	тинки ещё		Найти	✔ Vladimir Pankratov Настройка Мой Маркет Регион: Москва	<u>Выкод</u> Помощь
	Samsung Galaxy Note	3 SM-N9005 32Gb новинка епосното 77 Магазени разде 45 Оганана № О 24 590 руб. ъ 22 900 29 850 руб. ъ 29 900 29 850 руб. ъ 29 900 29 веко руб. ъ Содениться Добавить в <u>Опсок покупок</u> Добавить в <u>Опсок покупок</u>	 смартфон н сенсорный диагональ з камера 13 № память 32 Г поддержка 	на платформе Andro экран мультитач (ек экрана 5.7", разреши ИП, светодиодная в "б, карты памяти mit Bluetooth, NFC, Wi-f LixBxT 79.20x151.20;	икостный) ение 1080х1920 спышка, автофокус	PHACC	OXOXXIAB TOBBQDAI 3208 3208 or 12 650 py6. amsung Galaxy Note 3 SI 3208 or 10 400 py6. LG G2 DB02 32Gb or 18 330 py6. sory Xperia 21 or 19 800 py6.	
	Интернет-магазины ЦЕНАБ.Ру ЭЛЕКТРОВЕНИК.РУ Уіdeo-shoper.ru СОТОВИК-СИТИ Містен Все магазины 53 Магазины оядом	 ★★★☆ 717.07368008 ★★★☆☆ 1322.0736808 ★★★★★ 3147.07368008 ★★★★★ 7.07368008 	Доставка 399 руб. 350 руб. 300 руб. 400 руб. 300 руб.	Цена 29 789 руб. 23 990 руб. 25 390 руб. 24 850 руб. 25 290 руб.	Кулить Кулить Кулить Кулить Кулить	E	Сравнить с нини 3 кредит от 2 260 руб. 1 масяц, сроком на 1 год 17 ОАО «Нордав Бык» 4 кредита на Уолутах 4 ксессуары 2 агу 2841 руб. 2 агу 2841 руб. 2 агу 28450	
1. 2. 3.		Kinkat Omiure Kibaevoropex Pytere	Hereine and a second se				 or 2 201 py6. Sony. Smalt Wireless Head or 3 459 py6. Bata Annotare Beats Wirele or 5 399 py6. 	

Figure 13 User interface of Yandex.Market with Samsung Galaxy Note 3 mobile phone offer (2013)

After choosing right offer customer is redirected to Yandex.Market store or directly to sellers online store with information about the store and all necessary contact information. The store offers are shown to users in Yandex.Search and Yandex.Market search results.

Benefits of using Yandex.Market:

- Ad is shown only for those clients, who are potentially interested in purchasing the advertised good;
- Advertiser pays only for potential customers, who accessed the online store web-page or contact page;
- Map-enabled search;
- o Advertisement is visible only in advertiser-selected regions;
- o Possibility to adjust the exact budget for advertisement placement;
- Yandex.Direct is a Yandex-developed advertising platform, which offers advertisers with broad variety of tools for familiarizing Yandex (and Yandex partner Network web-pages) users with their products and services. This advertising type is aimed to rapid increase of sales and new client attraction. Figure 14 shows the screenshot of Yandex SERP reply with one contextual advertisement.

	_		Поиск	<u>Почта</u> 3	<u>Карты</u>	Маркет	Новости	<u>Словари</u>	Блоги	Видео	Картинки	ещё		
Яндек	Яндекс		Sams	ung galax	y note 3							Θ	Найти	
Нашлось 9 млн ответо			🗌 в на	йденном	в Моске	зе				D	асширенный	поиск		
			цена	обзор	фото	HOBOCTI	викиг	педия						Разместить объявление по запросу «Samsung galaxy note»
PEKJAMA		b	<u>Samsı</u> Ужевп © пн-пт	<u>явления</u> ung Gala родаже! No 9:00-19:00 с и телефо	te 3 c LTE	и 32 Гб г	-	ютрая дост	авка. Са	мовывоз.				Видео «Samsung galaxy note»
	Результаты все в рунете в мировом интернете Image: Samsung GALAXY Note - Samsung Mobile перевод Meet the new GALAXY Note - a new type of smartphone GALAXY Note Story. Benefits. Specifications. samsung.com > nz/galaxynote/								Обзор смартфона Samsung Galaxy Not 3 (HQ) Все видеоролики					
1	2	GD	Samsur Олимпи Galaxy	ng » Galaxy	Note 3 - / компания овится od	Цата выхо Samsun	да, цена и g снова ст	и характери ановится о	істики Га фициаль	лакси Но ным спон	теристики рут 3 На нсором и на	Зимней		

