

Step-by-Step Instructions

For building, managing, and optimizing your AdWords account.

Buying Funnel Optimization

Choose keywords and write ads based upon each stage of the buying funnel

Bid Management for Any Budget

Use bid modifiers to control your mobile, location, and time of day bids.

www.sybex.com/go/adwords

Increase Your Quality Score

Learn how to raise your Quality Scores to save you money.

AdvancedAdWordsBook.com

Boost Your Display Advertising

Use flexible reach to only show ads to your target customers.

www.sybex.com/go/adwords

Profitable Testing Techniques

Increase your profits with landing page and ad testing methods & ideas.

AdvancedAdWordsBook.com

Find Success with Mobile Ads

Master the art of mobile advertising.

www.sybex.com/go/adwords

Never Lose a Customer

Remarketing can convert people who abandon your website.

AdvancedAdWordsBook.com

Proper Account Organization

Create successful account structures to reach your marketing goals.

www.sybex.com/go/adwords

Advanced Google AdWordsTM Third Edition

Brad Geddes

Foreword by Avinash Kaushik, Digital Analytics Evangelist
and *Author of Web Analytics 2.0*

Praise for *Advanced Google AdWords*

Brad gets it! He has a wealth of hands-on experience and shares it freely. If you want to drive and convert Google AdWords traffic, you need to read this book—now!

—TIM ASH, CEO of SiteTuners, Author of *Landing Page Optimization*,
Chairperson of Conversion Conference

Brad Geddes is the clearest voice on Advanced AdWords teachings, tactics, and strategies. I'm constantly referring to Brad's articles and sharing them with others to help our clients make tens of thousands of dollars in their PPC campaigns—so be sure to grab a copy of Brad's new book.

One of the best things I like about Brad's knowledge is that he is constantly sharpening his blade by teaching (Google's Seminar for Success, AdWords advanced courses) and doing (running his own campaigns), so his writing reflects his deep knowledge of the intricacies and details which, when followed, lead to improved campaign results.

*There are a handful of books on the market that give you a broad understanding of the psychology behind how to advertise on Google; in *Advanced Google AdWords* Brad gives you that plus a practical, step-by-step plan to leverage what you've learned by including the technical details you need to turn your knowledge into action.*

—TIMOTHY SEWARD, Founder and CEO, ROI Revolution, Inc.

This book translates years of successful experience into language anyone can learn from to improve their skill level and understand paid search at a higher level. For years Brad has been my go-to source for the hardest of AdWords questions no one else could answer. Understanding the evolution of paid search is key to taking advantage of the nuances and complexities of current search algorithms. Brad does the impossible by teaching you high-level skills that will equate to actionable strategies you can apply immediately. He describes the life cycle of paid search and most importantly how to create a strategy from this understanding that applies to you. Brad has stayed fresh and documented his decade of experience, and he teaches people with a patience level acquired from years of teaching in person that results in attention to detail that will be hard to find in any other book on the subject. The money you will save on understanding Quality Score alone makes buying this book a no-brainer.

—CAPT. TODD MALICOAT, SEO Faculty at Market Motive

I'm not going to lie. I'm jealous. This is the AdWords book I wish I had written. I've been following and learning from Brad Geddes for years, and without a doubt, this is the single most useful, detailed, and comprehensive book on AdWords available.

Who is this book for? Absolutely everyone who uses Google AdWords. Not only will beginners get a lot from this book, but seasoned professionals with years of experience will pick up a lot more than a few nuggets.

This is it. This is the AdWords book that others will try to match. This is the only book about AdWords you will ever need. Brad has brought something truly useful to the advertising community.

—DAVE DAVIS, Marketing Director and AdWords TC, Redfly Digital

Brad Geddes has a knack for translating complex concepts into easy-to-understand information. I've heard Brad speak many times over the years and always send my staff to his Seminars for Success. I'm thrilled that he's published a book that my team can use as a manual on an ongoing basis. Advanced Google AdWords is a superb overview of Google AdWords. It starts at a beginner level and goes step-by-step through the strategies and tactics for setting up and managing campaigns. The book also includes plenty of advanced content, even covering topics like Google's Display Network, image and video ads, and understanding reporting data. Specific screenshots and examples are included, which help illustrate each point. Advanced Google AdWords should be required reading for anyone, at any experience level, who's advertising on AdWords.

—STACY WILLIAMS, CEO, Prominent Placement, Inc.

This book is money in the bank! Do you have questions about Google AdWords? Do you want insights on Google AdWords? This book has the answers that you are looking for! Neat, precise, and concise in presentation. Rich in content. This is THE book you need if you want to be successful with Google AdWords!

—JIM JANSEN, Associate Professor, Penn State

Think you know PPC? Think again. Geddes continues to confound the industry with new revelations of techniques and practices that WILL change your campaigns for the better. Advanced Google AdWords Third Edition contains new, detailed, and clear examples never seen before. The sooner you open the book, the sooner you'll see results. Buy it for your entire team.

—MICHAEL STEBBINS, CEO, Market Motive Training Institute

Authoritative AdWords knowledge comes from few places. Two of them are Google and Brad Geddes.

—ROB SIERACKI, Strategist and Cofounder at Ox Optimal

What separates Advanced Google AdWords from the others on the bookshelf is the brilliance of the author and the wealth of experience he has in the search industry. Brad Geddes is well known among other leaders in search and is often sought for his expert opinion on AdWords campaigns and optimizing campaign performance by decreasing spend while increasing overall ROI. He has consulted online advertising agencies on setting up keyword taxonomies, written articles for major search news websites, and collaborated with Fortune 500 companies on the implementation and performance of their PPC initiatives. Frankly stated, Brad is frequently sought for his insights on all areas of search because he knows what works and, more importantly, he knows how to explain paid search strategies to any audience regardless of level of experience. I am thrilled that Brad has written this book, and I, as well as you, will use this tool frequently.

—MICHAEL MARTIN, Director of Product Management and Development at Morgan & Corinth, Inc.

How do you build a better masterpiece? Could the Mona Lisa be improved? Even da Vinci would say no, yet master AdWords artist Brad Geddes has topped his first classic guide, Advanced Google AdWords. The third edition is chock-full of updates, changes, and new information. It's a must-read for any PPC manager who NEEDS to stay on top of every move and pivot Google makes with the world's most popular online advertising platform.

—DAVID SZETELA, Owner and CEO, FMB Media

When it comes to Google AdWords, Brad Geddes is one of the top minds in the business.

—DANNY SULLIVAN, Founding Editor, Search Engine Land

If you spend money on Google AdWords, it would be foolish not to read Brad Geddes's Advanced Google AdWords Third Edition. We have delighted our clients and given them an edge on their competitors by using nuggets learned from Brad. He has been effectively teaching people how to do AdWords for longer than anybody we know. Please do yourself a favor and take advantage of his PPC wisdom.

—BRYAN EISENBERG, New York Times best-selling author, Marketing keynote speaker

There are many smart Google AdWords experts out there who know their craft inside out. However, what makes Brad so unique is his vast experience in teaching literally thousands of people advanced AdWords strategies. So not only does he know the best strategies and tactics to get a better return from AdWords, but he also knows how to communicate these so that you really get it. No one else has this level of skill and teaching experience. Read it, apply it, and reap the rewards!

—PHILIP SHAW, Director, CleverClicks

From the very first time I heard Brad speak, I know he was the ultimate AdWords whisperer. His ability to take something as complicated and nuanced as AdWords and explain it so well, in such a warm and engaging manner, gives confidence to beginners and motivation to seasoned users. When his book came out, I eagerly snapped it up and have read and reread it countless times, each time learning something new. Applying his tips has helped skyrocket revenue and has made all the difference in the world. The third edition provides even more value, with incredible insights into remarketing, ad extensions, modified broad match, and more, all of which can yield significant results. I cannot recommend this book highly enough—buy it now!

—PURNA VIRJI, Senior Marketing Manager, Stroll

Brad Geddes is the most trustworthy source of advanced PPC advice I know. His tips are deep, actionable, and profitable. Advanced Google AdWords is a must read for new and seasoned paid search professionals.

—ALEX COHEN, Marketing—GrubHub Seamless

In the world of paid search, the devil truly is in the details: details that can easily overwhelm even the most seasoned search marketer. Anyone attempting to navigate the labyrinth of campaign settings, bidding tactics and strategies, ad extensions, and all the other minutiae that are Google AdWords must have a copy of this book close at hand. From beginner basics to the most advanced Quality Score theory, Brad covers it all with actionable insights that will guide readers to boosted conversions and reduced costs. I give a copy of Advanced Google AdWords to every new member of my search team—it's that good.

—JOE PORTER, Senior Marketing Manager, Cengage Learning

Successful PPC campaign organization and management are more complex than one would originally think. Thankfully, the author has provided us with a highly practical, easy-to-understand guide to launching and managing PPC campaigns that will simplify the process and increase the likelihood of great results. Brad really opens your eyes to not only how but to why things should be done. For instance, in the chapter on ad writing you are given proven best practices but also taught how to get into the minds of the search prospects and meet them where they are in the sales funnel. Awesome! Whether you're a beginner or have been running PPC campaigns for a while now, you can be sure your head will be exploding with new ways to make your campaigns more effective and profitable.

—STONEY DEGEYTER, CEO, Pole Position Marketing

Brad has been the authority on Google AdWords for years, and this book is the best training tool I have seen since Google's own training on their program. Brad goes a step further by explaining everything from where PPC advertising got started to advanced optimization techniques. If there is one part that I focused on the most, it was keyword and ad group organization. As Brad says, it is the most time-consuming but most rewarding tactic you can use in PPC marketing. If you want to learn AdWords, this is a fantastic book to read to get the whole picture.

—KATE MORRIS, Principal Marketing Consultant, Distilled

Anyone who has heard Brad speak, been to one of his trainings, or read any of his blog posts or publications already knows why he is already considered the authority on AdWords. For those who haven't yet had the pleasure, Advanced Google AdWords Third Edition should set the record straight. Brad brings not only the rules and best practices you need to be a successful search marketer but also the context and insider tips that can come only from a seasoned professional. Any student, marketer, or business owner wanting to succeed online will get there a lot quicker and save a lot of money in the process by buying this book.

—RICK GALAN, Director of Digital Channel Development at Blendtec

The latest edition of Advanced Google AdWords explains the latest tools, techniques, and tactics that will help advertisers be successful with AdWords. Not only does the book contain a thorough explanation of the theory and history of search, but it also provides detailed, specific instructions on formulation and execution of marketing strategies and tactics as they pertain to Google AdWords. This book has earned a place on my desk as one of the premier tools to aid in creating successful AdWords campaigns.

—MELISSA MACKEY, Search Supervisor at gyro; Search Engine
Watch Expert Author, Search Advertising

This is the book on Google AdWords whether you need to learn to conduct AdWords campaigns from scratch or you are an accomplished AdWords practitioner using the book as your go-to reference book on your desk. Even on rereads I pick up tips large and small that reinvigorate my passion to work on campaigns as well as boost the performance of the campaigns I work on.

—TIM MAYER, Chief Marketing Officer, Trueeffect

Brad has made a lot of people a lot of money in some of the most competitive markets of PPC marketing. Now he's put all his knowledge into one book. Buy and read this book before your competitors do!

—ADRIAN BYE, Founder, MeetInnovators.com

There are many paid search experts out there, but Brad is unique in that he is not just an expert but is able to effectively communicate his knowledge to those who are new to the field. It is rare to find someone in the industry who has such a deep understanding of a topic that he can teach both the basics and the robust features of paid search.

—BARRY SCHWARTZ, CEO of RustyBrick,
Editor at Search Engine Land and Search Engine Roundtable

Brad Geddes is one of the few AdWords experts I always pay attention to. He's one of the best in the field. This book is incredibly comprehensive, illustrative, and readable. Both beginners and experienced pay-per-click marketers will find invaluable insights here. Brad fills in a lot of gaps that the AdWords Help screens don't cover. Otherwise, you'd have to get the info from an AdWords rep, and only the biggest spenders get the best attention from these reps. Heeding this book's advice from the start will save you a lot of money and get you much better results. Highly recommended.

—BRAN CARTER, CEO and Lead Consultant at The Carter Group

Brad Geddes is the quintessential AdWords authority.

His love of sharing information and his deep knowledge of pay-per-click systems makes this book a compelling read.

This book hits the mark by blending practical with creative strategies to help you organize, quantify, and present ads for the most effective return on investment.

—BRETT TABKE, CEO of Pubcon, Inc.

Brad Geddes takes the reader by the hand, starting with the basics of search engine marketing, and then steadily introduces more advanced concepts and more powerful tools. I really appreciate his consistent focus on maximizing conversion rates. All the traffic in the world won't help us unless it generates leads and sales. As a primer, a field guide, and a reference, this book will be a constant companion for online marketers at all levels of experience.

—BRIAN MASSEY, The Conversion Scientist

Most books about search advertising show you how to do it. In Advanced Google AdWords, paid search expert Brad Geddes takes it to the next level, showing you not only how to get the most from your search advertising campaigns but, more importantly, why you should use specific features and techniques, who you should be targeting with your creative, and when to use the scores of advanced tactics he describes for maximum impact and profitability. I'd advise buying more than one copy of this book because you'll wear one out from constant use.

—CHRIS SHERMAN, Founding Editor, Search Engine Land

Brad Geddes knows marketing, and he understands the inscrutable mind of Google—a killer combination when it comes to explaining AdWords. His book is a powerful combination of deep insight and simple prescriptions that will help anyone, from AdWords novice to seasoned pro, get more clicks and make more sales. I've never seen a clearer discussion of the buying funnel as it relates to choosing keywords and writing ads. Ignore the chapter on Quality Score at your own risk. This book raised my game—and I'm sure it'll do the same with yours.

—HOWIE JACOBSON, Ph.D., Cofounder, VitruvianWay.com and
Author of *Google AdWords For Dummies*

For years I have been seeking out the one book that I can turn to both when I need a basic refresher and when I tackle more advanced AdWords tactics. Brad Geddes has finally provided me with such a resource. In Advanced Google AdWords, Geddes demonstrates his years of expert experience in paid search marketing as he demystifies the many components involved with AdWords and shares valuable secrets of those successfully dominating the AdWords platform. I can officially say my search is over—if you are looking for the one book that will help you drive qualified traffic to your site and increase ROI, you just found it!

—JOANNA LORD, Joanna Lord, CMO, BigDoor

The word expert gets thrown out there a lot in the digital marketing industry, but Brad Geddes is for sure one of our top experts in search engine marketing. I've had the pleasure to learn from Brad through the years through his various writings and speaking engagements. Bottom line, do you want to know how to win at paid search? Do you want to become an advanced AdWords user and make your organization successful at using PPC? Then read this book. Brad has compiled into one resource what it would take you a decade to learn by yourself.

—JOSH DRELLER, Director, Marketing Research and Content, Kenshoo

This is a book you'll keep on your desk, not your bookshelf. At our agency, I use it as an always-available training tool. When I am trying to explain something technical to one of our campaign managers, I just say, "Hey, read this chapter in Brad Geddes's book and then let's talk about it."

Brad explains advanced optimization in plain, simple language. You read it and it makes sense, so you trust it. You read it and you understand it, and so you can put it to work on your own campaigns. He makes it seem easy, and that's the brilliance of this book. Even as Google continues to expand and evolve, the techniques shown in the book will still be perfectly valid—they are built on a very solid technical foundation.

I highly recommend it to any serious PPC campaign manager. Well done, Brad!

—MATT VAN WAGNER, President, Find Me Faster

The thing that differentiates this book from other AdWords guides is that it takes you inside the mind of a successful paid search advertiser and walks you through each and every step of the auction and advertising process. The two consistent strengths of the book are its ability to ground the reader in the core goals of their advertising program (generating leads and sales through effective targeting and messaging) and its relentless attention to detail. That perspective and thoroughness mean that the book is accessible to less-sophisticated advertisers and ensure that there is a series of valuable nuggets available for intermediate and even expert AdWords users.

—TOM DEMERS, Managing Partner at Measured SEM LLC

For years, I've been recommending Brad Geddes to people who ask me for AdWords resources. I'm thrilled to now have Brad's book Advanced Google AdWords to recommend as well. This book clearly walks through every step of the paid search process in accessible, relatable language. Just as importantly, Brad keeps the focus on the audience. He understands that it's not enough to know how to create and buy ads and ensure they are visible in Google search results. The real goal is to connect your business to the right searchers, engage them, and turn them into paying customers. That's what this book will help you do.

—VANESSA FOX, author, *Marketing in the Age of Google*

Many AdWords advertisers realize that the search and Display Networks need different approaches. The problem is that most don't know how to handle the difference so they just ignore the content network. Big mistake. The content network has the potential to deliver more visitors with lower CPC's. Brad does a great job in breaking down, with a flowchart no less, how the approach to the content network differs and how to implement a winning content network strategy. Brad even goes a step further by showing you how to put a laser focus on certain content network sites to get the most out of what is available. If you want to boost your content performance, you need to listen to what Brad has to say and follow in his footsteps.

—ROB LENDERMAN, Founder, Boost CTR

Brad is the go-to guru for AdWords. Advanced Google AdWords is actionable, is readable, and has tons of handy tips that any online advertiser can try immediately. Even if you think you know everything about Quality Score or the Google Display Network, you'll find things you haven't thought about that can boost your sales right away.

—RON DRABKIN, Head of Growth and Monetization, Healthtap.com

Very few people have the grasp and understanding of Google's Display Network or the ability to use words and illustrations to make it look so easy. From best practices to organizing your campaigns to the importance of placement performance reports, you'll find it step by step in Advanced Google AdWords.

—SHELLEY ELLIS, VP of Media at Advice Interactive Group

Advanced Google AdWords™

Third Edition

Advanced Google AdWords™

Third Edition

Brad Geddes

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Dear Reader,

Thank you for choosing *Advanced Google AdWords, Third Edition*. This book is part of a family of premium-quality Sybex books, all of which are written by outstanding authors who combine practical experience with a gift for teaching.

Sybex was founded in 1976. More than 30 years later, we're still committed to producing consistently exceptional books. With each of our titles, we're working hard to set a new standard for the industry. From the paper we print on, to the authors we work with, our goal is to bring you the best books available.

I hope you see all that reflected in these pages. I'd be very interested to hear your comments and get your feedback on how we're doing. Feel free to let me know what you think about this or any other Sybex book by sending me an email at contactus@sybex.com. If you think you've found a technical error in this book, please visit <http://sybex.custhelp.com>. Customer feedback is critical to our efforts at Sybex.

Best regards,

A handwritten signature in black ink, appearing to read "Chris Webb". The signature is fluid and cursive, with the first name "Chris" and last name "Webb" clearly distinguishable.

Chris Webb
Associate Publisher
Sybex, an Imprint of Wiley

To Vernice, you were a wonderful inspiration and will be sorely missed.



Acknowledgments

Writing this book has been an amazing journey, and there are many who deserve a heartfelt thank-you for contributing to this quest being completed.

The first edition of *Advanced Google AdWords* came out four years ago. AdWords has changed so much in those four years and significantly since the second edition came out two years ago that there is very little content left in the book from that first edition. At times this edition was a huge undertaking because entire chapters needed to be completely rewritten.

Luckily, I had Matt Van Wagner, the technical editor who tirelessly checked every fact, calculation, and word. I've respected Matt for a number of years as we've spoken to each other across the country. After working with Matt on the last two editions of this book, not only do I have a higher respect for him, but the book is much better because of his dedication to this edition. Thank you, Matt.

I must always thank Sharon, my wife, who has supported my various adventures over the years no matter how insane they sounded. During the creation of the first edition, our daughter, Lilith Rose, was born. Four years later, Lilith still makes it difficult for me to tear myself away from her to finish the book, and many pages were written while she was giving her interpretation of marketing.

Thank you to my business partner, Leslie Clark, for keeping the company running while I was off writing and regularly ignoring the tasks at hand. It's been her support in growing the company that has made it possible for works like this to be created.

After three years, I am still impressed with the team at Wiley. Willem Knibble had the idea to write a book on AdWords and the foresight to keep me moving toward a third edition. He provided input and assistance whenever necessary. Thank

you, Kim Wimpsett, Dassi Zeidel, and all the others who worked in the background for taking my thoughts and making them comprehensible and putting them to paper.

The teams at Google have not just given me support for the writing of this book; they have been giving me support for more than a decade, and for that I thank them.

Finally, I must thank the Internet marketing community. I have been writing, speaking, and blogging about online marketing for many years. During that time, I have been an active participant in forums, blogs, and conferences. My interaction with the community, made up of significantly more people than I could ever acknowledge on paper, has helped to increase everyone's understanding and success with Google AdWords.

About the Author

Brad Geddes has been involved in online marketing for more than a decade. Over the years he has provided a variety of services, the most common being usability, search engine optimization (SEO), pay-per-click (PPC), product development, product positioning, agency consulting, and affiliate marketing.

One of his trademarks has been demystifying the more complicated aspects of SEO, PPC, and Internet advertising through writing, speaking, and training. Not one to hold secrets, Brad prefers to educate readers on the various aspects of crafting successful marketing campaigns to ensure the success for all parties involved.

Brad does not call himself an expert or guru. He prefers to educate marketers and let the results speak for themselves. Therefore, instead of writing paragraphs that use the words *master*, *wizard*, or *thought leader* and name-drop companies he has worked with such as Amazon, Yahoo, and Google, he prefers a simple bullet-point list of facts and letting the intelligent readers make up their own mind based on what they learn.

As a speaker:

- Spoke at more than 60 conferences and 125 sessions across several continents.
- Keynoted several conferences in multiple countries.
- Notable conferences include AdWords Days (Germany), Afri-Tech (Kenya), SEM Days (Romania), Congreso SEM (Spain), Search Engine Strategies (Toronto, San Francisco, San Jose, Chicago, London, New York City), SES Local, SMX (Seattle, New York, San Jose, Sydney, Munich, Milan), SMX Local, SMX Social, Kelsey, Pubcon (New Orleans, Boston, Las Vegas), SuperZoo, Marketing 2.0 Bootcamp, SEO Class, KBIS, Elite Master Summit, adTech, and others.
- Featured speaker at events at both Google and Microsoft.

As a trainer:

- The only Google-approved Advanced AdWords seminar leader.
- Conducted more than 70 official Google-sponsored AdWords Seminars for Success that have been attended by more than 5,000 marketing professionals. AdWords Seminars for Success are two days of intensive training on Google AdWords.
- Worked with Google in implementing their reseller training program at RH Donnelley.
- Helped institute a training program for LocalLaunch that managed more than 40,000 PPC accounts.
- Conducted training days in multiple countries for conferences such as SEO Class, Search Engine Strategies (in New York, Toronto, and Chicago), Refined Labs, SMX (New York, San Jose, Munich, Sydney, Las Vegas, and Seattle), and Pubcon.

As an Internet marketer:

- Built his first website in 1998
- Started SEOing websites in 1998
- Started affiliate marketing in 1999
- Opened his first PPC account in 1999
- Formed his first agency, iDjinni Consulting, in 2002

Providing usability, PPC, SEO, and affiliate marketing services:

- Joined LocalLaunch in 2004.
 - LocalLaunch began as a boutique agency. Then LocalLaunch built a marketing platform that empowered sales forces to sell marketing products to their customer bases while LocalLaunch did all of the product's management behind the scenes.
 - Helped grow the LocalLaunch agency that provided PPC services to companies such as Red Lobster, Encyclopedia Britannica, YellowPages.com, and Yahoo.
 - Helped build marketing products that were used by more than 100,000 businesses.
 - Helped build a system that managed more than 40,000 PPC accounts.
 - Worked with companies such as Amazon, World Directories, DEX Media, and Local.com.
 - While Brad managed vendor relations, RH Donnelley became one of the few Google and Yahoo resellers in the world.
 - LocalLaunch was sold to RH Donnelley in 2006.
- Formed bg Theory in 2008.
 - bg Theory is a company dedicated to consulting, educating, and training businesses on Internet marketing theory and best practices.
- Formed Certified Knowledge in 2010.
 - Certified Knowledge is a training, tools, and community platform designed to teach companies Internet marketing and save them time managing accounts with robust tools.
- Cofounded adAlysis in 2013.
 - adAlysis is a sophisticated ad testing and insight platform.

Even more:

- Co-moderator of AdWords forum on Webmaster World since 2004.
- Search Engine Land columnist since 2007.
- Sits on the board for Boost Media.
- Active blogger about PPC and marketing since 2001.
- Technical editor for *Winning Results with AdWords* by Andrew Goodman.
- One of the first Microsoft adCenter Excellence Members and participated in the beta.
- One of the first 100 Google Advertising Professionals.
- Worked with a range of companies that have spent as little as \$17.50 to as much as several million dollars per month.

Contents

<i>Foreword</i>	<i>xxxi</i>
<i>Introduction</i>	<i>xxxiii</i>
Chapter 1 Understanding Search Theory	1
The Origins of Google AdWords	2
Google Enters the Arena	5
Google AdWords Select Revolutionizes PPC	6
The Psychology of Search	7
Turning Concepts into Words	8
Understanding Search Results	10
The Purpose of Ad Copy	11
Landing Pages Lead to New Customers	12
Advertising Is Not Advertising When It Is Information	14
Goal Alignment: Google vs. You vs. the Searcher.	15
Best Practices for Applying Search Theory	17
Chapter 2 Performing Keyword Research	19
Understanding the Buying Funnel	20
Examining the Buying Funnel Phases	21
How Do Consumers Flow Through Your Buying Funnel?	22
Understanding Keywords	23
Types of Commercial Keywords	24
Finding Keyword Ideas	26
How Many Keywords Should You Have in Your Account?	29
Creating Keyword Lists	31
Using Long-Tail Keywords	33
Wide vs. Deep Keywords	35
Discerning Keyword Match Types	36
Broad Match	37
Modified Broad Match	38
When Should You Use Broad Match?	40
Phrase Match	40
Exact Match	42
Variation Match	43
Which Match Type Is Best?	44
Using Negative Match.	46
Implementing Negative Keywords	46
Negative Broad Match	49
Negative Phrase Match	50
Negative Exact Match	51
Putting Negative and Positive Keywords Together	52
Researching Negative Keywords	53

Using Advanced Organizational Techniques	55
Adding Multiple Match Types to the Same Ad Group	55
Restricting Match Types by Ad Group	56
Restricting Match Types by Campaign	56
Taking Control of Your Ad Display	57
Best Practices for Conducting Keyword Research.	58
Chapter 3 Keyword Tools: Extracting Valuable Data from Google	59
AdWords Keyword Planner	60
Generating Keyword Ideas	61
Advanced Options and Filters	65
Ad Group and Keyword Ideas	69
Traffic Estimates	76
AdWords Keyword Planner vs. Third-Party Keyword Tools	82
Google Trends	83
What Services Should You Offer?	85
Determining Your Messaging	87
Determining Consumer Interest	88
Bing Ads Intelligence	89
Best Practices for Using Keyword Tools	90
Chapter 4 Writing Compelling Ads	93
Do Your Ads Reflect the Search Query?	94
Writing Effective Ads	96
Calls to Action	97
Touching the Emotional Core	98
Following Google's Editorial Guidelines	99
Character Lengths	99
Editorial Requirements	100
Developing Unique Selling Propositions	102
Distinguishing Features and Benefits.	103
Benefits, Features, and the Buying Funnel	104
When to Use a Feature vs. a Benefit	105
Employing Themes That Get Clicks	106
Utilizing Numbers in Ads	107
How Strong Is Your Call to Action?	110
Writing Informational Ad Copy	111
Utilizing Negative Ad Copy	114
Do Not Forget the Display URL	114
Controlling Your Mobile Ads	116
Spicing Up Your Ads with Ad Extensions	118
Sitelink Extensions	118
Call Extensions	125

Additional Extensions	127
Limited Betas for New Extensions	129
Showcasing Your Products with PLAs	129
Following the Law: Trademarks	131
Trademark Exceptions	134
The Quest for the Holy Grail of Advertising	135
Best Practices for Writing Compelling Ads	136
Chapter 5 Creating Landing Pages That Convert Searchers into Buyers	139
Does Your Landing Page Answer the Searcher's Question? .	140
Everything about Destination URLs	142
Using Destination URLs for Tracking	144
Complying with Destination URL Editorial Policies	151
Choosing Landing Pages That Increase Conversion Rates .	152
Choosing Landing Pages Based on the Type of Query	153
Differentiating Local Business Queries	157
Using Segmentation Pages	159
Using Forms as Landing Pages	160
Thanking Your Customers	162
Crafting Perfect Landing Pages	164
Employing Usability, Trust, and Web Technology	164
Using Web Technology to Implement Usability and User Security	165
Psychological Factors That Increase Conversion Rates	173
Your Website's Usability Goals	180
Best Practices for Landing Pages	181
Chapter 6 Learning Advanced Optimization Techniques	183
Optimizing for Traffic	184
Exploring Strategies to Show Your Ads More Often	184
Taking Advantage of Dynamic Keyword Insertion	190
Increasing Page Views	194
Optimizing for Conversions	198
Writing Ad Copy That Sells	199
Creating Landing Pages That Increase Conversions	200
Making Additional Conversions to Increase Your Profits	210
Best Practices for Advanced Optimization Techniques	213
Chapter 7 Demystifying Quality Score	215
What Is Quality Score?	216
How Quality Score Affects Ad Rank	218
Quality Score Factors for Search	221
Viewing Your Quality Score	225

Landing Page Quality: Making Your Pages Relevant	228
Spiderability	228
Relevance	229
Transparency	230
Navigation	230
Estimating Your First Page Bid	231
Understanding the Display Network Quality Score	233
Quality Score for Managed Placements	234
Diagnosing Your Quality Scores	235
Ignoring Quality Score	240
Increasing Quality Scores	243
Creating Highly Relevant Ad Groups	244
Ad Testing to Increase Quality Scores	246
Landing Page Fixes	248
What to Do if Your Quality Score Drops	249
Quality Score FAQs.	251
Best Practices for Optimizing Quality Scores	254
Chapter 8 Beyond Text: Employing Image, Video, and Mobile Ads	257
Beyond the Desktop: Creating Mobile Ads	258
Reaching Smartphone Users	258
Smartphone Extensions	261
Reaching Other Mobile Users: WAP Mobile Ads	262
Ad Preview and Diagnosis Tool	264
Beyond Static Text: Creating Rich Media Ads	266
Creating Effective Image Ads	266
Developing Profitable Video Ads	272
AdWords Ad Gallery	275
Best Practices for Employing Image, Video, and Mobile Ads	278
Chapter 9 Understanding the Display Network	279
What Is the Display Network?	280
Advantages of the Display Network	281
Display Targeting Methods	282
Automatic vs. Managed Placements	283
Creating Search- and Display-Only Campaigns	284
Managing Ad Group Targeting	285
Creating a Successful Display Network Campaign	286
Creating Keyword-Based Display Ad Groups	287
Display Network Topic Targeting	292
Targeting Ads Based on a User's Interest	296
Placement Targeting: Choose the Actual Sites Where Your Ads Are Displayed	298

Blocking Your Ads from Being Shown across the Display Network	305
Determining Negative Display Keywords	309
Smart Pricing: Measure Success with Cost per Conversion	310
Choosing CPM or CPC Bidding	312
Using the Display Planner Tool	314
Best Practices for the Display Network	320
Chapter 10 Utilizing Advanced Display Network Techniques	323
Remarketing: Bringing Visitors Back to Your Site	324
Define an Audience	324
Place the Script on Your Site	328
Create a Remarketing Ad Group	330
The 100 Cookie Rule	332
Remarketing Strategies	332
Don't Creep Out Your Customers	340
Flexible Targeting: Mixing and Matching Every Display Targeting Option	341
Flexible Targeting Options	342
Bid Modifiers for Display	344
Flexible Bidding Examples	345
Optimizing Your Display Campaigns	351
Organizing Your Display Campaigns	353
Creating Scenarios to Understand and Reach Your Target Audience.	357
Writing Effective Display Ads	359
Best Practices for Advanced Display Network Advertising	361
Chapter 11 Utilizing Advanced Geographic Targeting Techniques	363
What Is Geographic Targeting?.	364
The Technology behind Location Targeting	364
How Accurate Is Location Targeting?	366
Reaching Users in Specific Locations	369
Finding Locations to Target	370
Radius Targeting	374
Location Groups and Bid Modifiers	375
Advanced Location Targeting Options	376
Location Targeting Considerations	378
Targeting Multiple Countries	378
Reaching Users in an Area Smaller than a Country	380
Treating Locals and Nonlocals Differently in Your Ad Copy	385
Automatically Inserting Your Address into the Ad Copy	387
A Case Study into Local Belief Systems	390

Viewing Geographic Results	391
Geographic Performance Reports	393
Best Practices for Geographic Targeting	396
Chapter 12 Saving Time and Scaling Accounts with AdWords Editor	399
AdWords Editor Overview	400
Choosing Your Viewpoint	400
Viewing Your Account in AdWords Editor	404
Scaling Your Account	408
Importing Keywords	409
Creating Thousands of Keywords and Ad Groups	411
Easily Creating Thousands of Ads	414
Optimizing Display with AdWords Editor	420
Best Practices for Using AdWords Editor	421
Chapter 13 Devising Profitable Bid Strategies	423
Setting Your Marketing Goals	424
Measuring Results with Google's Conversion-	
Tracking Code	425
AdWords Conversion-Tracking Code	426
Google Analytics Tracking	430
Accessing Valuable Conversion Data in AdWords Reports	432
Tracking Phone Calls	434
Exploring AdWords Bidding Options	435
Focus on Clicks, Option 1	435
Focus on Clicks, Option 2	435
Enhanced CPC	436
Conversion Optimizer	437
Focus on Impressions	443
Flexible Bidding	443
Profitable Bidding Strategies	448
ROAS vs. Profit	449
Revenue per Click	450
Taking Margins into Account	453
How Can Publishers Determine Revenue per Click?	455
Tracking Long Sales Cycles with Conversion Funnels	457
Calculating Your Max CPC	460
Setting Bids Based on ROAS	460
Bidding for Exposure	461
Bid Modifiers: Automatically Changing Bids by Time,	
Geography, Devices, and More	464
Location Bid Modifiers	467
Ad Scheduling: Automatically Changing Bids by Time Periods	471

Finding Conversion Information by Time Frames	473
Examples of Ad Scheduling Success	476
Creating Time-Sensitive Offers	479
Device Modifiers	480
Understanding Attribution Management	481
Examining AdWords Reports to Make ROAS	
Bid Decisions	484
Best Practices for Utilizing Profitable Bid Strategies	487
Chapter 14 Organizing Accounts Successfully	489
What Is an AdWords Account?	490
What Are the Limits of an AdWords Account?	490
Managing Multiple Accounts the Easy Way	491
Becoming a Google Partner	494
Developing a Successful Campaign Structure	496
Reasons to Create New Campaigns	496
Structuring Campaigns to Achieve Business Goals	497
Organizing an Ad Group to Increase CTR and	
Conversion Rates	513
Ad Group Organization for Mobile Bid Modifiers	515
Best Practices for Account Organization Strategies	516
Chapter 15 Implementing Testing Techniques That Will Increase Profits	519
Testing Is Essential to Increasing Profits	520
Testing Ad Copy to Increase Conversions	520
Ad Copy Messages You Should Test	521
Ad Copy Themes to Spark Your Creativity	521
Test Discounts Instead of Prices	522
Creating the Ad Copy Test	525
General Guidelines for Statistical Significance	527
Measuring the Results of Your Ad Test	529
Multi-Ad Group Testing	532
Testing Mobile Ads	534
Testing Landing Pages to Increase Conversions	535
Testing Where to Send Traffic	536
Landing Page Testing Factors	541
Making Ads and Landing Pages Work Together	547
Essential Items to Test First	553
Creating a Landing Page Test	553
Testing Profit per Click and Profit per Impression	556
AdWords Campaign Experiments	559
Best Practices for Testing Techniques That Will	
Increase Profits	561

Chapter 16 AdWords Reports: Extracting Actionable Information	563
Choosing General AdWords Report Settings	564
Customizing the Interface	564
Downloading Your Data	568
Using Reports to Optimize Your Account	571
Campaign Reports	571
Ad Group Performance Report	573
Ad Performance Report	573
Keyword Report	576
Display Network Reports	579
Dimensions Reports	581
Creating Custom Alerts.	585
Best Practices for Using AdWords Reports	587
 Chapter 17 Step by Step: Creating and Monitoring Your AdWords Account	 589
Before You Create Your Account	590
Creating Campaigns	592
Creating Search Campaigns	593
Creating Display-Targeted Campaigns	597
Creating Managed Placements Campaigns	598
Other Campaign Types	600
Optimizing Ongoing Campaigns.	601
Optimizing Search Campaigns	601
Managing Maximize Clicks Campaigns	605
Optimizing Display Campaigns	606
Optimizing Managed Placements Campaigns	608
Optimizing CPM Campaigns	609
Optimizing Other Campaign Types	611
Creating an Optimization Schedule	612
Best Practices for Creating and Managing Your AdWords Account	 615
 <i>Glossary</i>	 619
 <i>Index</i>	 627

Foreword

As a lover of marketing and the art of influence, I'm excited about every media channel available to us. It is pretty cool to see creativity expressed in billboards you pass as you drive around (or, lucky you, are driven around!). It is amazing to see the hyper-fragmentation of TV content and audiences (if you are looking for people age 30–45 who earn around \$60,000 per year, go on cruises with their dogs, and are vegan, there is a channel for them on TV!). I'm sure you've been impressed with radio's capability to draw audiences (and not just when they are trapped in their cars!).

With all that said and done, I'm perhaps most excited about the immense possibilities that digital presents for our companies to find people, influence them, deliver relevant content, and exchange happiness for conversions. Think about it for a second. How cool is that!

And for all the audience-targeting awesomeness, the ability to pay just a penny more than the competition to show your ads, the crazy scale at which you can customize the ad creative (almost down to a person!), and the sheer intelligence you can infuse into your marketing and advertising ... I'm crazy mad in love with one possibility: the ability to discern intent.

Even if you are the right demographic and psychographic for my company and are watching my company's ad for the 900th time on TV, I have no idea if you have any intention of buying anything (you just bought a new car/TV/pants/trip!). With digital this is less of a problem or not a problem at all.

On the Web your behavior is a strong signal of intent. Nowhere is this truer than with search. I, as a marketer, don't have to guess anymore. Hundreds of millions of people are on a search engine every single day, raising their proverbial hands, and saying, *Sell to me!*

Intent.

Your job, nay, your duty on behalf of your company is to identify that intent and to deliver the optimal message (via the AdWords ad and its awesome collection of ad extensions) back to the searcher and say, *I will sell to you, and here's what's great about our products/services.*

For the second time, how cool is that!

Google and other search engines make it easy for you to get going. They make it easy for you to start, to run your initial cluster of ads, and to get your first few wins.

But search engine marketing is a complex field with enough options to scare you or, if you can master them, allow you to create a sustained competitive advantage with huge profit upside for your company.

If you don't want to be scared (which sadly often results in the folding of your business), then my dear friend Brad Geddes has written the perfect book for you. Even if you master half of this book, your competition will not know what hit 'em.

In *Advanced Google AdWords* Brad holds your hand and walks you through the entire journey. Starting with the simplest fundamentals, to setting up your first accounts to win from day 1, to sharing best practices for optimizing your accounts, to testing and analytics, you won't even realize how quickly you're becoming smarter with every chapter you internalize in this book.

Perhaps my favorite part, besides Brad's accessible writing style, is all the tools that are shared in the book—gems that make my day-to-day life easier.

Your customers are doing their part by sharing their intent. Are you going to respond?

Carpe diem!

AVINASH KAUSHIK

Digital Marketing Evangelist, Google

Author of Web Analytics 2.0: The Art of Online Accountability and Science of Customer Centricity and Web Analytics: An Hour a Day

Introduction

Advanced Google AdWords is written for people who have a solid understanding of AdWords and have opened and managed their own account. What you will not find is information on how to open an account or navigate through the interface, or introductory material on keywords. These basics can be found in the AdWords Learning Center for free.

This book begins where most blogs and training leave off—optimization for intermediate and expert users. There are so many options with AdWords that it can be difficult to determine where to start or to understand what is possible. For instance, you could create an ad for a smartphone that is shown to a consumer only if

- The consumer is in the business section of the *New York Times*.
- The article being read is about stock brokers.
- The consumer is on a mobile device.
- The consumer is located in Minneapolis.
- The time is between 6 a.m. and 8 a.m.

While rarely will you want an ad shown under such stringent conditions, choosing one or two of those options to constrain your ad serving to reach your ideal customer will help you save marketing dollars. And best yet, you will be putting the correct ad in front of your target market.

Of course, there is more to AdWords than image ads and the Display Network. We start with search and end with step-by-step instructions. We will dive into detailed ad copy and landing page testing, account organization, ad copywriting, and even multiple strategies for setting bids.

You will find one of the most comprehensive sections ever written on Quality Score. If you have been advertising with Google for a while and either do not know what Quality Score is or have had issues with high first-page bids or low Quality Scores, this book is definitely for you.

If you are an advanced user and wondering if you can learn from this book, just flip to the last chapter. There you will find a step-by-step guide for creating and optimizing AdWords accounts. Every single section in that chapter is the cumulation of what you will learn throughout this book.

This book's two mantra words are *creativity* and *profits*. To be creative with AdWords you need to understand your options and how various settings influence other

settings. To increase profits you need to understand testing, conversions, and bidding strategies. When you combine creativity and profits, you will stop just advertising and spending money. Instead, you will put the correct ad in front of your ideal customer at the time when they are most likely to convert so that your company can increase their overall profits.

What You Will Learn

This book does not just tell you how a feature works but also gives you strategies into using that feature. For instance, most national companies ignore location targeting. This is a mistake. Did you know you can buy a diet beer in Japan? Try selling a diet beer to Americans. You cannot buy Coke Lite in the United States or Diet Coke in Europe. Why? The words *diet* and *lite* evoke different feelings in different geographies. This book will give you strategies to determine your conversion rate and spend for different geographies, how to test different ads by geography, and how to maximize your returns in each geography where you are advertising.

Not everything is about location. This book examines how to find, measure, change, test, and implement *strategies* for a variety of topics including the following:

- Keywords
- Ad copy
- Quality Score
- Time-of-day targeting
- Testing ad copy
- Testing landing pages
- Profit by impression testing
- Account organization

We will go through the steps of helping you to learn where to best spend your time. With so many options it can be difficult to determine where to start. We will help by not just showing you where to spend your initial time but also showing how to set up reporting schedules so that you can continue to grow and optimize your account.

By reading this book, you will learn step-by-step strategies that will increase your company's profits through using Google AdWords.

What Is Covered in This Book

Since Google AdWords is so complex, this book is intended to be used in two ways. First, read it straight through to learn how to use account strategies. Once you have read it, then you can use this book as a reference as you are optimizing your account.

Each chapter ends with a best-practice section that contains easy-to-comprehend points about the subject material to quickly refresh your memory. The last chapter of this book is a step-by-step guide to getting things done. Refer to that chapter when you are

opening or optimizing accounts and follow along. If there is a step where you need more information, simply refer to the chapter where that topic is covered in detail.

By reading and then coming back to this book, implementing new AdWords strategies to optimize your account will save you time and money. This is what you will learn by reading this book:

Chapter 1: Understanding Search Theory: Learn the history of PPC advertising and the psychology of search.

Chapter 2: Performing Keyword Research: Learn how the buying funnel and your keywords work together. Control when your ad is displayed by using a combination of positive and negative keywords.

Chapter 3: Keyword Tools: Extracting Valuable Data from Google: Learn how to combine Google's spiders with a dictionary to improve your keyword research. Learn how to use other Google and Microsoft free tools to improve your account.

Chapter 4: Writing Compelling Ads: From benefits to features to trademarks to unique selling propositions, learn to write ads that connect with the searcher.

Chapter 5: Creating Landing Pages That Convert Searchers into Buyers: Learn how to choose the best page on your site for every keyword. Then ensure that the proper elements of usability, trust, and option control exist on the page to convert the searcher into a buyer.

Chapter 6: Learning Advanced Optimization Techniques: Learn strategies for increasing conversion rates, click-through rates, traffic, and ad impressions.

Chapter 7: Demystifying Quality Score: Each Quality Score factor is torn apart, examined, and put back together so you can see exactly how your Quality Score is determined. Then learn strategies for managing and increasing Quality Scores.

Chapter 8: Beyond Text: Employing Image, Video, and Mobile Ads: There is more to Google than text ads. Dive into the best uses of video, image, and mobile ads.

Chapter 9: Understanding the Display Network: The Display Network may be the most misunderstood and least optimized section of AdWords. Understand how the Display Network really works and how to start taking advantage of it.

Chapter 10: Utilizing Advanced Display Network Techniques: The Display Network's reach is significantly larger than Google's search reach. These techniques will not only help you find new customers that have never searched for your products but also show you ways of bringing lost conversions back to your site.

Chapter 11: Utilizing Advanced Geographic Targeting Techniques: Control exactly where your ad is shown. Understand the technology so you can avoid pitfalls and take advantage of displaying unique messages through location targeting.

Chapter 12: Saving Time and Scaling Accounts with the AdWords Editor: When accounts include hundreds of thousands of keywords and tens of thousands of ad copies, they can be difficult to create and optimize. This chapter examines how to

save you time in creating and managing small to enormous accounts through the AdWords Editor.

Chapter 13: Devising Profitable Bid Strategies: Examine your business model so that you can set and measure your marketing goals to ensure your company is profitable. Then learn to how to set and manage bids by ROI, profit, day of the week, and time of day. Formulas and Excel walkthroughs are included so no one gets lost in the math and calculations.

Chapter 14: Organizing Accounts Successfully: Success starts with account organization. Read tips, tricks, and strategies that will help you find the correct organization for your AdWords account.

Chapter 15: Implementing Testing Techniques That Will Increase Profits: Testing ad copy and landing pages is essential to continuously increasing profits. Learn not just how to create and measure a test but how to determine how much money you make every time an ad is displayed.

Chapter 16: AdWords Reports: Extracting Actionable Information: Learn how to create and use all the valuable data that your AdWords account accumulates. Create a reporting schedule so that you always have access to the data necessary to improve your account.

Chapter 17: Step-by-Step: Creating and Monitoring Your AdWords Account: After 16 chapters packed with information, it is time for a step-by-step walkthrough of how to create and optimize each campaign type based on what you have learned. Refer to this chapter every time you are working in AdWords to see what to do next.

Glossary: If you do not recognize an acronym or piece of jargon, refer to this handy reference guide to look up the term.

The Companion Website

Google AdWords adds or tweaks features over time. Therefore, we have created a companion website with additional links and features that can help you through your AdWords optimization journey. The website can be accessed at <http://AdvancedAdWordsBook.com>.

How to Contact the Author

I welcome feedback from you about this book or about books you'd like to see from me in the future. You can contact me at: <http://certifiedknowledge.org/contact/>. For more information about my work, please visit my sites:

- <http://AdvancedAdWordsBook.com>
- <http://CertifiedKnowledge.org>
- Twitter: @bgTheory

Advanced Google AdWords™

Third Edition

Understanding Search Theory

The search process may seem simple: A searcher visits a search engine, enters a search query, and receives results. Every step of the search process, however, is accompanied by the searcher's thoughts and expectations. Understanding how your keywords and ads align themselves with the search process can help bring more visitors to your site and achieve more conversions from those visitors.

Pay-per-click (PPC) advertising is effective because it mirrors the search process, and the two work seamlessly with each other. Understanding the origins and evolution of PPC advertising will also give you a glimpse into its future, so you can continue to take advantage of this ever-expanding form of advertising.

1

Chapter Contents

The origins of Google AdWords

The psychology of search

Goal alignment: Google vs. you vs. the searcher

Best practices for applying search theory

The Origins of Google AdWords

In 1996, a small company was formed that would forever change the world of Internet marketing. This company was called Idealab. It took two years of hard work and creative ideas before Bill Gross's company would launch GoTo.com with a simple business model: Advertisers could choose to display their ads based on what a searcher was trying to find. A searcher would type a query into the search box (Figure 1.1), and if advertisers chose to advertise on that word, their ad would show in the search results. Four simple concepts made this business model revolutionary.

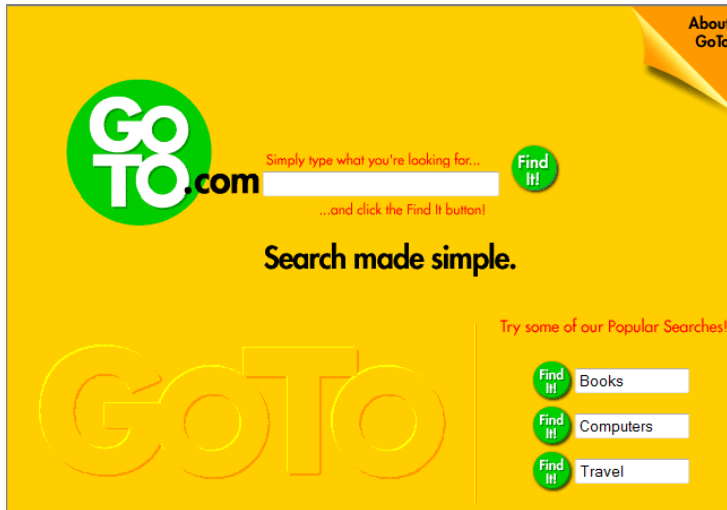


Figure 1.1 GoTo.com's search page, circa 1998

The first was relevance, a word later adopted by Google throughout their AdWords program. Showing ads based on what someone was actively seeking made these new search ads more relevant than anything previously displayed on the Internet.



Note: AdWords is Google's pay-per-click program where an advertiser chooses words that will trigger their ad. The advertiser is charged only if their ad is displayed and clicked by a searcher. This unique pricing model not only ensures that an advertiser's message is seen but that the advertiser pays only when someone arrives at their website.

Advertisers would only choose to display their ads on keyword searches that were related to their products or services. Since their ads would then only be shown when someone was searching for related information, these ads would help the searchers find what they were seeking.

Before the days of PPC, the ads alongside a search results page were often banner ads that had nothing to do with the search query. While these ads did gather many impressions (an “impression” is when an ad is shown on a page), they were not relevant to the user and thus were rarely clicked. Advertisers were paying for exposure but were not receiving much traffic for their ad dollars.

In the early days of Google, before AdWords launched, the founders of Google had been questioned many times by their investors about how they would eventually monetize their search engine. At that time, the founders did not have an answer; however, they held steadfast to the belief that at the moment someone was shown a page of search results, Google had their undivided attention. It would be in that moment of someone scanning a page of search results that Google would make its money. It turned out to be an accurate observation by the early Googlers.

By displaying ads based on what someone was actively seeking, GoTo.com formed a synergy between searchers and advertisers that helped both reach their goals on a single search page. Advertisers would receive visitors who were actively seeking their products, and searchers would find products that were related to what they were seeking. This was a win for both searchers and advertisers.

The second concept was the pricing model. Previously, almost all advertisements were based on paying for impressions. A company would decide how many impressions they would like to buy for their banner ads, and then they would pay on a cost per thousand impressions (CPM) basis. This created a scenario where you had to have a large advertising budget to even sign an initial contract. In addition, you had no idea how many visitors or sales those ads would bring to your site. The world of Internet advertising was mostly formed by larger companies or companies with venture capital backing.

By changing to a PPC pricing model, advertisers paid only when they received traffic. This shift to performance-based advertising allowed companies to try a fledgling business model with little monetary commitment. The minimum monthly spend was roughly \$1 per day, a big change from minimums that were often several thousand dollars a month.

Because search engines were paid only when a click occurred, it also forced search engines to show only relevant ads. If an ad did not get clicked, the search engine did not make money. The pricing model helped reinforce that only relevant ads should be shown on a search results page. This forced advertisers and search engines to work together to create a better search page for the consumer.

The third concept—and how Yahoo!, Bing, and Google have built a base of more than a million advertisers—was the sign-up process. GoTo.com removed the barrier of a salesperson between the advertiser and the inventory. Using a self-serve ad model, any advertiser could sign up for a PPC account and start selecting keywords and creating ad copy within minutes (Figure 1.2).

Google Ads | AdWords Already an AdWords customer? Sign in

Overview How it works Success stories Get started

Web
Images
Maps
Videos
News
More

beginner yoga classes

Laura Yoga Studio (646) 702-4596
www.laurayogastudio.com
Great for **beginners**. Get the first 3 classes free! Call now.

Youth Yoga Classes
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Yoga for all ages! We offer modern facilities and reasonable rates.
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Yoga Accessories
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Yoga Yoga Denver
www.yogayogadenver.com
Yoga classes in denver. New to Yoga? Start here! Mommy & baby yoga!
Map & directions to studio - Rent our Space - Energy/Exchange opportunities

Yoga Basics: Your guide to the Practice of Yoga

Hot Yoga Classes
www.yogabears.com/hotyoga
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Special: 10 classes for \$100

Yoga for beginners
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No matter what your budget, you can display your ads on Google and our advertising network. Pay only if people click on your ads and visit your website.
[Learn more](#)

We'll help you get started
We're here to answer all your questions and can even help you create your first campaign. Call us for free setup support at **1-800-919-9922**

How it works

1. People search on Google
2. They see your ad
3. You get more customers

[Learn more](#)

Figure 1.2 The AdWords sign-up process is a simple wizard influenced by GoTo.com.

By choosing a self-serve model, a search engine did not have to pay commission to a salesperson. There were no contracts to sign, no insertion orders (IOs) to fax, and no phone calls to be made before you could start advertising on the Web. This straightforward approach allowed anyone, from a small business to a Fortune 500 company, to quickly experiment with Internet advertising.

The Internet was still a new concept to most people, and both companies and consumers were unsure how widely adopted the Web would become. Thus, having the ability to commit a few dollars and experiment with the new medium was paramount to introducing thousands of new companies to the concept that they could make money on the Web.

It also enabled the search engines to scale their advertiser base quickly. People often slow down the advertising process, and allowing a self-serve model meant that the only barrier to advertising was a bit of time and a credit card.

The last concept is what has allowed Yahoo!, Bing, and Google to make billions of dollars from their advertisers—the auction process. GoTo.com did not have a set price for what you needed to pay when a keyword was clicked in a search result. Advertisers set a price of what they were willing to pay, and the company willing to pay the most showed up highest in the search results.

If you were willing to pay more than your competitors, then your ad would show higher in the search results, which would gather more clicks and bring more visitors to your website. It is easy to see how the top positions were highly coveted.

The process has become much more complex over the years as search engines, users, and advertisers have become savvier.

In October 2001, GoTo.com, Inc., renamed itself Overture Services. In 2003, Overture was acquired by Yahoo! for \$1.63 billion. In 2009, Microsoft and Yahoo! formed the Search Alliance. With this new deal, Yahoo! would now serve ads from Microsoft's adCenter platform, now known as Bing Ads, and the original PPC engine would no longer be used by anyone.

Yahoo! vs. Google

In 2001, GoTo.com was awarded the patent titled "System and method for influencing a position on a search result list generated by a computer network search engine." This patent is the heart of PPC advertising technology. In April 2002, Overture sued Google over patent infringement. The lawsuit dragged on for two years, during which Yahoo! acquired Overture, until it was time for Google to transform into a public company. Not wanting to go public with a major lawsuit that threatened its revenue, Google finally settled with Yahoo! by issuing 2.7 million shares of stock in exchange for a perpetual license to the patent.

Today, GoTo.com is an unknown name to most people; in fact, GoTo.com is no longer owned or operated by Yahoo! and has changed hands a few times over the years.

As described earlier, GoTo.com's four founding concepts were quite simple: relevance, pay-per-click pricing, self-service, and auction-based pricing. However, these principles were combined not only to quickly gain advertiser adoption, but also to reap the monetary benefits of advertiser competition for the top ad positions.

Google Enters the Arena

In 1998, when GoTo.com was first launching, Google's search engine was just renamed from BackRub and was running on Stanford University servers. Creators Larry Page and Sergey Brin were more concerned with moving their operations into Susan Wojcicki's garage than making money.

Note: Susan Wojcicki's garage served as Google's first workspace away from Stanford's campus. Wojcicki was instrumental in Google's growth when she became one of their early employees and is often referred to as the "Mother of AdSense." (AdSense is Google's contextual advertising program.)



Over the next two years, Google moved to Mountain View, accepted \$25 million in funding, and hired key employees to help in their evolution. Their early hires revolved around scaling their search technology. Craig Silverstein was their very first employee and served as the director of technology. Much of his early work helped scale the IT operations that would allow Google to grow. The next step was finding a way to start making money.

Google's first offering was an uninspired CPM program. To advertise with Google, you had to talk to a sales rep and sign a contract for a fairly high minimum spend. Although advertisers could choose to show an ad based on a searcher's query, the four concepts that had made GoTo.com a success were not to be found.

The high barrier to advertising with Google was lowered in October 2000 when Google launched their first self-serve advertising program. The simply named Google AdWords started with 350 customers. However, AdWords was still bought on a CPM basis.

Google AdWords Select Revolutionizes PPC

February 2002 will always be remembered as the time when Google forever changed pay-per-click advertising. Google launched AdWords Select, which incorporated all of GoTo.com's founding principles; however, in typical Google fashion, they added their own twist to the auction model.

On GoTo.com, the more you paid, the higher your ad appeared in search results. That essentially made it so the company willing to pay the most had the highest visibility. Google's main advertising word was *relevance*, and they changed the PPC auction model both to increase relevance for a searcher and to maximize how much money Google made on a search results page.

Their twist was to incorporate click-through rates (CTR) in determining where an ad showed up in the results. They used a simple formula to determine ad position: maximum CPC (cost per click) multiplied by CTR.

The logic was that if an ad was clicked more often, it was more relevant to the searcher, and the advertiser should be rewarded for showing an ad aligned with the searcher's query.

This simple formula also maximized the dollars Google made on every single search engine results page (SERP). In the PPC model, a search engine is paid only when a click occurs.

On GoTo.com, if advertisers were willing to bid more than everyone else for a click, their ads would show up at the top of the search pages. If those same ads did not receive clicks, the engines did not actually make money from displaying those ads.

Therefore, a search engine should not display the highest bid ads the most if they were not clicked. A search engine would make more money by displaying lower-bid ads that gathered clicks than by showing high-cost ads that received few clicks.

The Rise and Fall of RPS

Search engines protect their most important metric, revenue per search (RPS), from public consumption. However, with some rough math the numbers can be approximated. In 2004, Google made around \$0.10 per search, which increased to \$0.19 in 2006, and finally surpassed \$0.25 in 2007. Conversely, Yahoo!’s revenue per visitor was roughly only \$0.16 in 2007. As the economy dipped in 2009, so did Google’s RPS, to approximately \$0.095, which was still higher than Yahoo!’s at that time.

However, it is difficult to blame the entire dip on the economy. As more information is integrated into the search results, there is less of a need for the consumer to always leave the search results page. For instance, a search for *Chicago weather* will show the five-day forecast within the search results, which results in fewer people clicking away from the page to find the weather forecast.

Google’s RPS continued to decline for a couple years, but in 2013 it has rebounded to an estimated \$0.20. However, RPS does not tell the whole story. If you can increase the total number of searches that are conducted, then even with a low RPS you can make a significant amount of money. This is where Google’s Android operating system and mobile advertising have been so important to search engines: capturing the next wave of queries. Among all these changes to consumer behavior, Google’s total revenues continue to increase year after year.

By incorporating a combination of bid prices and how many clicks those ads received, Google managed to maximize how much they made on any single search results page. This simple change also created an environment where a small company with a more compelling offer could have its ad displayed higher in a SERP than a large national company that did not take the time to create relevant ads. Price no longer trumped relevancy. Having the most money did not ensure the most clicks or visibility. Advertisers had to choose keywords that were relevant to their products and create ads to match.

This level playing field helped spur advertiser adoption to the point that Google eventually dropped their CPM program completely and renamed the AdWords Select program to the name used today: Google AdWords.

Over the years, Google has become much more sophisticated and has revamped their formulas for displaying ads on search pages. However, throughout the growing complexities of AdWords, Google has always kept their ad serving synergistic with the search process. To understand how to take advantage of aligning your advertising efforts with Google’s ad serving, it is important to understand the psychology of search.

The Psychology of Search

One of the advantages of online advertising is transparency of data to the advertiser. It is easy to track click-through rates, conversion rates, cost per conversions, total

conversions, bounce rates, and more data points than anyone could ever analyze. The numbers can be overwhelming. Between the reports you can run in AdWords, some simple Excel formulas, and your analytics program, you can get buried in meaningless data.

It is essential to look beyond the numbers and consider the individuals sitting at their anonymous keyboards conducting the searches. While numbers tell the story of your marketing, it is the actual people who can make your advertising profitable.

Since search marketing—and Google AdWords in particular—is based on people using search engines, you must also think about how search engines are used in everyday life. Understanding not only how people use search engines but also how they decide to click on an ad from the search page will help align your marketing efforts with the searchers. Having someone arrive at your site is just one step in the equation. Your website must also be aligned with the searcher's interest so the searcher does not just browse your website but also becomes a new customer.

Search engines are not used to browse the Web. That is the domain of properties such as My Yahoo!, StumbleUpon, and Twitter. There is more information on the Web than anyone could read in dozens of lifetimes, and most of that information is of no interest to the searcher. Therefore, people do not just read search engines attempting to absorb all the information that has been discovered around the Web. Search engines are used when people want to find a specific piece of information. More importantly, people use search engines to find answers to questions.

We all think differently. We all ask questions differently. Delving into the various ways that people think and ask questions can assist you in choosing keywords that will make sure your ad appears in front of someone searching with questions your site can answer.

Turning Concepts into Words

The majority of people do not think in words. Words are conventions to relay the thoughts that are present in our minds. Although words are how we communicate in daily life, they are just a vehicle to help us express the concept of our thoughts to others.

People are not mind readers. You cannot think at a person and have that person understand your thoughts. You have to take the concepts present in your brain and transform them into words so that another person can understand you. The translation that occurs from concept to word is different for each person. This is why you might readily understand one person and not understand another person who is trying to express the exact same idea.

This same process of putting our thoughts into words is also how we communicate with a search engine. Google has not yet developed the technology where you can telepathically receive your answer. Therefore, you need to express yourself in the typed word to receive a response.

Note: While Google can't read your mind, they can interpret more inputs than just text. In 2007, Google launched a call-in search named Goog-411 that was open for only a brief period of time. Then in 2009, Google incorporated speech to text on Android-powered phones. Then in 2011, Google's Chrome browser became capable of translating speech into search queries. Today, it is not uncommon to see people talking to their phones or computers to write emails, send text messages, find directions, and much more without ever typing a single word.



To further the process of examining how people translate their thoughts into words, we will use the following scenario and examine some of the ways in which this scenario can be typed into a search engine.

Chicago is brutally cold in the winter. Imagine sitting in your suburban house watching a movie on a Saturday evening. Suddenly, your spouse tells you that there is water flooding the basement. Upon examination, you discover that a pipe has frozen, causing it to break, and now you need a plumber to come out to your house to fix the problem.

This is a common winter scenario in Chicago. However, the ways in which people will attempt to solve this problem are different.

Some people are direct in their thinking. They will go to Google and type in the actual question they need to find an answer to, such as *Where do I find a Chicago plumber?* Many people, instead of typing out the entire question, will shorten the query to just *Chicago plumber* or maybe more precisely *Schaumburg plumber*, or *emergency plumbing services Schaumburg*.

Others will have a preconceived notion about what they want to find, and their query will be more aligned with the answer they want to receive. For example, the query might be *A site about Chicago plumbers*.

If you are the do-it-yourself type, you might first want to turn off the water to stop the initial problem before contacting a plumber. A search for *How to turn off the water in my basement* would be more appropriate.

What is the root cause of the problem? If you searched for the root cause, the site that held the answer could also help you fix the broken pipes. Queries such as *broken pipes* or *frozen pipes* could lead you to your answer. You could also search for the actual problem, such as *flooded basement*.

It can be a useful exercise to walk into the office tomorrow and describe this scenario to your coworkers. Then ask each of them what they would type in the search box. If you ask them one by one, instead of in a group, you are sure to receive a slightly different answer from almost everyone you ask. There will be some repetition, but concentrate on the different types of answers.

In fact, there are thousands of ways that someone could search for the answer to this scenario. In later chapters, we will dive more into keyword research. Most queries usually fall into one of a few categories:

For instance, if your computer is slow and is causing you not to be able to create large pivot tables in Excel, these would be search queries that match these categories:

- The actual question, or a shortened version of the question: How do I make my computer faster?
- The answer to the question: Computer memory
- A description of the problem: Computer won't run Excel
- A symptom of the problem: Slow computer
- A description of the cause: Out of memory error
- Product parts or brand names: 8GB, 204-pin SODIMM, DDR3

It is essential that you consider all the ways someone can search for your products. Search queries are thought processes. Understanding someone's query can give you insight into what question they want answered.

Understanding Search Results

Once the thought has been translated into words, it is time to find the answer to the question. You go to Google, type in your words, and before you click the Search button, something psychological happens—expectation setting.

As a human, every time you conduct any action, you have an expectation of results. When you first looked at the spine or cover of this book, you had a notion of what it contained. Before you bought the book, you had an expectation of what you would learn by reading it. Every event also changes and refines those expectations. As you read this chapter, you have a different expectation of what you will find later in the book than when you first bought it.

This series of ongoing expectation settings also affects how you view search engines. When a searcher inputs a query, they expect to see certain ads and websites displayed that will help them find the answer to your question.

This same expectation setting happens for every person using a search engine. Everyone expects to find websites that will help them answer their question. Therefore, before they ever click the Search button, they have already built an idea of what the act of typing their query into a search box will bring to their computer screen.

Within the search process, your ad has a specific role. Having your ad appear on that search page is not your endgame. Your ad must be relevant to the search result. You do not want everyone who sees your ad to come to your website. You want only those who are going to engage your company to click on your ads and visit your website. Every click costs money, so you don't want all the clicks possible—you just want the clicks that are more likely to turn into customers.

The Purpose of Ad Copy

Once the Search button is clicked, Google displays a set of ads and websites (Figure 1.3). A quick scan of the page will tell the searcher if the results are in line with their expectations. If they are not, the searcher is likely to stop reading the results and change the search query.

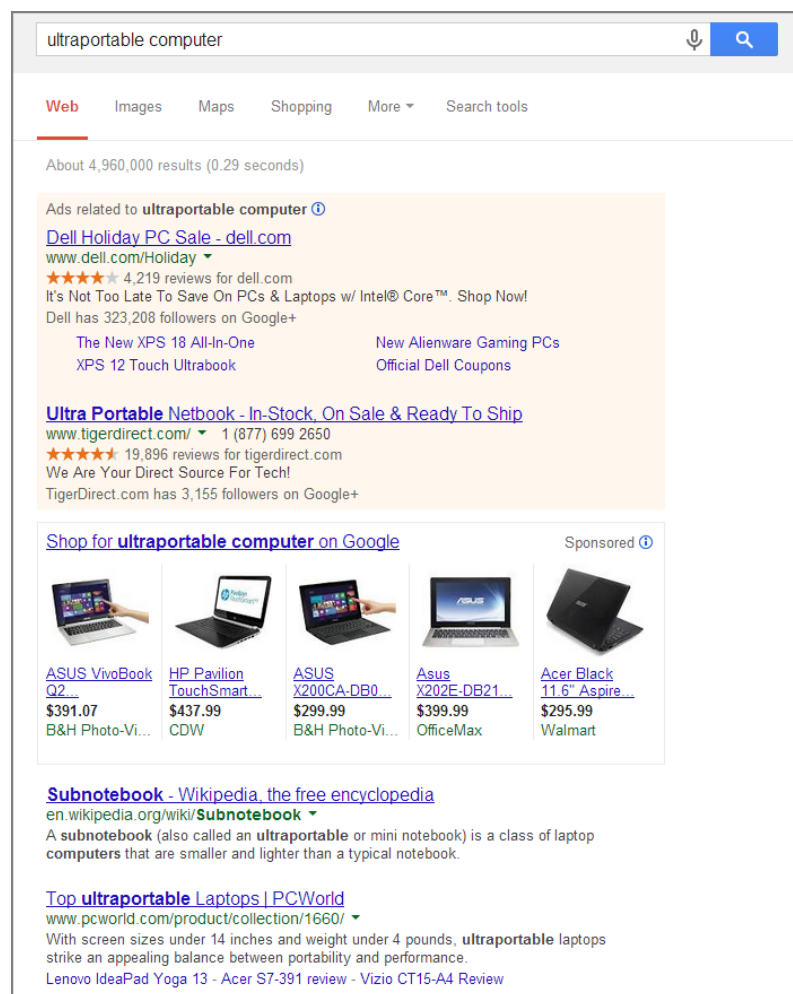


Figure 1.3 Google search result for *ultraportable computer*

As an advertiser, this brief moment is your chance to connect with the searcher. These few seconds can determine whether the searcher will visit your site, visit your competitor's site, or just search again for the answer and completely ignore your ad.

At this moment, your ad needs to stand up, jump around, wave its arms, grab the searcher's attention, and shout, "I have the answer to your question! Come click me and I'll show you the answer."

Attempting to create ads that both stand out from the crowd to gain initial attention and are compelling enough to entice someone to click is a difficult proposition. As a marketer, you need to write ads that meet the expectations of the searcher and yet can communicate to that same person that your website can deliver the answer to their question.

AdWords basic text ads are only 130 characters in length, and they have a tremendous amount to accomplish in just a few scant words.

An ad needs to have a headline that draws attention. It needs to stand out from other ads on a page that are clamoring for attention. The ad copy needs to tell a visitor why you have the answer to their question. And yet, the ad also needs to be faithful to your products or services. You can never lose sight of what makes your company money; otherwise, you will be paying for clicks that do not help you reach your goals.

Ads should not be written to please the advertiser. They should not be written to make the CEO smile. Ads should be written to convey to the searcher that you hold the key to their question, and they must first walk through your ad copy to your website before they can find out the answer. We will spend time in later chapters discussing how to create these ads and even how to test them against each other.

Ideally your ad has caught the searcher's eye. The searcher thinks your ad can lead them to information that will help them complete their quest. And just before the searcher clicks on your ad, something else happens—another expectation is being set.

When a person does a search on Google, they have a preconceived notion of what they will see on a search results page based on what words they choose to search. Your ad copy is the only thing a user knows about your website; therefore, those few characters are also setting the user's expectations about what they will find on the first page on your site they encounter, which is your "landing page." Your landing page needs to meet those expectations

Landing Pages Lead to New Customers

When someone clicks your ad, they are taken to your website. Usually this is the first brand interaction someone has with your company. It's your first chance to showcase your offer to that searcher.

Landing page is industry jargon for the first page a searcher views after clicking on your ad. It should rarely be the home page of your site. It should be a page within your website that is most logically connected to the search query.

For instance, if someone conducted a search for *Sony digital cameras*, that person would not want to be taken to Amazon.com's home page. The home page does not have information about Sony digital cameras. At best, the searcher will search again at Amazon's site. At worst, they will go back to the search results. A much better search experience would have the searcher taken to a page about Sony digital cameras within Amazon's website.

Remember, most searchers do not know your website. The searcher does not have prior knowledge about your company. They arrived at your site after clicking a very short ad, and that small amount of text is all the information they have about your site before first visiting it. Therefore, that ad copy is crucial in setting the proper expectation for what the searcher will find after clicking your ad.

To continue meeting the searcher's expectations, your landing page must logically follow from your ad copy. Since your ad copy informed the searcher about what they would find, the landing page should continue the conversation by assisting them to find their answer (see Figure 1.4).



Figure 1.4 This JustCloud landing page showcases a service and allows a searcher to either create an account or get more information.

If your landing page does not meet the searcher's expectation, they will use the most common navigational element on the entire Web—the dreaded Back button. You paid for the click; this is something you definitely want to avoid.

The landing page should show someone the answer to their question or instructions on how to get the answer to their question. For an e-commerce site, the answer is

contained in the product someone will receive once they've checked out through your shopping cart. When they're looking for a plumber, the answer comes after they make a phone call. At other sites, the answer will come after the searcher fills out a form for more information. For most businesses, when the consumer receives the answer to their question, the business has a new customer.

The landing page is critical to your AdWords success. A bad landing page leads to wasted advertising dollars due to the searcher leaving your site without conducting any business with your company. A good landing page will turn shoppers into buyers.

The process of someone searching and buying on the Web is much different from other forms of advertising. While many other types of advertising campaigns are structured to create emotional need within a consumer, the search advertising process is driven by giving someone the correct information at the correct time. This concept extends from choosing the correct keyword to creating your ad copy and ultimately answering the searcher's question on your website.

Advertising Is Not Advertising When It Is Information

Once upon a time I was riding on the top of a First Avenue bus, when I heard a mythical housewife say to another, "Molly, my dear, I would have bought that new brand of toilet soap if only they hadn't set the body copy in ten point Garamond." Don't you believe it. What really decides consumers to buy or not to buy is the content of your advertising, not its form.

David Ogilvy

Often people are resistant to advertising. Ads are something you are bombarded with on a daily basis. You hear ads on the radio when you are driving to work. You see ads on TV when you are trying to relax in the evening. You see ads in the daily paper as you are trying to read the local weather forecast. You see ads in search results as you are trying to find information.

But ads do not have to be annoying or intrusive. Ads can be very helpful if they are created properly, because advertising is not actually advertising when it is information.

By aligning your ad copywriting, landing pages, and Google AdWords account with this concept, you are much more likely to see success in your search marketing efforts. This is a concept much better visualized than explained.

Imagine this weekend will be nice and sunny and you would like to spend it with your family at the beach. The drive will take several hours, but you manage to pack the kids and the spouse into the car and begin your journey.

You start driving down the interstate while the kids are glued to a DVD player in the backseat. Billboards whiz past on the side of the road, which you do not have to try to ignore; you have had the skill to tune out advertising for many years.

Ads Should Lead Searchers to Answers

If you performed the search *LED TV features*, do you think clicking this ad would help you find the information you are looking for?

“LED TV. Massive new TV offerings. Visit us today to buy your new TV!”

Unfortunately, ads that are not directly related to the search query and that do not mirror the search process are quite common.

Now consider this ad for the same search of *LED TV features*:

“Compare LED TV features. Find a new LED TV that fits your lifestyle and budget.”

Someone searching for features is most likely looking to compare products and is not ready to buy yet. They are still in the comparison shopping stage of the buying cycle. An ad focused on buying does not fit into their decision-making process.

Ad copy needs to both reflect the search query and recognize where a searcher is within the buying cycle; we will examine both of these elements in future chapters.

After a few hours, you start to get hungry and the kids start to get restless. It is time to find a restaurant for lunch. You have made the decision that you do not want to eat in the car as it is too messy with the kids, and you would like to get out of the car to stretch your legs.

Where do you start looking? Those ignored billboards. They are no longer advertisements cluttering up the roadside; they are now valuable pieces of information that will show you available lunch options.

You stop ignoring them and start reading them.

Why?

Because the advertisements are your source of information for finding the answer to your question. Your question is along the lines of “What are my lunch options?” Your answer will be found in the billboards alongside the interstate.

When ads become part of the information-gathering process, they cease to be ads. At this point in time, they are pieces of information that consumers are seeking. Wouldn't you like your ads to be sought after, not ignored? By aligning yourself with the search process, the quest for answers, not only will your ads help consumers find the answer to their questions, but they will also help your business make sales.

Stop thinking of ads as advertisements.

Start thinking of ads as pieces of information.

Goal Alignment: Google vs. You vs. the Searcher

Every search result has three different entities trying to reach their goals. Sometimes, these goals get in each other's way, leading to poor search results. Other times, they

work in conjunction, leading everyone toward success. It is important to examine Google's goal, the advertiser's goal, and the searcher's goal for each search result.

All search results start with the same element, a searcher looking for the answer to a question. The searcher inputs a query, and SERPs appear.

Google's goal is to have that same searcher use Google for their next query. The more search queries that occur on Google properties, the more chances Google has to make money by people clicking ads. Therefore, Google wants searchers to always find the answer to their question quickly, easily, and on a Google-owned property.

This is why Google also spends so much time and money on the natural results (also known as organic or free listings). Not all searches can be monetized, but if someone always finds their answer on Google, regardless of whether a particular search query is monetized or non-monetized, that person is more likely to use Google for their next search. In addition, if someone finds their information on Google more quickly and easily than on other properties, they will always return to Google to find information, which leads to more total queries per month for Google, which leads to more chances of Google making money.



Note: Several studies in 2005–2008 found that users spent only 10–12 seconds on a search results page. Studies performed in 2010 and 2011 found that that users were spending 12–17 seconds on search results. More studies are showing that the time spent with search results is still continuing to slowly increase. As more information is integrated into search pages, users are spending more time absorbing that information.

The advertiser's goal is to show an ad that is related to both their products and the searcher's query. The advertiser wants to control when their ad is shown, wants to choose which ad is shown, and then wants to take the searcher to the landing page of the advertiser's choice.

The advertiser wants to make money with their Google AdWords budget. That's the endgame—profitable advertising. Advertisers want control over how their money is being spent. They also want insight into the ad display process so they can expand their profitable advertising and stop their unprofitable ads.

Google's goal and the advertiser's goal are not the same. Since Google's goal is first and foremost to satisfy the searcher, not the advertiser, a conflict often arises between the two parties.

The advertiser will scream that it's their money and they should be able to display whatever they want in an ad and take someone to any page on their site they deem desirable. AdWords customer service reps will remind the advertiser about relevancy and attempt to help the advertiser make their keywords and ad copy more relevant. These relevancy rules are defined by Google.

Since AdWords is ruled internally by a search results quality control team—a team where relevancy trumps dollars—advertisers often feel like they are constantly

trying to play catch-up in learning all the rules. Having an internal team that is more concerned about relevance than making money is beneficial to all parties, if everyone can align their goals.

It is critical to remember that the only person who makes Google or the advertiser any money is the actual searcher. Google does not make you money. You do not make Google money. Google is an intermediary between you and the searcher. You make money on AdWords because a searcher decided to do business with your company. You define a budget that you are willing to give to Google; however, if the searcher does not click your ads, you do not owe Google a penny.

Both you and Google make money from each other only if a searcher is involved. If there is no searcher, there is no search query, your ad is not displayed, and Google is not paid. Therefore, the person to actually align your goals with is the searcher. If you align yourself with the searcher, you help the searcher find information on your site. If they are finding information on your site, they are conducting business with your company, which helps you reach your end goal—a profitable business.

Note: Google took in \$14 billion in revenues in the first quarter of 2013, which was a 31 percent increase over the same quarter in 2012. More than half of their revenues were from countries other than the United States. Approximately 93 percent of Google's revenue comes from showing ads.



Because Google's goal is to assist the searcher in finding information, you will end up aligning yourself with Google as well. You will find that if you think of the searcher first, AdWords is much easier and much more likely to be a successful advertising medium for your business.

After all, the searcher's only goal is to find the answer to their question.

Best Practices for Applying Search Theory

The basics of search are not difficult to understand; the principles have been the same ever since people started looking for information. By referring to the fundamentals of search throughout your marketing, you keep your efforts aligned with the searcher, which can bring long-term success to your company.

- PPC marketing was created and revolutionized in less than a decade. Because the industry is ever-changing, those who can continuously evolve their marketing can find great success.
- Search engines have transformed how people find their information. As more consumers use search engines as their starting point for finding information, more advertisers will find success with search marketing.
- The search process starts with a question. That question is translated into words by the searcher. Therefore, keywords are individual thought processes.

- Every time someone does an action, there is an expectation of results. Meeting these expectations with both ad copy and landing pages helps increase your PPC marketing returns.
- Advertising is not advertising when it is information. When your ads help a searcher find the answer to their question, your CTR and conversion rates often increase.
- On any search page there are three goals: the search engine's goal, the searcher's goal, and the advertiser's goal. Align your goal with your potential customer—the searcher—and success usually follows.

In future chapters, we will examine keyword research, ad copy writing, and multiple ways to target consumers. At each step, we are trying to enhance these fundamentals. If you can help the searcher find what they are looking for, you will continue to gain new customers.

Performing Keyword Research

Keywords are the foundation of a successful AdWords campaign. If you have a keyword that matches a searcher's query, your ad could show.

Keywords are so paramount to an AdWords campaign that PPC advertising is frequently called “keyword advertising” or “keyword-driven” advertising.

Not all keywords are created equal. Some keywords will have high search volume, whereas others will have small search volume. Some will have high conversion rates, and others will provide low-quality traffic.

Choosing the correct keywords is the first step to advertising with Google AdWords.

2

Chapter Contents

- Understanding the buying funnel
- Understanding keywords
- Discerning keyword match types
- Using negative match
- Using advanced organizational techniques
- Taking control of your ad display
- Best practices for conducting keyword research

Understanding the Buying Funnel

Before diving into all the various ways to research, group, and choose keywords, let's take a step back and examine how people buy products or services.

There are five stages to the buying funnel (Figure 2.1):

- Awareness
- Interest
- Learn
- Shop
- Buy

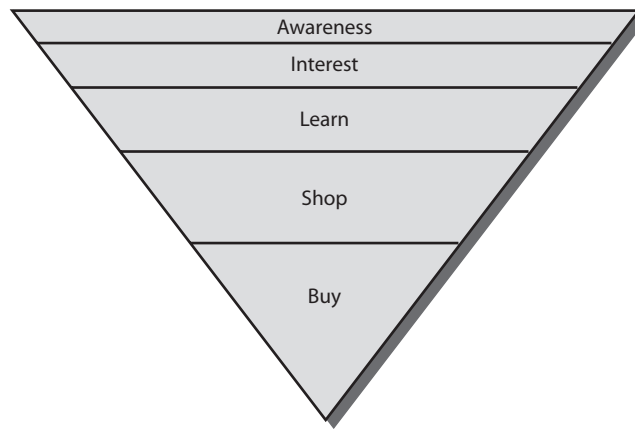


Figure 2.1 The buying funnel

Understanding where a keyword falls in the buying cycle can help signal where a consumer is within the buying process. That way, you can ensure that your ad and landing page match the consumer's shopping phase.

Although the buying funnel often refers to actual physical product sales, the same principles apply to business-to-business (B2B), service, retail, and other industries.



Note: The buying funnel is a subset of the broader known buying cycle. The entire buying cycle has two additional phases known as retention and advocacy. While customer loyalty and lifetime visitor values are important considerations for your entire marketing program, they can be distracting when we initially discuss keywords. Hence, we will work only with the initial aspect of the buying cycle, the sales funnel, during our exploration of keywords and revisit the full buying cycle in later chapters.

The shopping cycle is illustrated as a funnel because many searchers will enter the beginning of your product's buying funnel. However, as consumers learn more information about your product as compared to others, fewer consumers will transition from one section to the next. One of your jobs as a marketer is to move as many prospects as possible through the funnel so they become customers.

Examining the Buying Funnel Phases

Awareness starts the funnel. If consumers do not know about your products, they can never buy from you. A marketer's first job is to make sure consumers know that your products exist. If consumers are unaware of your product, they will not realize your product can fix their problem, let alone understand that you offer a way to help them. At this stage of the buying funnel, your job is to shout from the rooftops that your product exists.

When you correlate this part of the buying funnel to keywords, the keywords are very general. Consumers do not yet know enough to do a search for the product's benefits, features, or part types. These keywords are often high-volume, low-converting words such as *TV*, *plumber*, *laptop memory*, and *real estate*.

Once a consumer knows that your product exists, your next function is to generate *interest* for your product or service. At this stage, you want consumers to think about your product and how it will make their lives better. We will discuss features and benefits more in Chapter 4, "Writing Compelling Ads," when we explore ad copy writing. At this stage of the buying funnel, you want to focus on benefits. Essentially, a benefit is what your product will do for consumers so they desire your product.

After consumers have become aware of and interested in your products, they need to *learn* more about those products so they have enough information to make informed purchasing decisions. This is known as the learning or information-gathering phase of the buying funnel.

This stage is where consumers start to delve into product specifications and features and begin to compare products. If a searcher were looking to buy a new HDTV, this is where they would start to examine the features and differences associated with plasma vs. LCD vs. LED televisions. Consumers want to know about pixel burnout rates, what the magic mirrors are in LEDs, and what size TV they need for optimal viewing.

If you were an accounting firm, this is where you would showcase that you offer payroll services, are integrated with Intuit QuickBooks, and have a lawyer on staff for incorporation services.

It is in the learning stage where searchers first learn your industry jargon. The searcher's query is often more specific and commonly includes brand names and service specialties. Showcasing both benefits and features is useful for consumers during this phase.

Using these examples, you could easily put keywords such as *Chicago QuickBooks accounting firm*, *Samsung LED TV*, and *plasma TV pixel burnout rate* into your keyword list.

Once consumers understand enough about the industry or product that they can start looking at product specifications to make informed decisions, they will begin to compare similar products to each other. This is known as the *shopping* phase.

At this phase, a consumer might have decided they would like a plasma TV because it's light enough to hang on the wall and, based on how far their couch is from the wall, they want a 52-inch set. However, the consumer might not know if a Sony TV has certain features that a Samsung TV does not have. Therefore, while the consumer has decided on a 52-inch plasma TV, the brand and actual model are still in question. Or the consumer might have determined that they want a Sony, but there are multiple types of Sony plasma TVs, and therefore the consumer needs to compare the various model types.

Keywords at this phase are often quite specific and indicate a certain level of knowledge about the product. *Sony Vaio Z series laptop*, *Sony plasma 52-inch TV*, and *Chicago accounting services with lawyer on staff* are keyword searches that describe consumers in this aspect of the buying funnel.

Finally, a consumer has made up their mind on the actual product they are willing to purchase. At this point, the only question left to answer is where to *buy* the plasma TV or which accounting service can offer both a lawyer on staff and quick phone support.

These keywords are often product part numbers or company names: *Jim's accounting service* or *Samsung UN55D6000 55 1080P LED TV*. A consumer will examine prices, warranties, shipping costs, service contracts, return policies, and similar items before finally making a decision on where to buy the specific product.

How Do Consumers Flow Through Your Buying Funnel?

The buying funnel is different for every business. It is important to examine your company to determine how people find their information, make their decisions, and finally engage companies within your industry.

There is no time limit to the buying funnel. A used book sale might consist of five minutes from initial query to buying. A B2B \$100,000 software integration package may take six months or more.

Some consumers will jump directly into the learn phase or buy phase of the buying funnel. If you are shopping for a new book and you already know an author you like because of a previous book you have read, you do not need to learn more about the author—you just want to see what other books that author has written and maybe take a quick look at customer reviews. If you are tasked with finding both a software package and an integration vendor to move your company's email to a lower total cost of

ownership system, the search may take many twists and turns through many months of discussions and searches.

Note: Jargon can be useful both as keywords and in ad copy. However, always keep in mind whether someone knows enough about your product to use jargon or understand the jargon you are using. If searchers are early in the buying funnel, jargon terms may confuse them because they are still learning about your product. Later in the buying funnel, jargon can be useful as keywords. When someone uses a jargon keyword, you know that they know something about your products or services.



Always keep in mind that every single keyword you choose for your AdWords campaign will fall into at least one phase of the buying funnel. Some keywords may be somewhat ambiguous as to which exact phase of the buying funnel they fall into. In those cases, you may wish to test different landing pages for these keywords to see if the informational page or a product page has a higher return for your company.

It can be a useful exercise to examine your keywords and see in what aspect of the buying funnel you are reaching prospects. If all your keywords fall into the awareness and learn phases but you do not have any in the buy phase, you might help a consumer decide which product to buy but then not capitalize on their search when they are finally buying.

Conversely, if all your keywords fall into the buy phase, you might be generating very few sales. By using keywords further up in the buying funnel, you can generate more awareness and sales for your company.

Of course, having the keyword in your account just means your ad might show for the search result. Both your ad and your landing page need to continue engaging the consumer so that you receive both the click and the conversion associated with that keyword. The first step is making sure you have the proper visibility.

Understanding Keywords

Keywords are thoughts put into words. You search to find the answer to a question. Always remember that when you choose a keyword, you are telling a consumer that you can help them find the answer to their question.

When doing keyword research, you should always keep the searcher in mind. It's their thoughts put into words that you want as keywords so your ad can be shown on a search results page.

Before we delve into the four main types of keywords, let's take a closer look at the scenario from Chapter 1, "Understanding Search Theory," to see how any scenario can utilize these types of words.

Our searcher is sitting in his Chicago suburban house in January watching TV on a Saturday afternoon. Suddenly, his spouse calls up from the basement that there is water everywhere. Upon investigation, our searcher determines that a pipe

froze, causing the pipe to break and flood their basement. This happens every year in Chicago. What are the possible keywords?

First, keywords or thoughts are often segmented into four key areas:

- Explicit
- Problems
- Symptoms
- Product names or part numbers

We will examine each individually.

Types of Commercial Keywords

Explicit keywords are the easiest to research. These keywords often have the highest search volume of all the keyword types. They directly describe the product or service, and very little creativity is necessary to research these keywords. Here are some examples:

- Dermatologist
- Computer memory
- Plasma TV

In our example, if we were to list keywords for a plumber, we might have the following:

- Plumber
- North Chicago plumber
- Chicago plumbing services
- Emergency plumber
- Plumber phone number
- Saturday plumbing

Problem-based words are the second type of keywords. These keywords describe the conditions or problems that your product solves. These are also known as curing searches. Here are some examples:

- Acne
- How do I get rid of acne
- Can't run Excel
- Toothache
- What toothpaste will help cure a toothache?

If you examine your products and services and think of what you solve for a consumer, or how you make their life better, these are often problem-based keywords. In our plumber example, a *flooded basement* search would describe the root problem.

Symptoms make up the third type of keyword search. These keywords describe the symptoms of the actual problem. Here are some examples:

- Oily skin
- Slow computer

In our earlier example, symptom searches may include the following:

- Frozen pipes
- Burst pipe
- Broken pipes

The fourth type of keyword is *product names or part numbers*. These are common keywords late in the buying funnel. Here are some examples:

- P-10113/4 (a pipe number, which might be used in the flooded basement example)
- Mint Soufflé Cleanser
- 512 MD DDR2-533 SODIMM (computer memory)

If we look closely at the keyword examples, we can devise our own story from them. We need a dermatologist because we have acne, which is caused by oily skin, but we could use the Mint Soufflé Cleanser to help care for our skin. Our slow Sony Vaio is causing large Excel files to fail to load because we don't have enough computer memory. After researching the problem, our choice for the best computer memory is two 512 MB DDR2-533 SODIMMs.

By not just looking at keywords but also by examining the scenarios that cause someone to need your product, you can quickly expand your keyword research into new, untapped areas.

There are other keyword search intents that might be more applicable for your industry. The next most common keyword search is an informational query. These are often harder keywords to monetize for those selling products or services—but with a bit of creative thought to both answering the question and engaging the searcher, you can find new keyword search volume.

Here are examples of informational queries:

- How to turn off the water in the basement
- How to install memory in a computer
- Computer memory installation
- Candle burning times
- Differences between plasma and LED TVs

These keyword searches may not have any commercial intent. However, they are excellent top-of-the-funnel keywords to create more awareness for your business and to engage a searcher to start them down the buying funnel.

Finding Keyword Ideas

When conducting keyword research, first consider your themes instead of actual keywords. A *theme* is a collection of closely related keywords. In AdWords accounts, they are also known as *ad groups*. By first concentrating on your themes, you will build a high-level list of how your products or services coordinate with the keyword types.

Often the navigation on a website is already broken down into themes, and much of your initial work is already conducted. However, these are only the direct keywords, and you will still need to do research on the other types of keywords for those direct keywords.

If your website does not have a good navigational structure then, as we walk through the following keyword research ideas, instead of thinking in individual keywords, first take a look at the high-level themes. Once those are established, come back to each theme and fill in the keywords.

For example, if you were a plumber, here's a list of some of the more popular themes:

- Plumber
- Broken pipes
- Fix shower
- Kitchen remodeling
- Bathroom remodeling
- Overflowing toilet
- Emergency plumbing
- Weekend plumbing
- Flooded basement

And the list goes on. You should be able to come up with more than 50 different themes for a plumber. With some work, you might even come up with a few hundred themes. Although you know your business well, your potential customers—the searchers—do not; your business is quite complex when you start researching every problem you can fix.

The Two-Word Rule

If you are having problems grouping your keywords, use the two-word rule. This is a simple rule where you pick two root words that will signify the theme of the ad group. Then, every keyword in that same ad group should have those same two words in them but may have additional modifiers before or after the root words.

Starting Your Keyword Research

Begin by analyzing your website: your website's navigation and the words used on your site. We will showcase the AdWords keyword research tool in Chapter 3, "Keyword Tools: Extracting Valuable Data from Google," which will help you take a deep look into your own website.

If you have offline marketing material, examine your print collateral. Often direct mail pieces are carefully optimized over years of time. Are there hot-button words in your materials?

Analyze your top competitors' sites. Do they have navigational elements that are different from yours? Why? Is it that they offer different services than you or that they have broken down their site differently? If their site is just broken down in different ways, make note of those themes and see how their organization might jumpstart new ways for you to consider additional themes.

Examine the natural search results. Search engines try to diversify their results by including both authority and hub sites. The authority sites are worth taking a closer look into because they are displayed on page one of the search results for some of your major keywords. Wikipedia.org and About.com are common authority sites.

Hub sites are places where consumers can find a variety of information and links to other similar sites. Follow what the search engines consider hubs to see what other keywords and navigational elements these sites use. Since a hub site is trying to link to the most relevant sites for a category, they often have refined navigation that can help you organize themes. Do not forget to take a look at whom they link to, because a good hub will showcase a large variety of information. DMOZ.org and DexKnows.com are good examples of hub sites.

Ideally, you have a web analytics system in place. If not, Google offers a free system to get you started called Google Analytics. Your web analytics system will show you what keywords someone searched on various search engines to find your website. If you have goals or conversion tracking configured, you can even see which keywords led to higher conversion rates.

One of the best places to mine for new keywords and themes is your internal search engine. If your site has internal search, you should be tracking what keywords visitors are searching for within your site. This information will tell you exactly what someone was trying to find. It is also a good place to examine your landing page's effectiveness. If you have a page with a high search percentage, essentially the searcher did not find what they wanted on your landing page and had to do another search to find their information.

Note: Google has a product called Custom Search Engine, which is a free search engine for your site if you show ads within the results. There is also a premium version without ads. This product is easy to integrate into both your site and your Google Analytics system so you can track what users are searching for on your website.



My favorite tool will be the subject of Chapter 3: the AdWords Keyword Planner.

When doing research for both your keywords and themes, there are two points to remember. First, always keep the searcher in mind. The searcher is who you are trying to reach. You are advertising on a keyword you think they will type into a search engine and click on a result afterward. The searcher is the one who will ultimately make you profitable.

Second, always keep your products in mind. Your products or services are the lifeblood of your company. It's by selling those items that you can satisfy a searcher. When choosing keywords, make sure they are an accurate reflection of your products and services.

Do You Know Your Keywords?

Who searches for the word *bleach*?

If you thought the most common searcher was a 20- to 50-year-old female, then you have joined a large group of people who do not watch Japanese anime. The most common searcher for the word *bleach* is a male under 24 years of age. The explanation? A few years ago a new Japanese anime program called *Bleach* launched. The show has completely changed the dynamic of that word.

There are words whose meanings have changed, and there are other words that describe multiple items. A search for the word *ceramic* could be for a \$0.99 figurine or a \$10,000 factory part.

A search for *buy pipe* could mean a nice meerschaum tobacco-smoking pipe or a replacement for the busted pipe in your basement.

Sometimes relatively few people searching on a particular keyword will fit your ideal customer profile, and you may want to avoid using that keyword altogether. For instance, if you sold Clorox and realized that the majority of people searching for the word *bleach* do not meet your website goals, you may want to not advertise on that specific keyword. There are other times when the word is essential to your advertising campaign.

There are ways to write ad copy so you can showcase whether you are selling Clorox bleach or *Bleach* DVDs. This will help the searcher understand what products you offer. However, the first step is that you have to know it's a commonly confused word.

The best way to start understanding your words is to look at the natural search results. If you see sites or ads for seemingly unrelated industries, investigate further.

Another place to find these differences is in your keyword reporting, which we will discuss in later chapters. If you see words that seem highly targeted yet do not convert, it is worth your time to take a quick look and see if those words have multiple meanings.

Two good research tools that gave nice insight into demographics by search query were Yahoo! Clues (Figure 2.2) and Microsoft AdLabs. Unfortunately, these tools have been retired and no tool on the market replicates their functionality. Ideally, another one will be built to easily give marketers quick insights into demographic searches besides just looking at the search results.

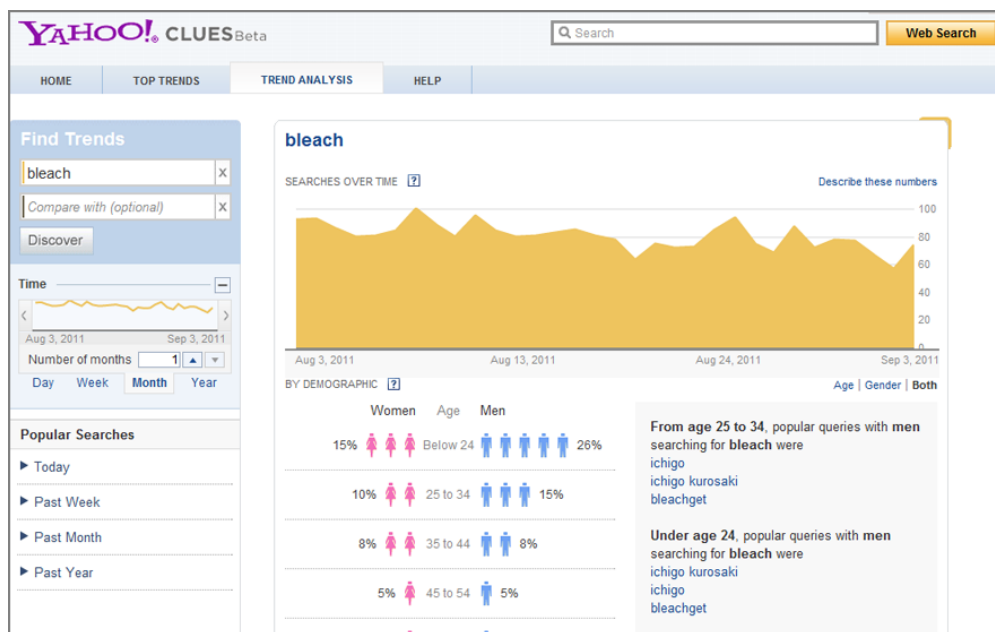


Figure 2.2 Yahoo! Clues demographic prediction

Understanding when your keywords might be confused with other products or services can help you be more specific with the words and themes you choose, to keep you from spending money on keywords that do not lead to sales.

How Many Keywords Should You Have in Your Account?

You have probably heard someone mention an AdWords account that has more than a million keywords. Yet, by most estimates the English language contains roughly only one-quarter of a million words. How can an AdWords account have more than four times the number of words that exist in the entire English language?

The answer is simple: by creating keyword lists.

Before creating keyword lists and generating millions of keywords, consider what you are going to do with those keywords. Most companies do not need millions of keywords. There is no magic number for how many keywords you should have in your account. The answer to “How many keywords should I have in my account?” comes back to relevancy.

You should have only relevant keywords in your account. If the keywords you create help a searcher find the answer to their question, then these are good keywords. If your keywords start to become ambiguous and could have multiple meanings, you need to make a financial decision about whether it is worth it to your company to advertise on a word with marginal (or worse, negative) results.

For example, if you were to search for *TV*, what would you expect to find?

- TV reviews
- TV guide
- TV repair
- TV celebrities
- Plasma TVs

These highly unrelated terms could all be shown for a keyword such as *TV*. The keyword is not specific enough to have any definitive user intent. Here are some issues to consider:

Examining Your Keywords If you cannot determine the user intent of a keyword, it is probably not specific enough for your account. This is a general guideline, and there are definitely exceptions. It is useful to first test the more specific keywords, and then once you have an idea of cost per conversion and conversion rates on the more specific keywords, try some of the more general keywords to see if they are profitable for your advertising dollars.

Determining the Right Number of Keywords The next consideration in determining how many keywords you should use comes back to management time. If you have 100,000 keywords, you will need to find a scalable way to manage that many. Microsoft Excel files and database reports are highly time-consuming for organizing that much data and determining your profit on each keyword so that you can decide how much you would like to bid for each word. You may need a bid management system to handle that many words.

Understanding Google AdWords Account Limits The last consideration is Google AdWords account limits. If it has been a while since you examined your potential account limits, you need to look again. In 2012, Google raised the number of campaigns to 10,000. The number of keywords was raised from 50,000 to 5 million. With these new limits, most companies will never run into hard caps on how many keywords, ad groups, or campaigns can exist within their AdWords account.

If you do need more than 5 million keywords, or if you need to organize accounts by business units, Google can link accounts together on the back end so they share some data and serve only one ad per search result. If you need multiple accounts, talk to an AdWords representative.

Note: Google has designed their editorial system to maximize choice and transparency for their searchers. Because they want to maximize searcher choice, they have design rules around ensuring that advertisers do not try to trick the system by running multiple ads and accounts for the same business because that would remove user choice. Therefore, each Google account should be a single business. If a single business needs multiple accounts, all of your accounts should be linked together. A single business running multiple unlinked accounts can run into terms of service (TOS) issues with Google's editorial teams. The MCC (My Client Center) account, which can help manage multiple accounts at once, will be discussed in Chapter 14, "Successful Account Organization Strategies."



If you are wondering why Google has caps on the number of keywords in an account at all, you can examine it from their perspective. Every keyword entered into their system has to be stored in multiple databases. Every local database is examined for keyword matches every time someone conducts a search on Google. Google is trying to filter through millions of keywords to serve ads to a searcher in less than one second. The less total database space being used to house keywords, the easier it is to sort through the keywords to quickly serve results to the searcher.

Therefore, although you will learn techniques for creating millions of keywords, it is best to initially keep your list to far fewer words than Google allows, unless you have a system in place to manage that many keywords.

Creating Keyword Lists

Most words in the English language can be categorized as a noun, adverb, adjective, preposition, pronoun, or verb. The same can be said for products. Most products can be described by product types, product attributes, adjectives, and so on. By breaking down your products or services into their base elements and then recombining these words, you can easily create huge keyword lists.

For example, Table 2.1 is a chart for maternity clothing that is by no means exhaustive but can be used to illustrate this point.

► **Table 2.1** Maternity shirt example root words

Category	Product Types	Product Attributes 1	Product Attributes 2	Example Keywords
Adjectives				
Pregnant	Shirt	Long sleeve	Cotton	Pregnancy shirt
Pregnancy	T-shirt	Short sleeve	Rayon	Pregnancy shirt long sleeve
Maternity	Dress blouse	Sleeveless	Silk	Pregnancy shirt cotton
	Tops		Stretchable	Pregnancy shirt long sleeve cotton
	Polo shirt		Natural fibers	
	Sweatshirt		Wool	

In the table, if we always used a word from both the Category Adjectives and Product Types columns and then mixed and matched the rest of the words, the words in Table 2.1 would become 504 keywords.

If you were to make five lists of five root words and mix and match them all, that would create 6,026 keywords. As you can see, keyword listing is powerful but can easily grow out of control. Therefore, it is important to keep your account structure in mind when creating keyword lists. You should first diagram your final ad groups before creating the lists. If you create keyword lists first, you have to try to categorize them all into ad groups.

In Table 2.1, the minimum number of ad groups should be six, one for each product type. You could easily have a few hundred ad groups from this information.

For example, at the most granular level, each keyword generated could instead be an ad group. To fill in the keywords within the ad group, you could use plurals, misspellings, and similar words such as *t-shirt*, *tshirt*, and *tee shirt*.

Creating word lists to generate thousands of keywords is useful. However, if done improperly, you could quickly end up with more keywords than you know how to organize, let alone manage. You can use the exact same techniques of creating lists to first diagram your ad groups, and then you can create lists within each ad group to generate the final keywords used within your account.

Keyword Mixer Tools

You do not have to do all this mixing and matching yourself. There are tools that will do the hard combination work for you. The following graphic shows one of the most popular, the keyword mixer tool from Certified Knowledge.

The screenshot shows the 'Keyword Mixer' tool interface. At the top is a blue header with the 'CERTIFIED KNOWLEDGE' logo and navigation tabs: 'Reporting', 'Keywords', 'Ad Copy & Testing', 'Site Analysis', and 'Premium'. Below the header, the 'Keyword Mixer' section has a brief description: 'The keyword mixer tool allows you to easily generate long tail keywords for use within an ad group. At present, the output file is limited to 2000 combinations (the max amount of keywords that can be inputted into an ad group). You can receive these keyword lists on-screen or in an AdWords Editor import format.' The main area contains five 'Keyword List' boxes, each with a list of terms and a dropdown menu below it. List 1 (Pregnant, Pregnancy, Maternity) is set to 'Required'. List 2 (Shirt, T-shirt, Dress blouse, Tops, Polo shirt, Sweatshirt) is set to 'Required'. List 3 (Long sleeve, Short sleeve, Sleeveless) is set to 'Optional'. List 4 (Cotton, Rayon, Silk, Stretchable, Natural fibers, Wool) is set to 'Optional'. List 5 (red, green, blue, pink, purple) is set to 'Optional'. At the bottom, the 'Output Format' section has checkboxes for: 'Do not wrap output' (checked), 'Wrap output in quotes [Phrase Match]', 'Wrap output in brackets [Exact Match]', and 'Create CSV file for Ad Words Editor (must choose at least one match type)'.

Keyword List 1	Keyword List 2	Keyword List 3	Keyword List 4	Keyword List 5
Pregnant Pregnancy Maternity	Shirt T-shirt Dress blouse Tops Polo shirt Sweatshirt	Long sleeve Short sleeve Sleeveless	Cotton Rayon Silk Stretchable Natural fibers Wool	red green blue pink purple
Required	Required	Optional	Optional	Optional

Output Format:

- ☒ Do not wrap output
- ☐ Wrap output in quotes [Phrase Match]
- ☐ Wrap output in brackets [Exact Match]
- ☐ Create CSV file for Ad Words Editor (must choose at least one match type)

By first creating your ad groups and then filling in your keywords, it is much easier to organize your account and keep your keyword lists from spiraling out of control.

Using Long-Tail Keywords

The *long tail* is a term popularized by Chris Anderson in an article in *Wired* magazine (October 2004) to describe how niche markets can sell a large number of infrequently sold items that together create more total sales than the top-selling product lists.

For example, before the days of the Internet, bookstores had to keep physical inventory in their stores. There is a finite number of books that can be housed and displayed on shelves within a store. The top-selling books in each category were most prominently featured. A book had to constantly sell to continue to maintain space on the shelves; otherwise, it was relegated to the discount bin to make space for a book that was selling. Although some of these books might have sold a few copies each month, it was not worth the shelf space to try to keep them in stock.

Then came Amazon.com, which had no physical storage limit for its products. Suddenly, a book that sold only one copy a month, or only a hundred copies a year, could still be profitable for Amazon. When you combine the millions of books that sell only a few copies, those total sales can be equal to or even exceed the top best-selling books.

You can repeat the same logic for any niche-based business, such as Netflix. Netflix carries thousands of copies of the most rented titles. However, the power of Netflix comes from their ability to carry even a few copies of each low-demand title. It is a powerful value proposition to the Netflix customer that even these niche movies can be rented. The total rentals for the low-demand movies in aggregate numbers may be equal to the total rentals of the top hundred movies.

This same logic can be applied to keywords. Single-word keyword searches make up roughly 34 percent of the search volume in the United States. However, the most frequently searched words are navigational queries such as Facebook, Google, Amazon, Craigslist, and eBay.

If you remove these common navigational queries, single-word queries make up approximately 20 percent of all queries. Conversely, once those single-word navigational queries are removed, search queries that are five or more words in length make up roughly 20 percent of the search volume as well.

There are two main ways that marketers use the phrase “long-tail keyword” when discussing keywords:

- The first refers to keyword searches that are three or more words in length. Essentially, someone typing in three or more words in a search box is being specific in defining the information they are wishing to discover.
- The second refers to keywords with low search volume. Instead of focusing on how many words are in the search query, these marketers consider long-tail

keywords to have low search volume. In this instance, even a one-word keyword with low search volume would be a long-tail word.

Change in One-Word Queries

For many years the number of single-keyword queries declined, and the number of five-plus keyword queries increased. This trend saw a reversal around 2011 when one-word queries began to increase in volume. This is because of a change in navigational behavior by younger demographics.

Older demographics grew up with website navigation and therefore often go directly to a website and then navigate from within the website to what they are looking to find. The younger generation has grown up with search, and therefore, even when they just want to log in to Facebook, they often search for Facebook or Facebook login on a search engine and then click within the search result to navigate to the website. This has skewed the query volume back to single-word queries. When you remove pure navigational search queries, long-tail queries are still increasing in both total volume and the percentages of search volume.

There are several advantages to using long-tail keywords and incorporating them into your keyword lists:

- There is often less competition on these search queries. It takes more keyword research and keyword creation discipline to have an encompassing keyword list. By expanding your keyword reach to these less-frequently-used search queries, you can often find gems that cost very little.
- The much more important reason is that many long-tail search queries are more specific, and it is easier to match the user intent with both the proper ad copy and the proper landing page.

Regarding the second reason, if someone searches for *long sleeve silk maternity shirts* and one ad copy talks about generic maternity shirts and another one talks about silk maternity shirts that have long sleeves, which do you think a consumer is more likely to click on?

Keyword advertising is about choosing keywords and ad copy that can answer a user's initial question. The closer you can associate the ad copy to the user intent, the higher the click-through rate. If you pair that ad copy with a landing page that also includes that same product or service, conversion rates are usually higher as well.

Utilizing the long tail for both ad group organization and keyword research will let you associate your marketing more closely with the user intent, which has benefits for both the searcher and the advertiser. The searcher finds the answer to their question, and the advertiser receives more conversions on their website.

Wide vs. Deep Keywords

When either using keyword lists or using the long-tail approach, you must consider *wide* versus *deep* keywords. They are very different, and the wrong approach can send you spiraling down a path of tens of thousands of closely related keywords that do not accurately encompass the best keywords for your account.

Instead of just creating long keyword lists, consider the various ways people look for information about your product and services. Earlier in this chapter, we discussed explicit, problem, and symptom keywords. Each of those types of keywords represents different ways of finding the exact same product. You first need to aggregate the different keywords used before drilling down into the specific keywords.

For example, if you were advertising a spyware-removal product, it would be easy to expand this list to create thousands of keywords from the simple root word list in Table 2.2. However, what you would end up with is a list of keywords that all include the root keyword *spyware*. That does not represent all the ways people search for spyware removal.

► **Table 2.2** Deep spyware root words

Adjectives	Brands or Adjectives	Product	Program Types
Free	Microsoft	Spyware	Removal
Cheap	Download		Scan
Discount	McAfee		Remover
Low cost	Norton		Programs
			Protection
			Detector

The list in Table 2.2 would be considered a deep keyword list. It only encompasses the way people search when they are using the root keyword *spyware*. Before you start to go deep, you will first want to go wide with your keyword list.

A wider, more encompassing keyword list would be built from a root word list that looks like Table 2.3.

► **Table 2.3** Wide spyware root words

Action Words	Wide Root Words	Software Type
Delete	Spyware	Software
Destroy	Adware	Program
Remove	W32	Download
Find	Virus	Freeware
Scan	Keylogger	Trial

Instead of relying on the root word *spyware* to be included throughout your keyword list and in the search query, this keyword list examines the different root words used in searching for spyware removal. If your product converted much higher for *adware* keywords, and you started with all *spyware* keywords, you would be missing your most profitable keywords.

This also makes it easier to concentrate on the correct keywords. Start with a very wide list. First, you should think of all the ways that someone can search for your product or services. From those thinking patterns, create a root word list. These are the major words used to describe your offerings.

Run these keywords (with their appropriate modifiers) for a while in your AdWords account. Once you start to see which wide keywords are receiving more clicks and conversions, you can focus on going deep within those root keywords.

In addition to just expanding your keyword list from these root words, these types of tests can also help you determine what aspect of the long-tail keyword belongs in your ad. If you have keywords that contain brands, product types, attributes, colors, and sizes, odds are that you cannot include all of this data easily into your ads. Therefore, by first determining what aspects of the keyword are most important to the user, you can make sure you are using those words in your ads.

By taking this two-step approach to both keyword and ad group creation, you will be spending your time more wisely building profitable keyword lists. It is easy to create massive amounts of keywords, but it makes more business sense to create profitable—and manageable—keyword lists.

Discerning Keyword Match Types

AdWords gives an advertiser a significant amount of control in determining when an ad will be shown. We will continue to discuss many of these additional options in later chapters. However, keep in mind that if you do not match your keywords appropriately, these additional controls will only have marginal increases in producing high-quality traffic.

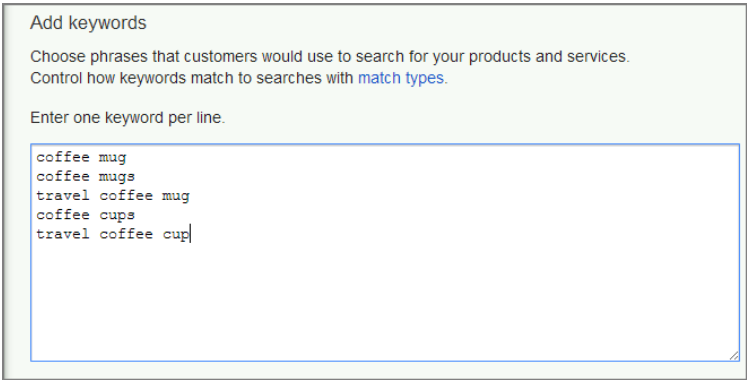
There are four match types that AdWords uses to determine whether your ad should be displayed based on the user's search query: broad, modified broad, phrase, and exact match. These are also referred to as positive match types because they define when your keywords will be allowed to match against a user search query to display your ad.

There is a fifth match type, negative match, which does the opposite. It prevents your ads from being shown when your negative keyword is present in the user query.

We'll start with the four positive match types.

Broad Match

A word is considered *broad matched* when you enter a keyword into an ad group with no formatting around the word (Figure 2.3).



Add keywords

Choose phrases that customers would use to search for your products and services.
Control how keywords match to searches with [match types](#).

Enter one keyword per line.

```
coffee mug
coffee mugs
travel coffee mug
coffee cups
travel coffee cup
```

Figure 2.3 Broad match keywords in an ad group

Broad match keywords can trigger your ad to show if the searcher uses a query that is related to your keywords. Broad match keywords match to misspellings, plurals, and even similar words.

For example, if you had the broad match keyword *coffee cups*, you could match to *coffee cup* (singular), *cofee cup* (misspelling), or *coffee mug* (similar word).

In addition, the order of the words does not matter. To continue our example, if you used the broad match *coffee cups*, you could match to *cups coffee* or *mug coffee*.

You can be matched if the search query contains similar words to your keyword with additional parameters. For example, if your keyword was *coffee cups*, you could match to *coffee red mug*, *blue mugs coffee*, or *coffee cup holder*.

Lastly, when you use broad match, your keywords can be matched within a search session to a completely different query. For instance, if someone searches for *coffee cups*, looks at the results, and then searches for a *coffee maker*, your *coffee cups* keyword could be triggered to show an ad because the user has not ended that search session.

If you sell only coffee mugs, being matched to a keyword such as *coffee cup holder* is probably not a good match. In these cases, we will show you how to keep your ad from showing when we visit negative keywords later in the section “Using Negative Match.”

The biggest problem with broad match is that you are matched to “similar” items and you don’t get to define similar—Google does. This leads to a lot of queries triggering your broad match keywords that are not relevant to your business. In addition, the higher your CTR, the broader the search queries that could trigger your ads.

For instance, if you had a good CTR on the term *coffee mugs* in broad match, you might show for the search query *tea cups*. If you did happen to also sell tea cups, you should have a different ad copy and landing page for that keyword than for the keyword *coffee mug*. So while you will often match to these additional queries, sometimes these clicks will not turn into sales because of the irrelevant ads and landing pages.

However, there is an advantage to broad match: not having to find all the possible variations of keywords. In a November 2008 article, Google announced:

Did you know that 20% of the queries Google receives each day are ones we haven't seen in at least 90 days, if at all?

<http://adwords.blogspot.com/2008/11/reach-more-customers-with-broad-match.html>

Google restated this number privately in 2011 and in 2013, but it even went further: 20 percent of queries Google receives each day are ones they had not seen in the last six months, if at all. As more search queries occur, the number of possible keyword combinations is also growing.

When one-fifth of all searches on Google have not been seen by Google in the last six months, and that engine receives billions of queries each month, it is easy to see that it is impossible to have every single keyword related to your products or services within your account.

The problem of marketers wanting to use broad match to reach all of the possible queries and yet maintain some control finally manifested itself in a new match type: modified broad match.

Modified Broad Match

If you examine your keyword phrases, usually there are one to three words that really matter in the phrase, and the other words are modifiers that do not mean as much to your conversion rates. For instance, if you take the query *Size 9 red Nike shoes*, you would want to make sure the words *Nike* and *shoes* are in the query, but the size or the color might not matter. With modified broad match you can signal to Google that only the words *Nike* and *shoes* are important and the search query should be closely related to those two words, but the rest of the words in your keyword phrase can be treated with more liberal matching.

To tell Google what words are important, you just put a plus (+) sign in front of the most important ones. The words with the plus sign can still match to plurals, misspellings, and very similar words, but they should not match to completely different types of words. With modified broad match, the ordering of the words does not matter, just as with broad match. Let's look at a few examples of modified broad match with a different main search query, *wedding cakes* (see Table 2.4).

► **Table 2.4** Modified broad match example

Keyword in Your Account	Possible Matched Search Queries
+wedding +cake	Wedding (misspelled on purpose) cakes
	Cakes for Weddings
	Wedding cheesecake (only with a high CTR)
wedding +cake	Cakes for weddings
	Anniversary cake recipes
	How to bake a birthday cake
+wedding cake	Wedding cake
	Wedding cupcake
	Red velvet wedding cake
chocolate +wedding +cake	Wedding cake with chocolate bride and groom
	Wedding cakes with vanilla
	Strawberry wedding cake

In each instance, a word very related to the keywords with the plus sign was in the search query—but plural, singular, or misspelled versions of the word did not matter.

Inside Google’s interface, you will still see modified broad match words listed as broad match. There is no modified broad match type in the interface. The fact that you have added a plus sign to the word makes it modified broad match (Figure 2.4).

Add keywords

Choose phrases that customers would use to search for your products and services. Control how keywords match to searches with [match types](#).

Enter one keyword per line.

+wedding +cake
wedding +cake
+wedding cake
chocolate +wedding +cake

Figure 2.4 Modified broad match keywords in an ad group

If you want to maintain some control but do not want to have research every variation of possible words, modified broad match is an excellent place to start when you add keywords to your account.

Please note, you do not have to add every single modified broad match combination in your ad groups. I have seen accounts where the keyword lists look like this:

- +red wedding cake
- red +wedding cake
- red wedding +cake
- red +wedding +cake
- +red +wedding +cake
- +red wedding +cake

In this case, you need to determine if red matters to you. If it does not, then you can use the keyword variation *red +wedding +cake*. If the word *red* does matter, then you can use the variation *+red +wedding +cake*.

When Should You Use Broad Match?

Because modified broad match gives you so much control, there are only a few reasons to use the standard broad match type.

One of the best uses of broad match is to buy research. With broad match, you can match to many queries, and search queries will give you excellent insight into search behavior. So, if you think of broad match as buying search data and not as keywords that you need to prove ROI, broad match can be very useful.

Another reason to try broad match is when there are very few queries for the account. If you are trying to serve ads into a very small geography or are in a very niche business, you might try using some broad match to increase your total impressions and clicks; just make sure they are helping you reach your overall marketing goals.

Phrase Match

A keyword is considered “phrase matched” when you enter the word in an ad group within quotation marks, as seen in Figure 2.5.

Add keywords

Choose phrases that customers would use to search for your products and services.
Control how keywords match to searches with [match types](#).

Enter one keyword per line.

```
"coffee mug"
"coffee mugs"
"travel coffee mug"
"coffee cups"
"travel coffee cup"
```

Figure 2.5 Phrase match keywords in an ad group

In order for your phrase match keyword to display your ad, the search query must contain your keyword in the same order you typed it into your ad group.

For example, if your keyword was *coffee cups*, your keyword would match to phrases such as the following:

- Coffee cups
- Blue coffee cups
- Coffee cups blue
- Red coffee cups for traveling

In each of these instances, there could be words before, after, or before and after your keyword. It could also be the keyword phrase itself. However, your keyword was always included in the search query.

Phrase match keywords do match to misspellings or plurals unless you disable this function, which will be addressed in the “Variation Match” section. Therefore, if you have the keyword *coffee cups*, the following searches would trigger your ad:

- Coffee cup (singular)
- Cofee cups (misspelling)
- Cups coffee (different word order)

Your ad would not trigger if someone entered a word in the middle of your keyword, between the words *coffee* and *cup*. In the *coffee cups* example, if someone searched for *coffee blue cups*, your ad would not show because the search query did not contain your phrase exactly.

Just to clarify, the user is not typing in quotes or adding formatting when entering their query into Google. The user is searching as usual; the quotes are only used to signal to Google that you would like your keyword to be triggered if it matches the search pattern. For example, in Figure 2.6, if you had the phrase match keyword *coffee cup*, your ad could be displayed.

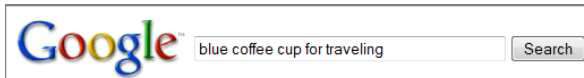


Figure 2.6 Google search query that will display an ad for *coffee cup* phrase match keyword

Phrase match used to be one of the best match types to use for new accounts since it gave you a lot of control. However, with the introduction of modified broad match, many advertisers have been using phrase match much less. If you are using an automated bid system where the number of keywords under management does not necessarily mean it takes you more hours to manage your account, you should use phrase match.

However, if you are managing accounts by hand, then using a mix of modified broad and exact match is a good way to start, and then you can apply phrase match for those special instances where modified broad match doesn't give you the ad serving control you'd prefer. For example, if you are selling Pittsburgh Steelers (an NFL football team) gear and you add the keyword *+Pittsburgh +Steelers Jerseys* in your account, you might show for search queries such as *the history of steel mining in Pittsburgh*. Usually, NFL fans type in the name of their team in the same phrase over and over but with different modifiers on the gear. In this instance, using *Pittsburgh Steelers Jerseys* in phrase match could be a better option than modified broad match.

Exact Match

Exact match is the most specific matching option that AdWords offers. First, you must enter the keywords into your ad group within brackets, as shown in Figure 2.7.

Add keywords

Choose phrases that customers would use to search for your products and services.
Control how keywords match to searches with [match types](#).

Enter one keyword per line.

```
[coffee mug]
[coffee mugs]
[travel coffee mug]
[coffee cups]
[travel coffee cup]
```

Figure 2.7 Exact match keywords in an ad group

Exact match works just how it sounds: A user must type into the search box a query that is identical to a keyword in your ad group for your ad to be displayed.

Exact match keywords can match to misspellings, similar keywords, plurals, or singular forms of the words.

If you have the exact match keyword *[coffee cups]*, your ad would be shown if someone types in *coffee cup* (singular), or *cofee cups* (misspelling). However, if the user typed in *blue coffee cups* (additional word), or *coffee mugs* (similar word), then your exact match keyword will not trigger an ad to be displayed. The biggest advantage of exact match is that you know exactly what someone is typing into the search box. You can examine your ad copy, landing page, and keyword to ensure that a perfectly formed synergistic chain has been established that will maximize your conversion rate.

In longer queries, exact match will also show user intent. A keyword such as *buy plasma TV* shows commercial intent. A keyword search such as *LCD vs. plasma TV* or *advantages of accountants over tax prep software* signals a comparison-shopping

intent. In this case, users need more information before they are ready to buy a product. A search such as *congressional term lengths* has an informational intent.

While we all use a search engine to find answers to questions, our intent upon finding those answers can vary quite significantly. The main intents online are commercial, informational, and navigational. However, just because you have a shopping site does not mean you should not use informational terms in your keyword list. It means you need to make sure you are engaging those users first with information and then have that information lead them to your products.

Variation Match

While exact and phrase matches can show for plurals and misspellings, there is a way to disable this behavior in your account so that you know exactly what will trigger your ad. There is an option inside AdWords that can cause these two match types to not show for misspellings and plural versions known as near match or variation match (Figure 2.8).

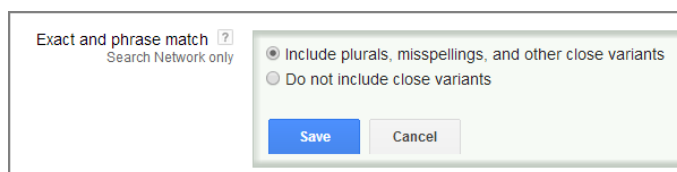


Figure 2.8 Exact and phrase match options

This is a campaign-level setting, so it will apply only to the keywords in that particular campaign. To understand whether this setting is good for you to employ, you need to take a look at your data to see whether you have drastic changes in your conversion rates, cost per conversion, or average sale amount by keyword variation.