Figure 14 Yandex SERP output with contextual advertisement (2013)

This type of advertising is effective, because it is visible only for those users, who satisfy the targeting requirements mentioned by advertiser while creating advertising campaign. After inputting desired good or service in Yandex search bar, user will receive SERP output with several proposals of contextual advertising, which should provide user with question-related information about the good or service.

Yandex.Direct advertising campaign is created by the advertiser. Also, Yandex agents can help with it, but, if the campaign overall money input is less than 550 EUR (price for Finland only), the advertiser will need to pay extra for the help of Yandex agent.

Campaign creation is made in 3 main steps (Screenshots of the process can be viewed in Appendix 3 of this document):

- 1. Create campaign
- 2. Create an ad
- 3. Select bid

Each step is important in its own way. First step requires advertiser to input his contact information together with first (basic) targeting options, which will affect all Ads inside this campaign. It is possible to narrow the advertising scale by time targeting, region targeting and different keywords.

After user finished submitting this information he proceeds to the next step, which is called "Create ad". In this section user is asked to input the title of the advertisement (maximum of 33 symbols) and the body of the ad (maximum of 75 symbols). Figure 15 shows the outlook of the Ad, which will be displayed in Yandex Search results or Yandex Partner Network web-pages.

Russian SEM for Finnish corporate

Example of outlook of Yandex.Direct Ad placed in search results by Vladimir <u>Address and telephone number</u> www.iaic.fi

Figure 15 Example of Yandex.Direct advertisement (2013).

Same section requires user to input one of the main advertisement criteria's – the keywords. Keywords are the words or phrases, which will connect the final user (potential client) of the Search Engine with advertisers Ad. Every time user enters required keywords in Yandex search bar, SERP output will include the advertisers contextual Ad.

There is a special tool for key word selection. This tool is accessible from the same "Create ad" page from the top right corner. Figure 16 displays "Keyword selection" tool.

	Web Images Vide	eo <u>Translate</u> <u>Mail</u>			🔽 Vladimir Pankratov	Logout						
Yandex	business											
Keyword statistics	• By keyword	By region 🛛 🔵 Quer	y history All reg	ions								
	Last update: 30.10.2013											
	word "busine	hes containing the ss" — 278,732		hing for "business" nterested in:								
	impression	is per month	Statistics by keyword	Displays per month 🖓								
	Statistics by keyword	Displays per month ?	кампания +или компания	7,318								
	business	278,732	кампания	154,476								
	business proposal	55,670	компания	7,374,680								
	t business	45,529	company	415,183								
	business english	10,674	бизнес	4,269,658								
	business school	8,897	бизнес форум	29,260								
	business edition	8,473	bussines	540								
	business ru	8,393	bisness	4,307								
	business online	8,119										
	sberbank business	6,283										
	business com	5,808										
	www business	5,719										
	sberbank business online	5,678										
	small business	5,040										

Figure 16 Keyword selection tool (2013).

Keyword selection tool also provides the forecast (based on the previous month results) on how popular was every keyword and what were the other keywords, people were trying to enter to the search bar. This tool also supports targeting options, and it is necessary to check the popularity of selected keywords in the regions, the Ad will be shown in. [31,384.]

One more tool, which should be used while creating an Ad is "Budget forecast". This tool provides advertiser with estimates of budget which will be used with chosen keywords and targeting options. The tool is found just near the "Keyword selection" button from the same page. It requires advertiser to input desired geographical targeting for his Ad as long as all keywords, which were previously chosen from the "Keyword selection" tool. After advertiser inputs words into table and presses "Calculate", system automatically calculates the budget, based on the previous month's results. Figure 17 gives an insights of the budget calculation for Yandex.Direct advertisement.