For instance, there is a wholesaler of restaurant clogs that finds that when a user searches for *restaurant clogs* their average order value is \$562. If a user searches for *restaurant clog* (singular) their average order value is \$97. Since their average order value is so different by singular and plural terms, they would not want to use this setting because they are willing to bid much higher for the plural version of the keyword than the singular version.

Conversely, there is an electronics retailer that finds their conversion rate, average order value, and cost per acquisition is the same for the terms *Plasma TV* (singular), *Plasa TV* (misspelling), and *Plasma TVs* (plural) and therefore this setting is useful for them to employ.

When you first open an account, you will not have the data to determine if this is a good or bad setting, so let your budget decide for you. If you cannot reach your daily budgets, then leave this feature on so that you will receive more impressions and gather the data to decide. If you do not have the budget to buy all the possible

impressions, then it can be good to turn this option off until you have the budget to experiment with showing for more word variations.

Which Match Type Is Best?

Now that you know the four positive match types, how should you use them within your AdWords account?

First, you should know you can use all four positive match types for the same keyword within the same AdWords account or campaign. You could have the same keyword exact, phrase, modified broad, and broad match within the same ad group.

Second, when determining which match types to use, there are two major considerations: budget and reach.

If you are starting with a small budget and only want to increase your budget as you find profitable keywords, you will want to start with mostly exact match keywords and maybe some modified broad match. Once you find keywords that are meeting your business goals, then you can add the phrase match or modified broad match versions of those keywords.

If you are starting with a large budget and are willing to throw everything at the wall to see what converts, you will want to start with mostly modified broad match or broad match keywords. If you have a large budget but want some control, then start with mostly modified broad match. If you want lots of data to work with and are willing to pay for some clicks that will be irrelevant, then use broad match. As you find keywords that convert, add those words as exact and phrase match words over time.

You can also start with all four match types if you want. This is useful for adding the branded terms in mostly exact and phrase match, and then adding the two- to three-word keywords as modified broad and phrase match, and adding the four-word and longer keywords in modified and some broad match versions.

If you have multiple match types, make sure that you have exact match bid the highest, phrase match a little lower, modified broad even lower, and finally broad match at the lowest bid.

The reason why you want to set bids will become apparent in Chapter 7, “Demystifying Quality Score.” Essentially, if all four keywords can be triggered in a single search result, Google will show the one with the highest ad rank. Ad rank is a number derived from multiplying your Quality Score by your maximum CPC (cost per click). By bidding the most on exact match, you are forcing a higher ad rank for the exact match than the phrase or broad match keyword.

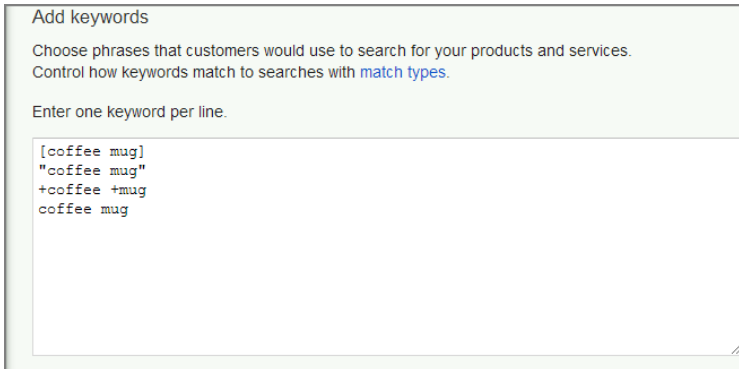
Another reason you would want to bid exact match the highest is that you know exactly the keywords used in the search query. It is much easier to determine user intent with exact match words than with the other match types. With phrase or broad match, the search query should be related to your keywords, but it may not be your actual keywords.

You should find that exact match has the highest conversion rate, then phrase match, then broad match. If you find that broad match has a higher conversion rate than phrase or exact match, it is generally because you are being matched to some search queries where you do not have that corresponding keyword in your account, and those queries have higher conversion rates than your account's keywords—which then causes the broad match keywords to appear to have higher conversion rates. You can use the search query report (detailed in Chapter 16, “AdWords Reports: Extracting Actionable Information”) to see some of the actual search queries that were used by searchers to trigger your keywords to show ads.

Lastly, if you make sure that your exact match is bid higher than your phrase match, and that your phrase match is bid higher than your broad match, every time your phrase or broad match keyword is shown, it's highly likely that you do not have that exact match keyword in your account. Because of the number of unique queries seen on Google within a day, you will never have every exact match keyword in your account. It is just not possible to find every single variation. This brings us to the second point to consider when using multiple match types: reach.

Broad, modified broad, and phrase match will help you reach a larger user base. If you only have exact match keywords, you are considerably lowering the possible search queries that your keywords could be matched to and thus will not reach nearly as many users.

By examining both your budget and desired reach, you can determine how many different match types you wish to use when creating a new ad group (Figure 2.9).



The screenshot shows a web form titled "Add keywords". Below the title, it says "Choose phrases that customers would use to search for your products and services. Control how keywords match to searches with [match types](#)." Below this, it says "Enter one keyword per line." There is a text input area containing the following text:

```
[coffee mug]
"coffee mug"
+coffee +mug
coffee mug
```

Figure 2.9 Ad group using all four match types

Once an ad group starts to collect statistics, you can use the search terms report to determine what keywords you wish to add to your ad group and what keywords you do not wish to trigger your ad.

As a starting point guideline, bid phrase match 15 percent less than your exact match bid, and bid modified broad match another 15–25 percent less than your

phrase match bid. If you want to buy some research or more impressions through the use of broad match, bid that another 15–25 percent lower than modified broad match.

Using Negative Match

Negative match keywords are filtering words. Negative keywords prevent your ad from being displayed on a search result. If you have phrase and broad match keywords in your account and some of the variations do not have good conversion rates, using negative match keywords can stop your ads from showing on those search results.

Before implementing negative keywords, you should have a way to measure your conversion rates and cost per conversion. In Chapter 15, “Implementing Testing Techniques That Will Increase Profits,” we will discuss a free conversion tool that Google offers to measure your results.

The reason you need conversion tracking implemented into your account is that when you add negative keywords to your account, some specific things should happen:

- Your conversion rate should increase. Because you are now only showing your ad for queries relevant to your product or services and are not being matched to more obscure words that are not directly reflective of your offerings, you should see your conversion rate go up.
- Your cost per conversion should decrease. Since negative keywords keep your ad from displaying on less-relevant results, when you do receive clicks, those clicks should be of higher quality and lower your overall cost per conversion.
- Finally, tracking is not needed for this, but another benefit of negative keywords is that your click-through rate should increase. Since you are now choosing to stop your ad from showing on irrelevant search queries, the times your ad is shown should be more relevant and thus gain a higher click-through rate.

If you do not see these three items happening, you need to revisit your negative keyword list to see if you added negative keywords that stopped your ads from showing on keyword searches that were driving sales. It is common for someone to know about negative keywords and automatically add the word *free*. However, a search for *plasma TVs with free shipping* would not trigger your ad if you used the negative keyword *-free*. If you happened to sell plasma TVs and offer free shipping, that is a wonderful query for you to show your ad. Therefore, you need to be careful when adding negative keywords.

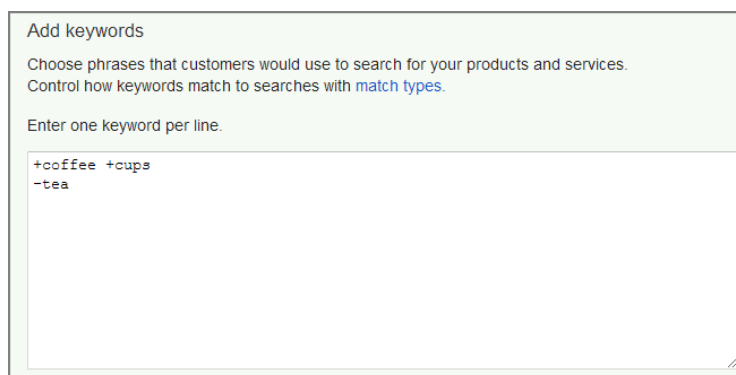
Implementing Negative Keywords

There are a few places within your account where you can add negative keywords. The first is within an ad group. Navigate to an ad group, and when you enter a keyword, add the minus (-) sign in front of any words that you do not wish to trigger your ad.

Negative Keyword Formatting

Depending on where you add negative keywords to your account, you may or may not have to add the negative (-) sign in front of a word to signify it's a negative keyword. For instance, if you add a negative keyword in an open text box to signify new keywords, you need to add the negative sign. If you add the negative keywords in the negative keyword interface, you do not need to add the negative sign. For purposes of easy illustration of negative keywords within text, and not overwhelming you with an overabundance of screenshots just to show or not show a minus sign, we will put the negative sign in the text so that it is obvious as we progress through this book if we mean negative or positive keywords. The screenshots will reflect the interface, so they may not have negatives in front of them.

For example, if you were using the broad match keyword *coffee cups*, and you wanted to make sure you would never show for *tea cups*, you would add the negative keyword *-tea* to your ad group, as shown in Figure 2.10.



The screenshot shows a web interface for adding keywords. At the top, it says 'Add keywords' and provides instructions: 'Choose phrases that customers would use to search for your products and services. Control how keywords match to searches with [match types](#).' Below this, it says 'Enter one keyword per line.' A text input area contains the following text: '+coffee +cups' on the first line and '-tea' on the second line. The interface has a light green header and a white text area with a small cursor icon at the bottom right.

Figure 2.10 Negative keyword *-tea* in an ad group

You can also navigate to the bottom of the Keywords tab and enter negative keywords directly into the Negative Keywords area. When you add negatives here, you do not need to include the minus sign in front of the keywords as you enter them.

When you add a negative keyword within an ad group, it only affects the keywords in that group. Therefore, in this example, you could have one ad group selling coffee mugs with the negative keyword *-tea* and another ad group selling tea cups with the negative keyword *-coffee*. In this instance, you could now use some broad match words and ensure that the correct ad was displayed.

Please note that in this example, if you only had the just described two ad groups, a search for *tea and coffee mug set* would not display any ads. This is because both *tea* and *coffee* are within the query, and each ad group has a negative keyword

that would keep your ad from showing on that query. Therefore, it can be useful to create comparison ad groups that don't use either of those negative keywords. In this case, you'd create an ad group containing *tea and coffee sets* without either of those negative keywords, so your ads would be eligible to show. The second place you can use negative keywords is at the campaign level. At the bottom of the keyword screen, next to the ad group negative keywords are also campaign-level negative keywords.

In instances where you are adding campaign negative keywords, these negative keywords will affect every ad group within that specific campaign.

If you never want to show ads for particular keywords, it is best to add the negative keywords at the campaign level. It is not uncommon for an account manager to add a negative keyword to one ad group in their campaign, only to find that search queries start triggering ads shown from a different ad group in that same campaign. They then add the negative to that ad group, only to find the search queries are now triggering ads from yet another ad group.

Ad group-level negative keywords are best for ensuring the correct ad group shows when there are two or more possible keyword matches within the same campaign.

For instance, if you are a hosting provider, you may have ad groups that contain related keywords such as *hosting*, *website hosting*, *VPS hosting*, and *cheap hosting*. If a user were to search for *cheap VPS website hosting*, every single ad group could show for that query since it contains words that are most likely used in each of the ad groups.

In cases like this, ad group-level negative keywords (Figure 2.11) are best to ensure that the correct ad is being displayed.

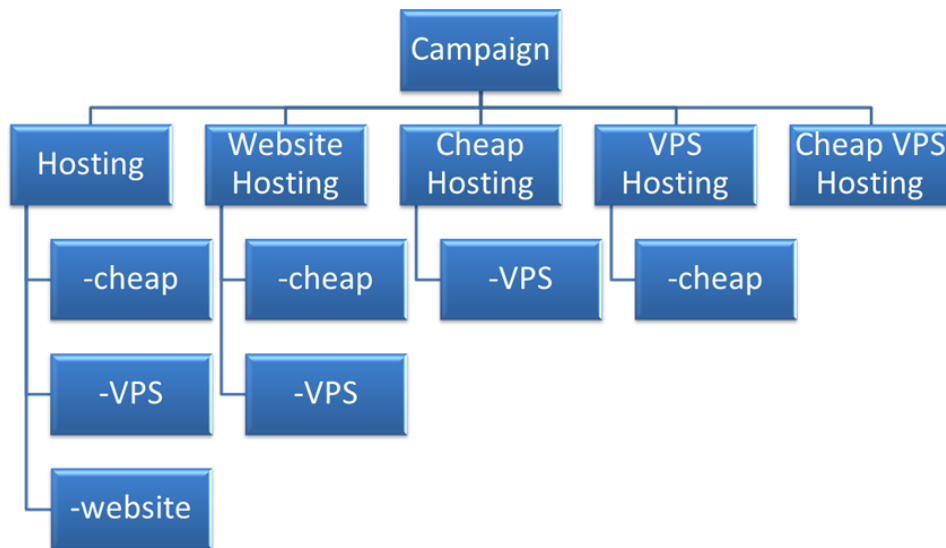


Figure 2.11 Shaping ad groups with negative keywords

Note: Google does not currently offer an account-wide negative keyword option. However, there is a Shared Library option that lets you manage lists of negative keywords and apply those lists to a campaign or multiple campaigns. Whenever you change the negative keywords in a list, your change will automatically be reflected for each campaign where the list has been applied. This is the best way to manage negative keywords when you want multiple campaigns to have the same negative keywords.



The easiest way to see if you have multiple ad groups showing for the same query (Figure 2.12) and therefore need to employ ad group-level negative keywords is with a pivot table (a spreadsheet program feature) and the search terms report (discussed at length in Chapter 16).

	A	B
1		
2		
3	Row Labels	Count of ad group
4	all kids toys	1
5	baby gates	7
6	baby toys	14
7	best baby toys	10
8	best educational toys for kids	1
9	educational activities for kids	1
10	educational baby games	5
11	educational games for kids	1
12	educational games for kids online	1
13	educational gifts for kids	1
14	educational kids toys	1
15	educational toys for kids	1
16	fun educational games for kids	1
17	infant toys	2
18	kids educational toys	1
19	kids instruments toys	1
20	kids musical instruments toys	1
21	kids toy musical instruments	1

Figure 2.12 Pivot table showing how many ad groups are displayed for a query

If you have search queries, such as *baby toys* shown in Figure 2.12, that are showing from multiple ad groups, then you have lost ad serving control. In this case, you want to employ negative keywords so that you know exactly what ad group, keyword, ad, and landing page will be used when someone searches for that term.

As with positive keywords, there are also match types for negative keywords. These three match types are called broad, phrase, and exact negative keyword match. However, while the names are the same as those for positive keywords, the rules for how the match types work are different for negatives.

Negative Broad Match

When you navigate to your ad group and just type in a minus (-) sign and a keyword, you've created a *negative broad match*. Negative broad keywords stop your ad from

showing if that word is anywhere within the search query. Negative broad keywords do not match to misspellings or plurals.

For example, if you had the negative keyword *cups* (-*cups*), a search for *coffee cups* or *tea cups* would not display your ad, because the search query contains the word *cups*. However, a search for *coffee cup* (singular) or *coffee cps* (misspelled) would display your ad since the word *cups* was not explicitly stated within the search query.

You can also use multiple words in a negative broad keyword. In this instance, the order of the words does not matter, as long as all of the negative words are in the query. Once again, these do not match to plurals or misspellings, and there is no option to change this setting as there is with positive keywords.

If you added the negative keyword *coffee cups* (-*coffee cups*) in your ad group, your ad would be displayed on a query such as *blue coffee cup* (singular) or *cofee cups* (misspelled). However, your ad would not be displayed for the following:

- Coffee cups
- Blue coffee cups
- Coffee blue cups
- Cups coffee blue
- Cups of coffee

This occurs because every example contains both the word *coffee* and the word *cups*.

Negative Phrase Match

Negative phrase match keywords must be contained within the user query in the exact order you entered them. Additional words can be contained before or after the search query; however, if the search query contains your negative phrase in the same order, your ad will not be displayed.

As with broad match negative keywords and regular phrase match keywords, this match type does not match to singular or misspellings.

For example, if you had the negative phrase match -“*coffee cups*” your ad would not be shown for queries such as:

- Coffee cups
- Blue coffee cups
- Coffee cups and mugs

This is because every one of those examples contains the keyword *coffee cups* in the same order.

However, if you have the negative phrase match word -“*coffee cups*” your ad would be displayed for queries such as:

- Cups coffee (different order)
- Coffee cup (singular)
- Blue coffee cup (singular)
- Coffe cups (misspelling)
- Coffe cups and tea (misspelling)

When adding negative phrase match words, the formatting is straightforward. Add a minus sign and then the keyword in quotes: -“*negative phrase match*”. If you are adding these negative keywords to the negative keyword text box, you do not need the negative sign (Figure 2.13).

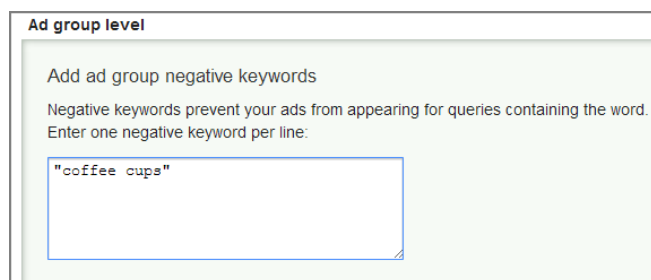


Figure 2.13 Negative phrase match keywords used in an ad group

You can use negative phrase match words at either the ad group or campaign level.

Negative Exact Match

In the *negative exact match*, your ad is not displayed when the search query matches your negative keyword exactly.

For instance, if you had the negative exact match keyword -[*coffee cups*], your ad would only not be displayed if someone typed *coffee cups* into the search box.

If the search query was *coffee cup* (singular), *cup coffee* (different order), or *coffe cup* (misspelling), the negative exact match keyword would not stop your ad from displaying (see Table 2.5).

As with the regular exact match, the negative exact match does not match to plurals and misspellings.

The formatting is also the same as the exact match keyword, except you add a negative sign in front of the formatting brackets. The formatting is -[*keyword*].

► **Table 2.5** Will the ad show?

Negative Keyword	Search Query
-mug (broad match single word)	coffee mug
	coffee mugs
	mugs blue coffee
	blue coffee mugs
- coffee mugs (broad match, multiple words)	coffee mug
	coffee mugs
	mugs blue coffee
	blue coffee mugs
-"coffee mugs"	coffee mug
	coffee mugs
	mugs blue coffee
	blue coffee mugs
-[coffee mugs]	coffee mug
	coffee mugs
	mugs blue coffee
	blue coffee mugs

Putting Negative and Positive Keywords Together

When using negative and positive keywords together, you should first determine when you want your ad to show and whether there are specific variations when you do not want your ad to be displayed. Once you have determined those conditions, it becomes easy to choose the proper negative and positive keywords and respective match types.

For example, let's create a fictional company that sells Disney videos. After running their ads for a while, they realize that when a searcher just types in *Disney video* their conversion rates are low and they are not profitable on those keywords. However, upon further investigation, the company realizes that if the searcher types in anything *with* the keyword *Disney video*, they convert quite well. Therefore, they would not want their ad to show on the actual search *Disney video*, but they do want it to show for variations such as *Little Mermaid Disney video*, *Disney video for sale*, and *newest Disney video*.

This can be accomplished quite easily. The company would have an ad group with the negative exact match keyword [*Disney video*] and the positive keyword *Disney video*, as shown in Figure 2.14.

Add keywords

Choose phrases that customers would use to search for your products and services.
Control how keywords match to searches with [match types](#).

Enter one keyword per line.

"Disney Video"
-[Disney Video]

Figure 2.14 Disney video negative exact match used with positive keywords

In this instance, the ad would be displayed only if someone searched for *Disney video* and any accompanying word. If someone just searched for *Disney video*, the ad would not be triggered.

Often, you will want to use broad or phrase match words to capture a wide variety of search queries. However, this often results in your ad displaying on queries that do not accurately reflect your company's products. Using negative keywords to filter your ad from showing on these queries can allow you to maintain control over when your ad is shown and maximize your ad's reach.

Researching Negative Keywords

It is just as important to keep your ad from showing on irrelevant queries as to show your ad on the correct queries. That also means it's just as important to conduct negative keyword research as it is to research positive keywords.

The easiest place to find negative keywords is the search terms report. If you navigate to the reporting section of your AdWords account, one of the reports is called a "search term report." Run this report, and you will have an Excel file that looks like Figure 2.15.

	A	B	C	D
		Search Query	Search Query Match Type	Cost/ Conversion
1	Ad Group			
2	Coffee Cups	Blue coffee cup	phrase	\$2.34
3	Coffee Cups	Red coffee cup	broad	\$1.76
4	Coffee Cups	Starbucks coffee cup	broad	\$4.55
5	Coffee Cups	coffee cups	exact	\$2.34
6	Coffee Cups	coffee mugs for RVs	broad	\$19.56

Figure 2.15 Search terms report in Excel



If your business is selling coffee mugs and you must have a cost per conversion of less than \$5 to be profitable, you can see that the actual search query that contains RV is not profitable.

Note: If you connect Google Analytics to your AdWords account, you can see a report in Google Analytics called the Matched Search Query report. This report will show the search queries along with metrics such as bounce rates (one-page visits) and time on site. You can use this information to find queries that may not have many clicks yet but are leading to such low interaction rates on your site that you need to either make them negative keywords or add them to your account in a different ad group with a new ad and landing page. The easiest way to find these queries is by building a filter inside analytics.

Primary Dimension: Matched Search Query Query Match Type

Plot Rows Secondary dimension Sort Type: Default Advanced Filter ON edit [Grid Icon] [Pie Chart Icon] [Bar Chart Icon] [Line Chart Icon] [Table Icon]

Include Visits Greater than 20

and

Include Goal Completions Equals 0

and

Include Bounce Rate Greater than 75

and

+ Add a dimension or metric

Apply cancel

	Matched Search Query	Visits ? ↓	Pages / Visit ?	Avg. Visit Duration ?	% New Visits ?	Bounce Rate ?	Goal Completions ?	Revenue ?
		1,007 % of Total: 0.17% (591,108)	1.23 Site Avg: 2.13 (-42.46%)	00:00:22 Site Avg: 00:01:38 (-77.91%)	61.67% Site Avg: 67.81% (-9.06%)	88.38% Site Avg: 63.85% (38.42%)	0 % of Total: 0.00% (59,197)	\$0.00 % of Total: 0.00% (50.00)
<input checked="" type="checkbox"/>	1. How to build a website	76	1.25	00:00:21	68.42%	81.58%	0	\$0.00
<input checked="" type="checkbox"/>	2. How to build a website	43	1.05	00:00:04	65.12%	93.02%	0	\$0.00
<input checked="" type="checkbox"/>	3. How to build a website	43	1.49	00:00:38	81.40%	76.74%	0	\$0.00
<input checked="" type="checkbox"/>	4. How to build a website	43	1.33	00:00:23	60.47%	81.40%	0	\$0.00

Assuming that you had enough data to prove this was a trend, or you did not sell RV coffee mugs, you would want to stop your ad from showing when RV was used in the search query. By adding the negative keyword -RV to that particular ad group, you can stop your ad from showing when the word RV is used in the search query.

If you happen to sell RV coffee mugs and do not want to lose that traffic, you could create a new ad group with keywords and ad copy that specifically speaks to

those searchers looking for RV coffee mugs. The search terms report will give you a significant amount of insight into which actual queries are triggering your ads.

The other way of finding negative keywords is during your regular keyword research phase. In the next chapter, you will learn about Google's powerful keyword research tool. As you use the tool, if you see words that are unrelated to your business or words where you just do not want your ad to be displayed, make note of those potential negative keywords so you can add them to your account.

Using Advanced Organizational Techniques

When you have two or more keywords that can be triggered in your AdWords account from a search query, Google tries to show the most restrictive option. The constraints go beyond just match type to include geography, time of day, and so forth.

However, Google does not always show exact match over phrase match and phrase match over broad match. They also look at ad rank ($\text{max CPC} \times \text{Quality Score}$), which we will cover in depth in Chapter 7. If you have an exact match term bid at \$0.25 and the broad match bid at \$1, Google will generally show the broad match term.

As an advertiser, you will likely find that your exact match converts higher than your phrase or broad match. You should control the ad serving so you know which ad copy and keyword will be displayed for any search query. You can control the ad serving through the use of bids or negative keywords.

There are several ways you can organize your match types within your paid search account. None of the strategies are better or worse than each other—they are just different. For each of these scenarios, we will assume you are using multiple match types for the same keyword and look at the pros and cons of each method.

Adding Multiple Match Types to the Same Ad Group

With this method, you add a keyword to an ad group multiple times, each with a different match type.

The pros of this method are that you have fewer total ad groups to create and optimize. This saves on both creation and management time. If you have a limited amount of time (and/or technology), this is by far the easiest method to use.

There are several cons to this method. With exact match, you can make a good guess as to the user intent of the word, so your ad can be specific to the keyword. With broad match, you know a lot less about the user intent, so you might write a more general ad copy that incorporates the keyword. This method does not allow you to write ads by match types.

The only way to control ad serving with this method is to make sure your exact match is the highest bid, your phrase match the second-highest bid, and then modified broad match. If your ad rank for your broad match trumps your exact match, your conversion rates and other data by match types become compromised.

While there are some negatives to this method, this is the method that is generally recommended for new advertisers because it is much simpler to create and manage than some of the other options available.

Restricting Match Types by Ad Group

With this method, each ad group will contain only one match type. If you want to advertise on both exact match and phrase match terms, you will have two different ad groups. In addition, for each of your ad groups you will use negative keywords to ensure the correct match type is being triggered. For instance, your phrase match ad group will contain exact match negatives of all the keywords.

There are a few advantages of this method. The first is that the proper keyword match type should be displayed in a search result. You do not have to ensure that your phrase match ad rank is higher than your exact match ad rank (however, it should be since the conversion rates for exact match should be higher than those for phrase match). This method also allows you to write ad copy by match type.

The biggest con is that your account can quickly be overwhelmed with too many ad groups to the point that you have to create new campaigns for all your ad groups because there are hard limits on how many ad groups can be within a single campaign. This method takes a lot longer to set up and a little bit longer to manage than grouping all the match types in a single ad group.

It is common to see this method employed where the long-tail keywords are grouped by match type into a single ad group, and then the higher-priced keywords or higher-volume keywords are broken down by match type into different ad groups.

Restricting Match Types by Campaign

Brands that are successful with AdWords often have a campaign just for their branded terms. This campaign is often one of the higher-budget campaigns because it has the best conversion rates and lowest cost per acquisition (CPA), the amount you pay to acquire a customer or lead. A natural extension of that same logic is that exact match keywords have the second-highest conversion rates and second-lowest CPAs for most brands. However, there is a limit to how much you can spend on exact match each month based on search volume. Therefore, you can put all your exact match keywords in a campaign with a budget to capture all of that search volume.

The next-highest conversion rates come from phrase match words. Group all your phrase match words into another campaign. Finally, have yet another campaign for modified broad match and broad match keywords. This last broad match campaign will use the last of the company's budget.

If the budget gets increased, the broad match campaign's budget is often increased. If the budget is being reached, lower the budget from the broad match campaign, which also has the lowest conversion rates of all the campaigns.

When you restrict match types by campaign, you also need to add negative keywords by match type at the campaign negative level (just like the method restricting match types by ad group) to ensure the proper keywords are being displayed.

The biggest pro to this account structure is that you can adjust both bids and budget by match types. This method also allows you to write ad copy for each match type and keyword organization.

The issue with this account structure is that you can quickly have too many campaigns. If you have multiple campaigns by match type, and each ad group only contains keywords of the same match type (which cause you to also need more campaigns), and you are doing geographic targeting or the content network, you can quickly become overwhelmed by too many campaigns.

Each campaign must also have a budget. If you slice your budget too thin, none of your campaigns will receive much traffic. In addition, this method takes more organizational and management time than the other structures. This method is not recommended for smaller budgets.

Taking Control of Your Ad Display

Positive keywords are the lifeblood of Google AdWords. If you do not have a keyword that will match to a searcher's query, your ad will not show. It's quite simple. It is crucial that you not only conduct keyword research, but that when you use these keywords in your account, you understand what search queries people can use that will trigger your ad to show on a search result.

Conversely, when you find search queries that you do not want your ad to show for, block your ad from showing by using negative keywords. Negative keywords should raise your CTR, lower your CPA, and increase your conversion rate.

As you add negative keywords, keep an eye on total conversions. Even if the negative keywords are doing their job, if your total conversions drop significantly, you may need to trim some of your negative keywords.

If keywords lead to conversions but at a higher cost per conversion than you are comfortable paying, you should lower the bids to a profitable level instead of just keeping your ad from showing by using negative keywords. Remember:

- Positive keywords trigger your ads.
- Negative keywords stop your ad from showing.

By using these two keyword types together, you can take control of your account to ensure you receive the maximum exposure and profit from your AdWords campaigns.

Best Practices for Conducting Keyword Research

Keywords are the foundation of your AdWords account. If you do not have a keyword that matches to the search query, your ad will not be shown. Comprehensive keyword research is essential to maximizing your account's exposure to potential customers.

- Every keyword falls into a section of the buying funnel. Understanding where your keyword falls in the funnel is important to ensure you are reaching consumers at different stages of their buying behavior.
- Keywords can be broken down into four major aspects: explicit, symptoms, problems, and product names or part numbers. Utilize each type of keyword to reach the maximum number of searchers.
- Start keyword research with your site, your competitors' sites, the natural search results, internal site search, and the dictionary.
- Make sure you know your own keywords. If your keywords describe one or more different products or ideas, use ad copy to tell the consumer which keyword variation is related to your company.
- A good way to start expanding your keywords is to create keyword lists. By creating lists for both ad group and keyword organization, you can create larger yet more focused lists.
- When starting long-tail keyword research, do not use deep keywords. Deep keywords describe only a single aspect of how someone searches. Instead, start with wide keywords, and when you find keywords that are converting, do deep keyword research on those particular keywords.
- There are four positive match types: broad, modified broad, phrase, and exact. Use a combination of these various match types based on your budget and marketing objectives.
- Negative keywords stop your ads from showing. It is just as important to conduct negative keyword research as it is to find new positive keywords.
- The search terms report will show you what someone actually searched for that triggered your ad to show. Use this report to find new positive and negative keywords.

Keyword research can be time consuming, but it is necessary for maximum exposure. Many tools are available that will help you along in your keyword research efforts to help save you time and give you ideas you may have overlooked. In the next chapter, we will examine one of these tools: the AdWords Keyword Planner.

Keyword Tools: Extracting Valuable Data from Google

Understanding where keywords fall into the buying funnel is critical. Choosing your keywords wisely and then measuring results will ensure the best chance of success for your campaigns. By starting with wide keywords and then moving to deep keywords, you can ensure that you are directing your keyword research time into the proper areas.

After examining your site, competitors' sites, search results, and internal site search, where do you go next to look for keywords?

A variety of tools are available online that will help you discover new keywords.

3

Chapter Contents

AdWords Keyword Planner

Google Trends

Bing Ads Intelligence

Best practices for using keyword tools

AdWords Keyword Planner

Google has a tremendous amount of search data. Between its organic and paid search listings across its web properties such as news, Google.com, Google sites in various countries, images, and even products, Google has compiled a massive amount of data about search queries.

One of the most powerful tools you can use to start your keyword research process is Google’s own AdWords Keyword Planner. This tool can examine the information collected across all of these various properties.

You can access the AdWords Keyword Planner from within your account (Figure 3.1).

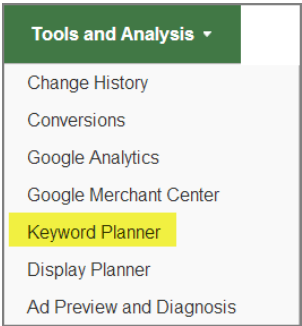


Figure 3.1 Accessing the AdWords Keyword Planner

There are two primary uses for this tool. The first is to research new keywords, and the second is to get detailed keyword traffic estimates. For both uses, Keyword Planner gives you options to change targeting methods and filter the data (Figure 3.2).

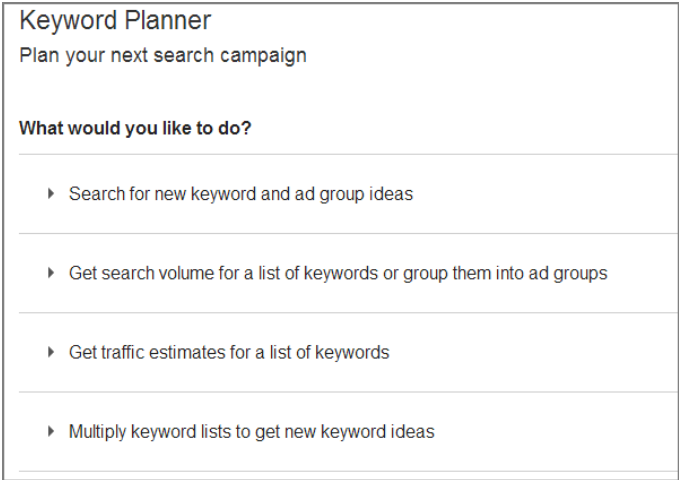


Figure 3.2 AdWords Keyword Planner main screen

In this first section, we will examine how to use the tool to research keywords; then we will examine the targeting options and filters, how to get more detailed keyword estimates, and how to add your newly found keywords into your account.

Generating Keyword Ideas

When using tools to generate ideas, keep in mind that they are just tools run by computers. These tools do not know your business, they do not think, and they do not understand your customers. While a tremendous amount of data is available from these tools, *you* are the one responsible for choosing your keywords.

Ensure that the keywords you choose accurately describe your products or services, the problems they solve, and the conditions someone may be in when they need your business. Remember, keywords are thought processes.

You should start by finding wide keywords—those keywords that describe the vast ways people search for words that are not closely related (for example, *spyware*, *adware*, *virus*, *keylogger*)—before diving deep into one specific keyword (for instance, *spyware*, *spyware remover*, *spyware program*).

We will first look at the three main ways of conducting keyword research and then examine the filters and then the data. When you choose the first option in the Keyword Planner tool, Search For New Keyword And Ad Group Ideas, you will be presented with three options on how to find keyword ideas (Figure 3.3).

What would you like to do?

▼ Search for new keyword and ad group ideas

Enter one or more of the following:

Your product or service

For example, flowers or used cars

Your landing page

www.example.com/page

Your product category

Enter or select a product category ▼

Figure 3.3 Search For New Keywords And Ad Group Ideas screen

We will examine each of these methods in detail so you know how each method works and can generate accurate ideas for your account.

Word or Phrase

The first way to use the AdWords Keyword Planner is to input words or phrases from your products or services and ask Google to show you similar keywords and related keyword ideas.

Use this method when you are first starting your keyword research to identify the synonyms and ideas related to your major keywords. When you find different wide keywords, note them in a separate list from your keyword research. Doing so will help you keep tabs on the wide keywords and separate them from the thousands of keywords you might normally add to your ad groups.

This tool ignores match types for keywords you enter here, so there's no need to include match type syntax here. Later in this process, you can adjust the match types in the keyword details area.

You'll find this tool especially valuable after you've had your campaigns for a while and you've accumulated a reasonable amount of data on your conversion rates and costs per conversion. If you see that a few sets of wide keywords are driving most of your sales or costs, you can dive into all the variations of those keywords.

Your Landing Page: Jumpstarting Your Keyword List

Since you already have a website and most likely you spent quality time writing your content, wouldn't it be useful if you could just receive suggestions based on each of your website's pages?

That is exactly what the landing page option accomplishes. You can enter a landing page URL in the landing page field, and the Keyword Planner will crawl that page attempting to decipher what keywords describe the content on that page and then suggest keywords based on what it finds. This is an excellent way to discover your wide keywords.

Understanding a Spider's Role in the Web

When a search engine wants to index the Web, it uses a program called a spider or robot (often also called a webbot or just bot). The search engine sends out its spider to crawl the Web to find new pages to index so it can build a database from the information it discovers. The spider indexes content such as HTML, images, PDF files, or any other file found on the Web. The terms *spider*, *spidering*, *crawl*, and *crawling* are commonly used to describe the process of the spider discovering and indexing the content it finds.

The Keyword Planner will work on most HTML sites, but most Adobe Flash pages, some Ajax pages, and other unique coding methods not based on basic HTML code can have problems being crawled and understood by search engines. Google and others have made great strides in attempting to crawl sites designed in Adobe Flash and these other methods, but often these sites have a difficult time achieving relevancy in AdWords because Google's crawlers cannot understand their pages. To find out whether AdWords has any problems understanding your website, enter your landing

page URL in this tool and examine the results. Just because the Keyword Planner brings back information about your page does not always mean it can be crawled well. In any case, it is good directional information if Google has some understanding of your website.

Note: We will discuss quality score in Chapter 7, “Demystifying Quality Score.” In the meantime, keep in mind that entering your landing page in the AdWords Keyword Planner also helps you see whether Google thinks your page is about what you think it is about. If the two of you disagree, you may see much lower quality scores.



There is no restriction on what sites you can enter—you can attempt to crawl any page on the Web. If someone has amended their robots.txt file to not allow crawlers to access the page, the tool will respect the robots.txt file.

Note: A robots.txt file is an instruction manual for your website that tells a spider what pages it can crawl and index. It is found at *yoursite.com/robots.txt*. If you do not have a robots.txt file, a spider assumes it can index any page of your website. To learn more about robots.txt files, see www.robotstxt.org.



You can spider competitor pages, industry pages, search results, and so on to help build your wide keyword list. Here is a list of sites to spider when you are first starting your wide keyword research:

- Your website
- Your competitors’ websites
- DMOZ.org category for your site
- Thesaurus.reference.com
- Dictionary.reference.com
- MetaGlossary.com (one of my favorites)
- Wikipedia.org
- Google or Yahoo! news
- The top authority magazine or journal for your industry
- Sites where you receive your industry news
- Any sites or blogs where you regularly receive your industry information
- Any directory related to your industry

Note that you may want to do a search on some of these sites for your keyword first. For example, spidering the home page of Thesaurus.com is not useful, whereas spidering the search result page for your keywords at <http://thesaurus.reference.com/browse/YourKeyword> will be more relevant to your company.

Every time you see a page on the Web that is highly related to your business, make note of the page so you can spider it when you do keyword research. This simple exercise will help you expand your keyword list over time.

The Keyword Planner can also help with your search engine optimization (SEO) efforts. With SEO, you do not get to pick keyword match types—you have to choose exact keywords. More advanced versions of SEO tools are available that examine traffic more than individual keyword rankings, but you have to start somewhere. When using this tool for SEO research, make sure you only look at the exact match of a keyword when trying to predict keyword volume.

Even beyond SEO and pay-per-click advertising, if you are looking for related keywords, or for thesaurus, competitor, trend, and other data, the Keyword Planner has uses within social media as well as competitor research. It is a powerful resource for conducting keyword research about your specific website and almost every other website on the entire Internet. Always keep this tool in mind when you are trying to find new wide keywords or when you come across an authority site related to your industry.

Keyword Suggestions by Category

The other way to use the Keyword Planner is by browsing through the categories. When you click the category section, a large drill-down of various categories and sub-categories will appear that you can select (Figure 3.4).

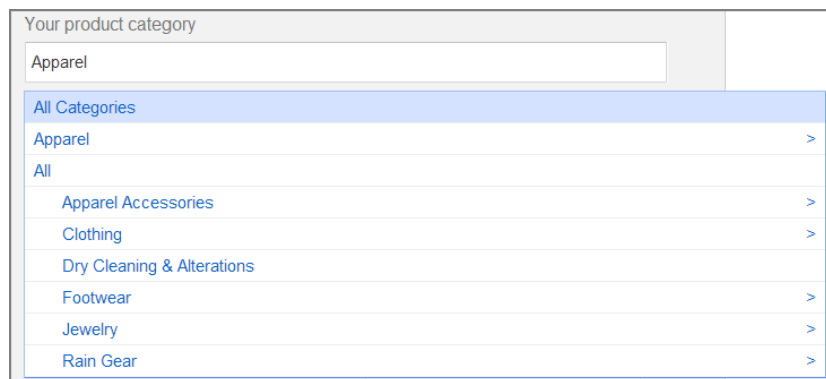


Figure 3.4 Keyword drill-down by category

In addition, you can quickly search through the categories by inputting words that describe your products, and the tool will show categories that match your search.

Most of the keyword suggestions will be wide keywords. In many cases, the keywords will be so general you might not even want to use them in your AdWords account.

One of the best uses of the categories is to find other keyword themes you may have missed. This is good information for not only your AdWords keywords but also

your natural search rankings. You may see better ways to structure your site navigation based on some of the category information. In addition, this information can be useful for determining how to structure your ad groups.

Browsing categories is useful for finding ideas on keywords you might have missed or for gaining insight into Google's association of keywords within a category. However, never build your AdWords account just using the category tool. There are too many poor suggestions and missing keywords per category to rely solely on this tool.

After you specify how you want to find keywords, the next step is to specify the type of data you want to see based on the advanced options and filters.

Advanced Options and Filters

Keyword Planner lets you specify targeting and filtering options to help you get the information you are most interested in. The filtering options narrow the data based on the targeting options you have set (Figure 3.5).

Figure 3.5 Advanced options and filters

These options are shown within the initial search or on the Keyword Planner interface screen. Your first targeting option is geography. You can do research on any of Google's preset geographic options, such as countries, states, provinces, and metros (Figure 3.6).

If your company is global, it is useful to estimate to a single country at a time so that you can obtain a better estimate of search volume and costs per click (CPCs) for each country. It is common for CPCs to vary dramatically by country, and when possible, you should limit your campaigns to showing in a single country (location targeting will be discussed in Chapter 11, “Utilizing Advanced Geographic Targeting Techniques”). If your business serves only a single region, then you can narrow your keyword ideas and research to that specific region.

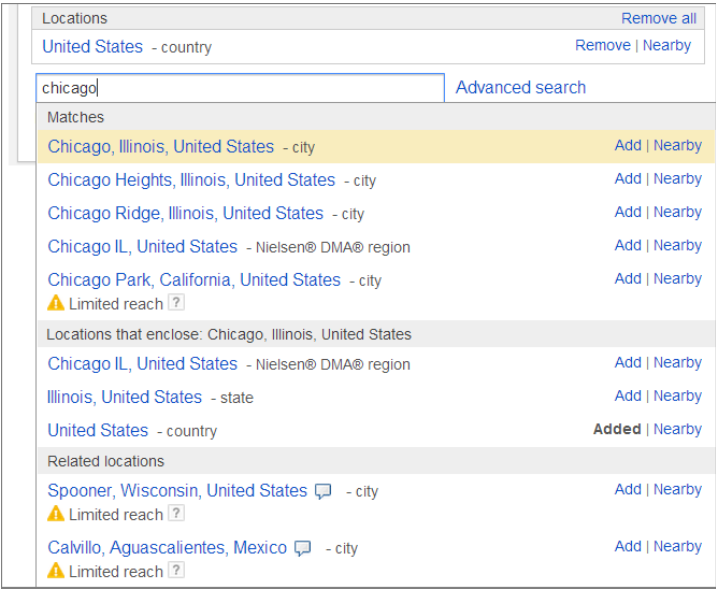


Figure 3.6 Location targeting options

Next, you can select the languages you want to include in your research. You can receive ideas for a single or multiple languages.

By default, Google gives estimates only for Google’s properties. If you want to receive estimates that include search partner data, edit the Google targeting option, select Google, and search partners.

Finally, if there are some negative keywords you know you want to exclude in keyword research so they don’t inflate or muddy your estimates, you can enter them individually or copy and paste them from a list. Once you’ve specified your targeting preferences, you can then customize your research by adding filters, starting with search volume, bid prices, impression share, and competition levels (Figure 3.7).

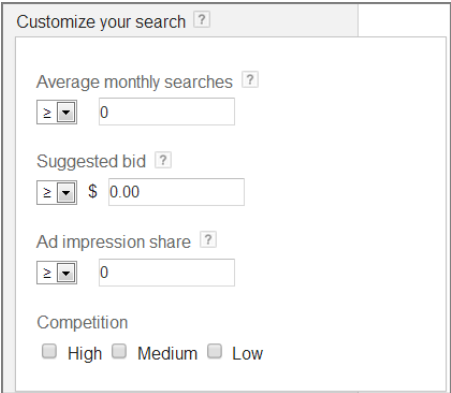


Figure 3.7 Keyword Planner filtering options for search volumes, bid, and competition levels

If you are just starting out researching a new account, then you will most likely not filter any data. However, if you have been running an account for a while, then you will want to filter the data based on the new types of keywords you are trying to find.

The first filter is Average Monthly Searches. You can choose to show only those keywords with search volume above or below a number you select. If you are looking for wide words to get an idea of new possible areas to advertise, then seeing only keywords with higher search volume is useful. If you have some wide words that have been useful for you and you want to expand into long-tail keywords from these wide words, then showing only lower keyword volume is useful.

The next filter is Suggested Bid. If you do not have a high budget, then you will usually want to filter out overly expensive keywords. The suggested bid is an estimate only; it is not necessarily what you will be using in your account. It can give you a good overall idea if a keyword is going to cost you \$2 or \$20, but it is not accurate enough to tell you if a word will cost you \$1.20 or \$1.25 per click because those CPCs are very close.

When you use the Suggested Bid filter, it is suggested that you increase the filter to 30 to 50 percent higher than what you will bid for a keyword to give you a wider range of keyword ideas because in some cases your actual CPC will be lower than what is suggested (and in some cases it will be higher).

Ad Impression Share is the percentage of times that you have been shown for a keyword when one of your ads was eligible to be displayed. For instance, if a keyword could have received 1,000 impressions and your keyword was shown for 100 of those, then your impression share is 10 percent.

When you have a select set of keywords that are performing well and you want to add additional ideas around those words, this is a good filter to use. You can select impression share under 50 percent and then find ideas for which you have little exposure.

Please note that the impression share in the tool is based on query data and not keyword data. For instance, if you have the broad match word *flowers* in your account, you could show for the term *exotic flowers* even if that word is not in your account. When you examine the data, you will see the impression share for that query even though it is not an actual keyword in your account.

Finally, you can filter on competition. The Competition filter is just a wide range of estimates of how many advertisers are using this keyword. There is not always a correlation between CPCs and competition because you might have very little competition for a word, but the current competition is willing to pay a lot per click. In other instances, there may be many advertisers using a keyword, but the keyword is not worth that much per click, so all the bids are low.

The second set of filters is based on keyword options (Figure 3.8).

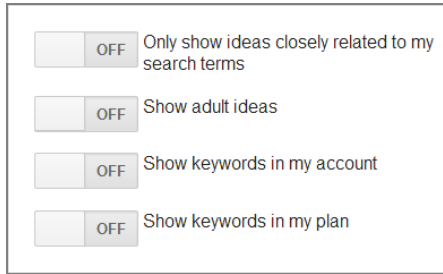


Figure 3.8 Keyword Planner filtering options for keyword characteristics

There are four options here:

- The first filter allows you to narrow the suggested keyword to only highly relevant ones. If this is your first time researching data for an account, do not turn on this filter. It is good for narrowing suggestions in very niche areas or for finding long-tail ideas, but if you are looking for a wide range of suggestions, you will want to leave this filter off.
- Adult keyword ideas are not displayed by default. If you are conducting research in adult areas, you will need to select the option to show adult ideas.
- By default, Google does not show keywords that are currently in your account. If you want to see keywords that are already in your account, then turn this filter on. This is useful when you are using the Ad Impression Share filter to find keywords where you have low impression share so you can see the new keyword ideas versus your current keywords.
- Finally, once you see data, you can add keywords to a plan. If you are continuing to research ideas to add to your plan and you want keywords in your plan to continue to be suggested, then you need to turn on the final option, Show Keywords In My Plan. For the most part, there is rarely a reason to use this option.

The last option is to filter the actual words that are displayed based on the keyword idea containing or not containing that specific term (Figure 3.9).

Figure 3.9 Keyword term filters

If you are trying to find permutations of a single keyword, the include option is useful. If there are some words that commonly show up in your keyword list that are not related to your products and services, then the negative filter can save you from continuing to see those words in the suggested keyword ideas.

Once you have selected your criteria for finding keywords and are ready to see some suggestions, click the Get Ideas button and you will be presented with suggested ad groups and keywords ideas.

Ad Group and Keyword Ideas

Once you determine the search method and filters used to find keyword ideas, the next step is examining those ideas to see what keywords and ad groups you want to use in your account.

Please note that the Keyword Planner is very different from the old keyword tool. With the old keyword tool, you found keywords and then could estimate data within the tool and then add keywords to your account from that tool.

In the Keyword Planner tool, there are three steps to keyword research: choosing how to find ideas, picking your ideas, and then estimating traffic and for those ideas.

In the second step, picking your ideas, you will examine the presented ideas and look at how to organize these ideas into ad groups before you review your estimates and add the keyword and ad groups to the account.

When you run the tool, you will be presented with a screen of data and options (Figure 3.10).

Keyword Planner

Add ideas to your plan

Your product or service

custom cups

Get ideas

Modify search

Targeting

United States

All languages

Google

Negative keywords

Customize your search

Keyword filters

Avg. monthly searches ≥ 0

Suggested bid ≥ \$0.00

Ad impr. share ≥ 0%

Keyword options

Show broadly related ideas

Show keywords in my account

Hide keywords in my plan

Ad group ideas

Keyword ideas

Download

Add all (39)

Ad group (by relevance)	Keywords	Avg. monthly searches	Competition	Suggested bid	Ad impr. share	Add to plan
Styrofoam (14)	styrofoam cups, p...	6,070	High	\$3.13	23%	»
Personalized We...	personalized wed...	420	High	\$1.66	21%	»
Custom Logo (6)	custom logo mug...	360	High	\$5.60	15%	»
Foam (6)	foam cups, custo...	920	High	\$2.84	14%	»
Stadium (23)	stadium cups, pe...	3,640	High	\$4.65	13%	»
Monogram (11)	monogrammed ...	2,840	High	\$1.59	13%	»
No Minimum (9)	custom mugs no ...	770	High	\$4.25	8%	»

At the top of the screen, you can change the product or service you are getting ideas on. On the left side of the screen you can change your targeting and filter selections. The middle of the screen is where you will spend most of your time.

Keyword Planner Data

You can view data for either your ad group ideas or your keyword ideas in the middle section of the screen by clicking the associated tab. The type of data is very similar in these views. The main difference is that the ad group ideas view shows aggregated data from all the keywords in that ad group. The keyword ideas view shows the data for each individual keyword (Figure 3.11).

Ad group ideas

Keyword ideas

Download

Add all (801)

Search terms	Avg. monthly searches	Competition	Suggested bid	Ad impr. share	Add to plan
custom cups	1,900	High	\$3.67	12%	ACCOUNT

1 - 1 of 1 keywords

▼ Keyword (by relevance)

Avg. monthly searches

Competition

Suggested bid

Ad impr. share

Add to plan

custom plastic cups	1,000	High	\$3.60	8%	ACCOUNT
custom stadium cups	480	High	\$4.54	23%	ACCOUNT
custom coffee cups	720	High	\$4.05	3%	»
customized cups	720	High	\$2.66	9%	ACCOUNT

Figure 3.11 Keyword Ideas screen

Let's first examine the data that is presented on both screens and then walk through how to use that data.

Ad Group (By Relevance) The ad groups are sorted by Google's estimated relevance to the search method you used to find keyword ideas. If you click into an ad group, you will see the keyword data just for that ad group.

Keyword (By Relevance) In the ad group screen, you will see a preview of a few keywords in that ad group. In the keyword ideas screen, you will see the keywords' actual data and can sort the keywords by relevance, volume, competition level, and impression share.

Trend Graph If you hover over the graph icon, you can see the last few months' trends for a keyword (Figure 3.12). Because this graph does not cover a full year, it is not good for predicting year-over-year seasonality. To get a better idea of seasonality, we will examine the Google Trends tool later in this chapter. This graph is good for a quick

look to see whether the keyword is increasing or decreasing in volume regardless of year-over-year changes.

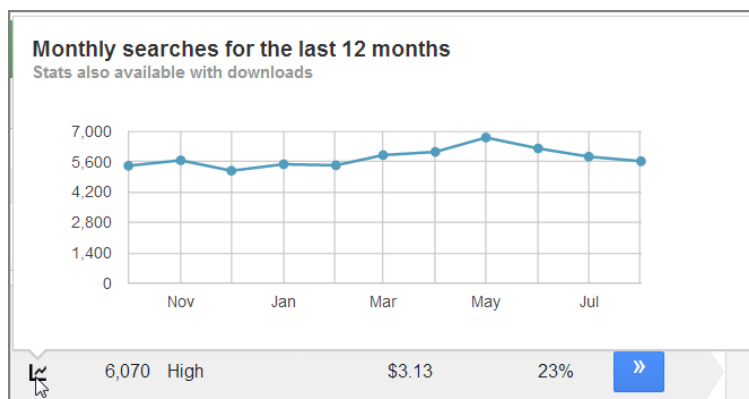


Figure 3.12 Trended data

Average Monthly Searches This is the average monthly search volume for that keyword. The Keyword Planner tool does not have the ability to see data by match type, so this information is loosely based on broad match estimates.

Competition This is the amount of competition—high, medium, or low—that any one keyword has based on the number of advertisers in the location you are targeting. Just because a keyword has high or low competition does not mean the keyword will be necessarily be expensive or cheap.

Suggested Bid This is a rough bid estimate based on the other bids in the targeted region. It usually has a rough correlation with the “top of page bid,” which is an estimated amount of the minimum you need to bid to have your ads displayed in one of the ad positions above the organic results.

This is a suggestion only. You can get much more detailed information about how your bids impact your estimated clicks and impressions on the estimates screens.

Ad Impression Share This is the percentage of times your ad has shown for this keyword when it was eligible to be displayed.

Add To Plan Finally, you will see an arrow to add a keyword to your plan. If the keyword is already in your account, there will be a notation on the arrow that the keyword is in the account. By clicking this button, you will either add all the keywords in an ad group to the plan or add an individual keyword to the plan if you are in the keyword or ad group details screen.

Now that you have an understanding of the data on this screen, let us take a look at how to work with the ad groups and keywords to build or expand an AdWords account.

Building Your Account with the Keyword Planner

From a high-level conceptual standpoint there are three ways to use this tool.

The first is how the tool was intended: Choose your ad groups and keywords to build or expand your account directly from the tool. This is the best use for newer advertisers. Because you can save your ad groups and keywords directly to your account, you can build out your account directly in the interface.

The second is to find new keywords and ideas that are not currently in your account. In this case, you will often add keywords to some existing ad groups and others to brand-new ad groups. If you are adding a few keywords and ad groups, then the tool will accommodate your needs. If you are adding many new keywords to existing ad groups and also creating new ad groups, then the tool can be overly time consuming to use and you may want to download the data and import it using the AdWords Editor (covered in Chapter 12, “Saving Time and Scaling Accounts with the AdWords Editor”).

The last way to use the tool is for more advanced users. The one issue with the tool is that it does not easily allow you to add modified broad match keywords or even the same keyword with multiple match types to your account. In this case, you will often do your research into the tool and then download the data to a spreadsheet program. Within the spreadsheet program, you can then do the following:

- Manipulate the data, such as creating more granular ad groups for your keywords
- Duplicate the data, such as adding the keyword twice in the account, each with its own match type
- Change some match types to modified broad match

Once you have manipulated the data in a spreadsheet, you can then use the import function in the AdWords Editor to easily move the data into your account.

In this section, we will mainly focus on using the tool to create new ad groups and populate them with keywords. If you can understand that basic usage of the tool, then the additional ways in which you can use it become obvious, especially after reading the AdWords Editor section of Chapter 12.

Choosing Ad Groups and Keywords

The first step is to take a look at all the ad groups and determine which ones are suitable for your advertising needs. When you find an ad group that you want to add, do not just add the ad group. If you add the ad group, you will add all of the keywords in that ad group, and in many cases either there are unrelated keywords in that ad group or the ad group should be broken down into multiple ad groups before you save them to your account.

For example, if you are advertising flowers, one of the suggested ad groups is Same Day Delivery. Since many florists do offer same day delivery, at first glance this looks like a good ad group. However, when you examine the actual keywords that are

included in that ad group (Figure 3.13), you see that more than one suggestion is for gift basket delivery and not flower delivery.

Ad group: **Same Day Delivery** 18 of 57 ad group ideas < >

← Add all (6)

Keyword (by relevance)		Avg. monthly searches ?	Competition ?	Suggested bid ?	Ad impr. share ?	Add to plan
same day delivery gifts		2,400	High	\$2.57	0%	»
same day gift delivery		720	High	\$2.36	0%	»
same day delivery gift baskets		320	High	\$2.75	0%	»
gift baskets same day delivery		170	High	\$2.51	0%	»
same day floral delivery		170	High	\$6.10	0%	»

1 - 6 of 6 keywords ▾ < >

Figure 3.13 Same Day Delivery suggested keywords

This is because the ad group suggestions are based on common keywords in the ad groups' name. All of the suggestions do contain *same day delivery*; it's just that not all of them are for a flower product.

In this case, you can add the individual keywords to your keyword research plan (Figure 3.14) that you want to use, but you would not want to add the entire ad group.

Your plan
Saved until Oct 25, 2013

Bid range ?
\$0.00 - \$30.00

Daily estimates
4.10 - 5.01 Clicks
\$32.00 - \$39.00 Cost

Ad groups: 1

Flower Delivery (1)

Review estimates

Figure 3.14 Keyword research plan data

Now that you have a plan, you will want to go back and add more keywords and ad groups to the plan. If you add more keywords to the plan, they will be added to the current ad group (in this case, it's Flower Delivery). If you want to add keywords into new ad groups, you first need to create those new ad groups from within the plan by clicking the + button (Figure 3.15) and adding a new ad group.

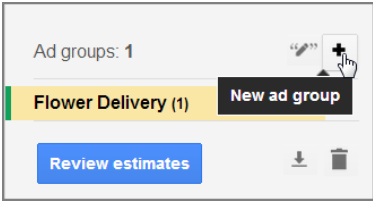


Figure 3.15 Creating ad groups in a plan

In addition to using the plus button, you can click the edit button next to it and change the match types for your existing keywords or for new ones. If you are going to mix and match a lot of match types across your plan, it is much easier to download the data to a spreadsheet and manipulate the match types in that program instead of in the Keyword Planner tool.

As you are building out your plan with new keywords, you can also adjust the bid range of those keywords to see an overall estimate of the number of clicks and the total cost of those clicks for the keywords in your plan.

If you are not building a full ad group but instead just want to add individual keywords to your plan, instead of working from the Ad Group Ideas screen, you can work from the Keyword Ideas screen (Figure 3.16).

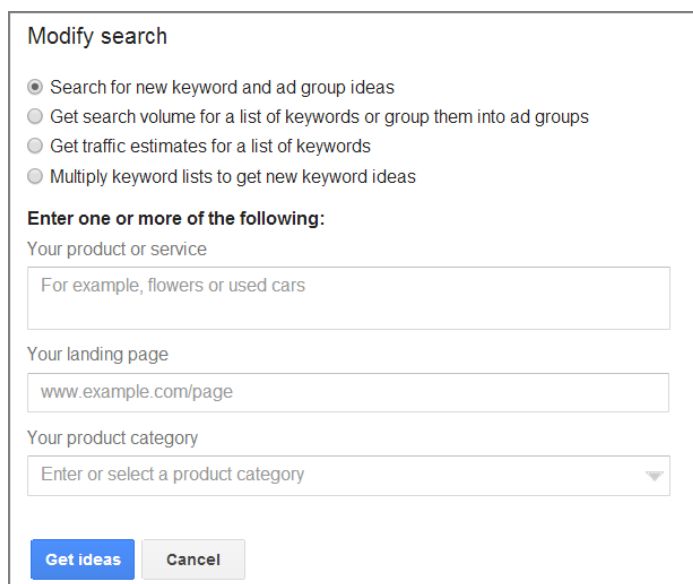
Ad group ideas		Keyword ideas		Download		Add all (801)	
Search terms		Avg. monthly searches ?	Competition ?	Suggested bid ?	Ad impr. share ?	Add to plan	
						1 - 1 of 1 keywords	
Keyword (by relevance)		Avg. monthly searches ?	Competition ?	Suggested bid ?	Ad impr. share ?	Add to plan	
international flower delivery		2,400	High	\$4.12	0%	»	
flowers delivery		18,100	High	\$6.40	0%	»	
best flower delivery		1,900	High	\$5.14	0%	»	
same day flower delivery		8,100	High	\$4.82	0%	»	
cheap flower delivery		4,400	High	\$3.13	0%	»	
flowers for delivery		2,400	High	\$5.71	0%	»	

Figure 3.16 Working with keyword ideas

This screen functions in the same way as the Ad Group Ideas screen with the exception that you are adding single keywords as opposed to full ad groups or single keywords within ad groups.

If you are building a new account, you will most likely start with the Search For New Keyword And Ad Group Ideas option, shown in Figure 3.17. If you start with this option and begin from a single keyword or phrase, then you will want to change the search query a few times to keep finding new keywords. An easy way of coming up with new words to input into the search tool is to take a look at the suggested words from your initial query that either have so much search volume that you do not want to use them or are a little too general to use in an account; you can put those words back into the search tool to find more specific combinations related to that query.

If instead you start with inputting a word or phrase, at any time you can click Modify Search and then input a landing page that you are using (or go from one landing page to a new one) or even look through categories for new ideas.



Modify search

- ☒ Search for new keyword and ad group ideas
- ☐ Get search volume for a list of keywords or group them into ad groups
- ☐ Get traffic estimates for a list of keywords
- ☐ Multiply keyword lists to get new keyword ideas

Enter one or more of the following:

Your product or service

For example, flowers or used cars

Your landing page

www.example.com/page

Your product category

Enter or select a product category ▼

Get ideas **Cancel**

Figure 3.17 Modify Search screen

Once you have saved the ad group and keywords into a plan, you have four options; you can either download the data by clicking the down arrow, copy the keywords to the clipboard by clicking the clipboard icon, delete the plan by clicking the trash can icon, or get detailed estimates for your keywords by clicking the Review Estimates button (Figure 3.18).

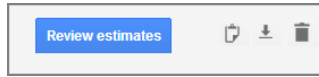


Figure 3.18 Downloading, copying, deleting, or reviewing estimates for your plan data

The estimates screen then allows you to get details about your click volume, estimated costs, and initial CPC data.. First, we'll cover all the ways you can get to the estimates screen, and then we will dig into how to work with the estimates.