uch		My campaigns	Place ad		Keyword selection	Budget forecast	API Forum		
		My campaigns	Place ad		Keyword selection	Budget torecast	API Forum	Blog	
			Campaign mo	nthly budget estimation					
. Selected	d regions								
Regions			refine					Which regions should I choose?	
			Finiario						
. Selected	d keyword	d phrases							
. Selected	d keyword	d phrases						select premium select select quaranteed in	first place entry
. Selected	d keyword	d phrases		Pastor ²	Average OPC Sociality 4		CIR forecast.%	select	t first place entry npressions entry
			charce	premium placement	forecast, v.e. 1.22	•	CIR forecast % 3.01	select guaranteed in	t first place entry npressions entry
×	ď	Keyword	sbance rafice select		forecast, v.e.		3.01	select select guaranteed in Impressions forecast	placement entry i trinst place entry i mpressions entry i buda
×	ď	Keyword	refine	premium placement 1st place	forecast, v.e. 1.22 0.24		3.01	select select guaranteed in Impressions forecast	t first place entry npressions entry

Figure 17 Yandex.Direct campaign monthly budget estimation (2013)

It is necessary to keep in mind, that calculated budget is just prediction, based on the previous month results. It means, that each click price can vary depending on the number of competitors and advertisers personal statistics.

The CTR of the Ad strongly affects the CPC value – higher the CTR percentage, lower the CPC amount. It means, that more successful campaigns are cheaper to show. Statistical data about how successful was the campaign is recorded by Yandex for 28 days. After this time it is deleted and recording starts again. Such approach allows to change the CPC value in case the previous month campaign had low CTR percentage.

7.2.2 Media (banner) advertising

Based on Yandex research, its services are viewed by 27 200 000 people every day. And, by using media (banner) advertising, it is easy to create branding of the product or company. Yandex banners make it possible to reach the large amount of people and target the banner to more narrowed groups.

Yandex banners are the biggest graphical elements, which can be found on the Yandex portal. Different Yandex services have their own size of banners and different positioning options. Banners are used mostly for branding purpose, for forming the desire from users and informing the audience about new goods or services. Figure 18 displays all Yandex services, which allow the user to put media (banner) advertising. This image is a translation of the original screenshot, which can be found in Appendix 4 of this document.

👂 <u>Main page</u>	📄 <u>Market</u>	Timetables
💿 <u>Mail</u>	🕞 <u>Weather</u>	Services
News	🦻 <u>Photos</u>	🕒 Work
Maps	Real estate	🖹 Auto
Dictionaries	Posters and Music	Video and TV

Figure 18 List of Yandex Services with banner options (2013)

Pricing strategy for media (banner) advertising is less adjustable and requires bigger investments. It has fixed pricing templates with strict targeting options. Also, media (banner) advertising can not be created and maintained as fast as it is done with contextual advertising. Banners are ordered from Yandex directly or Yandex-certified Advertising Agencies, but this process requires more time in comparison to Yandex.Direct platform.

7.2.3 Yandex Advertising Network

Yandex Advertising Network or "YAN" is a collection of different Web-pages, which are displaying Yandex-based advertising on their pages. These web-pages are Yandex partners, who help Yandex advertisers to target their Ads to specific groups of people. For example, advertisemens, which have the automotive thematic are shown not only in Yandex Search results (after using advertisers-chosen keywords), but will be seen also on automotive web-pages, such as *www.auto.ru*. The only difference in this case

is that on Yandex web page, customer is searching for some concrete product or service (for example car), but in YAN Ads are proposed to the client, because he/she is already visiting a car-related web-page.

YAN network audience exceeds 55 million people every month. Strategy of using YAN helps to show concrete advertisement to maximally interested audience. Figure 19 shows the example of outlook of YAM banner on one of its web-pages. [33.]

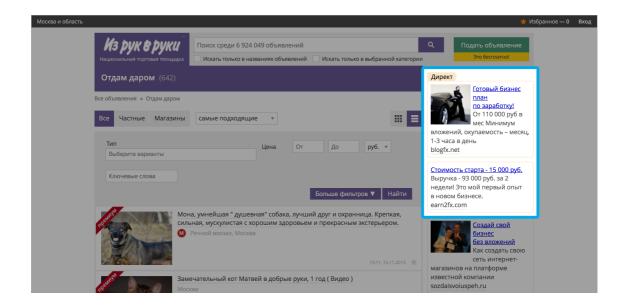


Figure 19 Example of a banner on one of the YAN Web-pages (2013)

Using YAN banners is beneficial not only for the advertisers, but is also profitable for the owners of the YAN-participating web-pages. Owners of these web-pages earn a fixed amount of money (the amount of profit is not mentioned) from each customers click made from their web-page.