Traffic Estimates

Finding keyword ideas is one half of the Keyword Planner tool; the second half is estimating traffic based on ad group and keyword data.

There are several ways you can reach the Traffic Estimator tool. The first is to research keywords and ad groups, as discussed previously, and then review your estimates. The other methods are through the initial research screen of the Keyword Planner tool (Figure 3.19).

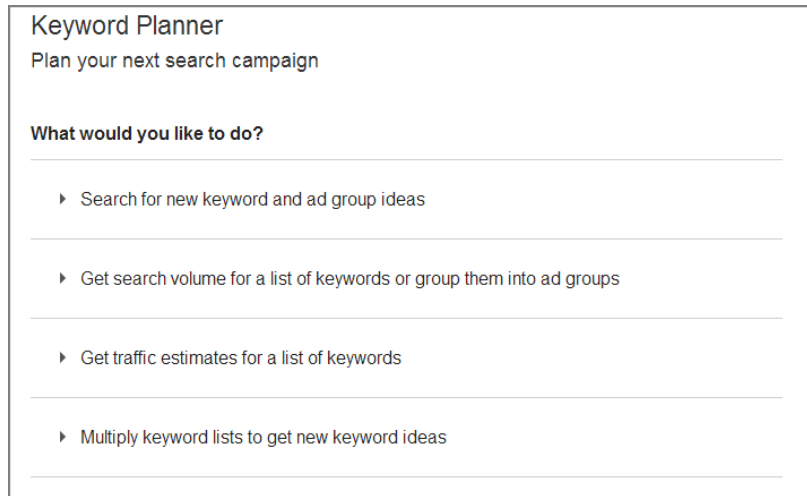


Figure 3.19 Keyword research options

One option is to Get Search Volume For A List Of Keywords Or Group Them Into Ad Groups (Figure 3.20).

▼ **Get search volume for a list of keywords or group them into ad groups**

Option 1: Enter keywords

Enter keywords, one per line or separated by commas.

To specify a match type, add punctuation:

- **Broad match:** New York hotels
- **Phrase match:** "New York hotels"
- **Exact match:** [New York hotels]

Option 2: Upload file

No file chosen

[Supported files and formats](#)

Targeting

United States

Google

Negative keywords

Figure 3.20 Get Search Volume For A List Of Keywords screen

With this option you either type a list into the box, copy and paste a list from another program, or upload a list of keywords into the tool. You also have targeting options available as you do with some of the other research methods. Once you click Get Search Volume, you will be taken into the Ad Group And Keyword Ideas screen, as with the first option. If you want to get only estimates for these keywords, you can then click Add All and then Get Estimates to jump to the review screen. If you want to organize the keywords into ad groups, you can do so from the Ad Group And Keyword Ideas screen; however, it is much easier to do this grouping in a spreadsheet program than in the tool.

The next option is Get Traffic Estimates For A List Of Keywords. This is almost the same as the previous option (Get Search Volume For A List Of Keywords Or Group Them Into Ad Groups), except it jumps you directly to the estimates screen and bypasses the Ad Group And Keyword Ideas Wizard.

The last option is Multiply Keyword Lists To Get New Keyword Ideas (Figure 3.21). With this option, you can put lists of keywords into the input boxes, and then Google will combine these words to give you estimates.

▼ Multiply keyword lists to get new keyword ideas

List 1

firestone
bridgestone
dunlop
pirelli
goodyear

×

List 2

tires

Targeting ?

United States

Google

Negative keywords

Get estimates

Get search volume

Figure 3.21 Estimating from keyword lists

Regardless of the method you use to create your keyword lists, in the end, all the tools can take you into the Traffic Estimator portion of the Keyword Planner tool, where you can review estimates and get a sense of potential clicks and costs for your keywords.

Working with Traffic Estimates

When you first arrive at the Traffic Estimator screen, the first thing you will notice is a large chart that shows you how many clicks per day you can expect to receive based on all of the keywords you have selected (Figure 3.22).

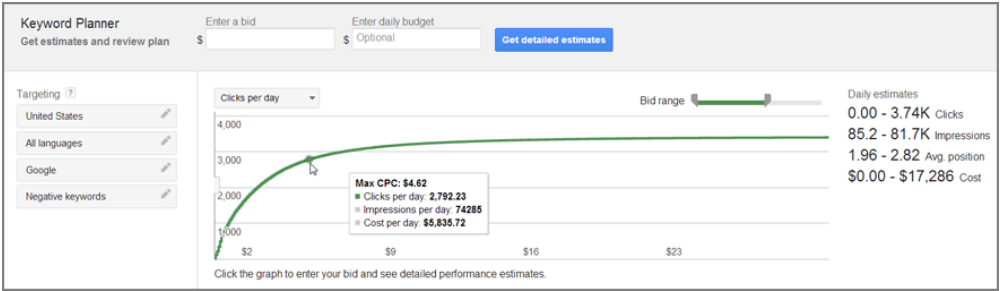


Figure 3.22 Estimated clicks per day

You can hover over the chart and see your estimated cost, clicks, and impressions per day. This is an aggregate for all the keywords inside the planner. If you want to see the chart for just one ad group, then you will have to remove the other ad groups. You can view the chart by clicks, impressions, or cost per day. A good way to understand the change in impressions for top versus side of the page is to view the impression data and look for the large jump in impressions (Figure 3.23).



Figure 3.23 Estimating impressions per day

If you are looking to gain exposure for your new keywords right away and you have the budget to spend, then picking a starting CPC at the top of the jump will give you many clicks but at a higher cost per click. If you have a smaller budget, then you will often want to start with a lower CPC and look to see where you can receive the most clicks for your budget.

Near the bottom of the screen, you can see details about each of your ad groups (Figure 3.24). By default, no data is shown for the estimates traffic. To see data for each ad group, near the top of the page is an Enter A Bid box. Once you enter a bid into that box, you can see traffic estimates for each ad group.

Detailed estimates by ad group							
<input type="button" value="Add keywords"/> <input type="button" value="Edit match types"/> <input type="button" value="Delete"/>		Segment by: <input type="button" value="Ad Group"/> <input type="button" value="Keyword"/>		<input type="button" value="Download"/>			
<input type="checkbox"/>	Ad Group	Keywords	Clicks	Impr.	Avg. Pos.	Cost	Avg. CPC
<input type="checkbox"/>	Day Flowers (30)	mothers day flowers, flowers mothers d...	659.48	16948.82	2.21	\$4,722.81	\$7.16
<input type="checkbox"/>	Flowers Delivered (25)	cheap flowers delivered, deliver flowers...	1938.55	34648.75	2.23	\$9,063.73	\$4.68
<input type="checkbox"/>	Funeral Flowers (10)	funeral flowers, cheap funeral flowers, fl...	213.65	6148.71	1.81	\$883.38	\$4.13
<input type="checkbox"/>	Send Flowers (12)	send flowers, sending flowers, send flo...	629.22	16539.43	2.1	\$4,868.21	\$7.74
Total			3440.91	74285.71	2.16	\$19,538.12	\$5.68

Figure 3.24 Ad group estimates

If you just want to see the maximum traffic that is possible per ad group, put a very large bid, such as \$100, into the bid box, so that you can see all the potential traffic.

If you want to see the estimated traffic by ad group for a specific bid, you can either enter a bid or click into the graph, and the tool will show you where your bid falls on the graph (Figure 3.25) as well as the estimated traffic per ad group.

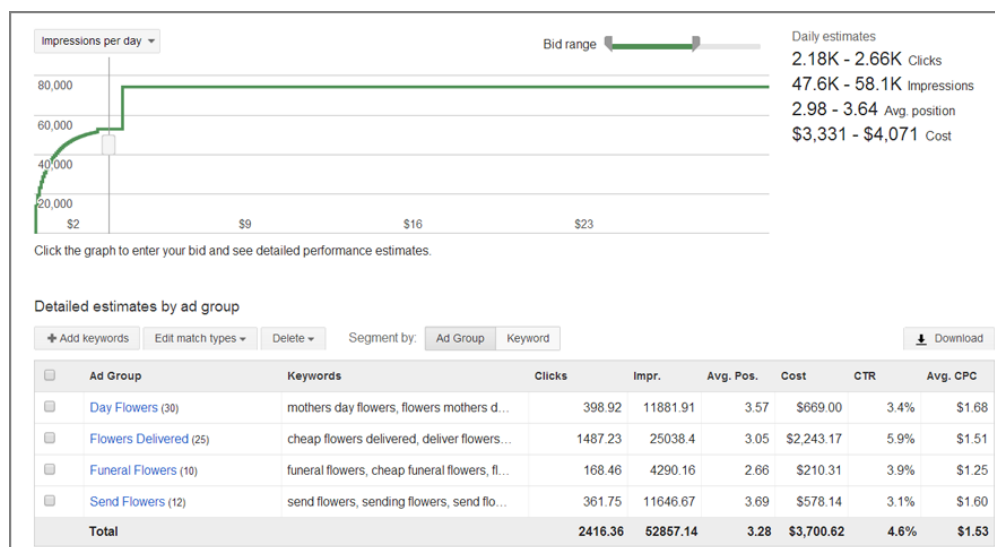


Figure 3.25 Estimating ad group data in both the chart and the table

If all of the keywords you added require a very low bid, then you might not receive any impressions because your bids might be below first-page bids (the minimum amount you must bid for your ad to be displayed on page one of the search results). In that case, you can either add all the keywords to your account, knowing that many might not get impressions, and see what actually happens or remove some of your keywords or ad groups until you find a nice balance between your budget and the potential traffic those keywords will bring you.

One thing to keep in mind is that this tool does not access your real Quality Score data, and therefore average CPC and position are only rough estimates. You should use your common sense and the historical information you have learned about your industry to determine how useful those two numbers are to your specific account. It is common to see the actual data from an account not exactly match the estimates.

Usually, if you are estimating at a country level, then the data is generally (and there are many exceptions) within 10 to 20 percent of what you actually see once the words are live. If you are estimating at a city level (meaning your targeting includes only a city and not an entire country), then it is common for the tool to underestimate your traffic by 200 to 500 percent.

Within this screen, you can view the data by ad group or by keyword. You can also add and remove ad groups or change your targeting.

Estimating Modified Broad Match

There is no way to estimate modified broad match with the AdWords Keyword Planner tool. Here are some general guidelines to get closer to estimating modified broad match.

For keywords three words in length that have a term in common that has decent search volume (for example, in *cheap web hosting*, *inexpensive web hosting*, and the like, *web hosting* is the word they all share in common), estimate the two-word term at phrase match if you are planning on adding most of these various terms as keywords across multiple ad groups. You will know that in aggregate you will probably capture one-third to one-half of the traffic across all the ad groups—although you will not know exactly what ad group will end up with what traffic. This is a rough estimate at best.

For keywords of four words that do not have high search volume, estimate at broad match and you will probably capture 50–75 percent of that search volume.

It is easy to give guidelines for estimating based on how many words are in a keyword, but you should also keep in mind how concrete or abstract the idea of the keyword is. For instance, *Los Angeles Lakers uniform* is one overall idea even though it contains four words, whereas *paternity testing* is also one idea at just two words.

Treat these as overall guidelines, but remember that they are not perfect since the number of ideas in a keyword is just as important as the number of words in that keyword.

Once you are satisfied with the estimated bids, then you can either download the data or save the data to an existing or new campaign (Figure 3.26).

Save to account

▼ Create a new campaign

Campaign name

Default bid \$

Daily budget \$

► Add to an existing campaign

Figure 3.26 Saving the data to a new campaign

When you save the data to a new or existing campaign, be aware that you can specify only one bid, and that bid will apply to every new ad group you are creating. We will cover determining initial bids and setting bids in much more detail in Chapter 13, “Devising Profitable Bid Strategies”; however, if you do want to use very different bids by ad group, it is useful to save your data and estimates through the download option so that once you save the ad groups to your account, you can quickly change the starting bids to your desired amounts.

Using the Keyword Planner tool should make it easy to find new ad groups, populate those ad groups with keywords, and then determine costs and starting CPCs in one easy tool. While this process is simple, do not be afraid to create much more granular ad groups than the tool suggests. Feel free to download the data into a spreadsheet program, manipulate the organization and match types, and then use the AdWords Editor to create your new ad groups. The tool is a good starting place and is great for new advertisers, but more seasoned advertisers will use it as a research tool and then manipulate the data before the information goes live in an account.

AdWords Keyword Planner vs. Third-Party Keyword Tools

Many keyword tools are available that can help you learn more about your keywords. The most popular, and one of the original keyword tools, is Wordtracker.

Wordtracker draws its data from a few metasearch engines, such as Dogpile .com. These meta-engines did have decent search volume years ago when pay-per-click (PPC) was new. However, they make up a minuscule amount of the search volume. Wordtracker takes the data it receives from these engines and extrapolates the numbers to determine search volume. Estimating search volume from such a small data set often creates a significant difference in the suggested search volume versus the impression you receive when you advertise on those same keywords.

Other popular tools include WordStream, SEMrush, iSpionage, and KeywordSpy, among others. These tools draw data from a variety of sources and attempt to estimate search volume.

Because Google accounts for roughly 70 percent of all search volume in the United States (and higher in many European countries), it is often best to rely on Google’s numbers to estimate traffic. If you are doing some advanced calculations, you can use multiple data sets together to attempt to determine search numbers.

However, that does not mean that these other tools are useless. Quite the contrary—when you are doing specific research into wide and deep keywords, they have some nice features that help you dig into your keyword lists. They are useful for keyword research and are tools I use on occasion—just be careful of the search volume numbers.

Several of these tools have free trials. This makes it easy to test their keyword research capabilities to see if they work for you before committing any money.

Google Trends

Google Trends (www.google.com/trends) is a tool that lets you see how search queries have risen and fallen over time. You can gain many insights by examining the trends of search queries. In an online world, it is easy to forget the lessons taught through hundreds of years of data from the offline world.

A brick-and-mortar store has a limited amount of inventory. Each month they have to consider the goods that will need to be stocked in the upcoming months based on what will sell in the store. If a store stocks goods that are not sold, that wasted space can lead to a loss of profits. The inventory specialist examines what goods were sold in the previous years in order to predict the inventory they need in the store in any given month.

Almost every business has some seasonality. Seasonality in the flower industry is one of the most obvious. Valentine's Day, Mother's Day, Easter, and similar holidays have correlations with spikes in searches, sales, and even conversion rates. Even an office supply store will see trends in its sales. During various holidays, spikes will occur in the number of searches for holiday stationery and printable cards. At Father's Day, it is common to see a spike for Cross pens, a popular Father's Day gift. During Christmas, high-end pens such as Waterman or Montblanc see search spikes (see Figure 3.27), even though overall trends for buying luxury pens have decreased significantly in the past several years.

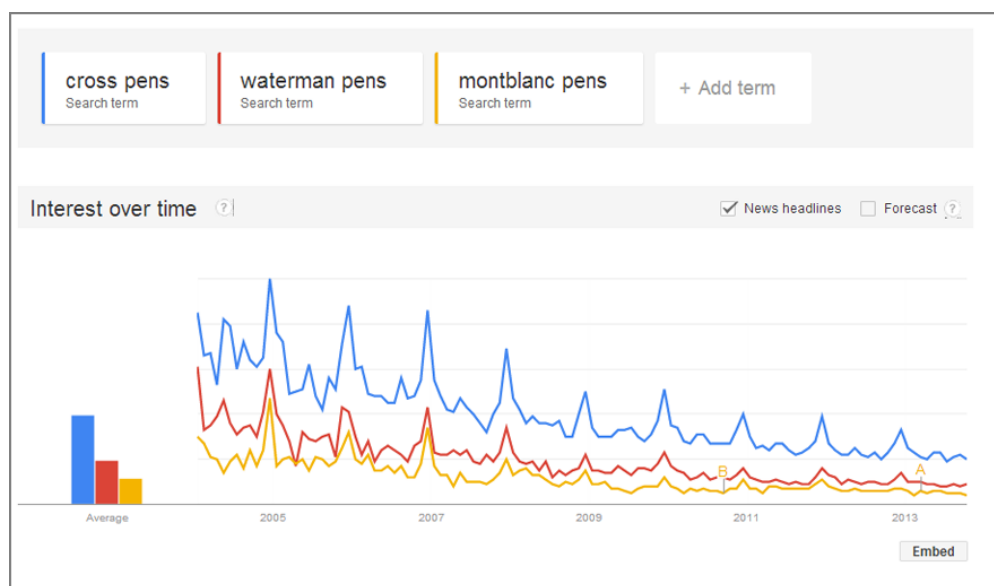


Figure 3.27 Trend data for Cross, Waterman, and Montblanc pens

Not all seasonality is driven by holidays. An office supply store will want to stock low-cost laptops and computer desks in the fall when the college semester starts. It is always important to keep in mind the daily factors of life that drive search and buying behavior.

When you examine AdWords reports, which we will cover throughout this book, you are always looking back in time at data. If you are making bid or budget decisions by utilizing only the past month or two of data, you are missing possible changes in conversion rates and search behavior that are driven by trends that may occur only a few times a year. If you sell computer desks, it can be useful to make changes to your inventory and ad copy based on the fall back-to-school season versus the spring, when both people and businesses move and need new furniture. Instead of making changes based on your account's past history, examine the history to project changes to conversion rates, sales, bids, and budgets.

This is where Google Trends shines. It is a free tool that will display changes in keyword search volume or even in visitors to a website. You can segment this data by various time frames and by regions. Once you have the data, you can click into a region to drill down into states and cities.

The most important thing to note when examining the region, city, and language data is that it is normalized by population (see Figure 3.28). The data shows the likelihood of that search term being used in that language or region. In the chart shown in Figure 3.28, the data does not mean that Ireland and the United Kingdom conduct more searches for Cross pens than the United States. It means there is a higher chance of a user in one of those countries searching for a Cross pen than in the United States.

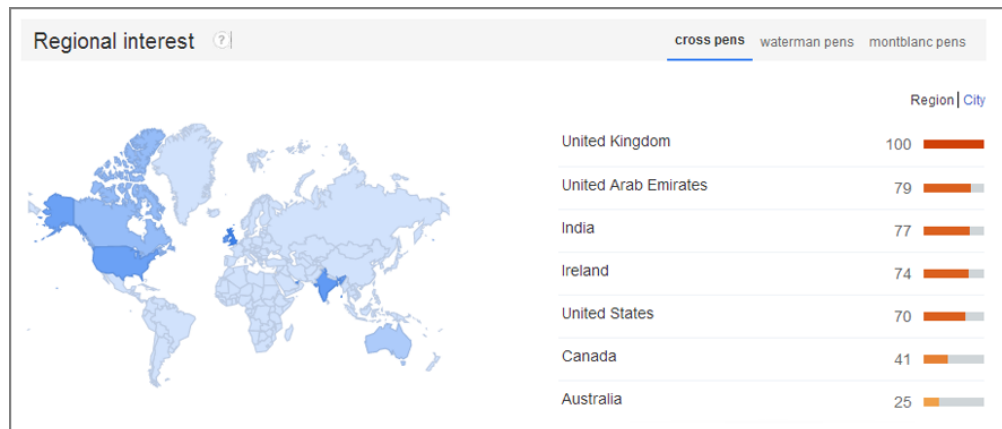


Figure 3.28 Search trend information normalized by population

You can refine the data within Google Trends in several ways:

- Country
- Years
- Categories
- Search type (images, news, and so on)

Most of those criteria are self-explanatory. However, the one to draw additional attention to is the Category filter. When you use the Category filter, the tool will show you only the change in volume for that specific category. This is useful when a term can fall into multiple categories and your products or services are based within a single category.

There are several useful ways of using Google Trends based on the type of information you need to know. Let's look at a few examples of how to use the tool to gain insights into your marketing activities.

What Services Should You Offer?

If you have several services, it would be useful to know which ones have higher search volumes and how those volumes change so you know where to focus your online marketing efforts.

With Google Trends, it is easy to compare several items to see which has a higher search volume and if there are definitive trends. If you are a plumber who specializes in kitchen and bathroom remodeling, where should you spend more time optimizing your search marketing (see Figure 3.29)?

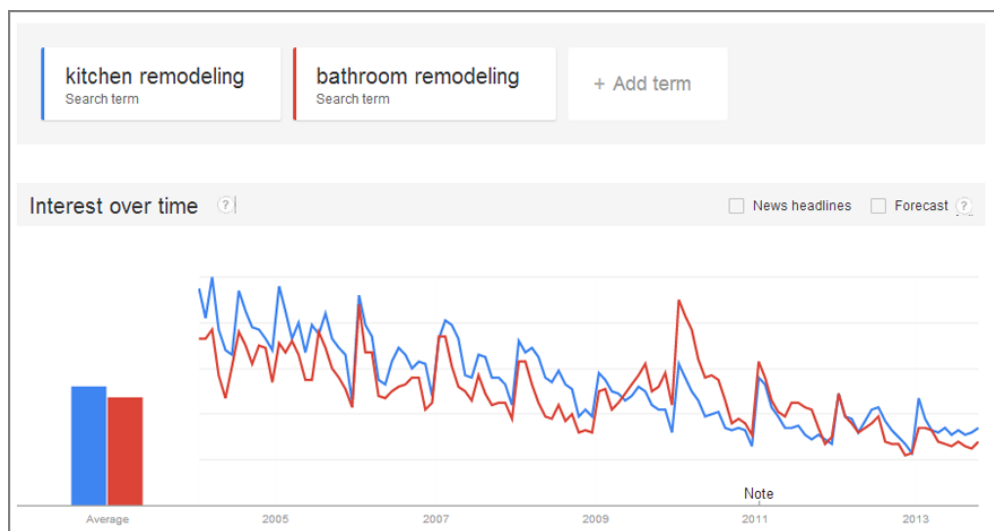


Figure 3.29 Kitchen remodeling vs. bathroom remodeling search information

In Figure 3.29, you can clearly see that the trends for kitchen remodeling and bathroom remodeling are similar. Before 2009, kitchen remodeling had a higher search volume. Starting in 2009, bathroom remodeling took over the higher search volume of the two options. By examining trend data, you can see that you should have switched your focus from kitchens to bathrooms in 2009.

What happened with the collapse of the real estate market is that people wanted to remodel to sell their homes. However, bathrooms are much cheaper to remodel than kitchens. Therefore, advice from real estate agents became *redo the bathroom* instead of the older advice of *redo the kitchen* in order to get the house ready to sell. Although it is useful to bid on both of these terms, there is a higher possible payoff when you focus more attention on bathroom remodeling because the search volume is higher.

More drill-downs are available on the page. Below the search volume chart is a chart that shows regions and a heat map based on the search volume in various regions. You can view this information at a country, region (state), or city level.

If you tailor your search campaigns for geographic regions (which will be covered in depth in Chapter 11), you can gain more insight by drilling down into various regions. For instance, you can look at the initial data and see that there are a few locations that appear to have a higher interest in kitchen remodeling than bathroom remodeling. You can then use the locations search feature (Figure 3.30) to compare a search term in multiple geographies at once.

For instance, if you were a Washington, DC, plumber, it would be useful to know that Washington is one of the few regions where there is more search volume for kitchen remodeling than bathroom remodeling (see Figure 3.30). Therefore, a Washington plumber might focus his campaign differently than a Dallas plumber, who sees the exact opposite in terms of top searches.

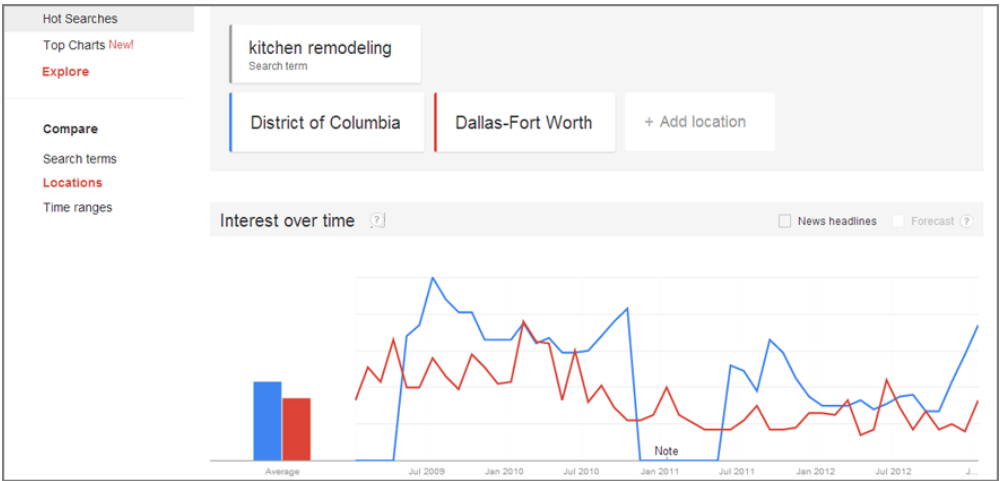


Figure 3.30 Kitchen remodeling search volume

Lastly, at the bottom of the Google Trends page, you can find related information about top searches and rising searches. The top searches are just what they sound like—the top searched keywords related to the keywords you chose and the geographic region. If you choose different regions, you may see the top related searches change as well.

The top gaining searches are words that have gained in popularity based on the time frame you chose. It is useful to select the past year, or even the past 90 days in a quick-changing industry, to see what additional words are gaining in search volume. This can be useful to determine whether there are new products you should offer (see Figure 3.31). Occasionally you may see a word labeled *breakout*. This means the search volume has changed by more than 5,000 percent. If it is related to your business, it is a trend you want to make sure your company is aware of and possibly testing.

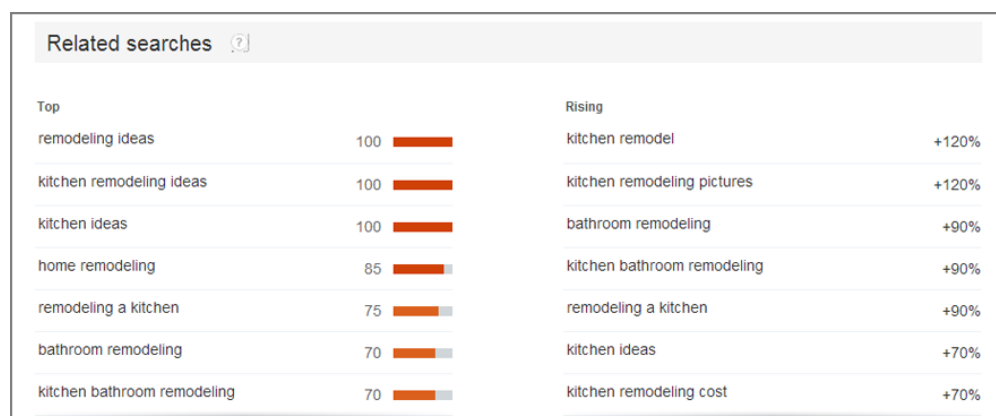


Figure 3.31 Top searches and rising searches for kitchen remodeling

In this case, you see that some of the top rising searches involve *kitchen remodeling pictures* and *kitchen remodeling costs*. Therefore, including these words in your keyword list and showing some pictures and cost estimates on your landing page are good ideas.

Determining Your Messaging

If you are selling cars, should you promote a family car or a luxury car? What about car safety versus fuel efficiency versus financing? If you could compare the search volume for these different aspects of a product, it could help you decide how to position your product, as shown in Figure 3.32.

In Figure 3.32, you can see that the search volume changes slightly for family versus luxury cars, with family cars having a slight edge. This might not be enough of a difference for you to change your product positioning.

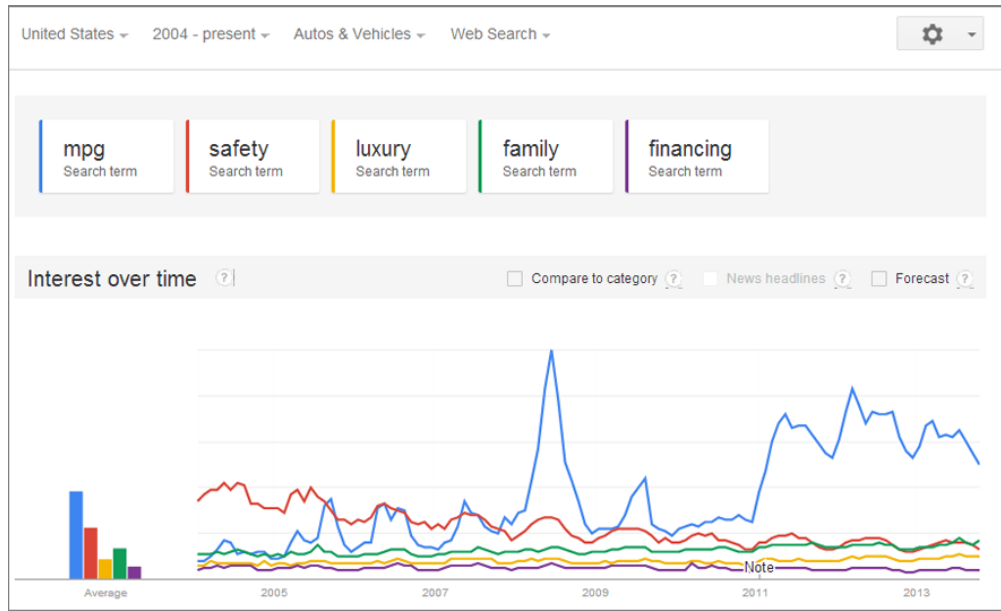


Figure 3.32 Comparing car positioning

However, it becomes easy to see that gas mileage is much more important than either safety or auto financing. Several years ago, car safety was the most important aspect of buying a car. From 2005 to 2008, safety and gas mileage vied back and forth for the top searches. Starting in 2008 with the change in the economy, gas mileage has consistently beaten other aspects of car buying.

By comparing features of your products, you can see which features have higher search volume and are often a larger consumer concern. This knowledge can help shape your ad copy and landing pages to address the consumer's greatest questions.

Determining Consumer Interest

If you are expanding your market, knowing which areas have a greater interest in your product can help you create test markets and determine where your expansions will have the best chance for success.

For example, if you created an add-on for the popular Microsoft Xbox game console, where should you market your product? You could attempt to look at market interest by individual city or by country. How much do you want to expand your marketplace?

By comparing searches for Xbox across different geographies (see Figure 3.33), you can determine a list of regions where the interest for Xbox is high. Because Google Insights for Search shows interest, and not total search volume, you will need to reference this information with the actual population size, but Google Insights for Search creates a much easier starting place for your additional research.

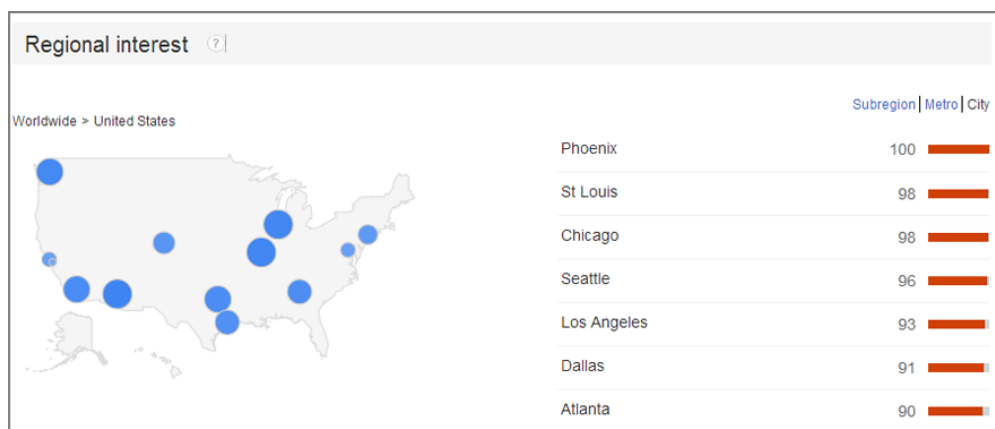


Figure 3.33 Search interest for Xbox

There are many other creative ways you can use Google Trends. Whenever you are conducting research that involves keywords, locations, or trends, keep it in mind to see how you can use this tool to help with your research.

Bing Ads Intelligence

Google sunsetted their labs products in 2011, and many useful products were removed. However, Microsoft has come to the rescue with a great suite of products known as Bing Ads Intelligence.

Bing Ads Intelligence is an Excel plug-in tool, so you must own a copy of Excel to use it. In addition, you must have a Bing Ads account (it does not have to spend money, but you must have an account). If you own Excel and have a Bing Ads advertising account, you can download the plug-in from <http://advertise.bingads.microsoft.com/en-us/bing-ads-intelligence>.

There are many useful data points you can see within the tool, and most are self-explanatory. I also suggest taking a look at the demographics for your keywords just to make sure you are reaching the correct audience. For instance, Figure 3.34 shows the demographic data for the word *bleach*.

A	B	C	D	E	F	G	H	I
Age Group & Gender								
Keyword	Device	Age18_24	Age25_34	Age35_49	Age50_64	Age65Plus	Female	Male
bleach	Desktops and laptops	33.68%	32.56%	19.87%	11.29%	2.60%	31.23%	68.77%

Figure 3.34 Bing Ads Intelligence data for the word *bleach*

By looking at this data, you can see that the major demographics for the word *bleach* are young males and not what most people think, which are females looking for Clorox bleach information. When you see outliers in demographic associations for your keywords, you should view that as a signal to learn more about that keyword.

I suggest downloading the tool and playing with the features. We could spend another 100 pages talking about how to use all the options of this tool. Suffice it to say, if you are advertising in a region where Bing has decent search volume, this tool will help you gain more insight into keywords for any PPC campaign.

The most important point to remember about tools is that they are only as good as their inputs and interpretations. If you put bad data into a tool, you will see bad data come out of the tool. If you do not understand the information being presented, or the business rules behind how the data is calculated, you may not be able to interpret the data to come to the correct conclusions.

Understanding what the tool does and how it calculates and presents the data is crucial in extracting valuable, actionable data from any toolset.

Best Practices for Using Keyword Tools

Keyword tools do not tell you what keywords you should use; they give you keyword suggestions that you can choose to either use or bypass. Using keyword tools is essential to researching the full breadth of keyword possibilities for your account. Keywords are thought processes, and everyone thinks differently.

- The Keywords Planner should be one of the first tools you utilize when you are conducting keyword research.
- Use the Search For New Keyword And Ad Group Ideas option of the Keyword Planner when you have one or more words and would like suggestions based on that information.
- Use the landing page option in the Keyword Planner when you wish to extract data from a website. Try entering your website, your competitor's website, search results, or the dictionary to find new keywords. Whenever you see a page on the Web and think that page is highly related to your products, enter the page into the tool to see if there are new keywords that are relevant to your account.
- Once you find keywords with the Keyword Planner, you can either estimate traffic for those keywords or export them for organization for later use.
- To estimate traffic for your keywords and ad group, use the estimate section in the Keyword Planner.
- When estimating traffic, you must input a bid into the bid box to see data by ad group.
- Use the graph in the Keyword Planner estimates to determine the best starting bid for your budget.
- Google Trends is useful for looking backward in time to help you project changes in keyword search volume.

- Always remember with Google Trends that the data is not absolute but is relative to the geography's population size and the propensity of its inhabitants to search for a keyword or visit a particular site.
- Google Trends can help you in many unique ways, such as by crafting marketing messages or seeing the differences between multiple locations.

Finding keywords is not difficult, although it can be time consuming. It's important that you understand the search intent behind the keyword; that way, you can show the searchers compelling ad copy so they will visit your website. In the next chapter, we will discuss how to write effective ads based on the keywords you have found.

Writing Compelling Ads

4

Ads are the only part of your AdWords account a consumer will ever see. When a searcher sees your ad, the ad needs to stand up, wave its arms, jump up and down, and shout, “I have the answer to your question!”

However, there are many subtleties to writing ad copy. The messaging, value proposition, editorial requirements, and information need to be tightly wrapped into just a few characters. Accomplishing this type of writing can be quite tricky.

Chapter Contents

- Do your ads reflect the search query?
- Writing effective ads
- Following Google’s editorial guidelines
- Developing unique selling propositions
- Distinguishing features and benefits
- Employing themes that get clicks
- Controlling your mobile ads
- Spicing up your ads with ad extensions
- Showcasing your products with PLAs
- Following the law: trademarks
- The quest for the Holy Grail of advertising
- Best practices for writing compelling ads

Do Your Ads Reflect the Search Query?

Ads serve as a bridge between the search query and your landing page. Your goal is to have enticing ad copy that causes a user to “cross the bridge” from a search result and arrive at your website.

AdWords ads do not need to be gimmicky. The ads need to quickly convey to the consumer that the answer to their search can be found on your website. If your ad has enticed someone to cross the bridge, the ad copy has done its job.

Of course, it’s not quite that simple. There are many types of bridges. Some ads emphasize conversions, and others focus on clicks. Your job is to build an ad that produces results for your company, based on your company’s goals, by bringing the correct prospects to your website.

The ad should reflect both the keywords in your account and the user’s search query. If the ad is not highly relevant to both of those items, it will be less effective (Figure 4.1). Ad copy that does not cover both the search query and your keywords is like a bridge that leads to nowhere. Either your ad leads someone to the answer to their question, or it leads off in an irrelevant direction. Make sure you are always bringing the consumer closer to the answer to their question, assuming the answer is a conversion on your website.

Therefore, it is imperative that you go through the exercise of ensuring that your ad copy will be reflective of your keywords and the search query. Since you know your keywords and what type of related queries should trigger them (refer to the search query report in Chapter 16, “AdWords Reports: Extracting Actionable Information”), one of the most important exercises to undertake before writing ads is to ensure you have *granular account organization*. I will mention this concept several times throughout this book because this organization can determine the effectiveness of your account.

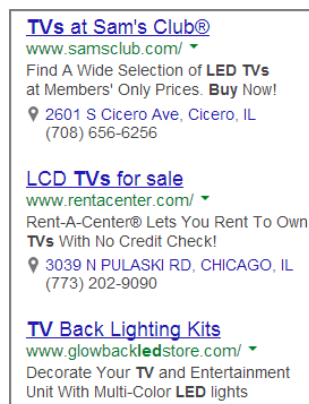


Figure 4.1 For the highly commercial search *buy LED TV*, these ads do not speak to the user’s query.

About Ad Copy Screenshots

Most of the ad copy screenshots are taken from within the AdWords interface. Therefore, they will not look identical to what you see on the Web. For instance, on the Web Google puts the display URL just below the headline. Within the interface, they still have the display URL in the old slot, which is just below the description line 2. Google often tweaks how ads are displayed within search results, so the ads may not mirror exactly how Google displays them. However, the concepts we will discuss throughout this book for writing ad copy remain the same regardless of a few minor changes to the ad's display.

Granular account organization means that the keywords in an ad group are highly related and you do not see additional ways to separate out the keywords. In addition, your ad copy should reflect every single keyword in your ad group. For example, let's say your ad group is about HDTVs and contains these keywords:

- LED TV
- Plasma TV
- HDTV
- Hi-def TV

With these keywords, your ad group is not granular enough. The keywords could be in several different ad groups: one for plasma TVs, one for LED TVs, and so on.

First, write an ad with one explicit meaning. Imagine that if someone saw this ad, they could assume you do only this one particular thing, such as you only offer weekend plumbing services, small business accounting solutions, or used books less than \$5. Now, look at your keywords. Does the ad copy reflect the keywords? If yes, the keywords are in the correct place. If no, move the keywords to a new ad group.

Consider someone who searches for *buy plasma tv* and sees the two ads shown in Figure 4.2.

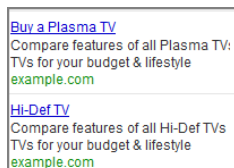


Figure 4.2 *Buy plasma TV* ad copy

Which one would you click? While a plasma TV is a hi-def TV, there are other types of hi-def TVs, such as LED or LCD. The use of the word *buy* in the query informs us that this is a commercial query with high purchase intent. This searcher is not likely to change their TV choice from a plasma TV. Therefore, you would want to show this searcher a plasma TV ad.

The exercise of breaking down your ad groups into specific keyword and ad copy combinations will take a while, but it will assist greatly in ad copy writing. Because you now only have to reflect one specific theme in your ad copy, you only need to write ads for one explicit meaning.



Note: It is much better to have 100 ad groups of 10 keywords than to have one ad group of 1,000 keywords. When it comes to searching, there is no magical number of keywords that belong in an ad group. When you go to organize your ad groups, it is vital that you make sure the keywords and ad copy are closely related.

Writing Effective Ads

Once your granular ad group organization is completed, it is time to think about the content of the ad copy. There are many ways of writing ad copy, some of which we will revisit in Chapter 15, “Implementing Testing Techniques That Will Increase Profits,” when we discuss ways of testing different ad copy messages to see which are more effective.



Note: If you have a dozen ideas for ad copy, which one is best? There is no way to know without running a test to find out which ad has a higher conversion rate or click-through rate (CTR). Split testing is essentially testing multiple elements (such as ad copy or landing pages) to find out which is the best for your business.

Ad copy must promote your goals for success. Before you begin advertising, it is important to determine the goals for your campaigns (which will be discussed in depth in Chapter 13, “Devising Profitable Bid Strategies”). Once you have established the goals, your ads should reflect those goals.

Your ad should display your products’ features and benefits. This is so important that an upcoming section (“Distinguishing Features and Benefits”) focuses on this aspect of your ad.

You want to make sure that the consumer identifies with your ad copy. Marketing is about identifying and connecting with consumers. Using your consumers’ language is important. If you use terms that your consumers do not understand or terms they do not often see, it can cause them to not identify with your ad copy and click on a competitor’s ad instead of yours (Figure 4.3).

Deep Vein Thrombosis
www.dvt-treatment.com/ ▼
 Get Information on a Different Treatment Option for DVT Patients

Deep Vein Thrombosis - veinclinics.com
www.veinclinics.com/ ▼
 VCA's physicians specialize in Identifying serious vein disease
 Symptoms of Vein Disease - Understand Vein Disease - Better Looking Legs

HCPs: Treatment For DVT
www.dvt-prophylaxis.com/ ▼
 Anticoagulant Approved for Treating DVT & Multiple Other Indications

Antiplatelet Treatment
www.acs-hcptreatmentinfo.com/ ▼
 Find Information On Reducing The Risk Of Thrombotic CV Events.

Figure 4.3 How many ads do you understand?

Using Words Consumers Understand

It is useful to read the work of writers and columnists who write about your local area and industry. If you are advertising in a specific location, the local newspaper columnists usually try to make interesting points about that particular area within their column. If you see words that are not typically used in your location, these could be words that are common to another area (which could be state, city, or country). By reading the local columnists, you can find words your audience understands and finds familiar. This is a fantastic place to find some unusual adjectives to test in ad copy.

Each industry can get lost in its own jargon, but consumers often do not know these industry words. Read magazine reviews of your products and services that are written for the general populace and not just your industry. When you find places where you feel the words or concepts are not quite accurate, the wrong word is being used, or a common word is used instead of a specific one (denoting jargon), note that these words might be used because the general populace does not understand the jargon. If you are using this jargon, do you think consumers can understand your ad?

Calls to Action

Direct a consumer to take action. What do you want someone to do once they arrive at your site? When you tell someone what to do within the ad copy, it is going to predispose them to look for that action on the landing page. Some generic examples of calls to action are these:

- Call us today.
- Subscribe to our newsletter.
- Download our whitepaper.

Those who do not wish to take such action may not even click on your ad. If you are looking to increase CTR and views to a new product page (regardless of who buys

the product), you may not want to add a purchasing or prequalifying call to action within the ad copy because it could lower CTR. This will be discussed in more depth in Chapter 6, “Learning Advanced Optimization Techniques,” when we examine optimizing your account for conversions.

Often in search advertising, a straightforward marketing message connects cerebrally with visitors. By using logic and informational ad copy, you are trusting that the consumers can make decisions if they are presented with all the facts. This is very useful in ad copy writing—the purpose is to answer a searcher’s question, and an answer is made up of facts. This is also useful when you are trying to reach consumers who do intensive research before making a decision, which is common in B2B and technical fields. However, you will see higher CTRs and conversion rates if you also connect emotionally with a visitor.

Touching the Emotional Core

It is possible to connect both informationally and emotionally with a searcher. There are some common assumptions about what any person wants and what they would most likely try to avoid:

What people want:

- More control
- Independence
- Freedom
- More time
- More money
- Better health
- Better appearance
- Promotions at work
- To feel included
- Social advancement
- To be appreciated
- Security
- Confidence
- Enjoyment

What people try to avoid:

- More work
- Unacceptable risk
- Doubt
- Criticism
- Guilt

- Embarrassment
- Pain
- Feeling stupid
- Being ignored

By combining emotional and informational factors (Figure 4.4), you can create ads that elicit emotional responses in your visitors while still directing them to find their necessary information on your website.

Gaming Laptop Computer 4 Gigs Memory, 512 MB Graphics. Own your enemies like never before example.com
Be the Hero - MS Exchange Save your company Thousand\$ Download hosted exchange whitepaper example.com
Secure Travel Laptops Keep your information secure with Fingerprint and Biometric Security example.com
Buy a Dell Computer Be productive on European flights with our 8 hour extended battery example.com

Figure 4.4 Ads that combine emotion and information

Following Google's Editorial Guidelines

Before we continue examining different aspects of ad copy writing and creating effective ads, let's examine the editorial policies. If an ad will not be approved by Google to show on a search result, there is no need to waste your time writing that type of ad.

Google has gone to great lengths to ensure that ads meet a certain standard before being shown to their visitors. Because one of Google's major success metrics is a returning visitor, they want to ensure that the ads are just as relevant as the natural search results.

Character Lengths

The first consideration is character length. There are stringent requirements for how many characters can appear in an ad, as shown in Table 4.1.

► **Table 4.1** Character lengths

Ad copy section	Character length
Headline	25
Description line 1	35
Description line 1	35
Display URL	35
Destination URL	2,048

It is commonly said that the best headline is 26 characters. Attempting to write creative marketing messages using 95 characters is difficult and takes some time to master. This is why it is important to test different messages.

Even though description lines 1 and 2 appear as different lines when ads are created, it can also be useful to test writing one 70-character sentence to see if the ad reads better as a single sentence than as two distinctive messages on separate lines. This is especially true if your ad regularly appears at the top of the page, where the two description lines are run together.



Note: If your ad is shown above the organic results and your description line 1 ends in a punctuation mark (period, question mark, exclamation mark), Google may combine your headline and description line 1 into a long 60-character headline.

These headlines stand out on search results and many times increase CTRs. This is one of the easiest ways to increase your ad's CTR.

Editorial Requirements

The most ambiguous of the editorial rules is “accurate ad text.” While Google explains this requirement as ensuring that your ad reflects what the consumer will find on your landing page, it is also a rule they can fall back on if they want to disapprove ad copy for various reasons.

Following this rule is important for conversion rates. If your ad copy claims the user will find something on your landing page and that item is not there, the user will hit the Back button and you have just wasted the price of the click. Following this rule can also help your Quality Score (discussed in depth in future chapters) since “relevancy” is a word Google uses repeatedly to describe their AdWords program.

The second rule is accurate capitalization. Although you can capitalize the first letter of each individual word, you cannot have a word in all caps: exceptions include acronyms or words that naturally always appear in all caps. For instance, if you wrote the ad copy “FREE Software,” the ad would be disapproved because “FREE” is not a word that should appear in all caps. However, if your ad copy was “Learn PPC Marketing,” this would be approved because the acronym PPC should be in all caps.

You must back up all competitive claims on the landing page. If you claim that your product is better than another product, you need supporting evidence on that page. This could be an accurate comparison chart or testimony from a third party who has verified that information.

All ads must use proper grammar and spelling. You cannot use misspellings in ad copy, with the exception of some common misspellings or words that have alternate spellings. For instance, the words *optimize* and *optimise* are both acceptable because

they are alternate spellings of the same word (*optimise* is the British spelling; *optimize* is the American spelling).

Ads cannot have offensive or inappropriate language. This is another ambiguous rule that helps to keep out of search results hate-based ads, some adult ads, and other offensive items.

If you make a claim of a price, discount, or special offer, you must show the consumer that offer within two clicks from your landing page. If you make the claim that DVDs are 60 percent off and that offer is not on your site, the ad violates Google editorial policy. Following this rule will also help conversion rates. If you make a claim of free shipping and a searcher navigates throughout your site and is about to check out but has yet to determine if they will receive free shipping, odds are they will not enter their credit card information.

You must use proper punctuation marks and symbols. This means you cannot bullet-point each line of your ads to make them look different on a search result. In addition, an ad can have only one exclamation point, and that exclamation point cannot be in the headline. We will discuss trademarks and copyrights later in this chapter; however, since there are so few symbols used in ad copy, adding the ®, ©, or ™ symbol (assuming you have the right to use it) can help make your ad stand out from the other ads.

You cannot repeat the same word multiple times in a row in ad copy. For instance, “Free Free Free” ads would be disapproved for gimmicky repetition.

In general, superlatives such as “best” or “#1” are disapproved in ad copy. The exception is if you can prove it. If you claim to be the best at something, you will need third-party verification. If you do have third-party verification, it can be useful to use a word such as “best” in your ad copy, since very few other ads will make superlative claims. However, you can use nonabsolute claims such as “leading,” “popular,” “top-rated,” and others that make claims to be one of the best, but not the absolute best without third-party verification.

You also cannot imply a Google affiliation or relationship that does not exist. Making the claim of “Recommended by Google” will be disapproved in almost all cases.

There are specific policies by industry as well. You can see Google’s industry-specific policies in their Help section: https://support.google.com/adwordspolicy/topic/1626336?hl=en&ref_topic=2996750.

Although some of the editorial restrictions can be annoying, in general they foster an environment of fair play between advertisers and help consumers find their information. Following the relevancy aspects of the editorial guidelines often leads to higher conversion rates and more profit for your company. Knowing the editorial restrictions will help you create ads that will be approved by editorial so you do not have to keep trying new ads in hopes of them becoming approved. Too many companies spend time

trying to work around the restrictions, which just creates short-term work that does not give long-term results. The goal of writing ads within the editorial guidelines is to find unique ways to differentiate your ads regardless of any restrictions.

Developing Unique Selling Propositions

Why should someone buy from you instead of your competitor? That is one of the fundamental questions you need to answer about your business, because it should permeate your marketing efforts.

To visualize different unique selling propositions, it is easy to turn to the car industry. What is the first thought that pops into your mind as you read this list of cars?

- Porsche
- BMW
- Ferrari
- Lexus
- Subaru
- Volvo

Lexus, BMW, Porsche, and Ferrari are all luxury cars that will make a serious dent in your wallet. However, even among these cars differences exist in their unique selling propositions (USPs). A Porsche can be driven off a lot and raced that same day. A Ferrari is a status symbol that stands out wherever it is seen. A BMW is a German-engineered luxury driving machine. Lexus is the pursuit of driving perfection.

Volvos often tout their safety record, while a Subaru is great for all-weather driving. That does not mean a Subaru is not a safe car or that a Volvo cannot drive well in the snow. These are marketing statements that are top-of-mind to consumers when they consider which cars to purchase.

These are extreme scenarios dealing with companies who have many years and billions of dollars behind their marketing efforts, but any business can come up with something unique about their particular company. You can find anything at eBay. You can compare insurance quotes from competitors at Progressive. Customize your new computer at Dell. Zappos is powered by service.

If you are unsure of what your USP should be, you can test this through AdWords ads. Create several different ads with different USPs and see which ones gather the highest CTR and conversion rates on your website. (For full details on testing ad copy, please refer to Chapter 15.)

If you are a local company that advertises against national companies, your USP may include the fact that your business is local and someone can walk into your office or easily call and talk to a human.

By choosing a USP that is core to your business, it is easier to make decisions about how to position yourself in the marketplace. The USP also makes for a good line of ad copy because it showcases why someone would want to do business with your company. Do not blend into the crowd. Stand apart by showcasing your company's uniqueness.

Distinguishing Features and Benefits

Features and benefits are often misunderstood. They are very different, and each has its own place within the buying funnel.

A *feature* is a component or function of your products and services. This is often the big list of details found on the outside of a product's box or included in the PDF description of a product. Features are facts about the product or services. Features are easy to list—just create a bullet point list about the product.

For instance, this book is being written on a Sony Vaio laptop with these features:

- 11.1-inch wide screen display
- 8 GB of memory
- 256 GB solid-state drive
- Intel 440 graphics card
- 14-hour battery life
- Carbon fiber casing
- Built-in webcam
- Weight: 1.92 pounds

This list could go on for hundreds of bullet points. Look at any product or service, and start writing down its components. Features are easy to determine.

A *benefit* is something the product or service will do for you. How will the service make your life better? Why should you spend your hard-earned money on a particular product? Essentially, if you can answer “What's in it for me?” you've come up with the product's benefits. Benefits are based on evoking emotional responses.

It is easy to turn a feature into a benefit by adding a “so,” “to,” or “will” to the end of the feature and completing the sentence.

- The laptop has a 14-hour battery life so you can be productive on an international flight.
- The Sony Vaio weighs less than two pounds to save your back from excessive strain.
- Having 8 GB of memory will easily let you analyze a million rows of Excel files to find the most profitable keywords.

- You can use the built-in webcam to see your family when you are traveling.
- The carbon fiber casing will protect your investment if you accidentally drop your laptop.

Always keep your customer in mind when creating your benefits. If your customer does not travel, a 14-hour battery life might not be a benefit. However, if your customer is constantly examining large Excel files to optimize keyword lists, being able to manipulate a million rows in Excel could save them both time and money.

You can take the extra step of segmenting your customers into different demographics and then examining what features and benefits are most important to each segment. For instance, if you sold the Sony Vaio laptop I just described, which features and benefits would be most beneficial to these groups?

- Frequent travelers
- Gamers
- PPC marketers

By segmenting your audience into groups, you can send custom messages to those users. This can sometimes be difficult with keywords on the search network; however, across the content network (discussed in Chapter 9, “Understanding the Display Network”), you can examine the demographics of individual websites and then write appropriate ads based on the website’s visitor demographics.

What do your customers want? Your benefit list can be paired with the lists earlier in the chapter about what people want and what they avoid. By creating emotionally beneficial statements about your product, you can move past the features of a product to showcase how buying your product will improve someone’s life in a particular way.

Benefits, Features, and the Buying Funnel

When writing ad copy, you need to keep the buying funnel in mind (we covered the buying funnel in Chapter 2, “Performing Keyword Research”). Users have different concerns and questions throughout the buying funnel, and adjusting your ads appropriately can help engage users to click on your ads and eventually do business with your company.

The buying funnel starts with the awareness and interest phases. At this point in time, searchers do not know much about your products or services. Using jargon confuses consumers because they do not yet know enough about the products to understand what the jargon means.

At this phase of the buying funnel, you need to emphasize why your products will make someone’s life better. Why should they want the product or want to learn more about your services? Using benefit-driven ad copy that tells a story of how you will improve their life will help to engage users.

The next step of the buying funnel is the learn phase. It is in this phase that a consumer’s research transitions from just understanding the benefits to also learning

about the features. Mixing both benefits and features within your ad copy is useful. This will help transition users to understanding why they need the product and then start them down the next path of the buying funnel into feature comparison.

If you do not know where a keyword lives in the buying funnel, it can be useful to first treat the keyword as part of the learn phase since your ad copy showcases both benefits and features. Once you write your initial ad copy, you should test these keywords with different ad messages to see which resonates better with the consumer to determine where the keyword lives within the buying funnel. These are excellent keywords to start some of your testing (discussed later).

In addition, often the search buying funnel starts at the learn phase. Because a consumer cannot search for something they have no knowledge of, the Google Display Network is more useful in reaching users at the top of the buying funnel (more on the Display Network in Chapter 9).

Once a consumer has learned more about a product and has decided they want to buy a product or engage a company's services, the consumer moves into the shopping comparison phase.

When someone is comparing products, they already understand why a product will enhance their life (which is a benefit of your product). At this stage of the buying funnel, it is important to showcase features. That's why you often see shopping carts and reviews that have the ability to sort by color, size, rating, review, and so on. However, while you want to start emphasizing features during this phase, never forget benefits. Consumers eventually buy because of benefits; don't lose sight of this fact.

It is easy for a consumer to compare products side by side to see which product has which feature. It is usually more beneficial for you to make a comparison chart to highlight your best features.

You may test some ad copy (more on testing in Chapter 15) that shows features and then list the benefits of those features on the landing page. Other ideas for ad copy are all features that tell a story about why your product is superior to the other products in the marketplace. You can always fall back on the standard ad copy to test one feature and the major benefit of that feature.

In the shopping comparison phase, you can also make an assumption that the consumer has a basic understanding of the jargon associated with the products. It is now okay to use some jargon in your ads. Price-conscious shoppers will compare both features and prices. When the economy is in a downturn, often you will see consumers buy "good enough" products that are less expensive as opposed to the "best" product in the market.

When to Use a Feature vs. a Benefit

Finally, it is time for the shopper to make a purchase. While we comparison shop on features, we buy because of benefits. When your keywords fall into the buying stage

of the buying funnel, you should include benefits in your ad copy. These are also excellent ads to test. In some cases, you may find an all-benefit ad copy works best. In other cases, a benefit-and-feature ad copy may work best. In many industries, the feature may not be about the product but instead about the final cost of the product. Therefore, items like shipping, prices, and discounts can serve to enhance your ads.

Ad Copy Format to Start Utilizing Features and Benefits

There will be times when a keyword does not fit neatly into one phase of the buying funnel. In this instance, since you might be unsure of what type of ad to write, start with one of the standard ad formats:

- Captivating headline
- Product or service feature
- Product or service benefit
- Display URL

This is an excellent starting ad. It might not be the best ad in the long run, but you have to start somewhere. Once you have created this standard ad type, you can test it against other ads that focus more on user benefits and product features to see which ad type consumers respond to for those particular keywords.

While ads should be written that reflect the keywords that trigger the ad to be shown, the content of the ads should change based on searcher behavior and knowledge. Do not just write all-benefit or all-feature ads regardless of where someone is in the buying funnel. Determine where someone is in their decision-making process and then write ads appropriate to their current mind-set.

If you are certain where the searcher is within the buying funnel, emphasize the benefits or features of your products; doing so can serve to increase your CTR, conversion rates, and ultimately your company's profits.

Employing Themes That Get Clicks

An ad has three lines where you can be creative: the headline and the two description lines. (You can be creative with display URLs, but there's a limited amount of creativity possible.)

Headline This is generally used to captivate the audience. The headline should draw the consumer's eye so they read your two description lines. You can use the headline as a benefit or feature line as well; it does not always have to be a line to draw the eye.

Two Description Lines These are your chances to show off two different aspects of your products or services. These description lines could be benefits, features, prices, USPs, and so forth.

No matter how you choose to use these three lines, there exists a maximum number of themes or different thoughts you can include in a single ad. Themes are the high-level classifications of different types of ad writing styles, such as the following:

- Ads that include prices or discounts
- Ads focused on testimonials
- Ads that convey information
- Ads that include negative information

We will focus on themes with concrete examples in the next section.

Because of character restrictions, you must pick and choose which messages you are going to use to create these haiku-like ads to bring a searcher from viewing your ad to your website. If you decide to showcase two product-specific benefits, you probably do not have room to also talk about pricing and shipping and customer service within the same ad copy. There just is not enough room in these brief lines to add every marketing message you desire.

You can utilize various themes in your ad copy. Each theme emphasizes a different message. No one theme is better or worse than any other. Your goal is to test different themes to see which one performs best for your marketing goals.

Every time you include a theme in an ad, you are also excluding another theme. This goes for your competition as well. Your goal is to make your ad stand out, show the searchers you can answer their questions, and make them desire to view your website. If your competition is using just one theme, you may decide to test some completely different themes to see if that can make your ad stand apart from the other text on a page.

Utilizing Numbers in Ads

You can use psychology to help determine how searchers view different types of ads. You will see two prevalent themes when utilizing numbers in your ads: number ranges and exact numbers.

People often focus on the number that is most beneficial to their current situation. In ad copy writing, you can use this type of psychology to test single numbers versus ranges for numbers in your ad copy (Figure 4.5).

Bluetooth Headset Sale Great Selection from \$89-\$199 Free Shipping on All Orders CertifiedKnowledge.org/Headsets
Bluetooth Headset Sale Great Selection from \$99 Free Shipping on All Orders CertifiedKnowledge.org/Headsets
Bluetooth Headset Sale Great Selection from \$89 and up Free Shipping on All Orders CertifiedKnowledge.org/Headsets

Figure 4.5 Prices in ad copy

Among these three ads, there is already a probable loser you can spot logically even before you start testing. The first ad says up to \$199. \$199 is more than \$89 or \$99, and it is therefore the worst ad in many cases. If the third ad were from \$99 and up (so the same price as the middle ad), then the middle ad would usually be the winner. While it says “from \$99,” it does not explicitly state that more expensive products are available.

There will be times when the competition’s prices are similar or you do not want to include the actual price in the ad—you may want to showcase a discount offer instead of an actual price point. You can apply the same principles of using numerals in ad copy to discount ranges (Figure 4.6).



Figure 4.6 Discounts in ad copy

In these two ads, there is also a winner in the majority of tests. The first ad copy states 25 percent off. The second one states 25–60 percent off. Sixty percent is bigger than 25 percent, so usually the 60 percent off ad will get the higher CTR. The merchant might have only one item at 60 percent off and the others all at 25 percent off. That doesn’t matter. Bigger is usually better as far as CTRs go.

With discounts, your conversion rate will often go up along with the CTR. However, you will also make less per sale than without a discount. Therefore, you need to perform another level of math to determine the effectiveness of any discounts you might offer.

For instance, take a look at Table 4.2 and determine your best discount point to maximize profits. The clicks are varied in the table because often adding a discount to the ad copy will increase the CTR.

► **Table 4.2** Should you offer a discount?

Test	Impressions	Clicks	Spend	Conversion rate	Conversions	Average order value	Discount	ROAS
Baseline	6,000	600	\$600	2%	12	\$125	0%	\$900
Offer A	6,000	600	\$600	2%	12	\$125	10%	\$750
Offer B	6,000	700	\$700	2.1%	14.7	\$125	10%	\$954
Offer C	6,000	600	\$600	2.3%	13.8	\$125	20%	\$780
Offer D	6,000	700	\$700	2.4%	16.8	\$125	20%	\$980

The return on ad spend (ROAS) in Table 4.2 is as follows:

$$((\text{Conversions} \times \text{Average Order Value} \times (1 - \text{Discount})) - \text{Spend})$$

In this case, Offer B with a lower discount and a slight bump in conversion rates creates a better return than D, which has a larger increase in conversion rates and CTR but also utilizes a much steeper discount. Bigger isn't always better.

If one of your goals is to get the most customers possible because you have a nice lifetime visitor value program, then offer D might be best overall. In that case, do not use your average order value in the match—use your lifetime visitor value instead.

In e-commerce scenarios, sometimes you will also see your average order value change with discounts (see Table 4.3).

In Table 4.3, Offer D with the large discount would be best on both a profit and customer basis. However, just by building a simple spreadsheet—one that lists your discounts and offers some projections about how much higher your conversion rate would have to be in order to make up the sale discounts in your total profits—you can start to visualize what type of impact your ad copy discounts and landing page offers have to have on both CTR and conversion rates in order to be successful.

► **Table 4.3** Discounts can change the average order value

Test	Impressions	Clicks	Spend	Conversion rate	Conversions	Average order value	Discount	ROAS
Baseline	6,000	600	\$600	2%	12	\$125	0%	\$900
Offer A	6,000	600	\$600	2%	12	\$150	10%	\$1,020
Offer B	6,000	700	\$700	2.1%	14.7	\$150	10%	\$1,285
Offer C	6,000	600	\$600	2.3%	13.8	\$160	20%	\$1,166
Offer D	6,000	700	\$700	2.4%	16.8	\$175	20%	\$1,652

The last number to try in ad copy is a very exact number: “I saved \$241.56 last year by using Tax Software.” These exact numbers draw consumers' eyes because they do not look like standard pricing and discount numbers. Using exact numbers in ad copy is best in the following cases:

- Your ad shows how much of something you can save someone:
 - Learn how I saved 37 hours using the Getting Things Done methodology for managing my email.
 - Our IT department cut costs by \$238,021 by instituting Google Apps for domains.
 - Our customers can lose 26.5 lbs in just 3 months.
 - Reduce your calorie intake by 354 calories a day.

- Your ad shows how much money you made:
 - Learn how I made \$328,282 selling real estate.
 - Our staffing agency increased salaries by \$23,055.

Using prices and discounts in ad copy is useful to test in these situations:

- Consumers are very price conscious.
- You are advertising in highly competitive product industries.
- There are large price ranges for the same type of products.
- You are using shopping comparison keywords.
- You are the lowest-cost producer, and that is your advantage.

There are times when you might have an opportunity to change the pricing rules. If a customer sees two ads with the prices \$10 and \$50, usually they will assume these two products are quite different even if they are the same. If you were to create an ad with a \$40 price point, then the \$10 ad looks cheap, and the \$50 and \$40 ads look similar. In this case, the \$40 price point might win out. However, in that same scenario, if you were to create an ad that listed a \$15 price point (so the ads would be \$10, \$15, and \$50), the \$50 looks quite expensive and the \$10 ad might turn out to be the winner.

Two price points do not give consumers a good comparison if there is a significant difference in prices. Three prices on a page are enough data points that consumers can start to compare products from just the ad copy.

You should always take into consideration your competitors' ads. If all of your competitors are using prices in their ads, you may want to test an ad that showcases features and benefits of the product instead of pricing. This is especially true in industries where everyone is trying to showcase the lowest price. If you lower your price to a point where you no longer make money on the sale, then why buy that keyword? In those cases, you may want to forgo showing a price at all and instead focus on the other customer benefits.

How Strong Is Your Call to Action?

A *call to action* is a statement in your ad copy that informs customers what you want them to do once they arrive at your website. Some calls to action are straightforward:

- Subscribe to our newsletter.
- Call for an appointment.
- Buy a new TV today!

You can mix and match ad types and lines. You could have a call to action that is also a benefit. You can use a USP that is also a company feature.

Consider the ads shown in Figure 4.7. Which one would you click?

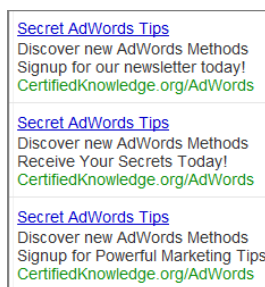


Figure 4.7 Different calls to action

“Signup for our newsletter today!” is a generic call to action. It does not add any additional benefit for the searcher.

“Receive Your Secrets Today!” is not necessarily a call to action. It is showcasing a benefit to the customer. When these three ads were run in a test, this one did receive the highest CTR of the three ad types. That often has to do with the words *free* and *secret*. *Secret* is an interesting word to use in ad copy because it makes people feel included in a little-known club. However, this ad did not have the highest conversion rate of the three ads.

“Signup for Powerful Marketing Tips” had the second-highest CTR but the highest conversion rate, and when you combine the actual numbers, this ad was the most profitable of the three. This line still includes a call to action but also tells consumers they are going to receive “powerful tips.” Who does not want powerful information?

In this example, there are many other calls to action you could test:

- Using the word *inbox* reminds consumers it will go to their email.
- The word *inbox* could also be associated with spam, so showcasing multiple delivery options, such as RSS feeds, could be tested.
- Using the word *daily* or *weekly* would let someone know how often they would see this information.
- Is *powerful* overused? Try different adjectives such as *effective* or *persuasive*. A thesaurus is one bookmark that should always be at your fingertips.

Once you find an effective message, it does not mean your job is complete. It means you have a nice starting place from which you can continue to refine your ads and increase your profits.

Writing Informational Ad Copy

The reason someone uses a search engine is to find the answer to a question. That answer is a piece of information. Showcasing informational statements in ad copy (Figure 4.8) can be a useful way to connect with the searcher.

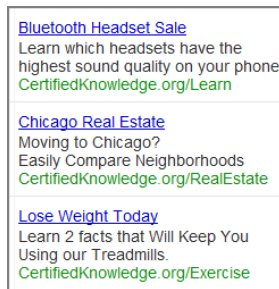


Figure 4.8 Informational ad copy

These informational ads can also showcase pieces of information that might not be part of the product but, when included with the product, help increase its usefulness.

How much exercise equipment is bought, used for a month, relegated to the garage for the next six months, and put up for sale on eBay the following year? Since this is a common aspect of buying exercise equipment, including bonus information that showcases ways to help someone continue to use a treadmill could be highly effective.

When people are buying headsets, some of the biggest consumer questions revolve around clarity, background noise, and volume. By addressing one of the important issues about a product within the ad copy, you show not only that you sell the product but that a searcher can also learn about the products on your site.

Examine the top questions, issues, complaints, and user behaviors that exist with your services. What additional information can you include in the ad copy that helps a consumer make a decision on which product to buy?

Reflecting the Consumer's Question

You have a question to which you would like to know the answer. Therefore, you go to a search engine to find that answer. If you see an ad that reflects your original question, it is easy to assume that website has relevant information to help you find the information you seek.

It is worthwhile testing questions in ad copy. Since your ad will be reflecting the reason why someone originally went to a search engine and the question that user is currently trying to answer, you may see some nice increases in CTR by utilizing questions in your ad copy (Figure 4.9).

When writing questions in ads, it is more important to have the question mark (?) in the ad copy than to write a properly structured sentence. By just adding the question mark to your current headline, you may see a difference in CTR, and searchers will automatically add the understood “Are you...” to the ad copy with the question mark.

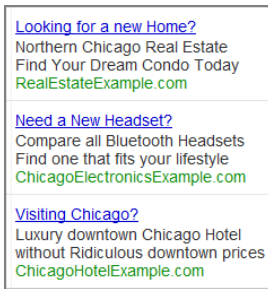


Figure 4.9 Questions in ad copy

Including Testimonials or Reviews in Ad Copy

Often we sit isolated behind a computer when making online purchasing decisions, without another person to ask what they think about a product. We understand that we are not experts in every field. Therefore, reading testimonials others have left, or expert reviews about a product, can help us feel more confident in making a decision (Figure 4.10).

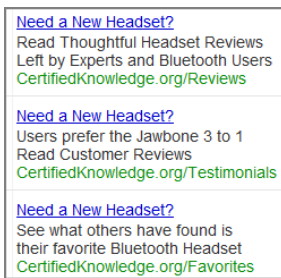


Figure 4.10 Ad copy testimonials and reviews

The actual testimonial or review does not have to be included in the ad copy, although a short review can be useful. Your ad copy just needs to let the consumer know that upon visiting your site, they can read the opinions of others.

The actual testimonial information can even change based on the buying funnel. If someone is in the comparison shopping phase, they are most likely looking for product reviews. However, if someone has decided on the actual product and they are now looking for which site they are going to buy the product from, testimonials about your company could be more useful.

Expert reviews about different types of products (LED versus plasma TVs) are more aligned with the buying funnel if the consumer is in the learn phase.

Even with different ad themes, these various types of ads should consider which phase of the buying funnel the consumer is in to ensure your ad is resonating with the searcher.

Utilizing Negative Ad Copy

When you read the newspaper, view TV headlines, or watch political campaigns, a common theme emerges: negative information.

Negative information stops many people from looking elsewhere and immediately draws their attention. If you consider what people want and don't want (the lists earlier in this chapter), often negative information reflects those types of conditions. Many people are drawn to negative information. This includes search ads (Figure 4.11).

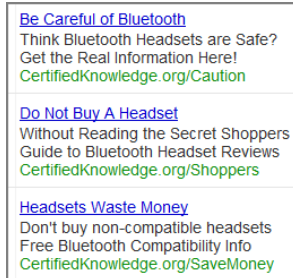


Figure 4.11 Negative information advertisements

Although negative ads often stand out in a search result, especially if none of the other ads is negative, it is important to consider your company positioning before utilizing negative ads. Negative ads are read by consumers. Not only does your ad copy contain your website's URL, but it also directs consumers to your website. The information contained within an ad is a reflection of your company. Therefore, before running a negative ad, please make sure that it is in line with your company positioning:

- If your company wants to be known as a friendly company, you may not want to run negative ads.
- If your company is about consumer warnings and recalled product information, for example, then negative ads may be in line with your company's image.

If you are an agency or part of a marketing department within a larger company, before creating and testing negative ads, first check with the CEO or the department that runs brand management and company positioning to make sure that negative ads are okay to run and test.

Do Not Forget the Display URL

The display URL tells consumers where they are going after they click. However, the display URL can also help signal a user where on the site they will be directed.

Google has more than 6 million pages indexed from IBM.com. Knowing you are going to IBM.com is not necessarily useful. If the display URL is IBM.com/BladeServer,

suddenly you know that you are not just going to one of the 6 million pages on IBM.com, but that you will end up on a page about blade servers. If you are in the market for a new server, that is a much more useful page than the homepage of IBM.com.

Google has two important editorial rules you must follow in regard to display and destination URLs:

- The display URL must be the site where the user ends up. In other words, if you were Dell, you could not have IBM.com as your display URL and then direct someone to Dell.com.
- All of the destination URLs within an ad group must go to the same website. In other words, you could not have one ad that goes to IBM.com and a second ad within the same ad group that goes to Dell.com.

Google automatically lowercases the display URLs in text ads; therefore, even if you capitalize the letters in your ad copy within the Google interface, it will not be displayed that way on a search result:

- commentsexchange.com
- CommentSexChange.com
- CommentsExchange.com

However, Google does capitalize the characters after a slash in the display URL. In this case, you might want to pick a different site to use with AdWords since it will be difficult to overcome the various ways in which the URL can be interpreted.

This concept extends not to just single words within a display URL but to other ways of interpreting your URL. Always take a look at your URL to see how many ways it can be interpreted.

With the display URL, that exact URL does not have to exist within your website. It also does not have to be the same as the destination URL. The root domain must be the same for your destination and display URLs, but the URLs themselves do not have to be the same. For instance, you could have the following display and destination URLs:

- Display URL: CertifiedKnowledge.org/Seminars
- Destination URL: <http://certifiedknowledge.org/adwords-seminars/>

In this case, the root domain, CertifiedKnowledge.org, is the same for both URLs and therefore the ad would be approved.

You need to be careful of using spaces in display URLs. In the headline, description line 1 and description line 2, a space is rendered in the browser as a space. For the display URL, a space is rendered how a browser renders a space. For instance, Firefox uses a plus sign for a space, so if you had a URL such as CertifiedKnowledge.org/adwords-seminars, that URL would be rendered as certifiedknowledge.org/adwords+seminars.

The two most common display URLs are either the root domain of the website or a folder containing the product name. However, there are other ways to write display URLs (Figure 4.12).

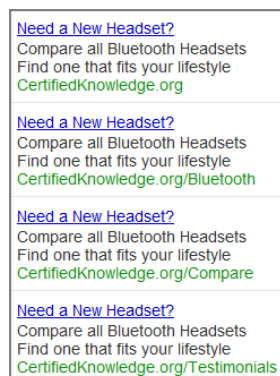


Figure 4.12 Display URLs

If you have a narrow theme site, just including the domain name and no additional information can be useful. If a searcher sees AdWords.com and is familiar with AdWords, this domain name signals they will arrive at the AdWords program's website. No additional information is necessary in that case.

Adding a folder, such as /ProductInfo, can help you show a user where on the website they will arrive. Folders are useful to test on larger websites.

However, when you add a folder, it does not just have to be about the product or service. You can also create synergies with the ad copy that reinforce the ad's message. In the examples in Figure 4.12, the ads speak to comparing headsets. Therefore, using /Compare in the display URL reinforces to the user that they will arrive at a site that is comparing products. If someone is comparison-shopping products, this synergy of reinforcing the ad copy can help your company attract the searcher's click. If you are advertising locally, often including a state or city name in the display URL shows that you really are local and can increase your overall CTRs.

The display URL is a line of ad copy. Since you have only four lines that you can control, do not forget to test this particular line of ad copy. The display URL CTR is also a Quality Score factor (more about Quality Score in later chapters). Testing display URLs is useful not just to examine click-through and conversion rates but also to test for ways to improve your overall Quality Score.

Controlling Your Mobile Ads

In the summer of 2013, Google rolled out a large change to AdWords. Among many changes, one of the major ones was how ads were controlled among device types. Previous to this change, known as Enhanced Campaigns, ads were used on all devices

based on the campaign's settings. Now an ad can be designated as to whether it will be used on a mobile device (Figure 4.13), and search campaigns can no longer be designated as mobile-, desktop-, or tablet-only campaigns.

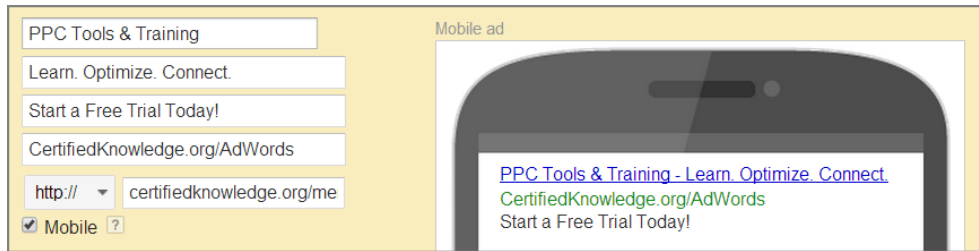


Figure 4.13 Mobile-preferred ads

If you have two ads in your ad group and one is mobile preferred and the other is not mobile preferred, then you can control which ad is displayed on which device. If you only use non-mobile-preferred ads, then your ads that are built for desktops will show on mobile devices. If your ad group contains only mobile-preferred ads, then your mobile-preferred ads will show on desktops. To control which ad is shown on a desktop versus a mobile device, you must have at least one mobile-preferred ad and one non-mobile-preferred ad.

It is common to see different ad elements perform differently by device. Table 4.4 shows a sample CTR test for the same ad elements used across multiple devices.

► **Table 4.4** CTR changes by device

Ad Line	Ad Component	Mobile CTR	Desktop CTR
Description line 2	Call Us	11.2% (includes calls)	5.2%
Description line 2	Contact Us	4.1%	6.9%
Display URL	Example.com/Things	4.2%	5.3%
Display URL	M.example.com/things (or example.com/mobile)	8.2%	N/A
Description line 2	Find the Nearest Store	7.6%	4.5%
Description line 2	Shop Now	2.1%	5.8%

As you can see, some ad elements such as “Call Us” perform much better on a phone than on a desktop, whereas other lines such as “Shop Now” do better on a desktop than on a phone. If you are advertising on multiple device types, then you will want to control your ads and ad testing by device.

There are other settings within AdWords that use the mobile-preferred designation; one of them is ad extensions. If an ad extension is marked as mobile preferred, then that extension will be used on mobile devices. If it is not marked as mobile preferred, then it can be used on all devices.

Spicing Up Your Ads with Ad Extensions

Ad extensions allow you to append additional information to your text ads. Not only do these extensions help your ads stand out from other ads on the page, but they can also direct visitors into different sections of your site or even perform actions on the search page. All of your text ads should be using ad extensions.

To create new extensions, navigate to the Ad Extensions tab (Figure 4.14) and create a new extension.

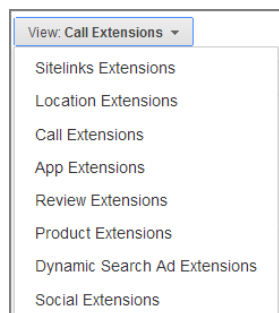


Figure 4.14 Ad Extensions tab

Some of the extensions are at the campaign level, meaning they apply to every single ad group within.

Some of the extensions are associated at the campaign level, which means they apply to every single ad group in that campaign. Other extensions can be associated at both the campaign and/or ad group level, meaning the extension can be overwritten at just the ad group level if it exists at the campaign level, or the extension can exist only for specific ad groups.

If an extension exists at both the campaign and ad group levels, then the ad group level one will be used with your ad. If an ad group level one does not exist, then the campaign-level extension will be used.

If you want to use the same extension across multiple campaigns or use the same extension in multiple ad groups, you will have to create the extension multiple times. A campaign can have multiple extension types associated with it.

Sitelink Extensions

Sitelink extensions, or as we call them more simply, sitelinks, allow you to add additional links to your ad. When that ad is displayed above the organic results, these additional links can be added to your ads (Figure 4.15).

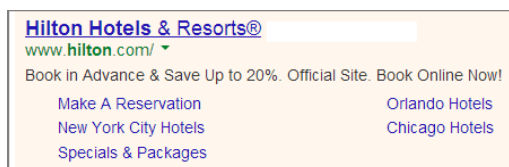


Figure 4.15 Sitelink example for Hilton Hotels

To create sitelinks, navigate to the Ad Extensions tab and choose to create a new sitelink extension. You can add several links that will appear with your ad (Figure 4.16).

New sitelink [X]

Link text [?]

Link URL [?]

Device preference [?] ☐ Mobile

Description [?]
Optional

☐ [Start/end dates, scheduling](#)

Start/end dates [?] -

Scheduling [?] **Show this sitelink all days and hours**
[+ Create custom schedule](#)

Figure 4.16 Adding sitelinks to your account

When you create a sitelink, you have several options:

- **Link Text:** This is the text that will show up in the ad. It is limited to 25 characters.
- **Link URL:** This is the destination URL for that sitelink.
- **Device Preference:** Mobile or Non-mobile.
- **Description:** This is additional text that may show underneath the sitelink on occasion.
- **Start/End Dates:** You can optionally create dates for when you want the site link active. This is useful for short-time promotions.
- **Scheduling:** The hours or days of the week that you want the sitelink to be active.

Once you create several sitelinks, then you can choose which ones will be used in each campaign or ad group (Figure 4.17).

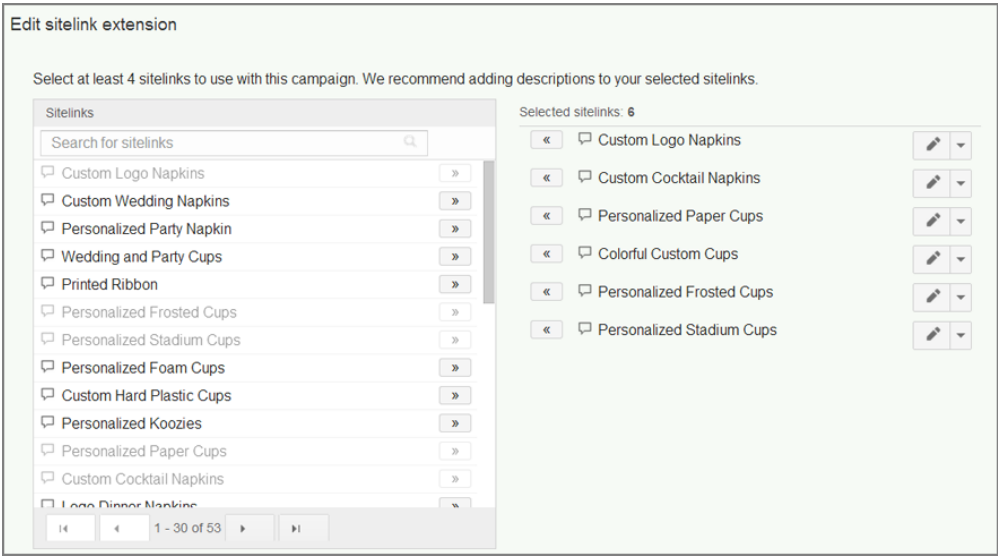


Figure 4.17 Adding sitelinks to a campaign

Please note that all the destination URLs in a sitelink must go to different pages on your website. While you can create multiple sitelinks that go to the same page, which you might do to use different descriptive text in various ad groups or campaigns, when you bundle them together and choose which of your links will actually be used, they must all have different destination URLs. Since you can have both ad group- and campaign-level sitelinks, it is not uncommon to use the same destination URL with different descriptive text in multiple sitelinks and then change how they are bundled together at the ad group level so that the most useful descriptive text is used for your ads.

When you first examine your sitelink metrics, they often appear to have very nice metrics if your ads have high CTRs (Figure 4.18).

Sitelink	Status	Clicks [?]	Impr. [?]	CTR [?]	Avg. CPC [?]	Cost [?]	Avg. Pos. [?]	↓ Conv. (1-per-click) [?]	Cost / conv. (1-per-click) [?]	Conv. rate (1-per-click) [?]
Personalized Party Napkins	Approved	450	3,558	12.65%	\$3.18	\$1,432.09	1.5	30	\$47.74	6.67%
Custom Logo Napkins	Approved	424	4,114	10.31%	\$2.96	\$1,255.52	1.4	24	\$52.31	5.66%
Custom Cocktail Napkins	Approved	331	3,285	10.08%	\$2.44	\$806.82	1.5	13	\$62.06	3.93%
Personalized Paper Cups	Approved	143	1,151	12.42%	\$2.88	\$411.55	1.3	12	\$34.30	8.39%
Personalized Stadium Cups	Approved	227	2,306	9.84%	\$2.81	\$637.69	1.3	11	\$57.97	4.85%

Figure 4.18 Sitelink statistics

To see the real details of your sitelink clicks versus other ad click components (such as directions, headlines, and calls), you must first click the segment button and then segment by “click type.” Once that is done, you can see the real CTR and metrics of your sitelinks (Figure 4.19).




Sitelink	Status	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Avg. Pos. ?
 View all sitelinks	Approved	450	3,558	12.65%	\$3.18	\$1,432.09	1.5
Headline ?		412	3,558	11.58%	\$3.22	\$1,325.19	1.5
Sitelink		38	3,558	1.07%	\$2.81	\$106.90	1.5
 View all sitelinks	Approved	424	4,114	10.31%	\$2.96	\$1,255.52	1.4
Headline ?		392	4,114	9.53%	\$2.97	\$1,163.78	1.4
Sitelink		32	4,114	0.78%	\$2.87	\$91.74	1.4
 View all sitelinks	Approved	331	3,285	10.08%	\$2.44	\$806.82	1.5
Headline ?		307	3,285	9.35%	\$2.45	\$751.85	1.5
Sitelink		24	3,285	0.73%	\$2.29	\$54.97	1.5

Figure 4.19 Viewing sitelink click type statistics

We will cover reporting and extracting data from Google in much more detail in Chapter 16; however, for all of your ad extensions, segmenting the data by click type can give you a better picture of their metrics.

Since each sitelink must go to a different URL, this is your chance to have multiple destination URLs for a single ad. Therefore, when creating sitelinks, you should start to think about your overall messaging to determine where you want to send the additional traffic on your site.

If you have various goals across your account—for instance, you have both ROI and sales goals and you have a newsletter subscription goal—adding sitelinks that help you reach these additional goals is a good idea. If you have sales pages, pages you wish more people knew about, or special messaging you want to test, direct one or more of your sitelinks to these pages to see how they perform.

Sitelink Case Studies

Every account should be using sitelinks for all of its search campaigns. Sitelinks help increase CTR and often conversion rates and give you not only a chance to take up more real estate in a search result but also the option to put multiple messages into a single ad.

The big question with sitelinks is whether you should create them only at the campaign level or tailor them to your ads in every single ad group you have as well.

Creating sitelinks for every ad group can take a tremendous amount of time, so before creating them for my accounts, I did several tests to see how they would affect the accounts before rolling out sitelinks to every ad group.

To create this case study, I used nine different e-commerce accounts that totaled roughly \$1 million in monthly spend.

The ad groups were then segmented into three different areas. The first was low-cost or low-value items. The sitelinks in these ad groups were focused on cross-selling items with a similar item value.

The second type of sitelinks was created for high-cost or high-value items. These sitelinks were focused on upsells with a maximum upsell of 60 percent of the item's base cost. For example, if the search query was *Men's Suits*, the sitelinks would be for items like ties, dress shoes, dress shirts, and so on.

The last type of sitelinks was for ambiguous queries, such as *women's dresses*. In the case of a query like this, you have no idea if the searcher wants a prom dress, wedding dress, cocktail dress, evening dress, summer dress, and so on. Therefore, these sitelinks were focused on specific items (such as summer dress).

In these charts, Ad Group refers to the ad group sitelink metrics and Campaign refers to the campaign-level metrics that were average just before and after the tests were run. Since it is impossible to run a true A/B split test for this data, this is as close as you can get to a true test with sitelinks.

For the low-value items, the changes to CTR and conversion rates were negligible. There was a slight change to the average order value (Figure 4.20).

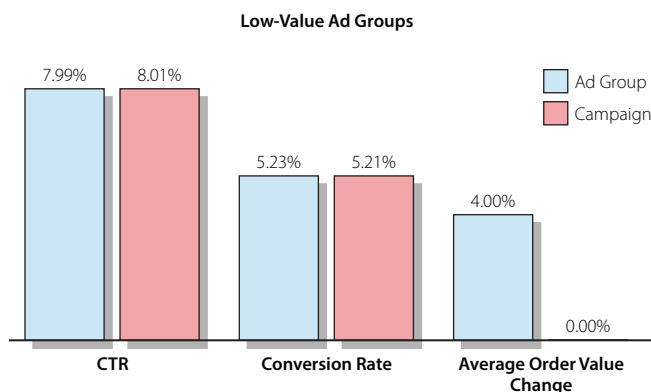


Figure 4.20 Sitelink test for low-value items

Because ad group-level sitelinks can take a lot of work, the overall results tell you it is probably not worth it if you have to create all the sitelinks by hand. If you have easy access to data exports of your website where you can export data created by your own CMS system or CMS add-ons, such as if this was bought, this was also purchased (cross-sell and upsell information), then you can manipulate the information in a spreadsheet program and use the AdWords Editor to move the data into your

account. If you do not have easy access to this type of data, then in most cases it is best to just use campaign-level sitelinks for these types of products.

For the second group, high-value items, there was a slight increase in both CTR and conversion rates. However, there was also a decrease in average order value (Figure 4.21).

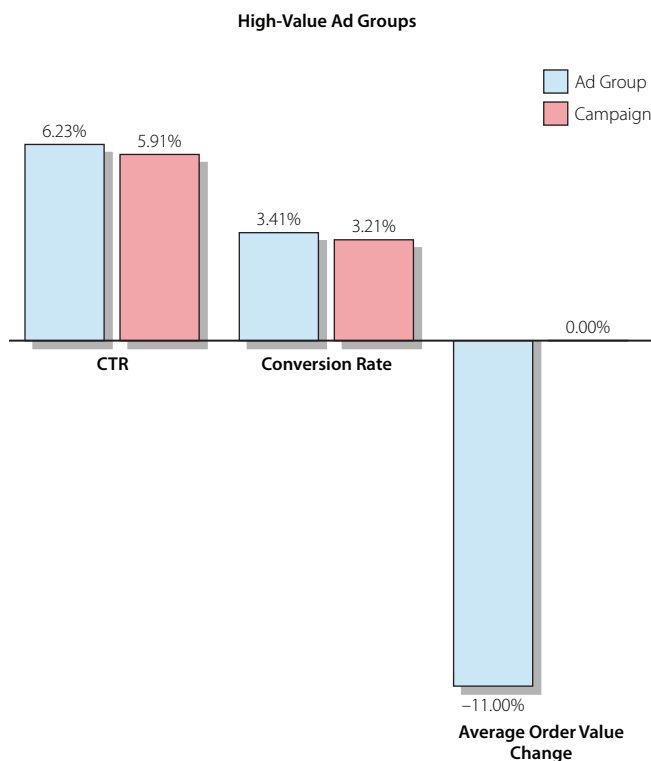


Figure 4.21 Sitelink test for high-value items

The reason for the decrease in average order value is that most of the increase in conversions was for the upsell item and not the item that was searched. In other words, someone searched for a suit and saw a sitelink for a pair of dress shoes and bought only the lower-cost shoes and not the entire suit. However, the total number of new conversions made the use of these sitelinks more profitable than using either no sitelinks or only generic campaign-level ones. For your top-value items, running a test for yourself is a worthwhile experiment.

For the ambiguous queries, the results were very positive. Both the CTR and conversion rates increased in all five tests I conducted (Figure 4.22).

The average order value does fluctuate for many of the tests. The change in average order value is mostly due to seasonality and not because of the sitelink usage. For instance, summer dresses are less expensive than cocktail dresses. So tests for dresses

in the summer have a lower average order value than those in the fall, when more evening and cocktail dresses are being bought.

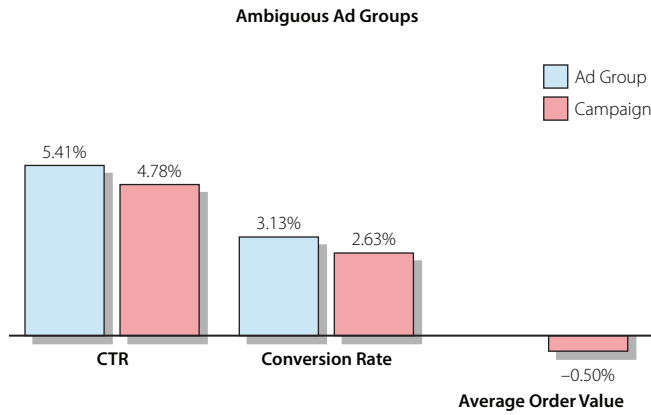


Figure 4.22 Sitelink test for ambiguous queries

The same can be said of shoes; dress shoes are more expensive than flip-flops. The usage of sitelinks on these queries is very positive overall, and it's worth creating them at the ad group level.

Sitelinks are displayed only when the ads are shown in the top premium positions. If your ads are shown only on the side of the page, then the sitelinks are not used. So, if you want to prioritize where to start testing out ad group-level sitelinks, you will want to look for ad groups that have most of their impressions in the top positions. You can see this data (Figure 4.23) by navigating to your ad group tab and then using the segment feature to segment by Top vs. Other.

<input type="checkbox"/>	<input checked="" type="radio"/>	Ad group	Status ?	Target CPA (1-per-click)	Clicks ?	↓ Impr. ?	CTR ?
		Total - all ad groups			13,589	217,467	6.25%
<input type="checkbox"/>	<input checked="" type="radio"/>	Recreational equipment	Eligible	\$65.00	2,329	42,066	5.54%
		Google search: Top ?			1,809	15,441	11.72%
		Google search: Other ?			112	7,739	1.45%
		Search partners: Top ?			338	1,658	20.39%
		Search partners: Other ?			70	17,228	0.41%

Figure 4.23 Ad group data segmented by Top vs. Other

Since sitelinks allow you to control multiple destination URLs within an ad, take up more real estate in a search results, and can be customized at the campaign or ad group level, every account should be using them. There are many other extensions you can use beyond sitelinks that are based more around the type of actions you want a user to take when interacting with your ads.

Call Extensions

Call extensions add your phone number to ads when shown on desktop computers. When they are displayed on mobile devices, the number is also clickable and can initiate a click-to-call scenario. If your primary goal is phone calls, you should use the call extension.

To enable the call extension, go to the Ad Extensions tab and create a new extension (Figure 4.24).

New phone number

Phone number United States

Phone number example: (201) 555-5555

Show my ad with ☐ **A Google forwarding phone number** and use call reporting
By selecting this, you agree to the [Google Voice Terms of Service](#) and [Privacy Policy](#).

☐ My own phone number (don't use call reporting)

Show the following links ☐ **Both my website and the phone number**

☐ Just the phone number

Report phone call conversions ☒ Count calls as phone call conversions when they last longer than seconds

Device preference ☐ Mobile

Start/end dates, scheduling

Start/end dates -

Scheduling ☐ **Show this phone number all days and hours**
[+ Create custom schedule](#)

Figure 4.24 Choose all ads or mobile only for call extensions.

There are several decisions you need to make when creating a call extension. The first is the phone number. Input the phone number where you want the call to ring. If you are using a third-party call-tracking system, you can also input their trackable phone number so that you can know exactly how many calls are occurring from your ads.

The next option is whether you want to use a Google forwarding number or your own number. If you have a phone number that you are branding using TV or

radio commercials, then you will often want to use that number from a consistency standpoint. However, if you use your own number, then you cannot use Google's call-tracking information to determine what clicks are leading to phone calls. If you use a Google forwarding number, then you can see additional metrics inside your account.

An issue that companies sometimes run into when using a call-tracking number in the call extension and Google's forwarding number at the same time is that a user will be transferred twice before your phone actually rings. The first transfer is Google forwarding the call to your call-tracking number, and the second transfer is from the call-tracking number to your own number. Depending on the speed of the transfers, the user might hear two or three rings before your phone rings once. In these cases, you will want to answer the phone quickly before the user hangs up.

Beyond the phone number, you can also track calls as conversions if you are using a Google forwarding number. You can enable the check box and then list the minimum duration of the call before it is counted as a conversion.

When someone clicks on your phone number on a mobile phone, a click is actually just the phone dialer loading. So if you are not using Google's call tracking or your own call-tracking system, you will never know how many actual calls you received from those clicks. Using a method of tracking calls will give you much better insight into the actual number of calls you are receiving.

The one caution I will offer when selecting a duration time is that you should determine the length of a quality call. I know of plenty of sites that can have 60- to 90-second calls and end up with a new customer. Often advertisers see a 60-second call and think it was so short it could not have been a quality call. Measure a few calls that come into your office and see how long a call has to be before you can book a new patient, take a reservation, or give someone directions to your store, and then choose a duration for your call conversions.

Next, there is the ambiguous notation of Show The Following Links. This setting is applicable only when your extension is shown on a mobile device that is capable of making calls. If you choose Both My Website And The Phone Number, then if someone clicks the headline of the ad, they will go to the destination URL used in your ad. If the user clicks the Call button (Figure 4.25) that appears in the extension, then you are charged a click price and the phone's dialer will load.

Then you have the device preference check. You can have both mobile and desktop call extensions. As with sitelinks, you have the ability to create start and end dates. And then finally, you can set a schedule for when you want the extension to run. If you answer your phone only from 8 a.m. to 5 p.m., you will want to run your extension only during those same hours.

You can have call extensions at the ad group or campaign level. If you have some ad groups where the keywords are support focused and other ad groups where the keywords are sales focused, then you can have one extension that rings to a sales line and another one to a support line.

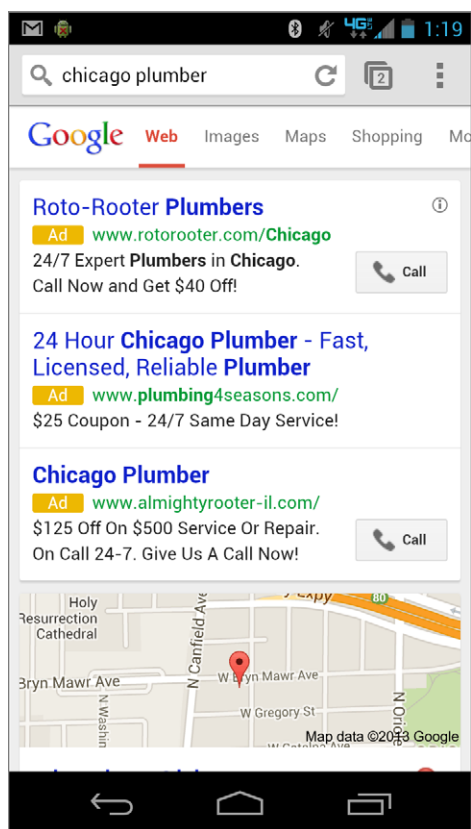


Figure 4.25 Call extension on a mobile device

If you are a business that relies on calls, you should be using the call extension; it is very effective at generating calls, especially on mobile devices.

Additional Extensions

The most used extensions are sitelinks, calls, and location extensions (covered in Chapter 11, “Utilizing Advanced Geographic Targeting Techniques”); however, there are others you should be aware of so you can use them when they are appropriate to your account.

Seller Ratings Extension With the ratings extension, if you receive a certain number of ratings on sites that Google trusts, and you average 3.5 stars or better, then you can have stars shown next to your ads (Figure 4.26).



Figure 4.26 REI seller ratings extension showing stars

You cannot force this extension to show. If you are an e-commerce site, go to Google Shopping, look at where your competitors are getting reviews, and then get reviews on those same sites. For local companies, reviews can also show up, and these are often taken from reputable local sources, such as Google Local or Google Plus.

Social Extension The social extension shows how many people are following your brand's page on Google Plus. To use this extension, you must first create a Google Plus page and then connect it to your AdWords account.

Review Extension The review extension shows a third-party review within your ad (Figure 4.27). The review must appear on a credible third-party site. You can then put a snippet of the review within your ad. Google does review these reviews closely, so after you submit the extension, you will want to keep checking to see if it is approved or not.

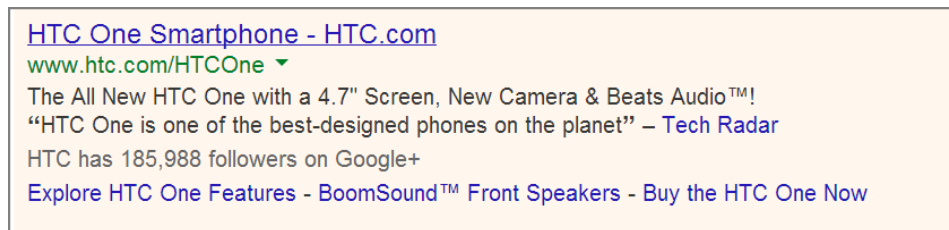


Figure 4.27 Review extension showing snippet from a user review

App Extension The app extension is exclusively for companies that offer smartphone applications. With this extension, you can feature your app on the devices in which your app can be installed.

These are the main extensions available today. Most businesses should be using sitelinks at a minimum, but a good ad can contain several extensions at the same time. Take this ad from REI (Figure 4.28). It includes seller ratings, sitelinks, a location extension, and a social extension all within one ad.



Figure 4.28 REI ad utilizing multiple extensions

Pick at least one and possibly three to four different extensions to include with your ads. By using ad extensions, you will often see higher CTRs and conversion rates because your ad can convey more information to the searcher about your products and services.

Limited Betas for New Extensions

Until recently, Google would enhance AdWords by introducing new types of ads. Local business ads were a prime example. Unfortunately, as they introduced more and more functionality and ad types, each with different formatting and unique attributes, it became more and more complex for advertisers and Google alike to support and optimize.

Now, instead of creating whole new families of ads, Google seems to have settled on rolling out ad extensions to accomplish the same goal: adding new features into the AdWords marketplace. With ad extensions, you write a typical text ad as normal, and then information gets appended to the ad—which means the ads are consistent and Google can easily scale the number of extensions that exist. Whenever Google is testing new ad extensions, they make them available to small subsets of advertisers in pre-release beta tests. There seem to be new ones announced every other day, and as of this writing, they are allowing advertisers to play with images, contact, and leads extensions.

Some of these betas will be proven successful and eventually become open to all, and some will not be so successful and will be retired or sent back to the drawing board. If you have a Google rep, it is useful to discuss the beta extensions with them to see if there is a type that fits your business model.

Showcasing Your Products with PLAs

Google has reduced the number of ad formats that can be used across search to two main ones. The first is text, which is most of what has been discussed in this chapter. The second is known as product listing ads (PLAs). These are image-based ads (Figure 4.29) that show in the search results.

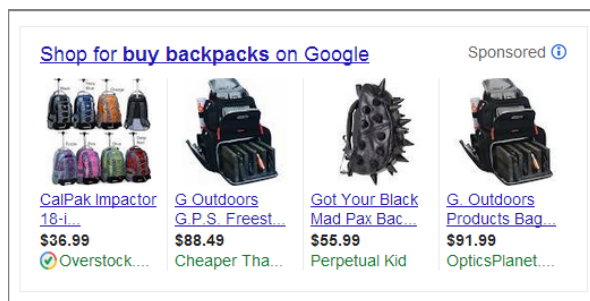


Figure 4.29 Product listing ad examples

These ads are purely for e-commerce companies because they feature products from Google Merchant Center. We could spend over a hundred pages talking about feed optimization and PLA organization. Since we do not have time to cover all of that

information, we will cover the basic information about what you need to know to create and have PLAs show from your account.

To create product listing ads, you must first have a Google Merchant Center account. Once this account is open, you need to populate it with products. The easiest way to do this is from a shopping cart export. Most shopping carts have feed exports that can be uploaded to a Merchant Center account.

With PLAs, you do not choose keywords. Google chooses what queries your ads will be displayed on based on the information in your feed. Therefore, it is in your best interest to use all of the possible fields within the feed. The feed is your proxy to keywords, so if your feed is missing a lot of optional information, your PLAs will not show often. A minimum number of fields is required, and if you do not include this information, then your feed will be rejected and no PLAs will show from your account.

Once you have an approved feed, you need to apply that feed to your account and start creating ad groups from the Auto Targets tab (Figure 4.30) inside your account.

Product target	Ad group	Status	Max. CPC	Clicks	Impr.	CTR	Avg. CPC	Cost	Conv. (1-per-click)	Cost / conv. (1-per-click)	Conv. rate (1-per-click)
All products	The Product Listings	Eligible	\$6.00	13,207	398,825	3.31%	\$2.22	\$29,306.35	733	\$39.75	5.63%
Total - all but deleted product targets				13,207	398,825	3.31%	\$2.22	\$29,306.35	733	\$39.75	5.63%
Total - all account				13,207	398,825	3.31%	\$2.22	\$29,306.35	733	\$39.75	5.63%

Figure 4.30 Auto targets for PLAs

The most basic setup is to create an All Products category. This will enable Google to show any product from your feed for any search query that Google deems is relevant to your offers. While this is a very easy setup, it gives you almost no control over bidding for your products because you will not have the ability to set a bid for each product.

Therefore, just like organizing keywords into small, granular ad groups, you should do the same exercise with your feed. You can do this by choosing various targets within your AdWords account (Figure 4.31). Usually you will want one target or target group per ad group.

While many companies suggest using one SKU or product per ad group, this management can become very difficult to sustain if you have a large variety of products. Given that almost half of all PLA clicks that result in a sale are for a different product than what was shown in the ad, going to that level of organization can be overly burdensome.

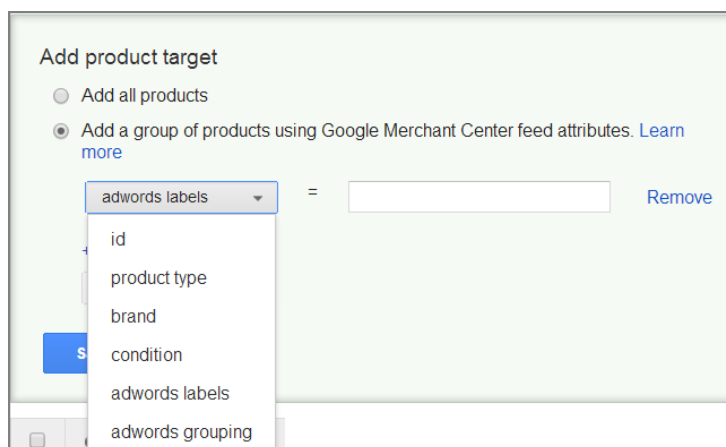


Figure 4.31 Choosing auto targets

Although you might create single product ad groups for your top products, in general, it is okay to group closely related (and closely priced) products together within an ad group. The easiest way to do this is by using one of two optional fields in the product feed: AdWords Grouping or AdWords Labels. If you first examine your products and feeds, then you can add labels to the fields that will correspond to your final ad groups. Once you have the data in the feed, then you will want to create one ad group for each label or grouping target that you are using so you can control the bidding for each of those groups.

With PLAs, you can write only a single line of ad copy that goes along with the ad. Usually the ads contain either information about the product or information about shipping, such as Free Shipping On Orders Over \$35.

If you are an e-commerce company, then you should use product listing ads. The real trick to making PLAs successful is to first spend time on making sure that your entire feed is complete and accurate and that you are taking advantage of the optional fields. The second part of PLA optimization is to create granular ad groups for purposes of bidding. If you have products that range from \$5 to \$500, there is no way to set a single ad group bid that covers that price range; thus, you will want to group your products based on price, margins, and relation to each other. And then finally you can do some ad testing for PLAs to see what offers bring you the most orders.

Following the Law: Trademarks

Google's trademark policy has been evolving over the past few years as the trademark laws and online advertising have become more settled. Though trademark law and Google's policies vary somewhat by region and country, Google's approach to trademarks in advertising has become pretty clear.

There are two areas where advertisers typically are concerned about trademark use: the trademarked keywords you add into your account and the use of trademarked terms in ad text.

Google's keyword policy is very simple. In most countries, they will not investigate or restrict the use of trademarks in your keyword inventory. Advertisers are free to choose whatever keywords they want to add into their account, regardless of whether they are trademarked by some other company.

However, Google restricts the use of trademarked terms in ad copy worldwide. If a competitor is using your trademarks in their headlines, descriptions, or extensions, you can request that Google stop showing those ads, and with a few exceptions they will take those ads offline.

Advertisers can protect their trademarks from being used in ads by filing complaints with Google. In some regions, they may also restrict ads from showing if the combination of the ad and the keyword is confusing or misleading to consumers. The full list of editorial policies appears here:

<https://support.google.com/adwordspolicy/answer/6118>

If you are a trademark holder and want to protect your trademark from being used in competitive ads, you can file a complaint online with Google using the form available here:

https://services.google.com/inquiry/aw_tmcomplaint

You can file a complaint against a specific advertiser or against all advertisers (generally competitors within your industry) to prevent your trademarks from being used by competitors (Figure 4.32).

Scope of Complaint – Advertisers Involved *

Please select a radio button indicating the advertisers involved.

- ☒ Your complaint involves all advertisers.
- ☐ Your complaint involves only specific advertisers.

Figure 4.32 Filing for general or specific trademark protection

“Within the same industry” is an important caveat when it comes to trademarks. For example, there are over 3,000 records at the U.S. Patent and Trademark Office (www.uspto.gov) for the search word *apple* in their database. While the word *apple* is trademarked in many industries, an orchard farmer can use the word *apple* in his ad copy. If you submit an ad and a form pops up that tells you a word is trademarked but it is not trademarked for your industry, just put that information on the exception request form (“not trademarked for my industry”).

Note: Since trademarks are held at the country level, it is also important to consider in which countries your campaign will be displayed. If you choose to have your campaign shown to two different countries that each have different trademark laws, your ads and keywords will then have to follow the laws of both countries. There are many reasons to limit your campaigns to show in only one country, and one of them is based on trademark laws.



There are a few different ways that brands can think about their trademark utilization within ad copy. Let's walk through a few scenarios that show why a company may have various feelings about the enforcement of their trademarks. I will use Nike in this example since they sell both directly and through other outlet channels. However, please note that this may not be Nike's current policy.

Many stores sell Nike shoes. Regardless of whether a consumer buys shoes from Nike.com, Zappos.com, or yet another store that sells Nike shoes, Nike will sell a pair of shoes. Therefore, they might not file a trademark complaint with Google and will allow other companies to use the Nike trademark in ad copy, because Nike can gain additional sales through their distribution partners.

Nike could take another approach and decide to selectively give accounts permission to use their trademark. They may decide that they have a special relationship with certain retailers and allow only those retailers to use the Nike trademark in ad copy. In that case, Nike can list authorized entities on the trademark complaint by providing Google with the AdWords account ID and other information for the advertisers they will grant permission to use their trademarks. This practice is common in franchise companies. If the corporate office holds the trademark, they may want their actual franchises to be allowed to use the trademark. This means the corporate office would need the AdWords account ID numbers for each franchisee account. However, you cannot selectively give permission until Google has completed their initial trademark investigation.

The most restrictive approach Nike could take is to not allow anyone but Nike.com to use their trademarks. Nike could decide that since they sell shoes online, they do not want additional competition for their trademarked words. In this instance, in the United States, consumers could see a wide variety of ads on a search for the word *Nike*, but only the Nike.com ad would actually display the word *Nike*.

Currently, Nike has not taken a restrictive approach. I'm not attempting to call out Nike specifically but to walk you through the conversations that should occur within your organization about the use of trademarks.

In addition, just because Google may allow you to use a trademark in your ad copy does not mean the trademark holder could not sue you anyway. While Google's editorial policies may be introduced into the court case, a company can sue another company regardless of Google's policies.

This is especially true of company names. In these cases, there is a good reason for other companies to use Nike’s trademarks in ad copy. However, if you use a competitor’s name in your ad copy, regardless of the word being trademarked, you could end up in a lawsuit. A competitor could also sue you for using their name as a keyword even if it does not appear in the ad copy. Your competitor may or may not win, but you will still have to pay to defend your keyword usage.

It is a worthwhile exercise to sit down with your marketing and legal departments to create rules about your use of trademarks and competitors’ names. If you use a third party to manage your AdWords account, make sure that party understands your policies on these items.

Trademark Exceptions

In the United States, Canada, the United Kingdom, and Ireland, Google will allow the use of trademarks in ad copy—even if the company has filed a trademark complaint—as long as you meet certain conditions, such as these:

- You sell a product corresponding to the trademarked term.
- You fix a product corresponding to the trademarked term.
- You are an information site corresponding to the trademarked term.

To be approved for use of a trademark in the ad copy, your landing page must be about that trademark. You will not be allowed to use “Dell computers” in your ad copy and send the visitor to a page that sells Apple computers.

Google will take a look at your ads, keywords, and landing pages, and if you meet the criteria, Google will approve the ads on a limited basis (Figure 4.33).

<input type="checkbox"/>		Google AdWords Seminar Limited Seats. Reserve Yours Today! AdWords Seminars for Success™ bgTheory.com/AdWordsSeminar		Seminars	Approved (limited)
<input type="checkbox"/>		Google AdWords Seminar AdWords Success in just 2 days. Limited Seats. Reserve Yours Today! bgTheory.com/AdWordsSeminar		PPC	Approved (limited)
<input type="checkbox"/>		Google AdWords Seminar Learn AdWords Success - Just 2 Days Max your AdWords ROI. bgTheory.com/AdWordsSeminar		AdWords	Approved (limited)
<input type="checkbox"/>		Google AdWords Seminar Two Day, In-Person, Expert Advice. AdWords Seminars for Success™ bgTheory.com/AdWordsSeminar		AdWords	Approved (limited)
<input type="checkbox"/>		Google AdWords Class AdWords Success in just 2 days. Limited Seats. Reserve Yours Today! bgTheory.com/AdWordsSeminar		Marketing	Approved (limited)

Figure 4.33 Limited ad approval status

These ads will not go live on non-Google-owned properties. Therefore, you will want to create another ad in the ad group that can go live on search partner sites.

Interestingly, one additional exception to the visible use of trademarks in ads is the display URL. Google does not examine or act on any complaints where the trademark appears in the display or destination URLs. So for example, if you are selling against Acme Widgets, and you don't have their permission to use their trademark, you could use this display URL without any restriction from Google:

widgetworld.com/AcmeWidgets

The Quest for the Holy Grail of Advertising

Wouldn't it be nice to be given a magical formula where an ad always received a click and a conversion? Unfortunately, there is no magic formula for writing ads. Writing the perfect ad copy is like the search for the Holy Grail. It is a never-ending search of examining where you have been, ascertaining where others have gone, and plotting new paths to see where they lead.

Ad copy changes depending not only on your industry but on your company's specific customer base as well. Consider two different accounting software companies, one specializing in Quicken and the other in Peachtree. Quicken is generally used for personal finance; Peachtree is generally used for business bookkeeping. Although these are technically both accounting software firms, their customers are different. Therefore, their ad copy should also be different to showcase why they are distinct from each other.

Just because an ad works for your competition does not mean it will work for you. Sometimes a company will start advertising, choose an ad that has been running for a competitor, and just duplicate that ad in their account. Ignoring the ethics of such tactics for a moment, you should know that this tactic will often fail. Each business has a different website, different sales pitches, and various benefits and features. These differences often cause an ad for one company not to work for another.

Each ad will have different CTR and conversion rates when paired with different keywords. Let's say you wrote ad copy about high-definition televisions and used these keywords to trigger that ad copy:

- Plasma TV
- Buy a plasma TV
- LED TV
- Compare LED to plasma TVs
- HDTV

Each of those keywords will have vastly different conversion rates and CTRs. The user intent, commercial intent, keyword specificity, landing page, and ad copy all come together to form different metrics for keyword and ad copy pairs.

These are important points to keep in mind when looking at ads used by other companies. Just because a company has used an ad for several years does not mean it's effective. You do not know how much another company is testing ads, what their success metrics are, or how well those ads blend with your landing pages.

You do need to examine your competitors' ads to make sure your ads stand out on a search page. If all the ads showcase pricing, try a different message. If all the ads speak only of benefits, try using a question in your ad copy.

If you need a formula to start with, I have found that the following are good starting places. Through solid testing you may find that they are not the best ads after testing, but they will get you started.

- Ad copy 1
 - Compelling headline
 - Customer benefit
 - Call to action
- Ad copy 2
 - Compelling headline (use a different one than in ad copy 1)
 - Product/service feature
 - Customer benefit

PPC success is measured with hard numbers. You should know statistics such as CTR, conversion rate, average sale amount, lifetime visitor values, and profit per sale. These numbers will show you which ad copy and keyword combination is most successful based on your metrics.

When you are writing ad copy, it is one of the few times you can escape from numbers and use the right side of your brain for a while. Ad copy writing can be a fun exercise in utilizing different adjectives, marketing messages, unique selling propositions, features, and benefits. Let your creative juices flow. The numbers will eventually tell you which ad is the most successful for your company. However, until that time, be creative, test, and find new messages that resonate with searchers.

If you do not test various messages, you will never know what messages resonate best with your customers. Knowing which ads drive the most profit will not only make you more successful but will also shift you from chasing your competitors to being a market leader.

Best Practices for Writing Compelling Ads

Writing, refining, and testing ad copy is an ongoing process that can lead to higher CTRs, higher conversion rates, and ultimately higher profits for your company. The

following is a checklist of items to continuously keep in mind as you strive to find that perfect ad:

- Ensure that your ads correspond tightly with the search query. When a consumer conducts a search, they are seeking specific pieces of information. Make sure that your ads can speak to the consumer's search query and show them how you can help them find their answers.
- Develop granular ad groups to create a scenario where your ads are appropriate to both your keywords and the search query.
- Ensure that your ads are understandable. Jargon is acceptable only if the consumer knows the jargon. Do not use jargon for keywords that fall into the beginning stages of the buying funnel, because the searcher may not know the lexicon in their early research phases.
- Create a unique selling proposition for your business. This will differentiate your business from the other ads on the page.
- Features are facts about your product or service. Showcase features when someone is comparing products or services.
- Utilize benefits to connect emotionally with the searcher. Benefits inform someone why your product will make their life better.
- Direct a consumer to take action. If you inform the searcher what you want them to do after the click, they are more predisposed to seek and conduct that action.
- Test different types of ad copy.
- Use the display URL to clarify to a searcher where they will arrive after they click.
- Use ad extensions; at a minimum, use the sitelinks extensions.
- If you are an e-commerce company, use product listing ads.
- Never be satisfied with your ad copy. Journey down the never-ending quest to find the perfect ad copy.

These best practices should help guide you in creating effective ads that will connect with searchers and lead them to your website, where you can continue to engage them and show them how your company can fulfill their needs.

Once you have ads written, those ads need to go to landing pages that reflect the keywords and the ad copy. In the next chapter, we will examine what makes a landing page effective in turning a visitor into a customer.

Creating Landing Pages That Convert Searchers into Buyers

5

Where should you send a searcher after they click your ad? The homepage is rarely the best place. You have several options, and choosing the correct one will ensure that the visitor does not just view your website but becomes engaged with it as well.

First impressions last a lifetime, and that fact is just as true for websites as it is for people. If your website is trustworthy, friendly, and easy to use, it makes a good first impression, which increases the odds of your turning clicks into buyers.

Chapter Contents

Does your landing page answer the searcher's question?

Everything about destination URLs

Choosing landing pages that increase conversion rates

Employing usability, trust, and web technology to increase your conversion rates

Best practices for landing pages

Does Your Landing Page Answer the Searcher's Question?

You advertised on a keyword. Your ad copy was compelling enough for someone to click on it. You paid for a click, and you received a visitor. Now it's time for your website to convert that visitor into a customer.

The term “landing page” is industry jargon for the first page of your site someone visits after clicking on an ad. It might not be the homepage of your website. It could be any page within your site or a page built specifically for your ad campaign.

Often, the only information the searcher has about your website is what is contained in your ad copy. A searcher has only a maximum of 130 characters of knowledge about what they are about to find after the click. Most searchers will spend just a few seconds looking at your landing page before deciding to continue interacting with your website—or to click the Back button. Therefore, the first thing your landing page must do is answer several questions that are going through the searcher's mind. These questions are not all related to their initial search query; they are related to the quality of your website and a searcher's ability to extract information from the web page:

Am I in the correct place? This is the first question your website must quickly answer. Someone did a search attempting to find an answer to a question. If you look at your landing page for three to five seconds, does the page appear to lead someone down the path to finding their answer?

Is this what I expected? Is your landing page an extension of your ad copy? Is the information contained in your ad showcased on the landing page? If your ad mentioned product comparisons and your landing page shows only a single product review, you are not setting the expectations properly in the ad copy, and a visitor is likely to leave your website. Ensure that your ads are not just the same theme as the keyword but are setting the proper expectations for what someone will see after the click.

Do I trust this site? Trust is a major concern for many searchers. It is common for demographics that are not overly familiar with the Web to need additional reassurance that their credit card or personal information will be safe. Conversely, those who are more familiar with the Web know how to quickly look for SSL certificates, whether a site has HTTPS (secure pages) components, and if there's a privacy policy. I will cover more on trust elements later in this book.

How long will this take? People value their time. Before committing to any action, many people unconsciously calculate how long it will take to accomplish that action. If the landing page consists of a long, intimidating form, the perception will be that there will be a high time commitment to complete the action on the site. Make sure that process seems quick. If your landing page is a form, just tell how long it will take (such as “This is a three-page form that will take five minutes of your time”).

What should I do next? Does your landing page have a clear call to action? Once someone sees your landing page and has been satisfied that the preceding questions have been answered, what do you want them to do? Though people can be resistant to being told what to do, when they are unsure of the next action they are more open to being informed about what their next action should be. Tell your visitors what the next step is for them to obtain their answer.

Where should I go next? This aspect is closely related to “What should I do next?” If someone knows what to do next, do they know *how* to do it? Does your site have a clear path to action? The human mind can hold five to seven thoughts in short-term memory. If your website has 20 links on the landing page all going to different places, you can confuse the visitor. Your main button or image on the landing page should be where you want the visitor to go next. The button could be a subscription, add-to-cart button, or “contact us” form. Make sure that your primary action for a landing page stands out from the rest of the page’s content.

Should I click the Back button? One of the most common navigational elements on the Web, and the one that loses websites the most visitors, is the dreaded Back button.

Regardless of how you code your site, choose your design, and lay out information, there will be visitors who click the Back button. You cannot be all things to all people. You can try to minimize how often the Back button is clicked by making sure all these questions are quickly and easily answered. If any of these questions are not quickly answered, you risk losing a visitor.

You’re a Bad Judge of Your Website

Unfortunately, this is a true statement for almost all marketers and designers. You know that the big red button is a link that takes someone to the subscription page. You know that the images are not linked and that clicking on them will not let you see a larger image or take you to that product page. You know that your phone number is buried in your banner-like header.

Ask a colleague, spouse, customer, or someone else not familiar with your website to complete an action on your site. Give them a specific direction such as “contact us,” “buy this product,” or “subscribe to our newsletter.” Now watch how they navigate through your website.

Even better, take five to seven people and ask them to do the same action. If you ask ten people to complete an action, you may see five to seven different ways that the exact same action was completed. Do not just watch how they completed the action; look for signs when they are lost, such as clicking on a non-hyperlinked image.

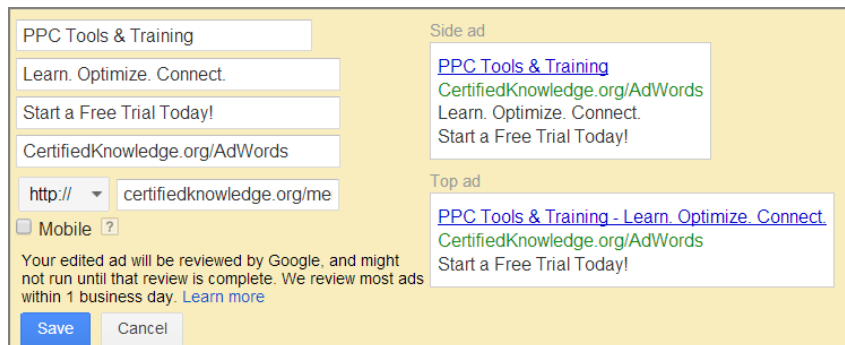
Many analytics programs have a reverse goal path report. This report shows you the different pages that someone visited before completing an action. By examining the reverse goal path report, you can gain insight into how visitors are navigating your website.

The first question echoing through someone’s mind when they visit your landing page is, “Am I in the correct place?” Does your landing page reflect the ad copy? Choosing which page you send the traffic to is an important decision since it is the first step in engaging visitors. You have several options about where to send the traffic depending on if you use keyword-level, placement-level, or ad copy-level destination URLs. First let’s focus on how and where to create destination URLs; then I’ll discuss where to send the traffic.