There is one special feature of YAN based advertising. When the advertisement is shown in Yandex SERP it includes only 33 symbols for title and 75 symbols for the body of the Ad. But, when the same Ad is shown in YAN, it includes advertiser-chosen image (refer to Figure 19 and Figure 20) which size range from 80-90 pixels to 120 pixels.

Yandex.Direct		All ads
	Ad title The text of your ad describing product or service.	
Address and telep	hone number	

Figure 20 Template of YAN displayed Ad structure (2013).

This option makes advertisement more visual and attracts more attention from the YAN web-page visitors.

7.3 Google SEM

Majority of Search Engines provide 2 main appearance types: Organic Search and Paid search [34,130-134]. The example of Google Organic and Paid results is shown in Figure 21.

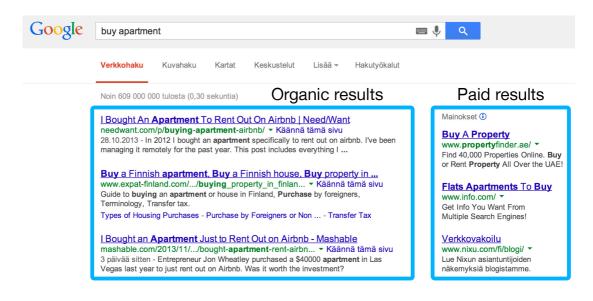


Figure 21 Screenshot with Organic and Paid results in Google (2013)

Google SERP results are very similar to Yandex SERP output with only difference – Yandex "Paid results" do not appear on the right side from SERP – they appear on the top and on the bottom of Search Engine results list. (Refer to Appendix 2)

While the Organic results of the SERP output, mostly, derive from Search Engine Optimization, the Paid results are dependable from Search Engine Marketing strategy [35,21-26]. Google Search Engine provides advertisers with unique Google-made tool "Google AdWords". This tool is meant to help advertisers of any level to create Google-based Ads by choosing the keywords or phrases, which maximally describe the area of business or advertised product of a client.

Google service provides 3 main advertising methods :

- Search Ads.
- Display Ads (Google Display Network).
- Youtube Ads [1,154].

7.3.1 Google Search Ads

Google-based advertising is using the same technique as the previously described Yandex platform – advertiser is charged every time potential customer clicks the Ad. This CPC system is based on the auctions of keywords. Table 7 shows the character limitations for Google Search Ads. [6,8.]

	Example	Max length
Headline	Order course online	25 characters
Description line 1:	Business lectures	35 characters
Description line 2:	Save 15%	35 characters
Display URL:	www.iaic.fi	35 characters

Table 7 Character limits for Google Search Ads (support.google.com, 2013).

As it was shown in Table 7, Google offers advertisers with 130 symbols, 95 of which are usable and can include concrete information about the product or service.

7.3.2 Google Display Ads

This type of advertising helps to show advertisement beyond the Google Search webpage. As well as Yandex, Google have its own partner network, which helps to show Google-based advertisement to the audience of any kind. By advertising on Google Search Paid results, the advertiser can choose an option to show advertisement on topic-related web-pages. [6,5.] The outlook of this Ad type has more options, comparing to Search Ads.

Google Display Ads can be seen by the final client in four ways:

- 1. Text Ads will look the same as the original Search Ad.
- 2. Image Ads includes topic-related image, customized layout and background colour.
- Rich Media Ads banner based advertising, which provides advertiser with option to include different types of medias inside one layout. Animation and sound options are enabled.
- 4. Video Ads small sized video instead of Text Ad.

By making advertising content visually different, advertiser can target different customer groups.

7.3.3 Youtube Ads

Seven years ago (year 2006) Google company bought the YouTube video sharing platform. It gave advertisers an opportunity to put motion advertising to the YouTube played videos.

YouTube offers several types of Ad types on its page and videos. Figure 22 displays the possible placement options of YouTube-based Ads.

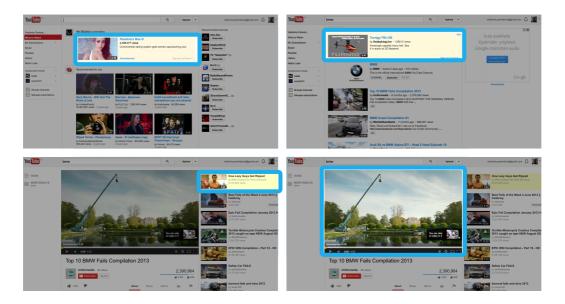


Figure 22 YouTube Ad placement (2013).