Everything about Destination URLs

There are three ways within AdWords to choose where you send traffic for a particular click.

The first is at the ad level. In this instance, every click from that ad goes to the same landing page. An ad group can have several different ads (or even different ad types, as discussed in Chapter 8, “Beyond Text: Image, Video, and Mobile Ads”). Every ad must have a destination URL specified, but that URL can be different for each ad (Figure 5.1).



The screenshot shows the Google AdWords interface for editing an ad. The destination URL field is highlighted, showing the URL 'http://certifiedknowledge.org/me'. The ad preview on the right shows the text 'PPC Tools & Training', 'Learn. Optimize. Connect.', 'Start a Free Trial Today!', and 'CertifiedKnowledge.org/AdWords'. The interface also includes a 'Save' button and a 'Cancel' button.

Figure 5.1 The destination URL is the last entry in your ad.

The second way you can set a destination URL is at the individual keyword level. Doing so is optional. If you create keyword-level URLs, these URLs are used instead of the ad destination URL (Figure 5.2).

The most common reason to use keyword destination URLs is for tracking purposes. Some analytics and bid-management systems need to set custom parameters for each URL so they can read and track the data. If you have well-organized ad groups so the ad destination URL is a good landing page for all the keywords in the ad group, and you are not using a third-party system that requires keyword-level tracking, then there is usually not a need to use keyword-level URLs.

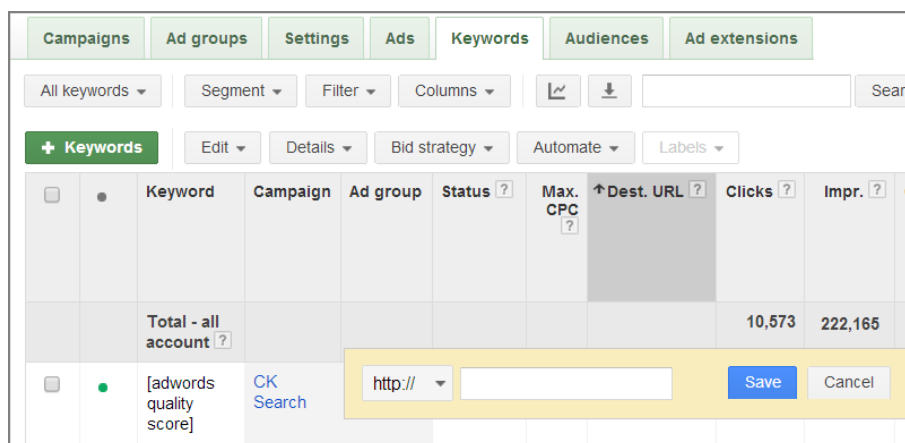


Figure 5.2 Adding or editing a keyword-level destination URL

When you set a keyword-level destination URL for automatic placements on the Google Display Network (you'll find a detailed explanation in Chapter 9, "Understanding the Display Network"), Google will attempt to determine which keyword best matches the content of the page your ad appears on and will use the corresponding keyword-level destination URL. Otherwise, it will default to using the ad-level destination URL. The third way to set a destination URL applies only to the display network. When specifying display targeting options (again, see Chapter 9 for more details), you have the option of setting a destination URL for the targeting method where you have enabled custom bids (Figure 5.3). Only one custom bid can be set per ad group. So if your custom bid is by keyword, you can set keyword-level destination URLs for display ads; however, if your custom bid is set for topics, then you can enable a destination URL at the topic level.

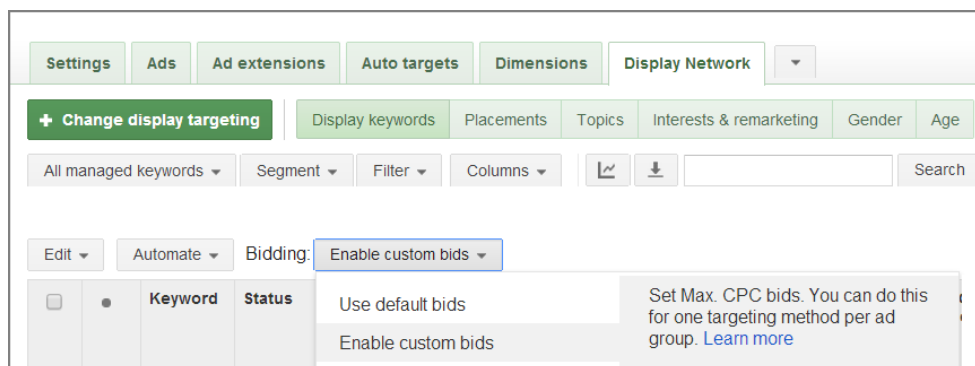


Figure 5.3 Enabling custom bids for targeting options

If you have specified a custom bid destination URL, then that URL is used when someone clicks on your ad. If you do not specify a custom bid-level destination URL, then the destination URL of the ad is used to determine where to send the visitor.

The hierarchy for destination URLs on search network ads is

- Keyword destination URL
- Ad destination URL

The hierarchy for destination URLs on the display network is

- Custom bid URL
- Ad destination URL

Building destination URLs for accurate tracking can be tricky, because you need to consider the wildcard variables that Google will fill in for you (such as the keyword) and what your analytics system can understand. In the next sections, I will walk you through examples of how to build destination URLs so you can gain insight into visitors' behavior once they have reached your website.

Using Destination URLs for Tracking

For tracking purposes, you might want to add additional parameters to your destination URLs. Some may be dictated by your tracking system, and there are some variables that Google supports. This is why a destination URL can be 2,048 characters—when you start adding tracking parameters to a URL, they can grow quite long.

These additional parameters are not for visitors. They should not affect where a visitor goes on your site. These additional variables are for your tracking purposes, whether you are parsing them out in log files or in a separate analytics system.

URL Parameters: Understanding the Basics

In a URL, the question mark is a delimiter that signals the beginning of the query string portion of your URL. The query string is what contains parameters, also known as variables or tags. The process of adding these variables to your destination URLs is referred to as “adding tags” or simply “tagging.” The ampersand (&) is used to separate multiple parameters/variables in the query string. The question mark comes right after the URL of your landing page, and it is followed by the tracking variables separated by ampersands. In certain server environments, you may also need to add a forward slash directly preceding the question mark (?) character.

In addition, do not leave spaces in destination URLs. Some systems interpret spaces as %20 or %2B, some leave them as spaces, and some add a plus (+) sign. By using a space, you could break the URL for some visitors, causing them to see a 404 (error) page on your website.

You should always test to make sure your destination URLs work properly before putting them live. For instance, if you wanted to send a visitor to `www.certifiedknowledge.org` for the search term *AdWords seminars*, and you wanted to add source and keyword parameters to the destination URL for tracking purposes, your final destination URL would be

```
www.certifiedknowledge.org?src=AdWords&keyword=adwords+seminars
```

The most common tracking parameters to add to an AdWords URL are as follows:

- Source
- Medium (what type of traffic—in this instance, PPC)
- Campaign
- Ad group
- Ad ID
- Ad type (for tracking product listing ads)
- Keyword
- Keyword match type
- Network (search or display network source)
- Mobile
- Ad position
- Placement

Some of these tracking parameters are supported by Google with variable replacements, which means that when you use these parameters in your destination URL query string, Google fills in that variable with the actual campaign data and passes that data along to you in the destination URL when someone clicks on your ad and comes to your landing page. This data is useful if you want to track performance at the ad level.

Adding Custom Parameters to Destination URLs

Not all the parameters we mentioned previously (such as ad group) are supported by Google for automatic variable replacement for your ad-level destination URLs. If you wanted to track that set of information, you would need to build keyword-level destination URLs. For instance, if you have built your own in-house tracking system or you are using a third-party system that needs to know additional data, such as ad group or ad type (text or image), then you need to add these parameters manually to your destination URLs.

The variables that Google supports are shown in Table 5.1.

► **Table 5.1** Destination URL variables

Inserted Data	URL Formatting
Keyword	{keyword}
Match type	{matchtype}
Ad ID	{creative}
If click came from search	{ifsearch:YourName}
If click came from display	{ifcontent:YourName}
Network	{network}
Domain name where ad was clicked	{placement}
Placement categories	{target}
Mobile	{ifmobile:YourName}
If not mobile	{ifnotmobile:YourName}
Ad position	{adposition}
Control or experiment ID from AdWords Campaign experiments (Chapter 15)	{aceid}
Sitelink tracking	{copy:YourName}
Product listing ad tracking	{adtype}
Product target IDs	{adwords_producttargetid}
Device type (mobile, tablet, computer)	{device}
Mobile phone or tablet device manufacturer brand and model name	{devicemodel}

When you see *YourName* inside one of the parameters, you should replace it with your own information. For instance, when I am tracking search, I will use {ifsearch:Search}. If you are using your own tracking system or a customizable analytics system, you should match the variables in your destination URLs to how your analytics system needs to read and interpret the data.

The keyword parameter will pick up the keyword that caused your ad to be triggered. The ad ID is unique to every ad in your AdWords account. The easiest way to associate an ad with the ad ID is to either use the API (a back-end program that lets your database communicate with the AdWords database) or run an ad report and include the ad ID data point in the report.

The two interesting variables are *ifsearch* and *ifcontent*. All clicks come from either search or display. AdWords will automatically include which network sent you traffic. If your click originated from a placement, the placement information will be included in the URL.

Some of these variables represent features of AdWords that will be discussed in later chapters, such as the display network and placement categories.

There are a few other variables that can be used only through the API, such as {param1}, which are variable replacements for specific aspects of ad copy. If you are an

API user who is often changing the prices or discounts in ads, I recommend looking more into the param variables.

For the majority of users, the variables in Table 5.1 are enough to be able to track the data necessary to understand the user behavior inside your analytics program.

Step-by-Step Guide to Building Destination URLs

I will illustrate how to build destination URLs at the ad level. Since one of the variables is placement, you can use this same URL at the placement level as well.

Although I am not going to dive deep into Google Analytics, it is important to incorporate your tracking system’s variables into your destination URLs. Therefore, in these examples you will use the main variables of Google Analytics. However, please examine your own analytics system first to understand the parameters necessary for your own system.

Google Analytics has a URL Builder tool (Figure 5.4), which can be found at <https://support.google.com/analytics/answer/1033867?hl=en> (or you can search for “Google Analytics URL Builder”).

Step 1: Enter the URL of your website.

Website URL *

(e.g. <http://www.urchin.com/download.html>)

Step 2: Fill in the fields below. **Campaign Source, Campaign Medium and Campaign Name** should always be used.

Campaign Source *

(referrer: google, citysearch, newsletter4)

Campaign Medium *

(marketing medium: cpc, banner, email)

Campaign Term

(identify the paid keywords)

Campaign Content

(use to differentiate ads)

Campaign Name *

(product, promo code, or slogan)

* Required field

Figure 5.4 Google Analytics URL Builder

Google Analytics uses the main variables shown in Table 5.2. When you see *YourName*, this means you can input anything you desire to help you understand what data point is being referenced.

► **Table 5.2** Google Analytics traffic classifications

Google Analytics Name	Google Analytics Formatting
Campaign Source (traffic source)	utm_source=YourName
Campaign Medium (marketing type)	utm_medium=YourName
Campaign Term (keyword, optional input)	utm_term= YourName
Campaign Content (ad types, optional input)	utm_content= YourName
Campaign Name	utm_campaign= YourName

Note that you can link your AdWords account with your Google Analytics account and see much of this data without having to code all of these URLs in AdWords. In some cases, you can combine both the analytics and the AdWords inputs, which will pass large amounts of information to your analytics program.

In addition, you do not have to code all these URLs one at a time. You can use formulas in Microsoft Excel or a tool such as the Certified Knowledge Google Analytics URL Builder, which will create all these URLs very quickly. These tools are also useful for building destination URLs that you use with your Bing or Twitter ads so you can examine all of your data in one system.

If you are building ad-level URLs, the one piece of data that is missing from the Table 5.2 variables is the ad group. Therefore, you will have to code that information directly into the URL.

The following URL contains information for Google Analytics data, Google AdWords variable replacements, and the manual coding of the source ad group. This would be your final ad URL:

```
http://certifiedknowledge.org /?utm_source=AdWords&utm_medium=PPC&utm_term={keyword}&utm_content={creative}&utm_campaign=AdWordsSeminars&Network={ifContent:Display}{ifSearch:Search}&SiteTarget={placement}&AdGroup=ChicagoSeminars
```

While this would be your ad destination URL, it is not what the URL will look like when someone makes it to your website. To illustrate the final URL, let's assume that these are the variables that triggered your ad:

- Keyword: AdWords
- Ad Group Name: Chicago Seminars
- Campaign Name: AdWords Seminars
- User clicked on a search click

Here is the final destination URL once the variables are replaced by actual values:

```
http://certifiedknowledge.org/?utm_source=AdWords&utm_medium=PPC&utm_term=
AdWords&utm_content=123456&utm_campaign=AdWordsSeminars&Network=
Search&SiteTarget=&AdGroup=ChicagoSeminars
```

Please note that the spaces were taken out of the ad group and campaign names so the URLs did not break. You do not want to leave spaces in your URLs.

You will rarely look at these URLs after you build them. What is important is to know how to build the URLs so that your tracking system can parse the information from the URL and store it appropriately in a system where the data is easily understandable.

The same URL can also be used at the keyword level. There are a few reasons to have destination URLs at the keyword level—for example, if your keywords are going to different pages. If this is the case, be careful that the keywords in your ad groups are tightly themed. Rarely will you send different keywords to different pages. It's most common in very large accounts that are supporting hundreds of thousands of keywords.

Another reason to do keyword-level tracking is that some tracking systems need keyword-level destination URLs because they use different variables for tracking keywords, or they may add additional parameters to the URL for other purposes. This is a system-by-system consideration, and your vendor should be able to help you format these URLs (or they may do it automatically for you).

Some systems grab the keyword from the URL and do a site search or add keyword-specific information to the landing page. In these cases, the systems will want to ensure they know the exact keyword being clicked by coding it into the URL.

Linking AdWords and Google Analytics for Data Insights

If you are using Google Analytics, the best action to take is to link AdWords and Google Analytics together. If you link these two systems together, then you do not want to use the Google Analytics utm codes in your destination URLs because your data will be double counted in Google Analytics. While using specific parameters, especially for PLA tracking, is very useful, Google Analytics does not show much PLA data at the moment. Although most of the data is automatically passed to Google Analytics, the data that is not passed can easily be accessed from AdWords reports, which will be covered in depth in Chapter 16, "AdWords Reports: Extracting Actionable Information."

Adding additional tracking parameters such as ValueTrack is necessary when you are using home-built analytics systems or other systems that do not automatically add tracking codes to your AdWords destination URLs.

When you first set up your Google Analytics account, do so from within your AdWords account. During the setup process, Google Analytics will recommend that

you auto-tag your links so that information can be passed from AdWords to Analytics. Just answer yes to this question.

If you have already set up a Google Analytics account and you are unsure whether the data is being passed, there are two things to check:

1. Navigate to Google Analytics from within your AdWords account (Tools & Analysis > Google Analytics). You will see either the Google Analytics interface (in which case you should move to step 2) or a setup wizard. In the setup wizard, there is an option to link an existing Analytics account to AdWords. Just follow those instructions to link them together.
2. Navigate to My Account > Preferences. Under Tracking (see Figure 5.5), make sure Auto-tagging is marked Yes.

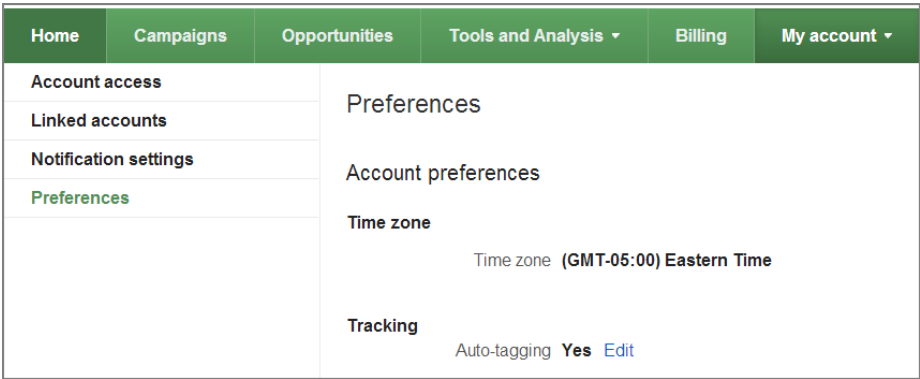


Figure 5.5 Auto-tagging AdWords data for Google Analytics

If you turn on Auto-tagging, do not manually code destination URLs with UTM variables, because Google Analytics will become confused and will often double-count your traffic or improperly account for the data. Auto-tagging inserts a tag called `gclid` into the destination URL, which is click data from AdWords that Google Analytics uses to automatically track your Google AdWords data.



Note: If you are having problems seeing your Google Analytics data in AdWords, seeing your AdWords data in Google Analytics, or connecting the two accounts together, in most cases the problem is that you are not an admin for both the Google Analytics and Google AdWords accounts. Ensure that when you are linking the accounts together and viewing Google Analytics data in AdWords you are an admin on both accounts.

The last tag you can use is the no override tag. This tag tells Google Analytics not to overwrite the cookie data for the user if there is already a Google Analytics cookie for your domain on their computer. This tag is useful if you find that many people first search for a product name and come to your site and then search again for your

brand term and come to your site and buy. In that scenario, Google Analytics will show you that the brand name is leading to many conversions and that the initial terms have zero conversions. Since the `no override` tag will not cause the cookie to be overwritten, if the user checks out at a later visit, the originally referring data, such as the keyword, will be attributed to the conversion. If you are using attribution management (assigning different conversion values to different user actions), discussed in-depth in Chapter 13, “Devising Profitable Bid Strategies,” this is a useful additional tag to employ.

Destination URLs most commonly occur at the ad, keyword, ad extension, or custom display bid level within your AdWords account. They do exist in other areas, such as remarketing (discussed in Chapter 10, “Utilizing Advanced Display Network Techniques,” however, unless your tracking system requires additional data, you do not have to set destination levels for every possible feature within AdWords. You can add additional parameters any way you want to the URL, as long as the final URL renders to an actual page in the browser.

By using custom destination URLs, you can pass certain pieces of information to your tracking, lead-generation, e-commerce, or custom database that will help you understand what keywords, ad copy, placements, and so forth are sending you high-quality traffic.

There are a few editorial policies that your destination URL must meet before it will be approved by Google. First I will cover these policies, and then I will move on to where on your website you should send the traffic.

Complying with Destination URL Editorial Policies

There are a few editorial policies that your destination URLs must follow. The first is quite simple: the URL must be 2,048 or fewer characters and resolve to an actual page. Second, the destination URL must go to the same root domain as the display URL of the ad. Table 5.3 shows examples of display and destination URLs and how they comply with the editorial guidelines.

► **Table 5.3** Display and destination URL editorial examples

Display URL	Destination URL	Editorial
CertifiedKnowledge.org	http://Certifiedknowledge.org/article name	Approved: Both root domains are the same.
CertifiedKnowledge.org/AdWords	http://CertifiedKnowledge.org/Google-AdWords	Approved: Both root domains are the same.
CertifiedKnowledge.org	http://google.com	Disapproved: Root domains (CertifiedKnowledge.org and google.com) are different.
Google.CertifiedKnowledge.org	http://www.google.com	Disapproved: Root domains (CertifiedKnowledge.org and google.com) are different.

If your display URL is longer than 35 characters, AdWords will truncate the display URL when it is shown in the search results. If AdWords is truncating your display URL, it will be useful to buy that domain and redirect it to your site. When your ad is shown often, users will start to remember your domain name, and you want to make sure that if someone types the displayed domain name into the browser the traffic goes to a site you own.

The third editorial policy also influences your display URL: all ads within the same ad group must go to the same root domain. This means that you cannot send traffic from one ad (or keyword) to a different root domain from any other ad (or keyword) within the same ad group.

If you owned two domains, such as CertifiedKnowledge.org and ewhisper.net, even if the content on both sites is the same, you could not send traffic within the same ad group to those two separate domains.

Since this editorial rule is for each individual ad group, you can send traffic from one ad group to one domain (such as CertifiedKnowledge.org) and then have the traffic from a second ad group sent to a different domain (such as ewhisper.net). Therefore, if you want to test two different domains, you can accomplish this by using two different ad groups.

The exception to this rule is proxy domains. A proxy domain occurs when a third party pulls your domain into their system before it is displayed to a user. This usually occurs when a third party is changing part of your site, such as the phone number or contact forms, for tracking purposes. In that instance, if your website is example.com and the final URL is example.proxysite.com, this is allowed because your domain and the subdomain of the proxy site are the same.

Many of the display URL and destination URL policies revolve around where to send the visitor and are intertwined with each other. Therefore, always keep the policies of both these ad copy aspects in mind when writing destination and display URLs.

Choosing Landing Pages That Increase Conversion Rates

You can send traffic to any page on your website (assuming it conforms to editorial policies), but you will see drastic differences in conversion rates depending on where on your site you are sending your paid search traffic.

The best page is the one that answers the advertiser's question. Where on your site can they receive the answer to their original search question? Another way of thinking about this concept is to send traffic to the page that is the farthest logical page in your website that starts the conversion process for each keyword.



Note: Please remember that the searcher might have to buy a product, fill out a lead-generation or contact form, or place a phone call to receive their answer. On your website, you are answering the question or showing the consumer how to receive the answer.

Consider these three points:

- People enjoy being lazy.
- People do not want more work.
- You are the expert on your website.

Why would you not choose the exact page on your site the visitor should see first? If you do not send someone to the best page on your site for the query, visitors will start to wander around your website, which will take them off the conversion path, or they will just hit the Back button and visit the next site on the list.

Taking the extra time to link your keywords or ad groups with the most specific page on your website will help keep visitors focused and moving down the buying funnel toward becoming a customer.

Choosing Landing Pages Based on the Type of Query

To best determine a landing page, you need to understand the three main types of keyword queries:

Transactional Query Transactional queries are those in which there is an intent to buy. These are often called commercial searches.

Informational Query Informational queries, or noncommercial queries, are those in which the searcher is looking for a specific piece of information or is trying to learn more about a specific item or concept.

Navigational Query Navigational queries are those in which the searcher is just trying to navigate to a specific website or web page. There is often only one satisfactory result for the user. This type of query might be *Amazon.com Prime shipping information*. In this case, the user wants to find one specific page on Amazon.com, and the other results hold little interest for the searcher.

These query types are described in detail in the following sections.

Leveraging Transactional Queries

The easiest examples to use when deciding where to send traffic are commercial-based queries. Most shopping carts have a homepage that provides navigation into category pages and from category pages to the product page. Category pages showcase all of a product type (for instance, all Samsung or all DLP TVs), and a product page highlights a single product. Although many shopping carts contain many more types of pages, almost all have these three types of pages (home, category, and product).

When examining where to send traffic, imagine, for example, someone is doing a search for *Samsung UN85S9AFXZA* (which is the part number for a Samsung Smart TV) and you send the searcher to the homepage of your site. In this instance, the visitor has to search again (or attempt to browse through your website) using the same query

they just performed on Google. This additional action of searching again is redundant and akin to giving the searcher more work. The more tasks you assign your visitors, the more visitors are going to refuse your tasks and go back to Google and look at your competitors' ads.

If you send the searcher to the Samsung Smart TV category page, the searcher then needs to look through the available selections and try to find the same TV. If your category pages do not have part numbers listed, or if the searcher knows your product under a different name than the one listed, the visitor has no idea where to go next and will often click the Back button.

If you send the searcher directly to the Samsung UN85S9AFXZA product information page, you have done the hard work of finding the best page for them. The searcher will spend less time trying to find the information and more time engaged with the information on your website. This example of a good search experience should lead to higher conversion rates.

If you know where on your website you should send traffic, why make the searcher take the time to find the information? The more freedom you give someone to wander around your site and make decisions, the lower the conversion rates you will see.

There is a balance between giving someone enough information and options to make a decision and maximizing conversion rates. Always make sure you answer the searcher's question. That and any offer made within the ad copy (such as free shipping) is the minimum amount of information you should present on your landing page.

While product searches are common on the Web and an easy first example, let's examine some different classifications of search queries to see where conventional wisdom would suggest sending the traffic.

Getting Conversions from Informational Queries

A 2007 Pennsylvania State University study, "Determining the Informational, Navigational, and Transactional Intent of Web Queries," by Bernard Jansen, Danielle Booth, and Amanda Spink (http://faculty.ist.psu.edu/jjansen/academic/pubs/jansen_user_intent.pdf), concluded that over 80 percent of all queries are informational, whereas the remaining 20 percent are about half navigational and half transactional. Often this information is misinterpreted to assume that only 10 percent of queries can lead to a purchase.

If you keep the buying funnel in mind, you are reminded that purchase decisions are usually based on research and learning before buying. While there are informational queries that cannot be monetized, often informational queries are undermonetized, and one of the most common reasons is choosing an incorrect landing page.

If a searcher does not have enough information to make a decision, even a perfectly designed sales page will not convert most visitors. In some cases, the information may be on the product page, and sending a user to the product page is the best course of action.

It is important to look at your keywords and think like the searcher. If a searcher input a particular keyword, what scenario going on in their life might have caused that search? It is that scenario that your landing page needs to address. By addressing such scenarios, you can include additional information on the landing page to help you monetize informational queries.

For instance, the query *candle burning times* is an informational query. Often the ads for this type of query end up sending the user to a specific candle type or maybe a candle product page. Those pages do not have an easy way for the user to see the burning times of all the candles.

Why would someone want to know how long different candles burn? Here are a few reasons:

- Romantic dinner
- Religious service
- Emergency lighting
- Meditation
- Halloween haunted house
- Relaxing bath
- Wedding

The list could continue with hundreds of examples. In each of those instances, you could imagine wanting to know how long a candle will burn. For example, a host would not want his candles to burn down halfway through a dinner party.

Instead of sending those searchers to a candle product page or category page, send them to a page that lists the types of candles (votive, taper, and so on) and how long those different candle models will burn. Then you can link the candle type, a call to action, or a buy-now button to the product pages so the visitor can buy the candle that best meets their needs.

Any Business Can Leverage Informational Queries

Informational queries and shopping carts are easy examples. However, the concept of answering the question and then showing a way for a searcher to do business with your company can be accomplished regardless of your business model.

In April 2008, at the height of the tax season, a search for *sales tax deduction* in Washington, D.C., yielded zero ads for accounting firms (and only four total ads, all going to search result pages of various search engines). Yet a search for *sales tax deduction* was conducted over 50,000 times in the United States that same month. During April, bids for tax-based keywords skyrocket, and many of the direct keywords such as *tax*, *tax return*, *tax accountant*, and the like become too expensive for accounting firms or software companies to bid high enough to be displayed on page 1.

In January 2010, that same search query in Chicago yielded zero ads for accounting software or firms even though the query continues to yield over 1,000 queries a month outside of tax season. In October 2013, that query had 1,600 searches and there are still no ads on the page for this query. This is another example of an informational keyword being undermonetized year after year.

What about Publishers?

If you are a publisher, such as a newspaper, most of your traffic will come from informational queries. Publishers often make money by selling ads to their advertiser base. Usually publishers are paid on an impression basis (often called CPM, cost per thousand impressions). Then the publisher buys traffic from a search engine. The difference between what they make on a page view from the ads they sold and the cost of the click they paid to the search engine is their profit (profit = income from displayed ad – cost per click.) If a searcher visits several pages, the publisher makes money on each page view. One of the key success metrics, and often a conversion action, for publishers is page views per visit. If publishers can double their page views per visit, they'll increase their profits significantly.

Publishers generally have secondary conversions, such as subscriptions. It is important for publishers to measure both page views and any secondary conversions that result from informational queries, so they can determine the true value of paid search clicks on informational queries and continue to optimize their pages to encourage more paid subscriptions.

There is often less competition on informational queries (and cheaper clicks) because they are harder for product companies to monetize, and so they don't always advertise on them. For publishers, however, this can create a big opportunity to buy more cost-effective traffic on review or breaking-news queries, to give searchers the information they are seeking, and also to sell them subscriptions.

If your accounting firm can create a page that explains what a sales tax deduction is and how your firm can help someone decide to use sales tax or income tax as their deduction, this can help your company monetize an informational query.

In this case, even if the informational query has a lower conversion rate than more commercial queries, the lack of advertisers will most likely cause this keyword to be an inexpensive click. Lower-converting, inexpensive clicks can often result in a lower cost per acquisition than a high-converting, expensive click.

Informational queries make up a large percentage of total web searches. If you treat these types of searches like transactional searches where you just send visitors to shopping cart pages or form-fills, you will not find a lot of success with informational queries.

If you answer the searcher's question first and then try to monetize the searcher based on the information you presented to them, you will have much more success advertising on information-based keywords. Never forget to answer the searcher's question. That's the searcher's primary objective for conducting a search.

Once you have answered the question and the searcher has engaged with your website, you should introduce commercial actions. Selling is not just about the best sales pitch. You need to wait for the proper moment to introduce the pitch.

Getting the Most from Navigational Queries

Navigational queries are difficult to monetize because the user is often looking for a specific company or web page and only that result will satisfy their search. For most companies, monetizing navigational queries for other companies is difficult. For example, a search for *Barnes and Noble* usually means someone wants to go to the Barnes & Noble website and does not want to go to Amazon.

You can attempt to buy some navigational queries to see how they work for your company, but they are keywords you should put in separate ad groups and watch the traffic. If these keywords are not providing clicks or conversions, feel free to delete them.

If your business is not easily found for your brand terms, website name, or business name, you will want to make sure you are buying those terms so searchers can find your website. If your product page is listed number one in the organic results for a navigational query, you should test sending AdWords traffic to a different page. Since ranking organically takes time and effort and changing a page could jeopardize your rankings, testing dedicated PPC landing pages that are built for conversions can lead to higher profits.

In addition, if you are considering a site redesign, buy the navigational keywords for the new design to see if the new design will have a positive effect on the page's profitability.

Differentiating Local Business Queries

The term "local business" is often misunderstood. A local business is one with a physical address or one that serves only a specific geographic area. This means that while the plumber down the street is a local business, so are Best Buy and JCPenney.

With local businesses, you first need to ask a few basic questions:

- Who is your target audience?
 - Locals
 - Nonlocals (travelers)
- Who travels to whom?
 - Customer travels to business (Best Buy, lawyer)
 - Business travels to customer (plumber, lawn care)
- Where are the products sold?
 - Online
 - In store

Until you answer these questions, it is impossible to determine where to send a user.

If you have both a physical store and an online store, the rules of sending traffic are similar to the commercial query information just listed. Adding conversion options, such as in-store pickup or the benefits of viewing a product in person, to your landing page gives consumers more reasons to do business with your company. If you do not sell online, the very first question to answer about local business marketing is with your target audience. Are they locals or nonlocals?

Locals know the area. They understand your specific use of geography. They want to know if you serve their area or they want directions to your business. Only after the user is satisfied with the geographic issues will they examine whether they should do business with your company. I will focus on some of these distinguishing factors of why someone should do business with you instead of your competitors later in this chapter.

Nonlocals are often business or leisure travelers. They do not immediately need to know that a hotel is located at a specific address, for example. Travelers want to know how close the hotel is to the airport, shopping districts, or major attractions. Your landing page should show what is around your location and why your hotel should be chosen over the competition.

You should not market to locals and nonlocals in the same way. These two groups have different knowledge sets about the area and different questions that need to be answered by your website. A local wants to know specific information right away. A nonlocal first needs to be reassured that they are in the correct place before moving to the next stage of evaluating your business.

These differences extend to the ad copy as well. Consider these two description lines for our example hotel:

- Located in the Water Tower Place
- 5 blocks from shopping district

Both refer to major shopping areas in downtown Chicago. A local already knows where the shopping districts are located; therefore, telling them your hotel is five blocks away does not give them additional information. Informing a local that you are in the Water Tower Place gives them precise information to make a decision about traveling to the business.

Treat Mobile Differently From Desktops

If you are advertising on both mobile and desktop devices, consider the different user intents by device. A search for *JC Penny* on a mobile device is often someone looking for driving directions or the nearest location. That same search on a desktop could be someone looking to find a store or to buy online. In that case, you would want to use different destination URLs for your navigational queries based on the device type.

Conversely, telling a nonlocal about the Water Tower is a waste of ad copy characters. If someone does not know where the Water Tower is located, why tell them your business location? Informing a nonlocal that your hotel is walking distance from the shopping district gives them the general information they need to know in planning for their trip.

With local advertising, you need to break down the messages based on the user’s knowledge of your area and by who is traveling, the customer or the business. Once a searcher is confident that your business serves their area, or they can easily travel to your business, only then should you move the visitor into the conversion funnel.

Using Segmentation Pages

There will be many times when you do not know the consumer intent of a keyword. It could be that the keyword is ambiguous or that the word could describe multiple aspects of your business. In these instances, using segmentation pages can help the consumer pick the option that describes their question. A segmentation page is where a user can self-select which aspect of your business they are interested in learning more about.

Consider a search for hotels or plane travel; is the searcher a business traveler or a leisure traveler? They each have different concerns, yet they will use the same keywords when searching for information.

The keyword *records management* is one used by businesses that often want to locate a secure storage facility for their documents. However, in many B2B industries, prices (and the sales team) are divided into small, medium, and enterprise business. Each business type has different needs. Therefore, using a simple segmentation page (Figure 5.6), you can help the user find the correct information for their business type very quickly.



Figure 5.6 Iron Mountain segmentation page

Segmentation pages are most commonly used with narrow theme sites, but they can also be useful even within a larger site to help narrow down choices. Consider the TV-buying process. You ask the consumer to select an answer from each of these bullet points:

- TV type (LED, plasma, LCD)
- TV size (63, 61, 55, 51, 43, or 28 inch)
- Price (over \$2,000, \$1,000–2,000, under \$1,000)

Once you know those three answers, you will be able to narrow down which products are most relevant to the consumer. While this is usually referred to as a category search or product refinement, the resulting page is a segmentation page, because it *segments* the products that are being presented to the user so the user can self-select which avenue to explore.

One drawback of a segmentation page is that it adds another page view and customer decision between the search query and the final conversion. The more pages in your conversion process and the more decisions you force someone to make, the higher your abandonment rate will be.

For most of your keywords, you will probably not need a segmentation page. If you have keywords that have multiple meanings or speak to different audiences, or if your website has multiple audience types, testing segmentation pages can allow you to successfully advertise on a larger set of keywords by presenting the consumer with an option for where to go next.

Using Forms as Landing Pages

The primary focus of your landing page can be a form. This approach is common if you are collecting contact information for lead generation or generating online quotes (such as insurance and mortgage quotes).

While a form can be a good landing page, be sure you are also answering the searcher's question. It is common to see a scenario where a user searched for *merchant accounts*, made it to the second page of the form, and then encountered a question such as, "What type of merchant account do you want?"

If the consumer has not learned about the various merchant accounts you offer, this question may cause them to abandon the form and start searching for different merchant account types. Make sure that product, company, or personal information you are asking for can be easily accessed from the form (Figure 5.7).

While the AdWords signup process is not perfect, it does contain important form elements:

- Easy-to-follow steps
- Short process that shows progression (top-left side)
- Ability to easily find additional information without abandoning the form
- Phone support if you need more assistance

Google AdWords

Help

Tips for getting your ad on Google

Help Center

Go

Need more assistance?

Call 1-877-721-1737 for free campaign set-up.
Mon - Fri, 9am - 5pm ET. [More](#) or [request a callback](#)

Create Google Account Set time zone and currency Verify account

Create Google Account

Hello, and welcome to Google AdWords. We're glad to have you on board! We need just a few details from you in order to set up your account. To begin creating your AdWords account, choose the user name and password you'd like to use with AdWords.

Which best describes you?

☐ I have an email address and password I already use with Google services like AdSense, Gmail, YouTube, or Google+.

☐ I do not use these other services.

Figure 5.7 The Google AdWords sign-up form contains FAQs on the left side.

Because Google is such a highly known brand, they don't necessarily need to load up their forms pages with benefits statements, but for lesser-known brands, it is a very good idea to give consumers plenty of supporting information on the form page, such as what VentureDeal does on their page (Figure 5.8).

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- We value your privacy and do not spam
- All personal information is kept confidential

Create your account: All fields required

First Name:

Last Name:

Log-In Email:

Log-In Password: minimum six characters

Confirm Password:

I'm interested in:

[Click Here to START](#)

100% Secure Server (SSL) Processing

Figure 5.8 VentureDeal adds information to their form sign-up page.

A good example of adding information to a form is the CVV (card verification value) information from your credit card. Most credit cards have a three-digit code on the back of the card that is the security information for that card. It has become a common practice to show a picture of where to find that information on the card. However, American Express is different from most cards. The security number on an American Express card is a four-digit number on the front. For some time, American Express card holders had a difficult time checking out on websites that either validated a three-digit CVV or did not show where to find the number on an American Express card.

An e-commerce checkout is also a form. While it will not be your landing page, ensuring the information a consumer needs can be accessed from your form is important regardless of where the form is on your website.

In addition, a page that is just a form is often not a good landing page because the consumer may not have enough information about your company or the products to make a decision. Your form landing pages should include benefits and calls to action within the text of the page.

In the English language, we read left to right, so it is usually best to put your text on the left and your form on the right so that searchers' eyes end up at the form after reading your content.

Because forms are such a common element of websites, I will discuss forms again in the next chapter.

Thanking Your Customers

Thank-you pages are not landing pages, but they are an essential part of your website that your converting traffic will see. If someone converts on your website, they trusted your company enough to give you a credit card number, email address, or phone number. This is the start of your relationship with a customer. A properly framed landing page can turn a simple inquiry into a relationship.

Some of the more common thank-you pages are these:

- Thank you for shopping with us.
- Thank you for contacting us.
- Thank you for downloading our whitepaper.

While these thank-you pages are essential, they may be the least effectively utilized pages on the entire Web. Thank-you pages are essential because they communicate to the customer that an action has been completed. But what does your thank-you page really say to the visitor?

- Thank you for shopping with us. You will receive an email with your shipping confirmation. Now go away.

- Thank you for contacting us. We will get back to you within 24 hours. We're finished with you until we have time to call you back.
- Thank you for downloading our whitepaper. Enjoy reading our hard work. We hope you come back one day.

One of the hardest and most expensive goals to accomplish in marketing is to acquire a new customer. It is generally cheaper to maintain a customer than to gain a new customer. Thank-you pages can be the starting place of maintaining that relationship.

Instead of making your thank-you page a place where the visitor stops interacting with your website, give the visitor additional options:

- Thank you for shopping with us. Would you like to join our loyalty program and gain 10 percent off your next purchase?
- Thank you for contacting us. We will call you back within 24 hours. Here's a whitepaper about our company and products for you to read while we find the answer to your inquiry.
- Thank you for downloading our whitepaper. Would you like to subscribe to our newsletter to stay on top of industry trends?

You can have multiple conversion funnels on your website. If your first conversion funnel is an e-commerce checkout, your next conversion funnel should be for the user to either subscribe to your newsletter or join your loyalty program.

It is also useful to cross-sell or upsell from within your website. Adding a subscription form to a "thank you for shopping" page or driving a consumer into an e-commerce experience after downloading a whitepaper is acceptable as long as the consumer is finding their information and trusting your website. You rarely want to surprise a user, but adding some twists here and there can be useful if the customer is having a good experience on your site. Of course, to find out if they are having a good experience, you need a solid analytics platform in place to make sure they are continuing on your website after seeing some of these options.

If you are a B2B company with a six-month sales cycle, do not waste the opportunity to keep communicating with a potential client. Do not just let them download a whitepaper and walk away. Let the customer download the whitepaper and then subscribe to your newsletter or request a product demonstration.

The thank-you page is a great place to test

- Loyalty programs
- Customer satisfaction surveys
- Downloads such as whitepapers or catalogs
- Offers to tell a friend or other social media options such as "Like our Facebook page"

Changing the messaging on your thank-you pages from being an ending point to a continuation point so you can keep moving visitors through your conversion funnels is essential to increasing the profitability of your company.

Crafting Perfect Landing Pages

The perfect landing page is one that answers the searcher's question and accomplishes your marketing goal. In this scenario, the searcher is satisfied with what they have acquired (which could be a new accounting firm to handle their taxes, a purchase, or a new subscription) and you have accomplished your marketing goal, which is usually what keeps your company open and in business.

There will be many times when you are not sure where to send the traffic. In these cases, you can test different landing pages and different layouts for those pages. Testing your landing pages is essential to refining your marketing efforts and receiving the highest return for your marketing investment dollars. Chapter 15, "Testing Techniques That Will Increase Profits," shows you how to test ads, landing pages, and traffic.

Choosing a landing page is the first step to sending visitors to your website. The next step is making sure visitors can easily find the information on your landing page. This means that the web page should contain the answer *and* that the web page is coded in such a way that users can both find and read your information so they can continue to interact with your website.

Employing Usability, Trust, and Web Technology

Usability is a catchall word used to describe how well users can navigate, find information, and accomplish their goals on your website. Usability is often associated with users. However, usability should also be associated with conversion rates. If users cannot find information on your website, they cannot complete an action.

If users do not trust your website, they will click the Back button. With the increasing number of phishing attacks, security concerns, and worms and viruses, users are becoming more concerned with protecting their computer and personal information. If your site does not appear trustworthy, you will see visitors quickly leave.

The purpose of providing a good experience on your website is not just so users have a better experience and will return; it also ensures they can convert and your business can make money with your online marketing efforts.

Usability is so important that entire books are devoted to the subject. In this section, I will highlight some of the most essential usability elements to ensure your website has embraced the basics.

There are two main aspects to usability and conversion analysis: technical and psychological. Technical aspects stem from the technology being used by both the visitor and the website to render the information. Different browsers, operating systems, servers, plug-ins, and your website's code can completely change how a visitor sees and interacts with your information.

The second major factor that affects your usability is psychological: how a visitor sees, understands, trusts, and is persuaded by your website. There are subtle ways of using images, color, and testimonials that can help increase your website's profit.

Using Web Technology to Implement Usability and User Security

The foundation of any website is the actual code. There are different ways you can code your website so it has the exact same look and feel. However, while your website might appear the same on the surface, there are other technical issues (such as browsers or operating systems) that might render your website differently.

The browser market is diverse, offering Internet Explorer, Firefox, Safari, Opera, Chrome, and others. Some are aimed at special market segments, such as social network users. There are three different browsers with over 20 percent of the market share each (Firefox, Chrome, and Internet Explorer). Five operating systems (Windows 8, Windows XP, Windows Vista, Windows 7, and Mac OS) have roughly 10 percent or higher market share each, so when you combine these operating systems with various browsers and dozens of ways to code your website, you create almost infinite variations of ways your website could be viewed.

Luckily, there are only a few major factors that you need to be concerned with when examining the technical aspects of usability on your website, as explained in the following sections.

Accessible Information

The text on a website can be coded in a few ways. There are usually two outcomes to the coding:

- Font size is absolute—that is, it is not rendered smaller or larger in a browser.
- Font size is relative; it can be rendered smaller or larger in a browser.

If your website that sells eyeglasses is coded in absolute font and a searcher has their browser set to show larger text (Figure 5.9), the searcher will still see your small text. If someone cannot read your website, they cannot convert on your website.

It is important to take a look at your demographics. If your website caters to groups that use screen readers or surf your website while viewing a larger font size, ensure that they can view your information in their preferred font size. Do not take away someone's ability to read your site.

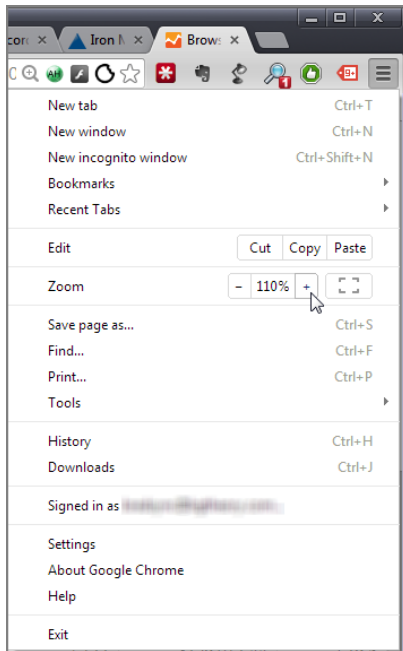


Figure 5.9 Resizing text in Chrome

Browser Compatibility

Different browsers render sites in different ways. Your site could look one way in Firefox and another way in Internet Explorer. You should surf your website, check out, test your contact forms, and so forth in the browsers used by your visitors to ensure that they can convert on your website regardless of their browser choice.

w3schools.com maintains global statistics on browser, JavaScript, screen resolution, and many other web stats. As of September 2013, w3schools.com reported browser market share as follows:

1. Chrome (53.2%)
2. Firefox (27.8%)
3. Internet Explorer (12.1%)
4. Safari (3.9%)
5. Opera (1.7%)

You can view the updated information at this URL: www.w3schools.com/browsers/browsers_stats.asp.

Combined, Firefox and Chrome have an 80 percent market share. If your website worked in both browsers, could you assume that 80 percent of all traffic could view your website?

The answer is an absolute no. These numbers are global statistics and may not apply to your site at all.

For instance, my blog's (<http://CertifiedKnowledge.org/blog>) statistics (Figure 5.10) show a very different picture of Safari and Internet Explorer browser usage.

<input type="checkbox"/>	Browser	Acquisition			Conversions All Goals ▾		
		Visits ? ↓	% New Visits ?	New Visits ?	Goal Conversion Rate ?	Goal Completions ?	Goal Value ?
		310,381 % of Total: 100.00% (310,381)	78.55% Site Avg: 78.50% (0.06%)	243,791 % of Total: 100.06% (243,634)	0.69% Site Avg: 0.69% (0.00%)	2,142 % of Total: 100.00% (2,142)	\$202,632.00 % of Total: 100.00% (\$202,632.00)
<input type="checkbox"/>	1. Chrome	169,042	77.75%	131,430	0.73%	1,233	\$129,597.00
<input type="checkbox"/>	2. Firefox	75,655	80.56%	60,945	0.84%	632	\$51,785.00
<input type="checkbox"/>	3. Safari	28,852	74.02%	21,357	0.44%	127	\$10,511.00
<input type="checkbox"/>	4. Internet Explorer	22,747	88.56%	20,144	0.57%	130	\$9,531.00

Figure 5.10 Safari leads to more revenue than IE on my blog.

In fact, when Chrome had less than 10 percent market share, my blog was almost 35 percent Chrome usage, and Firefox was about half. I have not seen Internet Explorer higher than 15 percent market share for more than four years on my blog. I work with one site that sees more than a third of their traffic from Safari (Figure 5.11).

Browser	Acquisition			Conversions eCommerce ▾		
	Visits ? ↓	% New Visits ?	New Visits ?	Transactions ?	Revenue ?	Ecommerce Conversion Rate ?
	149,687 % of Total: 100.00% (149,687)	74.54% Site Avg: 74.44% (0.13%)	111,579 % of Total: 100.13% (111,430)	5,299 % of Total: 100.00% (5,299)	\$835,180.68 % of Total: 100.00% (\$835,180.68)	3.54% Site Avg: 3.54% (0.00%)
1. Safari	52,404	68.57%	35,932	1,722	\$259,072.44	3.29%
2. Internet Explorer	46,977	78.30%	36,782	1,971	\$292,014.07	4.20%
3. Chrome	25,446	75.35%	19,174	831	\$150,309.31	3.27%
4. Firefox	17,681	78.08%	13,805	677	\$123,169.86	3.83%

Figure 5.11 Safari and IE lead Chrome on this e-commerce site.

If you examined the global browser usage statistics, you might not even test your site in some browsers. This is why you should look at your analytics system to determine what browsers your visitors are using.

Note: Never rely on global statistics to show you the entire picture of your site. Use actual data to determine how your site needs to be coded for your visitors.

When testing your website in different browsers, install just the default version of the browser, since many people do not change the default settings. Here's how to do so in Internet Explorer: choose Tools > Internet Options > Advanced Options. There you can reset the browser to its default conditions (Figure 5.12).

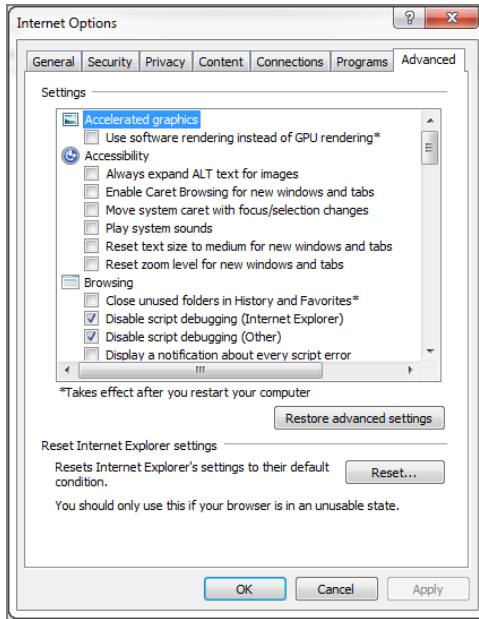


Figure 5.12 Advanced Internet Explorer options

There are many errors you can tell your browser not to display to you again. If you choose not to see these errors, you cannot find them when surfing your website.

In general, look to see which browsers contribute more than 5 percent of your traffic (if you see a browser with a small percentage of traffic but a high conversion rate, you should also include it) and keep a default installation of those browsers on your computer. For Firefox, you can add a new profile that contains the default settings.

When you make changes to your site, load up each browser and surf through your site. Are there navigational elements that are not loading? Check out on your site (or complete all conversion activities); are there some actions you cannot accomplish?

There are also services, such as AnyBrowser.com (<http://anybrowser.com/siteviewer.html>) or Browser Shots (<http://browsershots.org/>), that help you see your site in different browsers. There is no substitute to having someone check your site in an actual browser, but sometimes these services are useful if you do not have multiple operating systems (especially for mobile devices and tablets) or computer types (such as a Mac) in your office.

In addition, often a developer browser version is launched before the final public version. Your design team can test your website in new versions—before your customers think your site is broken.

Enhancing Browser Functionality: Flash, Java, and Plug-ins

Most plug-ins are optional. Installing Firefox does not mean your computer suddenly has PDF support. Adobe Flash, for example, is essential for seeing graphics on particular websites (Figure 5.13). But ask yourself: Do your visitors want to see the graphics enough to install something unknown on their computer?

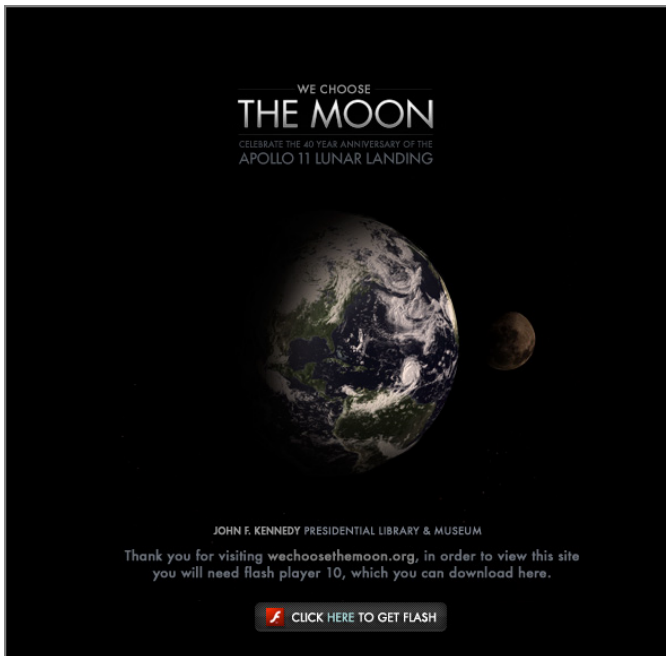


Figure 5.13 Apollo 11 Lunar landing celebration page without Flash installed

Most users will not install additional software to view a page. In some cases, it could be that their browser does not support particular plug-ins (especially on a mobile device or iPad). Other users do not trust plug-ins because they don't know what side effects they might encounter with their computer or browser. Rather than extend the functionality of their browsers, these users are cautious and no amount of cajoling will ever get them to install a plug-in. It is just as easy for these users to find similar products or services on a different site. This is where your analytics system can let you know how many of your visitors do not have Flash, Java, or other plug-ins installed. If your website uses plug-ins, and even 10 percent of your users do not have support for those plug-ins, you are immediately lowering the number of possible conversions on your website.

It is also important to note that robots (programs that search engines use to index the Web) have only a rudimentary understanding of Flash and other scripts. If your navigation is in all Flash or all JavaScript, a robot might not be able to index your entire website.



Note: There are two plug-ins for Firefox that make it easy to view your website without certain features (such as Java or CSS) enabled. The first is a powerful plug-in called the Web Developer toolbar. The second is FlashBlock, which simply turns Flash on or off.

I'm not saying that you should not use Flash or other plug-ins across your website. Just be aware of your users' browser capabilities to ensure they can navigate and convert on your website based on how your website is coded.

Is Your Website Fast for Everyone?

The numbers for U.S. broadband penetration rates vary significantly. Some studies say that more than 85 percent of users have broadband at home. Others claim that more than 50 percent of the country still does not have broadband. The issues that come into play that create such a wide span of statistics are broadband type (DSL, FiOS, cable), ISP traffic throttling, and how fast a connection has to be before it's considered high speed.

Regardless of the numbers involved, the United States and Canada have a large number of users who are on slow networks. Typically, rural areas have slower connections than urban areas, but even in urban centers, there are plenty of users on slow connections. In Europe, during the summer of 2013 when some large broadband studies were conducted, it was estimated that Europe has 72 percent broadband penetration, meaning more than one in four people are still on slow connections.

Impatience is a common human trait. People with slow connections are not granted more patience than those on broadband connections. Therefore, you should consider how long it takes your site to load on all connections. Are you losing visitors because all your images are high resolution? They may take only a few seconds to load on your connection but five minutes to load on a dial-up connection.

Examine your analytics to see if you have a large percentage of visitors on slow connections. If 99 percent of your visitors are using broadband, it might not make financial sense to add another version of your website.

Securing the User's Data: SSL Certificates

Users are becoming increasingly aware of and concerned about the security of their data online. If you accept personal information, especially credit cards, having an SSL certificate is a necessity.

Secure Sockets Layer (SSL) and the newer Transport Layer Security (TLS) encrypt data sent from a browser to a website so the data is harder to intercept and provide greater security for the users' information. Most host providers can help you set up a security layer for your website. VeriSign and GeoTrust are two of the leaders in providing security for websites.

It is useful to not just have a security layer for your website but to also let users know their data is secure. This can increase users' trust of your website and help increase conversion rates.

When adding secure layers, look through your website for one of the most common errors on the Web: the browser message that some content on the page is not secure (Figure 5.14). The error shown in Figure 5.14 is for Internet Explorer; each browser displays security error messages differently.



Figure 5.14 Security error warning

Usually—but by no means always—this error does not have a nefarious cause. It most commonly occurs when a logo or script is being rendered on a secure page from a nonsecure server. To fix this error, view the source of your web page (either by right-clicking and choosing View Page Source or navigating to the View menu and choosing Page Source), and look for images, scripts, and other files where the source is http instead of https.

The worst error is when the browser interrupts the process of loading a website, informs the searcher that there is an issue with the website's security certificate, and asks if they want to continue (Figure 5.15). This keeps any part of the page from loading until the user has made a choice. If a user sees this screen instead of your website after clicking on an AdWords ad, their most likely action will be to leave the website immediately.

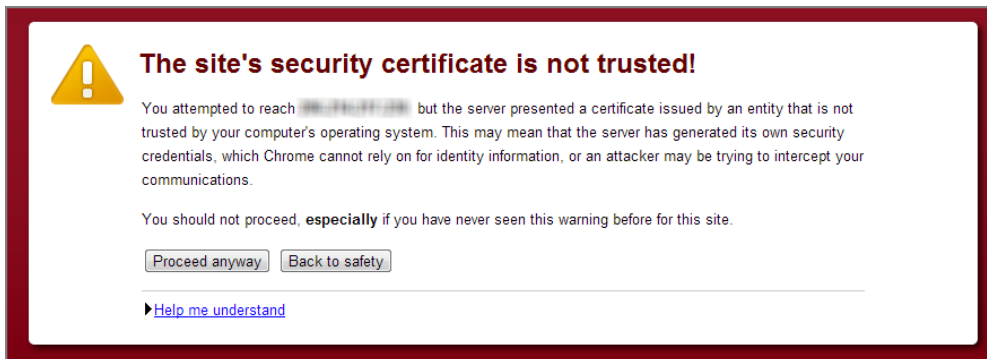


Figure 5.15 Problem with a website's security certificate in Chrome

Data security is going to continue to be an important concern. Do not let easy-to-fix technical issues lower your conversion rates. Keep your customers' data safe and let them know that the information they send you is secure.

Is Your Information above the Fold?

What a consumer first sees in their browser when your website loads is known as *above the fold*. This is information the visitor sees without having to scroll down. It is your website's first impression.

The most complex issue with the above-the-fold concept is that monitors come in all shapes and sizes. Some laptops have only nine-inch monitors, while some wide-screen monitors are more than two feet wide. This creates a scenario where there is no definite above the fold that you can code into your website.

This is another place where your analytics system can tell you about your visitors (Figure 5.16). While w3schools.com does publish statistics about the most common browser resolutions, those stats do not necessarily apply to you. If your target audience is business travelers, you may see some very small browser resolutions with the advancement of ultraportable laptops. If your audience is web developers, you may see some extremely large browser resolutions.

Primary Dimension: [Browser](#) [Operating System](#) [Screen Resolution](#) [Screen Colors](#) [Flash Version](#) [Other](#)

Plot Rows

Secondary dimension

Sort Type: Default

Screen Resolution	Acquisition			Conversions		
	Visits ? ↓	% New Visits ?	New Visits ?	Goal Conversion Rate ?	Goal Completions ?	Goal Value ?
	310,381 % of Total: 100.00% (310,381)	78.55% Site Avg: 78.50% (0.06%)	243,791 % of Total: 100.06% (243,634)	0.69% Site Avg: 0.69% (0.00%)	2,142 % of Total: 100.00% (2,142)	\$202,632.00 % of Total: 100.00% (\$202,632.00)
1. 1920x1080	53,895	75.07%	40,459	0.72%	388	\$43,778.00
2. 1366x768	52,897	80.95%	42,822	0.82%	433	\$41,014.00
3. 1440x900	30,007	76.36%	22,913	0.80%	240	\$22,990.00
4. 1280x800	27,757	79.62%	22,100	0.70%	193	\$14,306.00
5. 1680x1050	22,843	77.82%	17,776	0.61%	140	\$10,751.00
6. 1280x1024	19,553	81.40%	15,917	0.56%	109	\$11,286.00
7. 1600x900	19,490	78.64%	15,327	0.72%	140	\$9,962.00
8. 1920x1200	16,427	78.09%	12,828	0.64%	105	\$12,194.00

Figure 5.16 Google Analytics showing visitor browser resolutions

Harald Weinreich, Hartmut Obendorf, Eelco Herder, and Matthias Mayer in 2006 published a paper titled *Off the Beaten Tracks: Exploring Three Aspects of Web Navigation*, in which they examined where people clicked after arriving at a website. Table 5.4 highlights why showcasing your most important information—especially

the actions you want someone to take—at the top of your website can dramatically increase conversion rates.

► **Table 5.4** Where users click

	Visible Area	Right of Visible Area
Visible area	76.5%	0.3%
Below visible area	23.1%	0.1%

Since more than three-fourths of all clicks occur in the area that loads above the fold, you always want your call to action, major benefits, and conversion actions above the fold. Users do not scroll to the right. If you have a website where a user has to scroll horizontally to see more of your website, most visitors will never see that information.

While that study is now seven years old, the statistics are still very reliable. If you run full tests on your site, you will usually see that most actions are still taken above the fold. If you have longer pages, what usually happens is searchers will read the information above the fold and then scan the information below the fold.

Note: The Firefox add-on Firesizer or the Chrome plug-in Resolution Test allows you to see your website in different resolutions. These are useful plug-ins to quickly view how your website looks in different browser sizes.



The concept of above the fold is both a technical concept—it concerns your website’s coding—and a psychological one—it showcases human behavior and where consumers look for information. The proper coding and security of your website can increase your website’s usability and trust. These concepts can be enhanced by examining additional psychological factors that help your website convert browsers into buyers.

Psychological Factors That Increase Conversion Rates

It is easy to get caught up in a world of statistics that make you blind to the person sitting behind the computer. Stats do not pull out their credit card and buy from your website. You need to convince the human who is referenced in those statistics to pick up the phone and call your business.

Next you will see several ways your website can convey trust and usefulness to the user.

Testimonials and Reviews Lead to Sociability

There are two truths about humans that have been proven over and over again in studies:

- People act differently when they are alone than in a group.
- People conform to those around them.

Often the word *conform* is taken harshly, but try these two experiments and see what happens:

- During a face-to-face conversation, keep looking over someone's shoulder at something in the distance.
- Stand in the middle of your office (or on a street corner) and stare up.

How long did it take for someone to stop and try to determine where you were looking? Humans are social creatures, and we want to feel included within the group around us.

Browsing the Web is an isolated activity. Rarely do searchers sit on the couch with a group of friends and search for information. Rarely do searchers have someone sitting next to them telling them where to click next or to scroll down the page. Therefore, you need to find ways to make the solitary activity of browsing the Web more social and instill a sense of being included in a group; doing so can change the way people feel about your site. The most common example of this is the use of testimonials and reviews. These items are closely related because they are the words of actual people who have used a product or a company's services.

When reading reviews or testimonials, people are no longer alone. They no longer have to form an opinion about a website by themselves. Now a searcher can incorporate the opinions of others in forming their decision about a product or service that your company offers.

Featuring testimonials or reviews on your landing pages or the page where someone is making a decision about using your service (or buying your product) often leads to higher conversion rates.



Note: Be careful about using fake reviews or testimonials. The old axiom about “if something looks too good to be true, it usually is” also applies. Often reviews contain some positive and some negative information. People have different writing styles, and the adjectives and phrases used in reviews should vary accordingly. It is generally easy to spot fake reviews. This can hurt your credibility more than not having reviews in the first place. In addition, there have recently been lawsuits against sites posting fake reviews since these are against advertising laws in most countries, so fake reviews and testimonials can end up with you having to defend your site in court.

Testimonials are usually positive, but allowing some testimonials that contain both positive and negative information shows that you are human like everyone else. This is something to test, not just blindly incorporate. For example, a testimonial might say, “Phil’s Accounting Service did our taxes quickly and saved us a couple thousand dollars, but they are slow to respond on the phone and prefer communicating via email or in person.” There will be some people who do not care that Phil is slow on the phone, because they prefer email communication. In this case, the negative information that made the review seem honest is actually positive for some people. Other searchers

will just like the fact that Phil saved people some money and will want to see how Phil can help them.

You can also incorporate social media elements such as Facebook likes and shares, Google +1s, and tweets. However, there is no substitute for actual testimonials on a page no matter how many people “liked” your company.

Just remember, your primary goals are to ensure that your visitor feels part of a group and to raise your conversion rates. If your reviews and testimonials are not changing conversion rates, you need to examine why that is happening. We all like to feel included. Utilizing testimonials, reviews, or other social aspects in your website can help turn a solitary decision into an easier one as the searcher joins a group that has already enjoyed using your company.

Associations: What Company Do You Keep?

Many industries have governing bodies, associations, and networks that are well recognized within that particular industry. Showing which associations you are a member of is another way to instill trust in your visitors. You may be able to go beyond just showing your associations to why you are a market leader. Include any awards received within your field, speaking engagements, press clippings, and other demonstrations of authority to your visitors.

For example, at this point you have read almost five entire chapters of this book, yet you know little about the author. If I were to show just a small sample of associations and statements that I have been able to use over the past few years for myself or companies I have worked for, the list would look something like this:

- Google AdWords Seminar Leader
- Google AdWords Partner
- Google AdWords Qualified Company
- Google AdWords reseller
- Bing Accredited Professional
- SEO class speaker
- SEMMY runner-up
- SEMMY nominee
- Member of the American Marketing Association
- Member of the eMarketing Association
- Member of Search Engine Marketing Professional Organization (SEMPO)
- Speaker at SES Latino
- Speaker at ad:tech Latino
- Speaker at Search Engine Strategies Chicago, New York, San Jose, San Francisco, and London

- Speaker at Search Engine Strategies Local
- Speaker at Search Marketing Expo (SMX) Local, Advanced, New York, San Jose, Munich, Sydney, and Milan
- Speaker at Pubcon Boston, Vegas, and New Orleans
- Speaker at Afri-Tech in Kenya
- Speaker at AdWords Days in Germany
- Local Search Ranking Factors contributor
- Search Engine Land columnist
- Spent more than 2,000 hours in the past four years speaking to groups of people across four continents and dozens of cities about marketing and entrepreneurship.

By now, most readers will have a different opinion of the material they are reading based on the author's authority. This is due to our ever-changing expectations based on the information we have with which to make decisions. While I listed many associations, there is no mention of any business I've worked with or worked for; it is only a list that helps to gain trust.

It can be useful to also show your partnerships and featured clients. Most people will assume that if a company chose to work with you, that company did their due diligence in researching your company before engaging your services. This statement is even truer if the featured client is a well-known business. Most people assume that Amazon does more research than Joe's Used Books in choosing a partner. Essentially, there is transference of trust from the featured client or partner to your business.

People are also visual, and images instead of just bullet points can quickly show your authority. If you can use association seals or images, they can help break up the text on the page with subtle reminders of your authority.

Finally, this authority also works with companies and company logos. Here is a small sample of companies that I have worked with or that attended some of my trainings (Figure 5.17).

The goal is for visitors to be able to examine your company and quickly find reasons why you are a better company to engage with than your competitors. If you have symbols of authority, or memberships in organizations such as the Better Business Bureau or Chamber of Commerce, test using them on your website.

Using Coupons or Discounts

A common marketing tactic is to offer coupons or discounts. If you use either of these items in the ad copy, make sure you also show the same offers on your landing page.



Figure 5.17 Sample companies Brad Geddes has taught or worked with over the years

It is common to see a discount code listed in an ad. The user clicks to the landing page and does not see the discount code. They navigate through the site, add items to the shopping cart, and go to checkout. If they cannot remember the code, they often go back to the search engine to try and find the code. If the searcher cannot find the same ad again, they can become frustrated and may abandon the cart completely.

Reinforcing the discount code on the landing page, or even adding the code to a navigational frame so that it stays with the user throughout that visit, can help increase conversion rates. The visitor will not have to abandon the shopping cart to find the coupon.

Using coupons is also a way to track in-store shopping. If you have both a physical store and an online store, it can be difficult to see your marketing effectiveness. By tracking in-store coupon redemption from your AdWords visitors, you can start to see if your AdWords campaigns are driving visitors into your store.

The end of 2008 saw a higher increase in searches for coupons and discount codes than previous months, and that trend has continued for several years due to both the economy and the ease of finding coupons on the Web. In a down economy, consumers become more price conscious. By not only advertising discounts but buying those keywords on your products (*discount TV*, *TV coupon*), you can bring additional visitors to your website.

Using coupons is also a way to increase customer loyalty. If you have an email marketing list, make sure you showcase your coupons in your newsletters. Consumers like deals. The deals could be for a coupon, free newsletter, free consultation, or special

discount. Find unique ways to give your customers a deal, and they will reward you with more orders.

Using Images to Direct a Consumer's Focus

People are drawn to images of other people—that is a well-known fact. We are compelled to not just look at images of people but to look closely at their faces. Earlier in this chapter, you saw how if you look behind someone while talking to them, the person will turn and look at where you are looking. The same thing happens on the Web with images of people. If you have a face on your website, searchers will follow the eyes in the picture to see where they are looking.

If your image is at the bottom-right corner of the page, often consumers will skip your text content to look at the image. If the image is then looking down and to the right—where if you drew a line from the eyes they would be looking off the monitor onto the desk—the searchers' eyes will no longer be on your website but distracted by elements on their desk.

Make sure that if you use faces on your website the image is looking back into your content at either your major benefits or the Submit button, where you want them to take action. Images are excellent to use on websites because they break up the monotony of text. However, you must make sure that the image is enhancing your conversion rates and not distracting your visitors.

Coding for Color Blindness

Approximately 8–10 percent of males have problems distinguishing between red and green. Another 1–2 percent of the population has problems perceiving the difference between blue and yellow. Less than 1 percent of women suffer from any form of color blindness.

Examining your site in grayscale can allow you to determine whether your text can be read against your background. If you use red text and a green background, some might only see a gray page with no visible text.

Additionally, never rely on just color-based instructions, such as “click the red button to proceed.” Always label website elements.

What Color Is Your Website?

The subtle use of color is another way to subconsciously influence your visitors. Here are some common color associations:

- Green conveys trust or money.
- Red conveys aggressiveness.
- Blue is calming.
- Black and white are neutral colors.

However, even within colors there are variations of meaning. Deep purple is associated with royalty and riches whereas light purple is romantic. Experimenting with color on your website can lead to combinations that are highly effective; just be careful with your meanings.

Red might seem like a good color for a DUI attorney since they need to go in and fight. Red is probably not a good color for an estate planning attorney. Green conveys both trust and money, which is a good color if you are a nonprofit trying to attract donations, but it might make you seem expensive if you are selling stocks.

You must also be careful with overuse of a color. Looking at blue for too long can cause one to go from a calm state to almost a depressed state (that's why it's called "the blues").

White works well with any other color, and it is easy to read black text on a white background. In general, you do not want to overdo background colors where someone must spend a lot of time reading. A poorly chosen color scheme can doom your website to failure. In the United States, Canada, and Western Europe, most users prefer light background colors, with other colors used to denote different aspects of a website (such as sidebars, navigation bars, and headers). Most websites should not be bold and sparkly, but that is not always true if you are trying to reach a younger demographic, for example. This is why it's important to test different color schemes (more about testing in Chapter 15).

Beyond just your website's navigation bar and sidebars, experiment with the color of your Submit button. A red Submit button on a white and blue page stands out from all other elements. If your page only has one or two conversion activities, using a different color for those actions can help those items draw visitors' eyes.

Buttons vs. Text Links for Conversion Activities

Most websites have several links on any one page. If your call to action is also a link, it can get lost in the myriad of other links and text on the page. A button stands out from the rest of a page, making it more effective than a text link, and it invites the visitor to take action.

Consider the three possible links shown in Figure 5.18. Which stands out the most to you?



Figure 5.18 Button and text links

If you use buttons, use only one or two on a page. You do not want to overuse them so they no longer stand out. Changing your main actions (such as add to cart,

check out, subscribe, download, and so on) from a link to a button should have an effect on conversion rates.

Privacy Policies

Privacy policies are at a crossroads in several countries. In the United States, a privacy policy is not always required (please note that in some states it is required). However, once you create a privacy policy it becomes a legal document that you must follow. This is a general statement and not necessarily true for all industries and company types. Some companies, such as public, private, and governmental, have different requirements in many countries than a typical small business website. In some countries privacy policies are mandatory. In others you must have a cookie policy in addition to a privacy policy. Understanding your country and local laws is essential to making sure you are following the proper policy procedures for how you are governed.

Adding a privacy policy can be a difficult choice for a company to make if they are in an area where one is not required. There will be users who look for a privacy policy before submitting their information. If you wish to maximize your conversion rates, adding a privacy policy should help. In addition, one of Google's mantras for websites is transparency to the user. Google suggests that websites have privacy policies. They require them for AdSense publishers but not for advertisers. However, Google does require that if you collect personal information you inform the user how it will be used. It does not have to be a separate document, but the information must be on the page or linked to in a privacy policy. Falling in line with Google's guidelines often leads to higher quality scores.

Your privacy policy could state, "We will sell your data to anyone who is willing to buy it." Now, that might not increase conversion rates for those who read it, but if you are trying to be transparent to the user, at least they know what will happen if they give you their email address.

Everyone is concerned about spam these days. Most searchers want empathy and reassurance more than they want to read through an entire privacy policy. Just by adding a small message to your Submit button (Figure 5.19), you can help reassure your visitors that they will not end up with spam from your company.

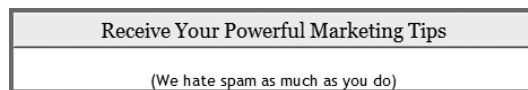


Figure 5.19 Add empathy and a benefit to your Submit button.

Your Website's Usability Goals

Many books are available that are devoted to website usability. There is no way to cover all of the possible tricks and elements in just one chapter. I have also examined

conversion elements such as associations (and you will learn more about increasing conversions in the next chapter). What you should take away is that your website should accomplish these tasks:

- Allow the customer to find the answer to their question
- Allow the searcher to easily find information about your products and services
- Allow the customer to be able to access that information regardless of their browser, operating system, or eyesight
- Instill a sense of trust
- Showcase your authority
- Protect the privacy and data of your customers
- Make the conversion process easy

If your website can accomplish these goals, you can engage the customer and hold their attention. This is the first step to increasing conversion rates: making sure your website is accessible, readable, and trustworthy. If you cannot accomplish these three actions, the quality of your services and products do not matter, because searchers will not stay on your website long enough to learn more about your offerings.

Your landing page is the first impression a visitor has about your website. Therefore, you should closely examine the usability and conversion paths of your landing page. Most websites are not a single page, so incorporating these elements over your entire website is also a must for increasing your website's effectiveness.

Best Practices for Landing Pages

Devising the right landing pages is a crucial technique for converting searchers into buyers. A misstep here can send potential customers back to square one or to rival sites. The following are issues that you must address to enhance your potential for success:

- Make sure that your landing page answers the searcher's questions—not the search query itself, but the searcher's need to know whether your site can fulfill their needs.
- Craft the destination URL to comply with Google's editorial policy and to add additional tracking information that you can utilize to see how AdWords visitors navigate and convert on your website.
- Send the user to a page on your site that is the farthest logical page within the buying funnel for your website or a page dedicated to the search query.
- Correctly directing AdWords traffic is crucial. To do so, you need to understand the different types of user queries: transactional, informational, and navigational.

- Your site must be user friendly and trustworthy in the mind of your potential customer. You can accomplish these goals by understanding web technologies and using those technologies to your advantage.
- Use testimonials, reviews, and certifications to show that not only can your website be trusted, but your business can be trusted as well.

By using the techniques in this chapter, you will be able to achieve a good conversion rate. In the next chapter, I will examine techniques for bringing more visitors to your site and ways of increasing the conversions of those who view your landing pages and interact with your website.

Learning Advanced Optimization Techniques

Once you have done the difficult part of choosing keywords and writing ad copy and put them online, you will start to see some results from your campaigns. Based on these results, you can optimize your account in a few ways.

The first optimization technique increases traffic to your website. This chapter shows you how to gain more impressions and more clicks for your account. Then, once you have visitors, you'll learn how to gain more page views from them.

The second optimization technique increases conversion rates. You'll learn how to increase these rates and explore additional conversion types that help move your visitors through the buying funnel.

6

Chapter Contents

Optimizing for traffic

Optimizing for conversions

Best practices for advanced optimization techniques

Optimizing for Traffic

The most common analytics metrics to examine for any website are total page views and unique visitors. How many different people visited your website? How many page views did those visitors generate? These metrics are useful because they give a high-level picture of your website's visibility.

Although these are common metrics for website measurement, they can also be applied to any AdWords advertising campaign. How often were your ads shown (ad impressions), how often were they clicked, and how engaged were those visitors with your website (page views or conversion rates)?

These numbers are important because they will direct you to the type of traffic optimization you need. If you have a good click-through rate (CTR)—clicks divided by impressions—you need more impressions. If you have plenty of impressions but very few clicks, you need to raise your CTR.

Publishers are often paid per page view by selling cost per thousand impressions (CPM) ads. In that case, a conversion can be counted for each page view, and increasing page views per visitor has a direct influence on the site's profitability.

You might also find increasing page views useful if you have an e-commerce or a local business website, especially if you have one customer recruit another to visit your website, or if you want more total visitors to see your offerings. These viral characteristics can result in multiple customers from a single click on one of your ads.

First, we will look at techniques for increasing traffic to the website. Then we will examine various methods designed to help you generate even more traffic from a single click.

Exploring Strategies to Show Your Ads More Often

Before you can determine how to receive more ad impressions, you need to know why your ad is not being shown in the first place.

The first setting to examine is your daily budget. If you are spending your entire daily budget every single day, odds are you are capping your impressions due to budget limitations. In this case, you have two options:

Raise Your Daily Budget If you raise your daily budget, your ads should be shown more often. Your CPC (cost per click) and cost per conversion should remain stable.

Lower Your Bids If you lower your bids, your ads may receive more impressions and clicks for the same budget. This is not a guarantee, since some of your keywords may not have a high enough CPC to be displayed on page 1, which will end up lowering your total impressions.

If your goal is to increase ad impressions and your average ad position is 5 or better, it is usually best to lower your CPCs to get more impressions. If your average

position is below the 5th position, lowering your CPCs may or may not gather more impressions. This average position is a rough guideline, because sometimes there are 12 ads on a page, and other times there may be a maximum of 8 depending on how many ads are shown above the organic results (more about the premium ad slots when we discuss Quality Score in Chapter 7, “Demystifying Quality Score”).

Note: The two most common factors that limit ad exposure are ad scheduling (Chapter 13, “Devising Profitable Bid Strategies”) and geographic settings (Chapter 11, “Utilizing Advanced Geographic Targeting Techniques”). If you have chosen to only show your ads between 1:00 a.m. and 2:00 a.m. in Fargo, North Dakota, for example, you will not see many impressions.



When you lower bids, there is no guarantee that your conversion rate or cost per conversion will stay the same. If you do not want to spend more but want to receive more clicks, then lowering bids is useful. However, daily budget is the most common reason your ad is not being shown. If you are not reaching your daily budget, or would like more information about why your ads are not being shown even if you are reaching your daily budget, the first step is to run the impression share report.

Creating and Reading an Impression Share Report

The *impression share report* is the name the industry has adopted for one of the AdWords reports. This report tells you the percentage of times your ad was shown when it was eligible to be shown and the reasons it was not displayed. For instance, if you set your ad to be shown only between 1:00 p.m. and 2:00 p.m. then the search impression share report will only report on available search impressions during that one-hour time period. Even though your ad scheduling limitations means you will only get 1/24th of all search impressions available across the whole day, the purpose of the search impression report is to tell you how visible your ads are when they are supposed to be running according to your scheduling. Impression share reports are available for both search and display, and the data can be viewed at campaign, ad group, and keyword levels for most of the reports.

To create this report for search campaigns, navigate to the Campaigns tab and customize your columns (Figure 6.1). Then, in the Competitive Metrics category, select these fields:

- Search Impr. Share
- Search Exact Match IS
- Search Lost IS (Rank)
- Search Lost IS (Budget)

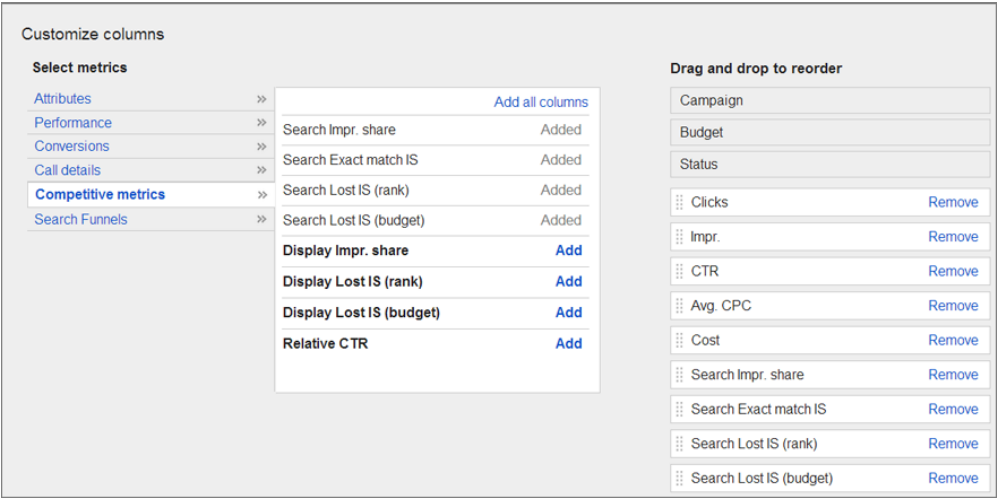


Figure 6.1 Creating an impression share report

Once you select these columns and click Save, you will see your ad impression share data and reason why your ads may not be showing 100 percent of the time (Figure 6.2).

Campaigns Ad groups Settings Ads Keywords Audiences Ad extensions Auto targets Dimensions Display Network													
All enabled campaigns Segment Filter Columns Search													
+ CAMPAIGN Edit Details Bid strategy Automate Labels													
		Campaign	Budget ?	Status ?	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Search Impr. share ?	Search Exact match IS ?	Search Lost IS (rank) ?	Search Lost IS (budget) ?
		Search Negative (not performing adsets)	\$33.00/day	Limited by budget ?	5,408	178,352	3.03%	\$1.93	\$10,435.82	< 10%	< 10%	7.27%	88.13%
		Standard Negative (not performing adsets)	\$20.00/day	Limited by budget ?	1,143	27,197	4.20%	\$1.84	\$2,100.94	26.21%	25.81%	20.12%	53.68%
		Flare Associates	\$15.00/day	Eligible	1,295	52,304	2.48%	\$0.55	\$717.62	30.78%	99.90%	69.22%	0.00%
		Flare Product Listing Ads	\$155.00/day	Limited by budget ?	7,750	197,640	3.92%	\$2.94	\$22,796.78	--	--	--	--
		Search Topics (TV)	\$75.00/day	Limited by budget ?	8,948	283,943	3.15%	\$2.46	\$21,993.17	54.10%	61.43%	34.06%	11.85%
		Search Negative (PPC, TV, LAR, MLC, & TV)	\$70.00/day	Limited by budget ?	7,412	261,337	2.84%	\$2.24	\$16,624.02	24.06%	16.50%	20.53%	55.41%
		MLL - Supermarket Search - Shopping/Tables	\$120.00/day	Limited by budget ?	10,001	146,000	6.85%	\$2.52	\$25,206.97	48.47%	39.23%	2.34%	49.19%
		Total - all enabled campaigns			41,957	1,146,773	3.66%	\$2.38	\$99,875.32	15.66%	15.92%	13.68%	70.65%
		Total - Search ?			41,957	1,146,773	3.66%	\$2.38	\$99,875.32	15.66%	15.92%	13.68%	70.65%

Figure 6.2 Reading the impression share report

Impression Share Report for the Display Network

Impression share reports are also available for the display network by following the same steps and selecting the Display Impression Share options shown in Figure 6.1. One additional report available for display ads is Relative CTR. This is your CTR in relation to your competitors'. A 1 means your CTR is roughly the same as your competitors', anything below 1 means your CTR is worse than your competitors', and anything above 1 means your CTR is better than your competitors'. If you are trying to increase your ad exposure on the display network and your relative CTR is lower than your competitors', then you will often want to first start your optimization with ad testing.

You will see your typical interface and other data columns along with the impression share statistics. Each row represents a different campaign. Search Impr. (Impression) Share (IS) represents the percentage of time your ads were shown. In this instance, the ads were only shown from less than 10 percent to 54 percent of the time when they were eligible to be shown. *Eligible to be shown* means the number of times the searcher could have seen your ad, based on your campaign's ad scheduling choices, network options, keyword choices, and geography.

When your impression share is 85 to 95 percent or above, depending on how many advertisers are in your industry it is difficult—sometimes impossible—to raise your impression share. This is due to the sheer number of ads and advertisers Google is trying to serve.

Search Lost IS (Rank) shows the percentage of times your ads were not shown because of your rank—your ad's position. If your ad position was too low to be shown on page 1 and the user did not go to page 2, your ad lost its impression due to its rank being too low. In this case, raising your Quality Score (see Chapter 7) or your bids is one of the few ways to receive these impressions. There are situations where you might always lose some impressions due to rank.

To illustrate a situation in which you might lose impression share even if your average position is 1, consider this scenario:

- The Google search network partner shows only two ads.
- The keyword is ultracompetitive only in Miami.

Advertisers in Miami bid 500 percent higher than other areas for this keyword. Micro-situations like this exist, and trying to track down areas where you are only losing a few percentage points of rank might not be worth your time—even if you found where you were losing impressions, you still might not raise your bid to a profitable level.

The Search Lost IS (Budget) column shows the percentage of time that your ads were not shown because your daily budget was too low. Once your daily budget is exhausted, your ad no longer shows for that day. If you are consistently reaching your daily budget, consider raising it to receive more impressions.

If you cannot raise your budget, and you mostly lose impressions due to budget issues, you are overbidding. Consider this scenario: Your lost impression share due to budget is more than 30, your daily budget is \$100, and you are receiving 100 clicks a day. Therefore, your average CPC is \$1. If you were to lower your average CPC to 0.75, you could potentially receive 133 clicks for the same budget. There comes a point where lowering your CPC will not get you more clicks because your rank will fall too low. However, if you are capped by budget, you should first remove your least profitable keywords. Assuming you still can spend your entire budget on the keywords that are left, you will want to start lowering your CPCs to the point where you can get the most clicks possible for your budget.

You can examine this data at either the campaign, ad group, or keyword level. The one difference between these various levels is that you cannot see Search Lost Impression Share (Budget) at the keyword or ad group level because these levels do not have a budget associated to them; budgets are at the campaign level.

To get an idea of the lowest bid you can use and still maintain page 1 position, examine the page 1 bids (Figure 6.3) and top of page bids.

Settings Ads Keywords Audiences Ad extensions Auto targets					
All enabled keywords ▼ Segment ▼ Filter ▼ Columns ▼ [Chart Icon] [Download Icon]					
+ KEYWORDS Edit ▼ Details ▼ Bid strategy ▼ Automate ▼ La					
<input type="checkbox"/>	<input checked="" type="radio"/>	Keyword	Status ?	Est. first page bid ?	Est. top page bid ?
<input type="checkbox"/>	<input checked="" type="radio"/>	(personalized) laptops	Eligible	\$1.00	\$2.50
<input type="checkbox"/>	<input checked="" type="radio"/>	(personalized) laptops	Eligible	\$0.79	\$2.50

Figure 6.3 First page bids

The first page bid is the minimum amount you need to bid to be on page 1 of the search results for the majority of the geographies where you are advertising. The top of page bid is the minimum amount you need to bid to keep your bid at the top of the page in the premium positions. There is often a large click-through-rate difference between top of page and side of page CTRs. To see this information for yourself, click the Segment button and then choose Top vs. Other; then you can see the difference in your CTRs by Google and search partners for your ad positions (Figure 6.4).

	Settings	Ads	Keywords	Audiences
All enabled keywords ▼ Segment ▼ Filter ▼				
+ KEYWORDS Edit ▼ Details ▼ Bid strategy ▼				
		Keyword	Status ?	CTR ?
<input type="checkbox"/>	●	Personalized	Eligible	5.61%
		Google search: Top ?		11.93%
		Google search: Other ?		1.75%
		Search partners: Top ?		17.38%
		Search partners: Other ?		0.48%

Figure 6.4 Top vs. Other CTRs

If you have a high daily budget that is rarely reached, and you see that you are losing impressions due to budget, there are a couple other common possibilities:

- The keyword was in the news and created an unusually high search activity for that keyword.
- Your keyword's search volume changes based on day of the week or month, and that's the only time you are losing impressions.

In these scenarios, try running the impression share report over different time periods and then comparing the reports. You may see some days or months where your ad is shown much more often than other periods of time.

The Search Lost IS (Budget), Lost IS (Rank), and Impr. Share (IS) columns should total 100 percent.

Search Exact Match IS is a bit tricky to work with because it might not be overly actionable. It is useful only within the context of your keywords, match types, and goals. Exact match impression share is how often your ads show if all your keywords are set to exact match. The higher this number, the more impressions you would receive if you added phrase or broad match variations of your keywords.

The One-Minute Account Visibility Diagnosis

An account loses visibility due to budget or rank. If the problem is budget, you need to raise your budget or lower your CPCs to receive more clicks. The other reason your ads are not displayed is because of rank. If most of your impressions are lost due to rank, examine the percentage of your impressions at each Quality Score level. If most of your impressions are for Quality Score 5 or lower, that means you need to raise the Quality Score to get more impressions. If most of your impressions are at Quality Score 6 or higher, you need to raise your bids to receive more impressions. We will show you how to do this analysis in Chapter 7.

When examining your share of voice, or online visibility, the first place to start is learning how often your ads are not being shown due to the limitations you have put on your account. If your ads are not being shown due to rank or budget, those are easy-to-diagnose constraints. If your impression share report shows that your ads are being shown most of the time, the only way to increase your impressions is to add new keywords or expand your time of day or geographic reach.

Instead of trying to get new impressions, what if your ad is being shown and you want more clicks from those impressions? The second way to optimize for more clicks is not to get more impressions but to make better use of the impressions you are receiving by increasing your CTR.

Taking Advantage of Dynamic Keyword Insertion

When someone does a search on Google, their search query is bolded in both ad copy and organic results on the search results page. In general, when your keyword is in the ad copy (and therefore bolded), it draws more attention and your ad receives a higher CTR. Wouldn't it be fantastic to be able to automatically insert the searcher's query into your ad copy? This is almost what dynamic keyword insertion accomplishes.

When your ad is shown, it is because a keyword in your account triggered that ad to be displayed. With dynamic keyword insertion, you can automatically insert the keyword that caused your ad to be displayed in the ad copy. For example:

- Your account has the broad match keyword *computer memory*.
- Your account does not have the keyword *laptop computer memory*.
- Someone searches for *laptop computer memory*.
- This search triggers your keyword *computer memory* to display an ad.
- Since the keyword *computer memory* was what triggered the ad, that keyword would be inserted into your ad copy.
- If your account had the keyword *laptop computer memory* in it, the searcher would have seen their keyword query inserted into the ad copy.

If all of your keywords are exact match, you are inserting the searcher's keyword into every single ad. Since you will most likely be using different match types, you are inserting the closest match in your account.

There are a few restrictions to using dynamic keyword insertion. The first is that the ad copy must still follow editorial rules. If the keyword is trademarked and you are not authorized to use it in your ads for legal reasons, dynamic keyword insertion is not permitted. Sometimes DKI ads will slip through editorial review filters and go online, but once they are discovered, the ad will be disapproved. This is also true for alternative capitalization and misspellings of the trademarked keyword.

What's in a Name?

Google did not publicly acknowledge dynamic keyword insertion when the feature was first released, since it was meant for internal use. Because it was not recognized by Google, the community ended up choosing the name *dynamic keyword insertion* (which was influenced by some Googlers who privately talked about the feature).

Both Yahoo! and Microsoft released public information about this feature on their systems before Google finally acknowledged that the feature existed. Google chose to name the feature *keyword insertion*; however, by that time the term *dynamic keyword insertion* (commonly referred to as DKI) was so ingrained that the official label is rarely used. Suffice it to say, DKI is keyword insertion, which is also called dynamic keyword insertion, and whenever you hear someone mention any of these names, they all refer to the same feature.

Several options are available for how to display the inserted keywords in your ad, and understanding the capitalization is essential to creating effective keyword insertion ads.

How to Create Keyword Insertion Ads

To create a keyword insertion ad, you replace part of the ad copy with a special syntax that denotes that the keyword should be inserted into a specific section of the ad. Along with denoting where the keyword will be inserted, you need to define what will show if the keyword cannot be inserted (such as trademarks, misspellings, or exceptionally long keywords).

For instance, if you allocate the entire headline to keyword insertion but the keyword is 30 characters long, the keyword cannot be inserted into the ad copy since the headline is limited to 25 characters. Therefore, you also specify text that shows if the keyword cannot be inserted into the ad copy.

The syntax is very straightforward: insert {keyword:*Backup Text*} into any part of your ad copy, replacing *Backup Text* with what you would like to see in your ad copy if the keyword could not be inserted. Figure 6.5 shows several examples of keyword insertion in ad copy. With keyword insertion, you can accomplish the following:

- Allocate an entire line to keyword insertion
- Allocate only part of a line to keyword insertion
- Add keyword insertion into any line of ad copy
- Use keyword insertion in multiple lines
- Add keyword insertion into the display URL

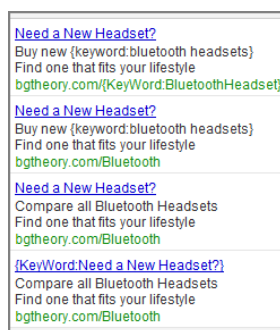


Figure 6.5 Examples of dynamic keyword insertion

When a keyword is inserted into the ad copy, the words *Backup Text* will not appear, having been replaced by the inserted keyword.

The secret to keyword insertion is the way the word *keyword* in the ad copy is capitalized (see Table 6.1). This only applies for the way you write *keyword* in the ad copy—the way you capitalize your actual keywords in each ad group does not matter for keyword insertion.

► **Table 6.1** Keyword insertion examples for the keyword *Chicago AdWords seminar*

Your Ad Copy	What a Searcher Sees	Notes
{keyword:marketing seminar}	chicago adwords seminar	All lowercase
{Keyword:marketing seminar}	Chicago adwords seminar	Sentence case
{KeyWord:marketing seminar}	Chicago Adwords Seminar	Title case
{KEYWORD:marketing seminar}	Chicago Adwords Seminar	Title case

A Note on Keyword Insertion

Be careful when using keyword insertion: often companies become lazy and either forget the rules of successful organization or write some very poor ads. If you ever seen ads where the capitalization seems incorrect (acronyms such as TV spelled Tv or ROI spelled Roi) or the word order seems wrong (such as TV Sony), this is often due to lazy use of keyword insertion.

There is a nice tool (created by the technical editor for this book, Matt Van Wagner) called the DEKE, the Dynamic Keyword Insertion Simulator, that will allow you to see 1) how your keywords will look within your ads and 2) fail rates for DKI insertion based on keyword lengths and other variables. You can find the tool at <http://dki-ads.com>.

Keyword insertion is one of the few times when the order of the words in your account matters (excluding match type, where it is very important). If you are creating keyword lists and have the keyword *TV Sony* in your ad group, *TV Sony* will appear in

your keyword insertion ad and not the more commonly stated *Sony TV*. Poorly formed keyword insertion ads can lower your CTR.

When using dynamic keyword insertion, keep a second ad in the same ad group that does not use the feature to see which one receives the higher CTR. It is useful to test keyword insertion versus non-keyword insertion ads, because it is common to see search results where all the ads start to look the same (Figure 6.6).

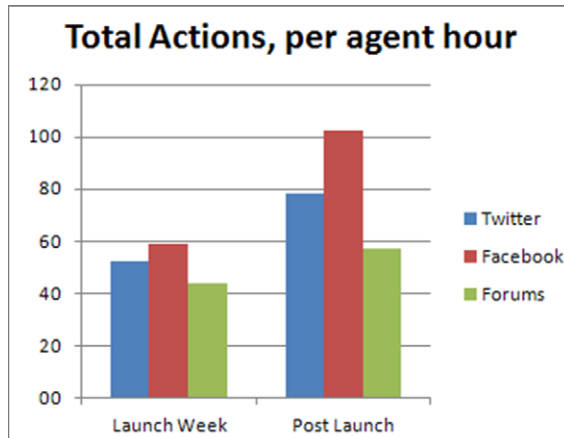


Figure 6.6 Does your ad stand out from the crowd?

The use of keyword insertion in this search result is not the issue. The larger problem is that the ads blend together because the headlines are so similar. In this case, writing a different ad that stands out can dramatically increase the CTR.

If your ad was among those in Figure 6.6 and you wanted to use keyword insertion, you could move the feature to the second or third line of ad copy. This way the word is still bolded in the ad copy, but you could write a headline that stands out from the crowd and increases your CTR.

Keyword insertion is fantastic if you have thousands of part numbers and do not want to create thousands of ad copy versions to show the actual part number. However, keyword insertion is not always the best ad feature for your account. While keyword insertion might increase the CTR, do not forget the conversion rate. If you are a publisher being paid per page view, dynamic keyword insertion will probably work well. If you are selling a product, you need to measure if your keyword insertion ads have different conversion rates than your other ads. More visitors are not useful if it leads to fewer conversions.

Please note that the use of keyword insertion does not automatically increase your Quality Score. (We will discuss Quality Score in the next chapter.) The ad (after keyword insertion) is used in determining a keyword's Quality Score, so it might have a slight effect on increasing your Quality Score, but the larger effect on Quality Score is

usually from an increase in CTR. CTR is the largest component of Quality Score, and if your keyword insertion ad receives a higher CTR, this will help your Quality Score.

Keyword insertion works on both the search and display networks. For the search network, the keyword inserted is straightforward; it's the one that triggered your ad to show.

On the display network, keyword insertion is more ambiguous. On the display network, the keyword that is inserted into your ad is the one that Google determines is the most likely to trigger your ad for that particular page. For example, say your ad group contained these keywords:

- Plumber
- Kitchen remodeling
- Fixing showers

If a user were reading a news article about the increase in home owners remodeling their kitchens and bathrooms for resale, the most likely match for that article would be the keyword *kitchen remodeling*. Therefore, your keyword insertion ad would use the keyword *kitchen remodeling* in your ad copy for that particular page. If your keyword list contained both the keywords *kitchen remodeling* and *bathroom remodeling*, either of those could be inserted into the ad copy.

On a content page, your keyword may or may not be contained within the article. Therefore, it is common to see very different response rates for the keyword insertion feature across display and search. We will cover the display network in Chapter 9, "Understanding the Display Network," but this is another example of why you should always separate out search and display reporting.

Keyword insertion can be a powerful tool when used correctly. The ability to automatically add keywords into the ad copy can help increase your ad's relevance to the consumer. However, when used poorly, a keyword insertion ad can lower your CTR.

Keyword insertion can help make better use of your current impressions. Instead of finding new keywords, if you increase your CTR on your existing keywords, you will receive more visitors to your website. Once someone has clicked on your ad and visited your site, how do you increase the number of pages each searcher visits?

Increasing Page Views

With Google AdWords, you pay every time someone visits your website. Although this can be a very profitable endeavor, finding ways of increasing the page views from each visitor or even having a visitor bring someone else to your site for free can increase your profits and site visibility.

E-commerce companies are often focused on return on investment (ROI) and not page views. This focus can lead to creating landing pages dedicated to a single

product where the page does not offer any navigation except to add an item to a shopping cart. If you only have one product on the landing page and the searcher does not want that product, their only option is to click the Back button and leave your site. When optimizing for page views, always consider the options—or lack of options—that you present to searchers.

The other consideration is that when surfing the Web, searchers often do not know what to do next. They have read a page of content, or looked at a product and decided they do not want it, so what is the next thing they should do on your website?

There are two main ways to increase page views:

- Give the reader additional or related information.
- Have the reader send information to a friend that there is content they will enjoy on the website.

These two ways can be broken down into several techniques:

Related Articles If someone reads an entire article on your website, they are generally interested in that topic. Give the reader related articles where they can continue learning more. If your site is a news site, usually you want your related articles based on the same overall story or a top story section. If it is an informational article, the timeliness of the articles generally does not matter as long as the information is related, assuming the content is timeless.

Related and Supporting Products In the grocery store, as you are waiting to check out, there are many last-minute impulse items you can add to your shopping cart. On the Web, there is no last-minute aisle that features candy, gum, and magazines. Each page of your website can be customized with impulse items and last-minute related products. Showcase your related and ancillary products across your product pages. You can also use this tactic to engage a user who is in the learning phase of the buying funnel. If someone is interested in purchasing an iPod, they may not know if they want an iPod Touch, a 160 GB iPod, or a Nano. Help the user easily navigate between the related products or show a comparison of all the products on a single page.

This is also true for supporting products. If the iPod is being purchased as a gift, many users will also want to give an iTunes gift card along with the iPod. By showing additional products, you can increase not only your page views but often your average order amount as well.

Recommended Articles Have you created an authoritative set of informational articles? Do you have some articles that readers absolutely love? Put these articles in a recommended article section. This not only helps increase the page views on your website but also showcases your best writing so that users will have a higher level of trust for your content.

Recommended Products You are the authority on your website. Searchers look to a website to guide them. If they are unsure about what to buy, a recommended product section can help put them on track toward a checkout. Often gift buyers have no idea what to purchase for another person. By organizing your products by age, price, gender, and so on, you can create a recommended buying section to help a user narrow their gift options.

Buying Guides Have you ever bought a camcorder, laptop, or high-definition TV? The different types of technologies, displays, recording devices, and acronyms associated with buying these products are staggering. Creating a how-to buying guide, or recommendation wizard, can not only increase page views but also help your site become an authority in a specific area. If you have the best resources for determining how to buy a particular product, showcase these resources so others will find them and tell their friends.

Top-Read Articles and Top-Selling Products It is commonly noted that we live in a world of fads. From choosing a watch because a celebrity is wearing it to reading a news article that everyone is discussing in the break room, people want to be included. One way you can incorporate these desires on your website is to show the top-read articles and top-selling products.

Highest Reviewed Articles and Products Do you let users rate your articles or products? Do you allow users to write reviews that you show on your pages? If so, take advantage of that content by showcasing the highest reviewed pages or products of your site.

Breaking Long Articles into Multiple Pages If your goal is page views and you write very long articles, break the content into multiple pages. This is especially useful if you sell CPM ads on your site and are looking to maximize page views.

Search Box If you have been online for more than 10 years, you remember the days when the best navigation was drilling down through the Yahoo! directory to find the proper category and then finally a website. Today, there is an entire generation that does not even look for navigation but starts the browsing behavior within the search box.

Regardless of how your site is designed, incorporating a search box into your website will increase not only page views but functionality and user satisfaction as well. When you incorporate your search box, remember to track the words being used to search. These are not only good keywords for your search campaign, but if you see frequent searches from particular pages, they can be a sign that the page is lacking some critical information.

In addition, you can use your search query data as free market research. If consumers are searching for a product that you do not have, you might consider adding it. Of course, if you do not offer certain products, those words may also be good negative keyword candidates for your account.

Bookmark or Save This on Social Media Sites Just about every user knows that you can bookmark a web page, but it is often forgotten. Adding subtle reminders, such as “bookmark this” or “save to Delicious.com” can help get more page views from return visitors.

Social media sites (such as Digg, Facebook, Google Plus, Twitter, and Pinterest) can drive a massive amount of traffic to your website. Incorporating social media tactics so that your content is easy to share on these sites can help you find new avenues of traffic.

It Should Be Easy to Share

Anyone can go to your site, copy the URL, go to Facebook or Twitter, paste the link and write a short note about the page, and then share it. However, that is several steps that you are forcing the user to go through to help you get more visitors and share your content.

If you care about social media mentions, put the Twitter Share button and the Facebook Like button directly on the website. The easier something is to do, the more likely someone is to take advantage of the option.

Send to a Friend The oldest of the sharing tactics is send to a friend. If someone likes your site’s content, is there an easy way for them to email it to someone they think will also like it? While we often call it send to a friend, many people will email the article, or often a product, to themselves so they can remember to look at it later. This is very common when you are building a product, such as customizing a new laptop computer, before you decide to buy it.

Print This Page One thing that has amazed me over the years is how often people print pages and either call a business at a later date, read the story on the train, or pass the pages on to someone else they think would enjoy the information. As much as we live in a digital world, paper is still greatly used. Creating printer-friendly pages is useful because you can customize your site’s logo and URL on those pages so the searcher can always remember how to get in touch with your business or where the information originated.

None of these examples are exclusive. On a site like www.nytimes.com, for example, you will see “print,” “email,” “search,” and “save” functionalities. On a site like Amazon.com, you will see “recommended,” “top rated,” and “top reviewed” products. Incorporating social and related information can help increase page views across your site.

Increasing the number of page views per visitor on your website is not just about selling more CPM ads. It also ensures that your visitors are finding the information they seek so they have a positive experience with your site and return, recommend it to another person, or buy from your company.

The information could be a product or an article. Incorporating some of these ideas on your website should not just increase page views—it should also increase conversion rates as consumers find exactly what they are seeking and maybe a bit more (in the case of related products).

Techniques are available that are specifically geared toward increasing the conversion rate. These techniques do not rely on making sure the consumer can wander around your site to find the specific information. Instead, they try to sell one product per keyword and do everything possible to have the consumer take one specific action.

Too Many Options Lead to Confusion

The more information you give to someone at a single time, the more mental processing it takes to absorb all the information. In psychology circles, this is known as *cognitive load*. Giving your visitor too many options can lead to *cognitive overload*, in which your visitor no longer has enough mental processing left to make a decision.

This phenomenon is often coupled with short-term memory capacity. Most people can hold only five to nine concepts in short-term memory. If you give someone too many options, they could forget the original reason for coming to your website or decide to wait until later to make a decision. Your site requires too much mental processing and memory capacity for the user.

Most users already have part of their short-term memory occupied with other tasks, such as why they visited your website or the fact that they have a meeting in 15 minutes. They have only a percentage of their cognitive load and short-term memory to dedicate to your website. Therefore, provide the user with options that are most beneficial for your company. If you are an e-commerce site, your primary option would be a sale. Your secondary option might be to create an account or subscribe to a newsletter. Your tertiary option might be social network sharing. You can test adding additional options, but your test should examine not just whether users are taking advantage of secondary or tertiary options but whether the percentage of users engaging in your primary options is decreasing.

Optimizing for Conversions

Instead of focusing on traffic, you could put your efforts into increasing conversion rates. These two optimization techniques are generally at odds with each other. With traffic, you are looking to entice someone to come to your website regardless of their intent. When trying to increase conversion rates, you are only trying to bring to your website people who may perform some action.

A 100 percent conversion rate is not useful with one visitor a month. Conversely, a million visitors a day with zero conversions is a quick way to go out of business. Therefore, you generally want to use a combination of both conversion and traffic optimization when fully optimizing your AdWords campaign.

There are two aspects of increasing conversions: the ad copy and the landing page. We will start with techniques for writing high-converting ad copy and then move to additional landing page options you can implement to increase conversion rates.

Writing Ad Copy That Sells

Ad copy is the bridge between the search query and your website. If the bridge is inviting to all, then all the cars will cross if the bridge leads in the generally correct direction. Conversely, if you hang a warning sign that says the bridge can support only up to certain weight and height limits, those who do not fit will not cross the bridge.

The sign serves as a filter to keep those who do not fit into your criteria away from your website, saving you money on those potential clicks. When trying to increase conversion rates, your ad copy should be inviting only to those whom you determine wish to perform an action on your website.

Usually, the ad copy's job is to stand up and shout, "You can find the answer to your question here." For increased conversion rates, the ad copy should instead be saying, "We have the answer to your question if you want to perform this one action. If you do not want to perform that action, do not cross the bridge." That action could be one of the following:

- Call us to schedule a visit.
- Buy an HD TV.
- Subscribe to our newsletter.
- Fill out a form to receive free quotes.

The second line of your ad copy should be a specific action you want the user to complete on your website (Figure 6.7).

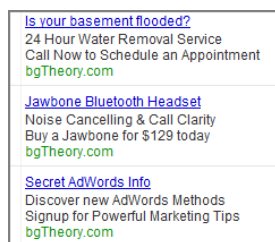


Figure 6.7 Use calls to action in your ad copy.

By letting visitors know exactly what you want them to do, you are accomplishing two goals:

- Those who do not wish to complete that action are less likely to click on the ad.
- Those who do click are more predisposed to both perform the action and to seek ways to conduct that action on your website.

As discussed in Chapter 4, “Writing Compelling Ads,” a call to action can still contain a benefit. Testing benefit-laden call-to-action ads is one of the most important tests you should run to keep unqualified searchers from clicking.

Your CTR will decrease when you use ad copy that discourages unqualified searchers from clicking your ads. Since CTR is one of the most important Quality Score factors, you could see a drop in Quality Score. This is why it is crucial to test your ads. You have to balance your AdWords account between Quality Score, traffic, and conversions. This is a difficult balance to find, and only through trial and error will you find the correct combination for you.

When your ad does receive a click, it should be from a prequalified searcher who is ready to continue down the conversion path. The next step is making sure that your landing page can keep the searcher on the path toward reaching your goal of conversion.

Creating Landing Pages That Increase Conversions

When designing landing pages to increase conversions, before you move to the next step you must decide whether to use

- A dedicated landing page designed only for conversions and single actions
- A page of your existing website

If you use a page in your existing website, you most likely have additional navigational and other elements on the page. You can still use some techniques to increase conversions, but some users will wander off your primary conversion path. Most e-commerce sites send traffic to pages in their existing website. You may choose a few of your top-selling products or late sales cycle keywords to send to dedicated landing pages with a different layout than your usual site. However, it is rarely cost effective to design a dedicated landing page for every product.

If you use a dedicated landing page for the search query, you can control every option a user has, which can help increase conversion rates. However, be careful of limiting someone’s options too much if the keyword falls into the early buying cycle phases. Someone who is researching a product is not yet ready to purchase and will want some additional options to learn more about the product or service.

Using Dedicated Landing Pages

Dedicated landing pages are excellent for form actions, such as receiving quotes, filling out a contact form, or subscribing to a newsletter. With dedicated landing pages, you need to choose only one or two actions you want someone to complete. If you don’t overwhelm users with choices, you have made the conversion choice for them. Now your page needs to move them from viewing the page to taking action.

When limiting a user's options, it is also important to keep in mind Google's landing page criteria:

- Relevance
- Navigation
- Transparency about the business and personal information collection

“One-page wonders”—single-page websites that often contained 100 paragraphs of scrolling sales copy with only one option on the page, usually an email signup—were saddled with very low Quality Scores a few years ago. This was due to the fact that the user had no options, rarely was there a privacy policy, and there was little business transparency.

You can be creative with dedicated landing pages as long as you keep the major AdWords landing page criteria in mind.

Keep Your Dedicated Landing Pages from Hurting Your SEO Efforts

If you spend time on search engine optimization (SEO), you want to make sure that your dedicated landing pages are not hurting your SEO efforts. If Google finds the same content on multiple pages, they will choose which one to rank; this is called the *duplicate content penalty*. Usually dedicated landing pages are not built for ranking; they are built only for conversions. Therefore, you do not want them included in the regular Google index.

The easiest way to keep these pages from being spidered by Google is to put them in their own folder (such as `yoursite.com/landingpages`). Then in your `robots.txt` file, exclude Googlebot from indexing that folder. You can also exclude all bots from indexing the folder. If Adsbob-Google, the bot that spiders your page for AdWords, sees a global disallow in your `robots.txt` folder, it will ignore the instructions, since Google assumes that if you are buying traffic to a page you want that page spidered for Quality Score purposes. If you accidentally block Adsbob-Google, then Google cannot spider your page and you will see poor Quality Scores.

You can also make microsites that are used only for PPC and conversion purposes. We have several dedicated pages at our AdWords training site at CertifiedKnowledge.org and a few microsites. One microsite that has been particularly effective at conversions for general keywords (Figure 6.8) includes the major benefits of our program and quick calls to action to learn more or start a trial. There is some navigation on the microsite; however, this microsite is only about 10 pages, whereas our entire site is a few thousand. If you need to explain more about your product, show demos, and so forth, you might need more than a single page. In that case, feel free to design a small site whose only purpose is conversions.

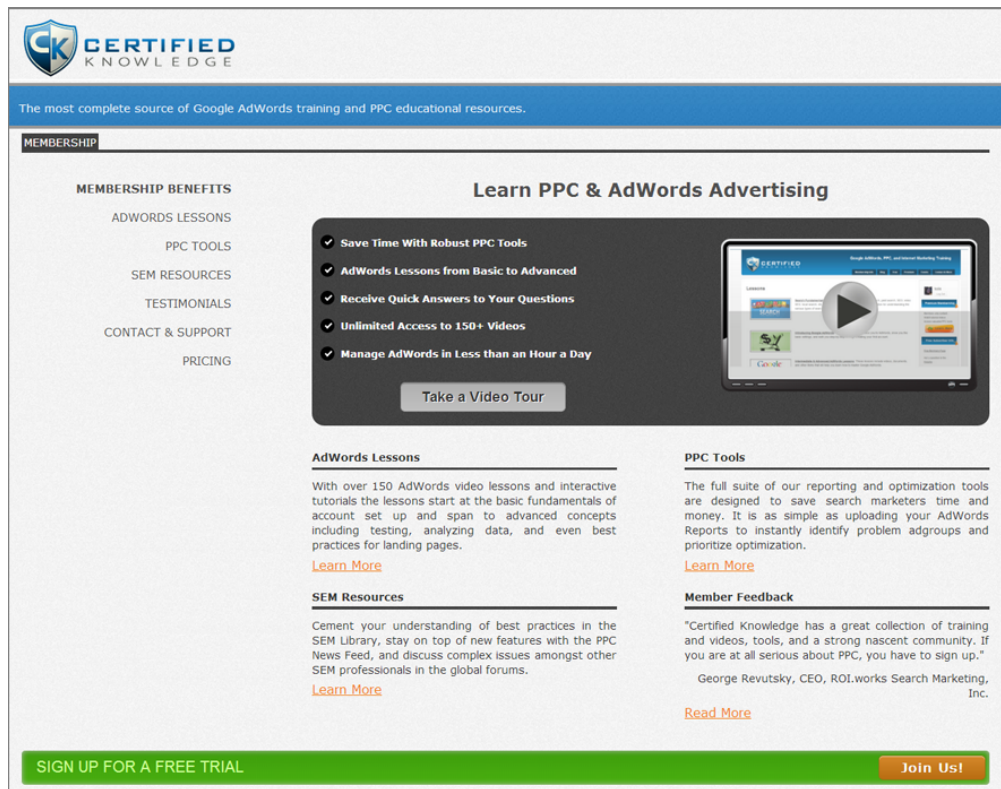


Figure 6.8 Certified Knowledge microsite designed for conversions

When designing dedicated landing pages or microsites, make sure that your primary action is above the fold (in this case, action 1 is taking a video tour) and the page centers on that one particular action. The action could be a form fill, add-to-cart button, or any other action you desire. The most important aspect is to make sure that there is a very clear call to action that is the first thing your visitors notice.

You may need to adjust your single call to action based on how someone uses your site before they take an action. In the case of Certified Knowledge, almost everyone either watches a video tour or visits at least four pages before signing up for a free trial. Therefore, the first call to action is the video play, the second is easy navigation, and the third is the free trial. In the case where we are just letting a user sign up for a free newsletter, the newsletter form is above the fold in a called-out box because a user does not need to watch a video or visit four pages before they subscribe. The secret to redesigning a page or microsite is to see how searchers are using your site before taking a conversion action and then designing your site around the user's conversion path or making the path even easier with a new layout and path.

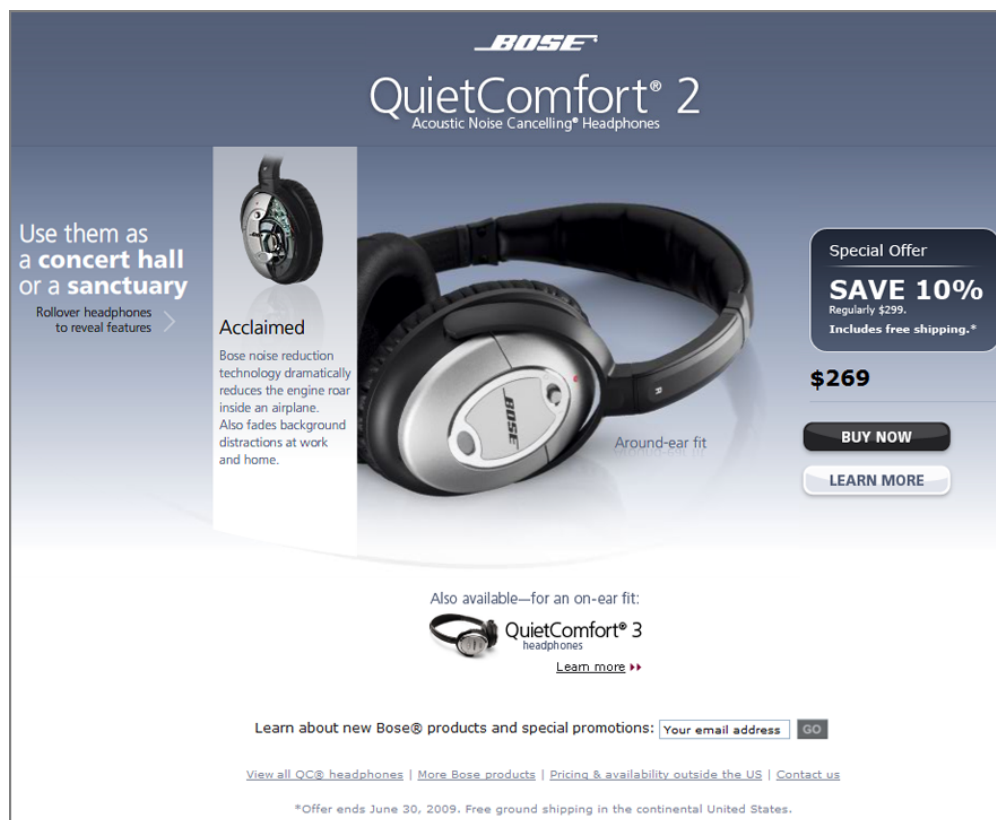
Increasing E-commerce Conversion Rates

Add-to-cart buttons are essential for e-commerce websites and should appear anyplace the product appears. This means users should be able to add a product to the shopping cart from the product page, category page, specials page, and even search results pages.

Detailed product information should be available within one click of the landing page. Even if you have a dedicated landing page for a product, detailed information should be easily accessible. Although people ready to purchase may ignore it, you will engage those who are still learning about a product before they are ready to buy.

Bose has an excellent example of an e-commerce landing page (Figure 6.9). The major actions on the page are Buy Now and Learn More. The information above the fold for most monitors ends at the Learn More link. In addition, you can mouse over aspects of the headset to see its benefits.

Keeping with Google's policies, there is also navigation at the bottom of the page for those who wish to view other Bose products or headsets.



BOSE
QuietComfort® 2
 Acoustic Noise Cancelling® Headphones

Use them as a **concert hall** or a **sanctuary**
 Rollover headphones to reveal features >


Acclaimed
 Bose noise reduction technology dramatically reduces the engine roar inside an airplane. Also fades background distractions at work and home.

Special Offer
SAVE 10%
 Regularly \$299.
 Includes free shipping.*

\$269

BUY NOW

LEARN MORE

Also available—for an on-ear fit:
 **QuietComfort® 3**
 headphones
[Learn more >>](#)

Learn about new Bose® products and special promotions:

[View all QC® headphones](#) | [More Bose products](#) | [Pricing & availability outside the US](#) | [Contact us](#)

*Offer ends June 30, 2009. Free ground shipping in the continental United States.

Figure 6.9 Bose headset landing page

Whereas Bose went with limited navigation, Amazon did something quite different. Once you enter their shopping cart, all your options change. You still have navigational options, but those options, like change shipping address, add a credit card, and so forth, are all intended to keep you moving toward finishing your purchase.

Shipping prices should be easily accessible. Consumers are very conscious about shipping prices. If you offer free shipping, make sure your landing page reinforces that message. If you ship to multiple countries, also make that obvious.

Make sure the shopping cart is easy to find. On some sites, you cannot view the cart unless you have just added a new product, which means that if someone adds a product, then starts shopping around, they cannot check out until they add another product. On other sites, the shopping cart is simply difficult to find. Use a highly visible shopping cart icon that can be easily found by visitors.

Do not put a registration barrier between the shopping cart and the final check-out. Registration requirements only serve to increase the number of abandoned carts on your site. If you would like users to register, give them the option to do so, and a reason why it will benefit them, after you have processed their credit card.

The shopping process should be no more than three pages. The longer the check-out process takes, the higher the chance of shopping cart abandonment.

The Easiest Way to Increase Profits

Rarely are there simple ways of increasing profits dramatically; however, not forcing account creation is one of them. I was working with an advertiser who had a mandatory account-creation process before you could buy. I asked them to simply uncheck the account-creation button in their site for a few days to see what would happen. They agreed, and the next day their revenue went up 40 percent. There are not too many things that can increase revenue by 40 percent in a single day; however, not forcing account creation is one of the few items that can have dramatic changes in overall revenue. This dramatic change might not happen for everyone, but even a 10–20 percent change in revenue is worth unchecking a simple box and moving account creation to after you have processed the credit card.

Please note, these are all considered best practices because they work far more often than not. There are times to break with best practices based on your own data. We had one site that had the potential for a lot of repeat buying opportunities. We did a test and forced people to register before they could check out on the site. By requiring users to register, it became easy for them to save preferences, which enabled us to more effectively market to them later through email and other tactics, which can increase lifetime customer values. What happened is that the conversion rates dropped

a little more than 25 percent with the forced registration. However, the lifetime value of each customer increased by more than 70 percent. In this case, while the forced registration lowered conversions, the overall profits increased due to the higher lifetime values. Start with best practices, and then if you have a good hypothesis for testing against them, try it out to see when you should break away from commonly accepted wisdom.

Increasing Form-Fill Conversion Rates

Web-based forms are used to collect email addresses and other contact information, check out on an e-commerce site, or register for a download. They are heavily used but may be the least optimized pages across the entire Web. How intimidating do your forms look?

Even if you only want to collect name, email address, physical address, phone number, and credit card information, it still is common to see a form with at least these fields:

- First name
- Last name
- Email address
- Confirm email address
- Address line 1
- Street type
- Address line 2
- City
- State
- Zip code
- Area code
- 3-digit phone exchange
- Last 4 phone digits
- Credit card type
- Credit card number
- Credit card expiration date
- Card verification value

For our purposes, we are going to keep the form simpler to illustrate a point and assume that your billing address is same as the shipping address. If these fields are just tossed on a webpage, it looks like it will take a while to fill out (Figure 6.10).

This form is a vertical stack of various input fields. At the top, it has 'Title' (dropdown), 'First Name' (text), and 'Last Name' (text). Below these are 'Gender' with radio buttons for 'Male' and 'Female', 'Email Address' (text), and 'Confirm Email Address' (text). The address section includes 'Street Number' (text), 'Street Name' (text), 'Street Type' (dropdown with 'Way' selected), 'Address 2' (text), 'City' (text), 'State' (dropdown with 'Alabama' selected), and 'Zip Code' (text). The credit card section has 'Type' (dropdown with 'American Express' selected), 'Number' (four separate text boxes), 'CVV' (text), and 'Expiration Date' (Month and Year dropdowns).

Figure 6.10 Poor form collection layout

While this form is not that long in comparison to many forms on the Web, compare the form in Figure 6.10 to another form that collects the exact same data (Figure 6.11).

This form is a vertical stack of larger input fields. It starts with 'Title' (dropdown) and 'Name' (text). Below these are 'Email Address' (text), 'Street Address' (text), 'Address 2' (text), 'Zip Code' (text), 'Credit Card' (text), 'Security Code' (text), and 'Expiration Date' (Month and Year dropdowns).

Figure 6.11 A simple form that collects a lot of data

In the second form, Figure 6.11, the title field (Mr., Mrs., etc.) is used to determine the gender. The zip code field will let the merchant know the user’s city and state. The credit card number denotes the card type. Consumers type first name and then last name. There is little need to make someone fill out separate fields. Your development team can parse out this information.

These simple form design principles work very well in most areas outside of e-commerce. If you have shipped to rural areas, or have dealt with individuals who have hyphenated last names, then you have come across exceptions where you might need the first name field or where someone’s zip code does not match their city shipping address.

Credit Card vs. Non-Credit Card Forms

Occasionally, the approach of asking for first name and then last name in separate fields works better for credit card collection because consumers are trained to input credit card data in specific ways. However, for non-credit card forms, the fewer fields, the better. You can have your developers parse the information into your CRM or follow-up system as necessary to match the fields between the two systems.

In cases where you need to ensure the information is exactly correct, you have three options:

- Ask more explicit questions, but try to keep to as few fields as possible.
- Collect basic information with simple fields on the first form page. Save that information (especially basic contact information), and then present users with specific fields on page 2 of the form.
- Show a final review page before submitting the order, which is common with shopping carts, where you present your full information to users and then let them edit any mistakes.

In most cases, users will not need to edit their information. However, there will be some exceptions, and using a final review page will allow those few users to edit their information, while the majority of users who have standard addresses and names will quickly go through the entire form process.

Note: Did you know that all American Express cards start with a 3? All Visa credit cards start with a 4, MasterCard starts with a 5, and Discover starts with a 6. Asking for both the credit card type and the credit card number is redundant.



The following are a few crucial considerations when designing forms:

The Value of Your Information When users are filling out a form, they are getting something of value in return. If you ask for more valuable information than they are receiving, your form abandonment rate will increase.

Sales vs. Marketing Many companies have a fight between marketing and sales. Marketing tells sales that if they ask only for a name, phone number, and email address, then sales can contact the prospective customer. Sales wants to know the contact's cell phone, best time to call, industry, how much money they make, the total income of the company, and the person's title. This is enough to make many customers abandon a form. A compromise can take place between marketing and sales. On the first page of a form, ask for basic information that sales needs to contact the customer. On page 2, inform

the customer that you would like to personalize their phone call, but to do so you need to collect some additional information. This second page is where you can ask some of the more intrusive questions such as cell phone and gross sales numbers. Sales will not receive everyone's full information, but they can still put their calls in a queue based on the information they do receive.