All Google video advertisement created with help of AdWords system belong to True-View family.

The TrueView video advertising service provides YouTube advertisers with 3 main options:

- 1. In-stream advertising
 - Video ad is displayed before, during or after the video from YouTube
 - User can skip video after 5 seconds
 - Advertiser pays only if user watches video for 30 seconds or more
- 2. In-search advertising
 - Video ad is shown in the Google Video SERP and YouTube SERP
 - Advertiser is charged when the user chooses to watch his video
- 3. In-display advertising
 - Video Ads are shown on the right side from the opened video or on the webpages of Google Partner Network.
 - Advertiser is charged when the user chooses to watch his video

8 Discussion

Search Engine marketing, despite the existence of different Search Engines and algorithms, looks similar on any platform. All SE have their SERP output, which, usually, includes not only organic search results, but also paid search results. All SE paid searches are monitored and installed via SE-made user console or web-based software, which provides the user with different targeting and payment options.

In order to perform functional marketing strategy on Russian Search engines, an advertiser should be aware of several important factors, which will make the campaign effective. Search Engine Optimization should be done first, in order to make the advertised web-page known by the Search engine and to appear on the higher positions, even if the user is not clicking the Ad itself.

In order to make web-page interesting for Search Engine crawlers it should be manually updated regularly. By updating the web-page content couple of times every week with small portions (around 500 symbols) SE will follow the web-page as active and interesting for users. The web-page should be updated manually, because the SE already knows the majority of automated systems, which create content, and can easily ban the web-resource.

After SEO process is made, the business owner can start to advertise the brand or the product. By creating the contextual Ad after optimization, the advertiser makes it visually more user-oriented. The Ad will appear, depending on the SE, on the right side or at the bottom of SERP. Ad relevancy strongly affects the position of the Ad in the list of Paid results. Even, by investing less. than competitors. By providing more relevant information the Ad can be shown on the higher positions which will increase CTR.

9 Conclusion

The aim of this thesis was to provide basic knowledge of Russia-based Search Engines marketing capabilities. The study explained the main operational ways of Russian biggest Search engines, their back-ends and front-ends. Also different ways of creating digital presence of the product or service in the search both organic and paid were discussed.

This study also provided basic knowledge of SEO and SEM as long as the screenshots of an advertising campaign creation process can be seen. It is necessary to remember that every campaign and company is different, so the tools and approaches used will also differ from each other. In order to create a workable solution, the advertiser should study SEO and SEM structures more in deep.

Practice can be a good way of studying SEO and SEM structures, because it does not require big investments and can be done from home.

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Example of Google Display Network CPM advertising

Bringing The World's Financial Markets To You Home Charts US Markets Global Markets News & Commentary	Enter Symbol(s) Get Quote 🗧	60	
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Horizontal blue box with IAIC.fi company advertising is using CPM model.

Example of Yandex CPC advertising

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	Статьи о бизнесе в России: Сиванков А.А. «Потенциал России в области создания и развития новых технологий (по оценке западных экспертов)». п. utorussia or sibtares <u>yrossii</u> Бизнес В России Brain-Snob.ru	
_	Рубрика: Авторские заметки, Бизнес в России, Практика бизнеса Комментарии: 0. Доброго времени суток, дорогие друзья. После долго перерыва я brain-snob.ru > Практика Бизнеса > Бизнес в России	

IAIC.fi company CPC Advertising is marked with yellowish background on the top of Yandex SERP.

Appendix 3

Campaign settings for			
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Step 1 of creating Yandex.Direct advertising campaign

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Step 2 of creating Yandex.Direct advertising campaign

Appendix 2

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Step 3 of creating Yandex.Direct advertising campaign

Appendix 4

Я Главная страница	Маркет	Расписания
Почта	🕞 <u>Погода</u>	Услуги
Новости	<u> Фотки</u>	📘 <u>Работа</u>
Марты и Пробки	м ² Недвижимость	🖻 Авто
<u>Словари</u>	🗾 <u>Афиша и Музыка</u>	Видео и ТВ

Original screenshot of Yandex services which support Banner Ads