Making Buying Easy Have you ever filled out a credit card form where your information was rejected because you did not use spaces? Or received the error that the form will not accept spaces or dashes in the credit card field? If someone is trying to give you a credit card number, take it. Your developers can parse out spaces and dashes on the back-end and accept the customer's data regardless of their personal preference for typing out their card information.

Respecting the Customer's Time Setting proper expectations is important for any business, especially when it comes to respecting someone's time. If you have a very long form, just tell the customer how long it will take to complete. If someone fills out page 1 and then sees page 2, then page 3, that prospective customer will start worrying about their time investment and may abandon the form. Tell the customer, "This is a three-page form and will take five minutes of your time. If you need assistance, do not hesitate to call us and we will walk you through the form." That small message sets the expectation of how long it will take, respects the customer's time, and gives them additional conversion options.

Many customers feel reassured of their progress by seeing a graphical navigation bar at the top of the page showing their progress. Let's say your checkout process is as follows:

1. Review cart.
2. Choose shipping method and address.
3. Enter credit card billing.
4. Review everything one last time.
5. Check out.

Showing those steps at the top of the page—and which page the customer is currently on—can help people understand the process, see if they have a chance to review their information, and know when they will be finished.

An Informed Searcher Is a Happy Searcher Make sure the searcher has the necessary information to complete a form before they start filling in the form's fields. Many landing pages are simply forms with limited information. Many of these forms contain detailed questions that require some knowledge about the industry. If your form contains a field for which a searcher does not know the answer, they will have to abandon your form to do some research. Whenever you ask a specific question that the consumer might not know the answer to, make sure that information can be easily found on your website.

For example, say someone searched for *merchant accounts* and came to a form page on your site. They happily fill out the first page of the application. Then, the second page of the application asks a required question, “What type of merchant account do you want?” If the searcher does not know that different types of merchant accounts exist, they have to abandon your form to do this additional research.

Note: One of the best ways to optimize forms is to track where the forms are being abandoned and then investigate for potential causes. If you find there are two or three fields where abandonment consistently happens, add information to the page or change those particular fields.



Some Questions Should Never Be Asked It is common to see the question, “How did you hear about us?” on a form. The data received is usually very poor. I worked with a company that spent millions each year in marketing on many channels except TV. Every time the company surveyed customers as to how they heard about the company, TV was always number one. They could move the TV option anywhere in the list, but consumers still picked TV. Your analytics system will tell people how they found you.

Form Label to Field Input It takes a user 10 times longer for their eyes to go from a field label to a form input when the field names are left justified versus when the field label is just above the form. If it is a short form, then putting the field label directly above the form input is a good idea; however, that does make the total form longer. If it’s a long form, then right justifying the field label to the form input is a good idea. There are no good use cases for left justifying your field labels.

A poorly designed form can drastically lower conversion rates. A well-optimized form can significantly raise conversion rates. Take a look at your forms, see how intimidating they seem, and find ways of making them friendly and easy to complete.

What If the Consumer Is Not Yet Ready to Buy?

Not everyone is ready to conduct an action when they visit your website. It is important to consider what is happening in the searcher’s life that would cause that person not to convert so that you can engage these potential customers.

- Many office workers hide in their cubicles and shop online. However, while they may surf at work, they might not be ready to pull out the credit card while still in the office.
- Administrative assistants are often asked to conduct research on a topic and compile a list of resources and papers. This information is then handed to a second person to evaluate and make a decision.
- A shopper spends the afternoon on a site configuring options for the next computer they wish to purchase. Before they buy, they need to wait for the next pay-day and get their spouse’s opinion.

In all three of these scenarios, someone may give your company money, but it will not be today. What options do you give those who are not ready to purchase immediately?

Empowering the customer to be able to print pages, download whitepapers, save items in a cart, send a configuration in email, and so forth can help entice users to come back to your site when they are ready to purchase. This is especially important in industries with long sales cycles. It is common for business-to-business companies to have six months pass between initial contact and final purchase.

One of the reasons to ask for an email address in up-front fields is to send reminders when forms are abandoned on your website. If a consumer adds products to their shopping cart, makes it through two steps of the cart, and suddenly abandons your site, you can increase conversions by sending them a reminder email that their shopping cart is about to expire. You can do the same for whitepapers or any form that captures an email address. There are times when the phone rings or someone walks into the office and disrupts the conversion process. Please note that when sending emails such as this, you must follow any applicable laws, such as the CAN-SPAM Act.

In many of these cases, you might need to add additional conversion types so you can track the initial conversion and keep in touch with your prospective customer as you move them through the analysis of your products to finally purchase.

Allowing Consumers to Contact You Their Way

Do you force searchers to email you? Do you only list a phone number? Do you offer live chat? Different types of consumers have their favorite ways of contacting a business. If that choice is not available, they may not contact you at all.

You might want to offer more contact options than necessary for a while, see which ones are being used, and then remove the rest. If your customers do not use live chat, there is no reason to support it.

If you offer only phone support, and you answer the phone only during business hours during the week, what do you expect customers to do when they click on your ads during the weekend or at night? You should offer them a different course of action, and maybe even a different landing page, to make sure you are not alienating those searchers.

Many businesses find that by offering both email and phone support, their conversion rate increases due to additional consumer choice.

Making Additional Conversions to Increase Your Profits

In Chapter 2, “Performing Keyword Research,” we discussed the consumer decision-making process, known as the buying funnel. Many companies can benefit by adding conversion actions to different segments of this process to keep in touch with the

consumer and to keep moving the consumer through the buying funnel toward a final purchase.

If you have a long sales cycle, what does your conversion funnel look like?

Too many conversion funnels look like this:

1. Offer a free whitepaper download.
2. Hope the customer calls you (or add the customer to your email list).
3. If the customer calls you, try to sell them something.

This type of conversion funnel relies on the customer reading your whitepaper, doing their research, understanding your business, and then deciding to contact you.

Consider a conversion funnel such as this:

1. Searcher downloads a whitepaper to learn more about the product.
2. Searcher is sent an email to attend a free webinar to learn more about your company and how the product will benefit them.
3. Searcher attends free webinar and becomes more confident about your company.
4. Salesperson calls customer to offer free demo.
5. Salesperson conducts personalized demonstration with customer.
6. Customer makes a decision.

The second conversion funnel allows for more customer contact, more hand-holding, more interaction, a better customer relationship, and usually more sales.

Even if the customer's decision is to not buy from you, often the effort you put into the second conversion funnel is the same or less than the first one, because you do not have salespeople constantly calling or emailing to reach a bad prospect—the prospect has made up their mind. In addition, in this second conversion funnel, the prospect knows more about your company and may feel confident in recommending you to someone else as an option, or they might call you back when their situation changes.

When sales teams call customers after they have only attended a webinar or read a whitepaper, customers are usually resistant because they do not have enough information to make a decision. When there are multiple touch points, the customers naturally move through the conversion cycle into having enough information to make a decision.

By adding additional conversion options and tracking them all, you can see what patterns lead to higher conversion rates. In the previous scenario, you might find that the free demo does not increase conversion rates, so you could remove it. Or you could find that when someone attends your webinar, your contact ratio increases significantly, so you push that conversion option to more consumers.

Understanding Your Conversion Options

A conversion is anything you define it to be on your website. Some conversions are discreet actions that generate revenues and profits, such as contacts, purchases, or subscriptions. However, conversions don't necessarily need to be revenue events for them to be useful to measure and track. Conversions that are "softer" actions, such as a visitor entering your conversion funnel or viewing a key page or pages, can also be important to track.

Here are some common conversion types that are worthy of tracking:

Contact Us Use this conversion action to track how often visitors contact your business.

Any Form Fill Every time a form is filled out on your site, you gain some information or a searcher has taken an action.

vCard Download A vCard or "save to contacts" option allows you to be part of someone's Outlook or other email program.

Whitepaper Download Whitepapers are often PDF files that cover details about a product or idea. Offering whitepapers is critical in business-to-business selling where the person doing the research is not the decision maker.

Webinar A webinar is an online presentation.

Subscription When someone subscribes to your newsletter, RSS feed, or protected section of your website, you have a chance to continue the conversation.

Save to Cart and Add to Wish List These are various ways to let someone save a product to buy at a later date. Allowing people to publish their wish lists can also help your website's visibility and conversion rate.

E-commerce Checkout Someone gave you money—track it!

Send to Friend (or Self) via Email Allow someone to send product or article information to another person, or even to themselves to investigate at a later date.

Send to SMS or Mobile Phone This is useful to allow customers to send your contact information or driving directions to their phone.

Driving Directions If you have a physical store, track how often people are getting directions to visit you in-store.

Phone Call Phone call tracking takes some work, but it allows you to understand how many calls and sales your marketing is generating. With more sophisticated systems, you can even correlate phone calls to keywords, ad groups, landing pages, and ad copy.

Bookmark While this does not lead to direct revenue, it shows some interaction with your site.

Social Network Share There is no direct revenue in a social network share; however, if someone shares information from your site with their social network, it can lead to increased free traffic and more sales down the road. Understanding what content visitors are sharing, how they are sharing it (Facebook, Twitter, Pinterest, etc.) is becoming increasingly useful to many businesses.

Print Page Offering a printer-friendly page and Print button can allow you to see how often your information is being printed. It is not uncommon for searchers to print a web page) and call a business at a later date.

Coupon Print If you have a physical store, track both how often coupons are printed and how often they are redeemed in the store. With proper coding, coupon redemption can be traced back to a keyword, landing page, and ad copy.

While offering too many conversion options can cause consumers to be overwhelmed and unsure which is correct for them, offering too few can cause you to lose consumers either on the initial visit or by not being able to move them through the shopping and conversion funnels.

Best Practices for Advanced Optimization Techniques

The first step to any pay-per-click campaign is to send traffic to your website by bidding on relevant keywords. There will be many times when you want to increase the traffic your website receives. In those cases, these practices can help bring more visitors from the search engine to your site:

- The impression share report will help you identify why your ad is not being shown, and then you can take action to improve the situation:
 - If you are already hitting your daily budget, then either raising your budget or lowering your maximum CPCs can increase the number of clicks you receive without adding new keywords.
 - If you are not reaching your daily budget and you have a high impression share, the next step is to either increase your ad's CTR or add more general keywords.
- One technique for raising CTRs is to use dynamic keyword insertion to automatically insert keywords into your ad copy:
 - The trick to proper use of dynamic keyword insertion is to correctly use your ad copy capitalization syntax, because this will determine how your keywords are displayed in the ads.
 - When using dynamic keyword insertion, make sure your ad stands out from the other ads on the page.

It does not matter whether you send traffic to a dedicated landing page or an existing page of your website. Here are some best practices you should follow to increase conversion rates:

- The visitor should feel that the landing page is what the ad was describing—that is, it should be an extension of the ad copy:
 - The call to action that appears in the ad copy should be on the landing page.
 - Any claims, pricing, or special discounts should be echoed on the landing page.
- Create a synergy between the ads and the landing page so that visitors feel they have arrived at the correct site:
 - When using image and rich media ads, echo the same images in the ads on the landing page to avoid confusing the visitors by a landing page that has a very different look and feel. The graphics can be different sizes and shapes but the same basic images.
 - Make sure that any offer made in your ads appears on your landing page, so that the visitor knows they've arrived at the correct website.
- Leverage the few simple principles of increasing conversion rates:
 - Have a clear call to action.
 - Have a clear path to action.
 - Offer a compelling benefit and message.
 - Ensure your information is accessible to all.
 - Ensure the user has the correct information to make a decision.
 - Make the conversion process painless.

The principles are easy to grasp. The execution of those principles is difficult but well worth the effort to master.

Furthermore, testing ad copy and landing page layouts is essential to maximizing both traffic and conversions. Once you test, you need to let both the results of those tests and your analytics systems tell you the story of what combination provides the best response rates to turn searchers into customers.

Demystifying Quality Score

Quality Score is one of the most important numbers in your Google AdWords account, because it has far-reaching effects on your AdWords success. This number can decide the fate of your account. Low Quality Scores can doom your account to failure. High Quality Scores can place your ad above your competitors' while you pay less per click than they do. It is also the hardest number to quantify and try to improve across your entire account.

This chapter examines what Quality Score affects within your account and the factors that influence your Quality Scores. You will also learn how to improve your Quality Scores to gain a strategic advantage over your competitors.



Chapter Contents

- What is Quality Score?
- Viewing your Quality Score
- Landing page quality: making your pages relevant
- Estimating your first page bid
- Understanding the Display Network Quality Score
- Increasing Quality Scores
- What to do if your Quality Score drops
- Quality score FAQs
- Best practices for optimizing Quality Scores

What Is Quality Score?

Quality Score is the single most confusing number in your entire AdWords account. It is often considered an ambiguous number that is almost impossible to directly change, and yet it has more impact on your account's performance than any other number, and that includes your bid. So what is this Quality Score, anyway?

Quality Score is a metric that Google uses to help keep the paid search results relevant to searchers. Quality Score is also used to determine the ranked order of ads that appear for any given search result and is meant to balance the desire of advertisers to always have their ads above everyone else's ads as long as they are willing to pay for it with the needs of searchers who are looking for relevant search results for both paid ads and organic search results.

Ads that are highly relevant to searchers' intent are assigned higher Quality Scores. Google has many factors it considers for relevancy, which I will discuss in this chapter. By far, the most heavily weighted factor is click-through rate (CTR). The more people tend to click on your ad, the more relevant the ad must be.

Without a Quality Score factor, the highest bidder would always show first for any search result, and you can imagine the types of ads you would see over and over again that have nothing to do with your search query. If Google were to allow totally irrelevant ads to appear for search queries, users would soon stop clicking on paid ads and even abandon Google in favor of other search engines. That's not good for Google or advertisers and certainly not for people conducting searches.

By using a relevancy metric in its calculation, Google helps balance the common needs of Google, its advertisers, and people who rely on it to deliver great search results.

The reason this number is especially important to advertisers is that Quality Score influences so many aspects of your AdWords campaigns, such as the following:

Your Actual CPC Your actual CPC is the cost you pay for any one click. You pay a penny more to beat the ad rank of the advertiser just below you. Since Quality Score is a large factor in ad rank, your Quality Score can significantly affect your actual CPC. This concept is fully explained in the section "How Quality Score Affects Ad Rank."

Your First Page Bid The first page bid is an estimate given to you by Google for each of your keywords that is an approximation of what you need to bid for your ad to show up on page 1 of the search results.

Your Top of Page Bid Your top of page bid is an estimate of what you need to bid for your ad to show in the premium positions at the top of a search result.

Your Minimum Bid For each keyword auction, Google sets a minimum bid required to even qualify for the auction based up your Quality Score. This is why you might choose a keyword with no competitors and your first page bid will be higher than \$0.01. If your bid is lower than the minimum bid for that keyword in that auction, then your ad will

not show until your bid is at least equal to the minimum bid. Unfortunately, you won't find this minimum bid amount reported anywhere in your account. The closest you'll come is the first page bid, as explained previously. Raising your Quality Scores can lower these minimum bids.

Ad Rank for the Search Network Ad rank is a numerical score that Google calculates for each ad that qualifies to show in each keyword auction. The ad rank is an unpublished, internally calculated score used only by Google to determine the order of ads on a search results page. The ad with the highest ad rank score displays highest on the page, the next highest is second, and so on.

Eligibility to Appear on Specific Display Sites Display Network ads appear on nonsearch pages. In search, Google looks to see if the search query is related to your keywords. On the Display Network, Google looks to see if the article's contents are related to your keywords. For example, if someone is reading an article about airline travel on the *New York Times* site, the display ads will also be related to airline travel. Your Quality Score, along with several other factors, is used to determine whether your ad can appear on one of these sites when the site content matches your display campaign keywords.

Whether a Placement Targeted Ad Will Appear With Google's managed placements option, you can select individual websites across the Display Network where you would like your ad to appear. Your Quality Score will help determine whether your ad can appear on the sites you select.

Some Essential Terminology

Here are definitions of the various types of networks covered in this and other chapters:

Search Partners Sites where you conduct a search but that are not owned by Google, such as AOL.com and Ask.com.

Google Search Network Sites that are owned by Google, such as Google.com and Google.co.uk.

Google Display Network Sites owned by Google where ads are shown based on the content of the page, rather than based on someone conducting a search; examples include YouTube.com and Gmail.com.

Google Network Both search and display sites that are owned by Google.

Display Network Sites that may or may not be a part of the Google Display Network where an ad is displayed based on the article's contents, such as NYTimes.com and Gmail.com. For instance, the *New York Times* shows AdWords ads on their article pages based on the article's content, yet the *New York Times* is not owned by Google.

To make matters confusing, Google considers some of their own search sites, such as maps.google.com, as *search partner* sites and not as Google search sites.

Essentially, if you can increase your Quality Score, you can pay less for clicks and increase your ad's visibility by having it shown higher in the search results. Every keyword in your account is assigned a Quality Score, which Google reports as a metric at the keyword level.

Quality Score is an important metric that you can manage and optimize as long as you understand what factors go into it and how it impacts various elements within your account, such as ads, keywords, and landing pages. By breaking down Quality Score and examining its associated factors, you can understand how to improve your Quality Scores and the performance of your whole account in the process.

How Quality Score Affects Ad Rank

Every time your ad is shown, the keyword is given an ad rank score. The higher your ad rank, the higher the position in which your ad will appear. At the same time, Google determines the ad rank for all the other ads that could be shown. The ad with the highest ad rank is shown in the first position; the second ad rank is shown in the second position, and so on.

Ad rank is calculated by examining your max CPC, your Quality Score, and how your ad extensions will affect your CTR. Google does not publish their current ad rank formula, so to illustrate how Quality Score affects your ad rank, we can examine the history of ad rank and make some assumptions about the current usage.

When Google first launched, ad rank was determined by a simple formula:

$$\text{Ad Rank} = \text{Maximum Bid} \times \text{CTR}$$

This formula allowed Google to maximize their profits. If an advertiser had a very high bid but did not receive any clicks, then Google did not make any money from this advertiser. If another advertiser had a lower bid but did receive a large number of clicks, they would make Google more money than the advertiser bidding higher. Therefore, this model allowed for Google to make the most money possible from search results.

The problem with this formula is that it only took into account CTR and bids. Therefore, you could have a very poor landing page, or ads that were irrelevant to the keyword, and still have a high ad rank. This formula did not take the user experience into account. Therefore Google introduced Quality Score in an attempt to automate the user experience.

In 2005, Google introduced Quality Score in attempts to fix some system issues with minimum bids and improve both the advertiser and the user experience. When Quality Score was introduced, Google changed the ad rank formula to:

$$\text{Ad Rank} = \text{Maximum Bid} \times \text{Quality Score}$$

This ad rank formula lasted for several years until 2013, when Google again changed the ad rank formula to include ad extension data. Using ad extensions can

have dramatic effects on your CTR, and since the main factor of Quality Score was CTR, it made sense to fold this additional data into the ad rank formula.

Ad Extension Impact on CTR

Ad extensions can make dramatic changes on your CTRs. When the data is averaged across all accounts, sitelinks increase CTRs by 30 percent and seller ratings by 17 percent, and the other extensions raise CTR by 6 percent–10 percent. You can see these numbers at <http://certifiedknowledge.org/blog/the-complete-adwords-audit-part-4-ad-extensions/>.

Bing sees similar increases with ad extension CTRs and shared some statistics compiled by BIA/Kelsey at a private event on how they see ad extensions increase CTR. According to this data, sitelinks increase CTR 29 percent in the United States and location extensions increase CTR from 10 percent to 33 percent depending on the market.

Since we don't know the current ad rank formula, to illustrate how Quality Score affects ad rank, we have to make some assumptions and then create our own basic formula.

Please note that this is not the actual formula. The actual formula is much more complex; this information is for illustration purposes only.

Over the course of AdWords history, Google has allotted 50 percent of the ad rank formula to max CPC and 50 percent to CTR or Quality Score. Since Google has been consistent over many years of allocating half of ad rank to the max bid, we can assume that is still true in the new formula and that the addition of extensions is calculated into the Quality Score half of the equation. Therefore, we can make suppositions that the simplified formula could be

$$\text{Ad Rank} = \text{max CPC} \times ((\text{Quality Score} \times 0.8) + (\text{Ad Extension} \times 0.2))$$

In this formula, we are allocating half of the ad rank to bids and half to Quality Score and ad extension information. Of the half we are allocating to Quality Score and ad extensions, 80 percent of the rank is coming from Quality Score and 20 percent of the rank is coming from ad extensions.

We do not know the actual allocation amount to these factors, and this is not the actual Google formula; this is as close an approximation as we can make. Google might allocate only 5 percent to extensions, or they could allocate 90 percent to extensions. Because extensions do not take into account the quality of the ad and landing page but only an adjustment to CTR, it would make sense that its allocation amount does not exceed 25 percent; however, that is an educated guess based on Google's historical usage of Quality Score and ad rank.

The reason we need to examine this data is to show how important the Quality Score and the ad extensions are to ad rank.

For each auction, Google calculates ad rank for every advertiser. Your ad rank by itself is meaningless, and of course you have no idea what it actually is. Your ad rank matters only in terms of other advertisers. Once ad rank is calculated for everyone, then Google shows the ads in descending order from highest ad rank to lowest ad rank.

Table 7.1 shows how to use the proposed formula to determine position.

► **Table 7.1** How we believe ad rank and ad position are calculated

Advertiser	Bid	Quality Score	Extension QS Factor	Ad Rank	Position
1	1	10	10	10	2
2	1.25	5	3	5.75	3
3	1.5	7	0	8.4	4
4	10	1	0	8	5
5	2	7	7	14	1

There are several ways you can write this formula to see ad rank numbers. In this case it was written as

$$\text{Ad rank} = (\text{max CPC} \times ((0.8 \times \text{QS}) + (0.2 \times \text{extensions})))$$

This formula could also be expressed as

$$\text{Ad rank} = (\text{max CPC} \times 0.5) \times (0.4 \times \text{QS}) \times (0.1 \times \text{extensions})$$

In the case of the second formula, the actual ad rank numbers will be half as much as the first equation; however, the ratio of ad rank to each advertiser remains static, so even while the ad rank number changes, it changes evenly for all advertisers, and thus the final ordering in the search results would be the same.

When we examine the data, the first bidder has the highest Quality Score possible, a 10. In addition, advertiser 1 is using ad extensions well. Advertisers 2, 3, and 4 are bidding higher than advertiser 1—in some cases, even 10 times higher in the case of advertiser 4. However, these advertisers' Quality Scores and ad extension Quality Score factors are not very high, so even though they are bidding higher, their ad ranks, and thus final positions, are lower than those for advertiser 1.

Now, advertiser 5 is bidding twice as much as advertiser 1 (\$2 versus \$1), and while advertiser 5's Quality Scores aren't as high as advertiser 1's, they are very good at 7. When you factor in twice the max CPC with good Quality Scores, advertiser 5 would take the top position in a search result.

While this is not the actual formula, the concept it illustrates is true: If you can maintain higher Quality Scores (and ad extensions) than your competition, then you can pay less than your competition while showing your ad above theirs.

Since AdWords is a blind auction system, it is impossible to know what your competitors are bidding. The AdWords system is built on setting bids based on your advertising profits. To profitably increase bids, you may need to increase your website's conversion rates, change match types, or try different ad copy. If you increase conversion rates, you are increasing the searcher's satisfaction with your website. It's this user experience and satisfaction with your ads and landing pages that Google is trying to automate in determining Quality Scores. So, let us take a look at the factors used for determining Quality Scores.

Quality Score Factors for Search

There are a few Quality Score factors that Google calculates inside your AdWords account. The most transparent of all these scores is the one used for search, because you can see this number in both your account and your AdWords reports.

Let's examine all of the factors used to determine the Quality Score that is shown in your AdWords account, and then I'll show you some of the exceptions. The Quality Score factors are as follows:

Click-Through Rate on Google The single most important factor in determining your Quality Score is your click-through rate (CTR). The higher your CTR, the higher your Quality Score usually is for each keyword.

The CTR is normalized by position. This means that your ad is not penalized for showing in a lower position, and conversely you don't automatically get a boost when your ad is in higher positions that are expected to always have higher CTR. Google does not directly compare the CTR of an ad in position 5 with the ad in position 1, because Google understands that position 5 generally receives a lower CTR than position 1; therefore, before CTR is used in the Quality Score calculation, Google normalizes the CTR across positions based on projected click-through rates at those positions to determine how effective your ad is at gathering clicks.

When ads are shown on the Google search network, only the CTR of the Google search network is used. Your Display Network CTR and search partner CTR do not matter whatsoever for determining your Quality Score for search when your ad is shown on a Google search network site.

When your ad is shown on a search partner, such as Ask.com or AOL.com, the CTR of your ad on that partner site is used along with your CTR on non-Google search partners.

Click-Through Rate of Display URLs within an Ad Group Google tracks the display URLs used within your ad group separately from your text ads. The higher your display URL CTR, the higher your Quality Score can become. This is another reason to vary your display URLs and test to see which ones lead to higher CTRs.

Relevance of the Keywords to the Ad Copy within an Ad Group Relevance is one of Google's mantra words, and one of the places where this word takes on a special significance is in your ad copy. How closely does your ad copy describe and reflect your keyword? You do not have to use the actual keyword in the ad copy, but they should be closely related.

For example, the words *flowers* and *roses* are closely related. If the keyword is *flowers* and it triggers an ad copy about buying rose bouquets, these are closely related terms, since roses are a type of flower. A searcher may search for the word *flowers* but really want to buy roses.

However, the keywords *real estate* and *mortgage* are very different. When looking for real estate, the location, price, and number of bedrooms are pieces of the same puzzle. While most people who are looking to buy a house will need a mortgage, the search process is very different. A user looking for a mortgage is more interested in financial information than the number of bedrooms a house contains. In this instance, the ad copy will have a low relevance score because it is not helping someone arrive at the answers to their search query.

Term Frequency: Inverse Document Frequency

To think about how Google uses word relationships to determine Quality Score, the simplest calculation that you can consider is Term Frequency: Inverse Document Frequency, also known as TD-IDF. This is a set of mathematical calculations that examine how important a word is to the document (or search results) while weighting unique words (*brain*, *plasma TV*, and the like) over common words (*the*, *a*, *in*, *of*, and so on). TD-IDF among other calculations allows an algorithm to attempt to automate semantic relationships to determine how closely related search queries are to your ads, keywords, and landing pages.

Google does not do semantic analysis for determining relevance in Quality Score calculations. Instead, Google uses CTR analysis formulas to determine relevance. However, as an advertiser, you should think about relevance semantically so that you write compelling ads for searchers based on what they are trying to find.

Relevance of the Keyword and Ad Copy to the Search Query Google made a change in October 2008 when they moved to real-time Quality Score calculations. In real time, Google evaluates the relevance of your keyword and the ad copy that will be shown in the search result and then compares your keyword and ad copy to the actual search query. Therefore, if you are using dynamic keyword insertion, it can help improve this one factor.

Since this factor is in real time, it does not influence the Quality Score shown in your account, but it does affect the Quality Score used when determining your ad position in that particular search result.

Development of Quality Score

When Google AdWords' PPC program first launched in 2002, your ad rank was calculated as the bid times the click-through rate. To increase your position, you could either increase your CTR or increase your bid (all other factors being the same). However, if your CTR was low, your ad was simply not shown and was placed into a disabled state where it was difficult to ever have that keyword active in your account again.

In 2005, Google revamped the rules by introducing Quality Score and minimum bids. At first, Quality Score was simple and mostly determined by predicted CTR. Over the years, Google has tried to align Quality Score with searcher satisfaction. Usually the closer your ads and landing page are aligned with giving the consumer the answer to their question, the higher your Quality Score becomes.

Landing Page Quality This factor is very similar to the relevance of ad copy to the keyword. How relevant are your landing pages to the keyword? You do not have to have the actual keyword on the landing page; the landing page must be thematically related to the keyword.

I will go into greater detail on landing pages and landing page relevance factors in the section “Landing Page Quality: Making Your Pages Relevant,” later in this chapter

Landing Page Load Time The speed at which your landing page loads for the user is a factor in determining Quality Score. If you meet the minimum load speed threshold, there is nothing more to optimize.

The AdWords system follows all keyword-level destination URLs (or ad-level if you do not use keyword-level URLs) to determine the final page to analyze.

When Google determines if your page loads fast enough to be considered acceptable to the user, it is just looking to see if the HTML of your page loads as fast as the other pages hosted in that same geography. Since Google looks only at the HTML—not image sizes, scripts, and the like—this should never be an issue for most accounts.

If you are having landing page load time issues and are not using redirects, you have a larger problem than your AdWords account. You need to evaluate your host and website to find out why your site is loading so slowly.

If you are using redirects, make sure your redirects are not slowing down the searcher before they reach the final landing page. In the case of redirects, your site could load quickly, but if the redirects are slow, you may see issues with landing page load time.

Please note, this factor was displayed in the interface for a few years, and it has since been removed as its own displayed factor and is rolled into the general Landing Page experience factor. We will examine how you can see all of these factors for yourself in the next section, “Viewing Your Quality Score.”

Device Google calculates these factors for each device type, such as mobile phones, tablets, and computers. Users may have different search intents by device, and the landing page may work differently on various devices; therefore, your Quality Scores can vary by device.

Ad Performance by Geography This is another factor that has more influence on your ad's actual position than the Quality Score you see in your account. Your Quality Score actually can vary by geography, but the Quality Score you see reported is an aggregate of all places your ad shows. It is quite common that your ads will be shown in some geographies more than others because you have higher CTRs in those geographies.

This Quality Score factor could be at odds with your conversion rates. You may find that you have a higher conversion rate in one geography, but in a completely different area you have a higher CTR. In this instance, Google will show your ad more in the area with the higher CTR and you could lose out on conversions.

There is a geographic performance report that will give you insight into different statistics by geography, which I will cover in depth in Chapter 11, "Utilizing Advanced Geographic Targeting Techniques."

Account History Google examines the entire account, both the keywords and the ad copy, to determine how the account has done overall. Your overall account history is used when determining Quality Score.

With most AdWords statistics, such as account history and keyword CTR, the most recent history matters more than the overall history. Think of it as "What have you done for me lately?" Since most recent matters more than overall, accounts and keywords can almost always be saved when the proper techniques are applied.

Quality Score Is Calculated Only by Precise Matches

When examining the Quality Score factors, do not worry about the click-through rate of related queries for your phrase and broad match keywords. If you add the same keyword as an exact match, phrase match, and broad match keyword, all three versions will have the same Quality Score. That Quality Score will be derived from the exact match version. If you have a broad match keyword that does not have the exact match equivalent in your ad group, Google will calculate the Quality Score for that keyword based on the times when the search query matched your keyword precisely.

Therefore, it is useful to either use an exact match version of all your keywords or run the search query report to see the actual CTR of your phrase and broad match words when attempting to optimize for Quality Score.

Other Relevancy Factors Google uses many other relevancy factors that only occasionally apply. Most of these factors are fairly minor, are extremely difficult to optimize, and do not always come into play. Therefore, they are not disclosed by Google. However, they tend to be so minor they are not worth worrying about, and you can instead focus on the other factors described earlier.

For example, let's assume two advertisers are using the broad match keyword *teeth whitening*. One of the advertisers is a dentist located in Chicago. The other advertiser is an e-commerce site that sells a teeth-whitening product. Now consider a searcher sitting in Chicago doing a search for teeth whitening. Most dental queries are inherently local and the Chicago dentist is geo-targeting the Chicago area. In this instance, odds are that the Chicago dentist is a bit more relevant. Now let's say the searcher changes their query to *online teeth whitening*. While the user is still sitting in Chicago, their search query has turned more product oriented than local oriented, and in this case the online e-commerce store might see a slight bump.

This scenario may not be used by Google, but it is intended to give insight into one of many reasons why Google might have these other relevancy factors that only sometimes come into play.

Most of these factors are used when determining the displayed Quality Score in your account (with the exception of the factors that vary by user, such as the relevance of the keyword and ad copy to the actual search query). However, the weighting of the various factors can change based on many other factors, such as the user being on a computer versus a mobile device, the user's distance to a business (proximity), or the user's previous interaction with ads on the page. Although it is useful to know the factors involved in determining Quality Score, it is equally useful to be able to see the actual Quality Score by keyword to understand how your keywords are doing.

Viewing Your Quality Score

Quality Score is listed as a number from 1 to 10. The higher the number, the better your Quality Score. Technically, Google keeps a different number strung out to many decimal places that is used in their calculations; however, they display only whole numbers to advertisers.

You can view your Quality Scores in the AdWords Editor or in the interface when you examine the Keywords tab (Figure 7.1).

The Quality Score column is hidden by default. If you do not see your Quality Score listed at the ad group or campaign level when viewing Keywords, then you will have to customize the columns.

+ KEYWORDS		Edit ▾	Details ▾	Bid strategy ▾	Automate ▾	Labels ▾	
<input type="checkbox"/>	●	Keyword	Ad group	Status [?]	+ CTR [?]	Match type [?]	↓ Qual. score [?]
		Total - all campaign [?]			6.63%	--	--
<input type="checkbox"/>	●	+custom +frosted +cups	Custom Frosted Cups	Eligible	8.33%	Broad	10/10
<input type="checkbox"/>	●	+custom +plastic +tumblers	Custom Plastic Tumblers	Eligible	11.76%	Broad	10/10
<input type="checkbox"/>	●	[custom styrofoam cups]	Custom Styrofoam Cups	Eligible	15.38%	Exact	10/10
<input type="checkbox"/>	●	+custom +styrofoam +cups	Custom Styrofoam Cups	Eligible	25.00%	Broad	10/10
<input type="checkbox"/>	●	+monogrammed +plastic +glasses	Monogrammed Plastic Glasses	Eligible	37.50%	Broad	10/10

Figure 7.1 Viewing your Quality Score

Click the Columns link and then click Customize Columns. You will be presented with options for specifying statistics you would like to view (Figure 7.2).

Customize columns

Select metrics

- Performance >>
- Conversions >>
- Attributes >>**
- Search Funnels >>
- Competitive metrics >>

Add all columns

Labels	Add
Dest. URL	Add
Qual. score	Added
Est. first page bid	Added
Est. top page bid	Add
Match type	Added
Bid strategy	Add
Bid strategy type	Add

Figure 7.2 Customizing the keyword columns

Once the Quality Score column is shown for your account, you can click on the conversation box icon in the Status column to view more specific information about that keyword (Figure 7.3).

When you see a low Quality Score in your account, this is the first step you should undertake to diagnose problems. Often if there is a reason why your ads are not showing, it will also be shown in this dialog box.

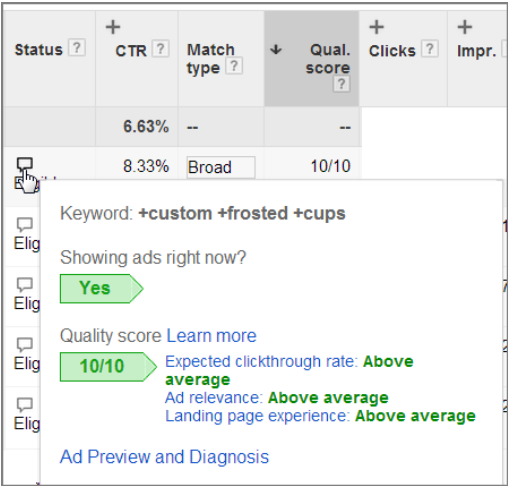


Figure 7.3 Detailed Quality Score information

The second place to view your Quality Score is in the AdWords Editor (Figure 7.4). The AdWords Editor is free software from Google that enables you to manage your account on your desktop (or when you are offline). I will discuss it in detail in Chapter 12, “Saving Time and Scaling Accounts with the AdWords Editor”; for now, please note that this is another place where you can view your Quality Score.

Keyword	Type		First page bid...	Max. CPC (USD)	Quality Score
cup	Phrase	III	0.01	Auto	10
cup - frosted	Broad	●	0.02	0.31	10
cup - frosted cups	Broad	●	0.02	0.31	10
cup - frosted cups	Broad	●	0.01	0.31	10
cup - frosted cups	Broad	●	0.02	0.31	10
cup - frosted cups	Broad	●	0.25	0.31	10
cup - frosted cups	Broad	●	0.35	0.78	10
cup - frosted cups	Broad	●	0.30	0.60	10
cup - frosted cups	Broad	●	0.35	0.45	10
cup - frosted cups	Broad	●	0.20	1.08	10
cup - frosted cups	Broad	●	0.09	0.53	10
cup - frosted cups	Phrase	●	0.15	1.00	10
cup - frosted cups	Phrase	●	0.01	0.35	10
cup - frosted cups	Broad	●	0.02	1.00	10
cup - frosted cups	Phrase	●	0.01	0.31	10
cup - frosted cups	Phrase	●	0.01	0.55	10
cup - frosted cups	Exact	●	0.01	0.55	10
cup - frosted cups	Phrase	●	0.01	0.55	10
cup - frosted cups	Exact	●	0.01	0.55	10
cup - frosted cups	Phrase	●	0.01	0.85	10
cup - frosted cups	Exact	●	0.01	0.85	10
cup - frosted cups	Phrase	●	0.01	0.85	10

Figure 7.4 Viewing Quality Score in the AdWords Editor

The factors are simply broken down into above average, average, and below average. What you generally want to look for are items that are below average and see how you can raise them to average, or, even better, above average. We will examine how to increase Quality Scores a little later in this chapter.

One of the easiest ways to work with Quality Score is to export the data from your account into an AdWords report. This will give you a list of your keywords, Quality Scores, and other data that you can manipulate to find the areas of improvement. I will revisit some ways to utilize this data in the section “Increasing Quality Scores,” later in this chapter.

Not only is your choice of landing pages important for increasing conversions; it is also essential to maintaining high Quality Scores. Later in this chapter, I will discuss ad group organization that will make it easy to choose the appropriate landing page. However, you also need to ensure that your landing page meets Google’s guidelines.

Landing Page Quality: Making Your Pages Relevant

Google has developed landing page guidelines for AdWords based on giving the searcher the best possible experience after they click on a Google ad and enter your website.

Luckily, most of these guidelines help with conversions and your website’s usability. By following these guidelines, you can make your page relevant for the consumer and for Google’s Quality Score formula.

Spiderability

The first step to creating a relevant landing page is making sure that Google can read the page with their spiders (programs that index websites). If Google does not understand your landing page, it cannot ascertain whether your landing page is relevant.

Google uses a few robots to spider your site for AdWords:

- Adsbob-Google or Adsbob-Google-Mobile
- Googlebot

A robots.txt file is an instruction manual that tells a robot what it can or cannot crawl on your website. If you use disallow all robots from crawling a page, then Adsbob-Google will ignore your robots.txt instructions. Adsbob-Google ignores these global disallows because it assumes since you are buying traffic to that page, you want the page to be indexed so a Quality Score can be created.

There are times when Googlebot may index your site instead of Adsbob-Google. If Googlebot has recently visited your site, Adsbob-Google may ignore your website since AdWords will use the information from the Googlebot crawl to determine your Quality Scores. However, if you block Googlebot in your robots.txt file, then Adsbob-Google will crawl your site so your account can be assigned Quality Scores.

If you are unsure how Adsbob-Google is treating your site, you can create a free Google Webmaster Tools account (google.com/webmasters/) and use their tools to analyze your robots.txt file and make sure the site can be crawled.

Once you know that your site can be crawled, the next step is creating relevant pages.

Relevance

The destination URL should lead the searcher to a page on your website that answers the searcher's question or shows them how to receive their answer. This relevance is very similar to the ad copy relevance, because you do not need to have the actual keywords on the landing page. The page needs to be topically related.

If you are unsure what Google thinks your page is about, use the AdWords Keyword Planner discussed in Chapter 3, "Keyword Tools: Extracting Valuable Data from Google." Input your landing page and let Google crawl your site. Now examine the keywords. If the keywords are similar to the keywords in your ad group and what *you* think the page is about, your page should be relevant to the search query.

If the Keyword Planner thinks your page is about something completely different, you need to revisit the content on your page and possibly rewrite some paragraphs. If you have a page that is mostly images and Flash, you may just wish to add some HTML content.

The content should also be unique to your site. You can have the content on multiple pages of your site, but you do not want the content to appear on other pages across the Web.

Note: For paid search, it is acceptable to have the same content on multiple pages of your website. However, for organic search engine optimization, having the same content across your website can lead either to a duplicate content penalty or to Google ranking one page of your website when you would rather have a different page rank for that term. Use the `robots.txt` file to make sure only one version of your content is crawled and indexed by Googlebot. To learn about `robots.txt` files, visit www.robotstxt.org.



Sites that utilize manufacturer descriptions in their content can run into problems with this guideline. If there are a hundred sites with the same content, why should the searcher read it on your website? Mixing in some additional content, or writing some original content for your top-selling products, can help increase the originality of your website.

The same concept holds true for *affiliates*. Affiliates are companies that refer consumers to another company to buy a product and in return receive some sort of compensation. An easy example is travel agents who are affiliates for airlines and cruise ships. Often affiliates feel that Google dislikes them. This is not true. There are many affiliate sites that have fantastic user experiences within them. The questions affiliates should ask themselves are these:

- Should the user have gone directly to the merchant instead of to my site first?
- What did I include on my site to enhance the search experience?

Your landing page should contain unique and relevant content that can be read by Google's bots. However, that is not quite enough to satisfy all of Google's landing page requirements. Transparency to the user about your business and website is also considered.

Transparency

Consumers are increasingly becoming aware of scams, phishing attempts, and privacy issues online. Being transparent with your offers and business information goes a long way toward meeting Google's editorial guidelines and landing page quality, and it often increases conversion rates because searchers have a better understanding of your company. For example, if you make a claim in your ad copy, such as free shipping, discounts, or a third-party authorization, put that information on your landing page.

Respect the searcher's computer. Do not alter their browser settings, disable the back button, or attempt to autoinstall software. Violating any of these three rules usually results in your ads quickly becoming disapproved. In addition, autoinstalling software may result in your website being marked as untrusted in some privacy software.

In the United States, privacy policies can be tricky. In unregulated industries, privacy policies are not legally required. However, if you have one, it becomes a legal document. Please note that other countries have their own privacy policy laws, and requirements vary by country. If you collect personal information, such as email addresses, credit cards, or phone numbers, you must disclose how you use that information. You can either include information on the page or link to your privacy policy. If you collect credit card information, bank information, or other sensitive data, the page must be secure. If you are using Google's remarketing or similar audience-targeting features, you are also required to make appropriate disclosures on your website. If you do not follow these rules, you might not just see lower Quality Scores; you can see disapproved ads since the pages do not meet the proper disclosure requirements.

In addition, do not automatically sign up users for your newsletters if you collect their email address for other purposes, such as sending an e-commerce receipt. Allow a user to choose to receive your newsletter.

If you require registration to view the content on your site, allow someone to see a preview of the information before they are required to register on your website.

Navigation

If the searcher does not find the information they are looking for on the landing page, do you give them alternative ways to find that information? In Chapter 6, "Learning Advanced Optimization Techniques," you learned best practices for dedicated landing pages and reasons to include additional navigation to your site from your landing page.

Another reason to add navigational elements is that navigation is a factor in determining landing page quality. Your landing page does not have to have your

typical full navigation; however, if the consumer does not find what they are looking for on your landing page, or if they want to learn more about your company, offers, and so forth, can they easily find that information on your website?

Generally, if you have the following links on your landing page, you will meet Google's navigational requirements:

- Homepage
- About us page
- Contact us page
- More about the product or service
- Privacy policy

You should avoid pop-ups on the landing page. Hover items that do not open new windows are currently acceptable. However, adding pop-ups on load or exit is a violation of AdWords policy and will result in disapproved ads and low landing page Quality Scores.

Landing page quality is generally considered to have less weighting in the Quality Score formula compared to some of the other factors such as CTR. However, a low landing page Quality Score can hurt your Quality Score more than any other factor. A low landing page Quality Score may result in your ad not even showing.

Landing pages used to be relevant or nonrelevant. They were a simple pass/fail and did not have degrees of relevance. That changed in 2011, and now making some changes to your landing page can increase your Quality Scores.

Since landing page fixes take longer than other types of Quality Score optimization such as account organization and ad testing, in the “Landing Page Fixes” section we will examine when you should be creating new landing pages versus working on other aspects of your account to increase your Quality Scores.

Estimating Your First Page Bid

The first page bid is an approximation of what you need to bid for your ad to be shown on page 1. If your bid is below this number, your ad will rarely be shown on page 1. If your bid is above this number, your ad will usually be shown on page 1.

This approximation is based on the exact match version of the keyword. You may find that phrase match and especially broad match may be shown in much higher or lower positions than the exact match version. The search query report, discussed in Chapter 16, “AdWords Reports: Extracting Actionable Information,” will provide insight into these broad match and phrase match keywords. The first page bid is more accurate when your campaign is set to show in only one country.

Bear in mind that competition for ad positions varies regionally; the number of advertisers and how they manage their budgets can be quite different from geography to geography, and even if you bid higher than the estimated first page bid, there may

be places where your ads are not shown on page 1. However, it is a decent number to work from when you are looking to ensure that your ads are receiving at least some exposure.

You can see your estimated top page bid within AdWords as well. This is the approximate CPC it will take for your ads to be displayed above the organic results. You can customize the columns to see both of these numbers within your account or the AdWords Editor (Figure 7.5).

Quality Score	First page bid...	Top of page bid est. (USD)
7	0.15	0.50
7	0.15	0.40
7	0.15	0.60
7	0.08	0.35
5	0.85	2.00
7	2.25	4.00
3	1.75	3.25
5	0.30	0.50
6	0.20	0.80
6	0.20	0.70
3	1.00	1.50
4	0.40	1.25
4	0.40	0.55
7	0.15	0.45
7	1.25	4.25
4	0.45	1.75
5	0.65	1.50
7	0.30	0.85

Figure 7.5 Viewing first page bids in the AdWords Editor

It can be time consuming to look for instances of first page bids within each ad group. The easiest way to determine whether your bids are below the first page bid is to create a keyword report that includes the current bid and first page bid attributes and then download it into Excel. Next, use conditional formatting to locate instances where your maximum CPC is lower than your first page or top of page CPCs.



Note: Excel has a feature called *conditional formatting*, which lets you change the formatting of a cell or column based on particular criteria in that Excel file. One use of conditional formatting is to highlight the current bid column in red if the current bid number is below the first page bid number. This will allow you to quickly find which keyword bids are below the first page bids.

By viewing current bid and first page bids side by side in either Excel or the AdWords reports, you can easily determine where your ad is not receiving page 1 placement.

Just because your current bid is below page 1 does not mean you should raise your bid to the page 1 bid amount. You may have keywords that are not profitable on page 1 and you may therefore be willing to have them not appear on page 1.

When Google determines page 1 bids, they use most of the Quality Score factors listed in the earlier section, “Quality Score Factors for Search.” The factors that are

not used are the ones that require real-time analysis, such as relevance of actual search query to the ad copy and keyword.

Understanding the Display Network Quality Score

The Display Network will be analyzed in Chapter 9, “Understanding the Display Network”; however, we will touch on Quality Scores for the Display Network here because they can be very difficult to work with or even diagnose if you have good or poor Quality Scores across the Display Network.

The main thing to know about the Display Network is the ways that Google triggers ads:

- **Automatic placements:** You choose keywords, topics, interests, or some other means of targeting a user, and Google then determines the sites, pages, and apps on which to place your ads.
- **Managed placements:** You pick the actual sites and ad placement slots where you want your ad to appear.

For instance, if you are reading an article on the *New York Times* website about airline travel, you may see a list of travel-based ads marked “Ad Choices.” Some of these ads are served based on the article’s content, and others might be served by users picking that exact site to serve their ads. Regardless, these ads are not triggered by a user conducting a search.

Your Display Network Quality Score is not shown within your account. There is generally a correlation between good search Quality Scores and strong network placement or relative CTRs (your CTR in relation to your competitors’). However, this is not always true in the Display Network because display advertising is quite different from search advertising.

Your Display Network Quality Score determines the following:

- If an ad will be shown on a particular site
- The ad’s position on that site

The factors that determine your Display Network Quality Score are as follows:

The Ad’s CTR on That Exact Site and Similar Types of Sites There are over two million sites in Google’s Display Network and millions more individual pages where Google has not yet displayed your ad. In deciding whether to place your ad on a Display Network site or page, Google evaluates ad CTR performance on sites and pages with similar themes to your CPC-based campaigns. Especially for image ads, where Google cannot evaluate ad relevancy based on text in the ads, CTR is a more important factor in Quality Score calculations.

CTR on the Display Network is usually much lower than CTR on search campaigns. The CTR Google uses to determine Display Network Quality Score is independent of your search CTRs.

The Relevance of the Ads and Keywords in Each Ad Group to a Particular Website Google also examines the keywords and ads within an ad group and determines how relevant they are to the website where your ad might be shown. The closer these two items are to the website's theme, the more likely your ad will be shown on that site. For CPM campaigns, relevance factors are generally more important in Quality Score than CTR, as you might expect.

Landing Page Quality The landing page quality used for the Display Network is the exact same as for the search network described earlier. We examined what makes a quality landing page in the section "Landing Page Quality: Making Your Pages Relevant" earlier in this chapter.

Other Factors The other factors are a catchall of various data points that are similar to the ones for search.

These factors are used to determine if an ad is shown across the Display Network when you have not chosen specific sites to place your ad, an approach known as managed placements. However, when you have chosen specific sites where you want your ad displayed, different factors are used to determine whether your ad will be shown, and where it will be shown, on those sites.

Quality Score for Managed Placements

With managed placements, you choose exactly the sites where you want your ad to be displayed. Since you have chosen these sites, Google does not have to spend as much computing power determining the ad group's relevancy to a website and whether an ad is appropriate to be shown on a particular site. Therefore, the factors used in Quality Score are different.

If you are bidding CPC (cost per click) on a placement, the two factors used in determining if your ad is shown are these:

- The ad's CTR on that exact site and similar types of sites
- Landing page quality

The description of these two factors is the exact same as for the content Quality Score factors described earlier.

When managing placements across the Display Network, you have an option to pay by CPM (cost per thousand impressions) instead of the usual cost per click. With CPM bidding, Google knows exactly how much they will make when your ad is shown because you are paying for each impression; therefore, they do not need to determine how likely your ad is to be clicked so they can get paid. This means that most of the relevancy factors do not come into play.

For CPM bidding on the Display Network, the only factor that is used to determine the Quality Score is landing page quality.

Since click-through rate is a major component of Quality Score, a good way to get a rough proxy to your display Quality Score is to examine your relative CTR. Your relative CTR is your CTR in relation to other ads. You can see this number at a campaign or ad group level. You cannot see it by keyword, placement, or ad. Therefore, just as with search, creating small, tightly themed ad groups (such as one topic or interest per ad group) will allow you to see relative CTRs for these small targeting options to see where you are doing better and worse across the Display Network.

Since there are so many places where Google stores and utilizes data to determine if, when, and where your ad should be shown, the first step to optimizing Quality Score is to identify where you want to increase your exposure (and decrease click prices). Once you have figured out where you want to increase exposure, examine the factors that make up the Quality Score for that specific exposure type and work within those variables. (See Chapter 9 for more on managed placements.)

If you are in doubt about working with Quality Scores for search or for display, default to search. Quality Scores play a pivotal role for search campaign optimizations. Display Network Quality Scores, on the other hand, are not so easy to use, since Google never shows them to you in any reports and you never know if you are improving them or not. For this reason, while it is important to understand that they exist and have an impact on your Display Network performance, there are other signals you have to rely on for display campaign optimization, as we'll discuss in upcoming chapters.

Now that we have looked at how Quality Score is determined for different aspects of your account, let's dig deeper into Google's mantra—relevance.

Diagnosing Your Quality Scores

Spending all day looking for low Quality Scores, clicking on the text box to see the detailed Quality Score information, and then trying to reorganize your ad groups or write new ad copy can be a daunting task. There is a more efficient way to spend your time by isolating the problem areas:

1. Run a keyword report that includes at least these seven columns:
 - Campaign
 - Ad group
 - Keyword
 - Cost
 - Quality Score
 - Impressions
 - Clicks

2. Once you become familiar with this method, you may wish to add conversion data to the process.
3. After you have run the report, export the data into Excel.
4. Create a pivot table using your keyword report as the data source.

Creating Pivot Tables

A pivot table summarizes data sets. Using pivot tables is an easy way to combine many data points into a higher-level data set that makes it easy to analyze the data.

Creating pivot tables in Excel takes just seconds. Follow these steps:

1. Import the data into Excel.
2. Delete all rows above the title row (the row that contains the label keyword, ad group, Quality Score, and so on).
3. Go to the Insert tab, and click the PivotTable button (on the far left of the ribbon).
4. Make sure that the entire sheet is selected, and then click OK.

A new worksheet will be created that contains the pivot table information.

You can find Microsoft help files for creating pivot tables at <http://office.microsoft.com/en-us/excel/HP101773841033.aspx>.

With pivot tables, you can choose to see the average Quality Score of an ad group. However, when you look at the average Quality Score by ad group, each keyword is given the same weight regardless of clicks and impressions. For instance, if your ad group contained these statistics

Keyword	Impressions	Quality Score
Keyword 1	1000	4
Keyword 2	10	7
Keyword 3	1	10

the average Quality Score of this ad group would be 7—that is, $(4 + 7 + 10) \div 3$.

However, if you weighted the Quality Score of this ad group by impressions, you would have a much different picture. If you take a keyword's impressions multiplied by its Quality Score, add these numbers together for all keywords within the ad group, and then divide by the ad group's total impressions

$$\text{Weighted QS} = ((1000 \times 4) + (10 \times 7) + (1 \times 10)) \div 1011$$

you would see that this ad group really has a Quality Score of 4.03, not 7.

The reason to work with the weighted average is that you are going to create a pivot table that will let you find places where you have low Quality Scores and high spends. Therefore, once you have your keyword report imported into Excel, add one more column labeled **QS * Impressions**. To populate this column, create a formula that multiplies the keyword's Quality Score by its impressions.

Note: Tools are available that will do all of this analysis for you, and they'll even go a step beyond and put these ad groups in order of importance. One I created, called the Quality Score Analyzer (<http://certified-knowledge.org/membership-information/ppc-tools/quality-score-analyzer/>), uses algorithms to find the best places to optimize your Quality Scores based on impression volume, normalized Quality Score, and spend data.



Now create the pivot table. Once the pivot table is created, use ad groups as the rows, and Sum of Impressions, Sum of QS * Impressions, and Sum of Cost as the columns.

Finally, create a column for real Quality Score where you look at the weighted average. All you need to do is divide the Sum of QS * Impressions by Sum of Impressions. This will create a column that shows you your real Quality Score. When you have finished, you should have a pivot table that looks like Figure 7.6.

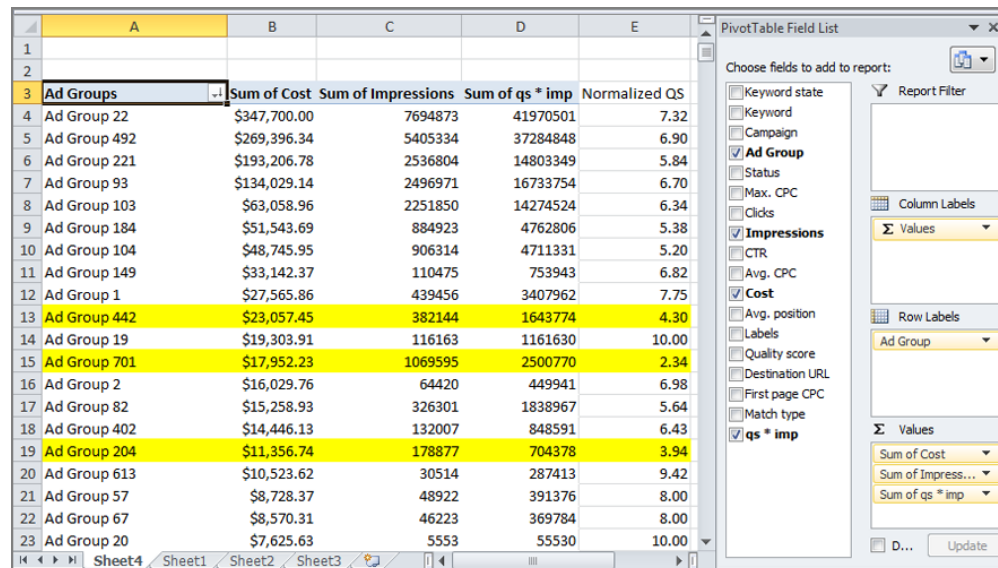


Figure 7.6 Pivot table with weighted Quality Score and cost data

What you want to look for is ad groups with both high spends and low Quality Scores. In Figure 7.6, Ad Group 442 has the highest spend in a low Quality Score ad group. That is the best ad group for you to spend your time optimizing. The second ad group to examine would be 701 because its Quality Score is very low at under 3 and yet is one of the top-spending ad groups in the account. As you become more familiar with pivot tables, you can add additional data points such as conversions or ROAS (return on ad spend) to the table. This table will not tell you what to do. It will present summary information that should be easy to analyze to find a starting place for your optimizations. Looking at ad group data is easier than looking at tens of thousands of keyword Quality Scores.

Once you have found ad groups with high spends and low Quality Scores, navigate to these ad groups in your AdWords account and click on the dialog boxes (Figure 7.3) to see what the problems are with those keywords.

Finding Areas of Low Performance

The first pivot table created shows you areas where you can optimize your current spend. However, it does not tell you where your Quality Scores are so low that you're not actually spending any money.

In order to see ad groups where you have many low Quality Score keywords, create a pivot table that shows you your ad groups and the number of keywords in each ad group (which is displayed as Count in a pivot table), and then create a report filter to include only keywords with Quality Scores of 4 or less, as shown in Figure 7.7.

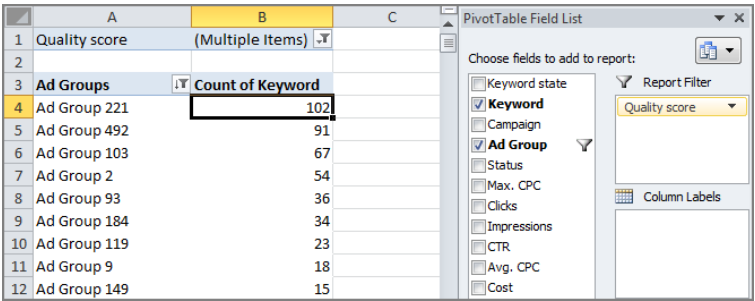


Figure 7.7 Pivot table showing ad groups with low Quality Score keywords

In this case, you will want to take the steps outlined in the section “Increasing Quality Scores.” If the issue is not landing page relevance, the main steps will be examining your account’s organization and trying to lift CTRs with ad copy testing.

Viewing CTRs

An easy way to see if you have a typical account in terms of CTR being your major QS factor is to create a chart that shows your CTR by Quality Score (Figure 7.8).

Quality Score	CTR
1	0%
2	0.20%
3	0.79%
4	1.67%
5	2.10%
6	3.45%
7	3.20%
8	8%
9	9.20%
10	16%

Figure 7.8 Pivot table showing CTRs by Quality Score

It is very common to see a linear progression where the higher your CTR, the higher your Quality Scores are. Although this is not always linear, it is not uncommon to see QS 6 words with a lower CTR than QS 5 words or some other random anomaly. This usually happens because you will have some keywords that may have low Quality Scores, but they have higher average positions. If you have a very large account with a lot of data, then you can also segment your Quality Score by average position and then examine your CTRs by taking into account both position and Quality Score.

If your chart does not show a reasonably linear correlation between Quality Scores and CTR, this may be an indication that you have ad relevancy or landing pages problems throughout the account. In those cases, you may need to readdress your entire ad copy creation or landing page strategy to increase your Quality Scores.

Healthy Quality Score Accounts

When you have so many keywords—some with low Quality Scores, some with high Quality Scores, others with high CPAs, and others that are barely making money—how do you determine the Quality Score of your overall account?

There is another way of using pivot table data to see a quick snapshot of an account. Instead of examining ad groups, look at the number of impressions by each Quality Score number (Figure 7.9).

Quality Score	Sum of Impressions	Count of Keyword	Percentage Impressions	CTR
1	2767	2	0.07%	0.9%
2	119895	194	3.15%	0.8%
3	415980	1360	10.92%	1.1%
4	742971	10714	19.51%	1.8%
5	529640	21919	13.91%	2.9%
6	759986	41011	19.95%	4.2%
7	1212056	130020	31.82%	8.1%
8	1416	3071	0.04%	6.2%
9	1567	1907	0.04%	17.4%
10	22407	8897	0.59%	22.9%
Total	3808685	219095	100.00%	

Figure 7.9 Quality Score impressions for an account

In a healthy account, you want roughly 50 percent of your impressions to be Quality Score 7 or higher and roughly 70 percent to be Quality Score 6 or higher. Google calculates revenue based on impressions, not keywords, so the percentage of your impressions at each Quality Score number is a more important signal to Google about your overall account than the percentage of keywords that fall into each Quality Score number. In this account, the percentage of keywords that are Quality Score 7 or higher is under 33 percent; therefore, they need to be more aggressive in trying to increase their Quality Scores.

When creating these charts, if you have a large percentage of brand terms, you will want to do the chart for both brand and non-brand terms. If you see low Quality Scores or low CTRs on your brand terms, that is an indication that your brand strategy needs to be addressed. If you see high Quality Scores on your brand terms and low ones on your non-brand terms, then you need to address your generic keyword strategy. Some companies spend a lot of money on brand terms, because these keywords usually have such high CTRs and Quality Scores. However, brand and non-brand terms are expected to behave quite differently, and therefore it is always useful to examine these two account aspects independently.

You may have additional segments to pay attention to as well. If you have an e-commerce site, then you may want to manage your own brand's keywords differently than third-party brands you carry and both of those segments differently from generic keyword terms. This is not only for Quality Score diagnostic reasons but also to see your conversion rates and cost per sale across the various types of terms in your account.

If this account had 80 percent of their impressions at Quality Score 7 or higher, they could easily keep some low Quality Score keywords in their account without worrying about how those keywords would affect their account.

If you're in doubt about Quality Score optimization—assuming there's no problem with the landing page—try to increase your CTR.

Pivot tables are powerful analysis tools whenever you have so many data points that it is hard to spot problems easily. By summarizing the Quality Score data, you can find the weaknesses in your account and then investigate and optimize the ad groups in question.

Ignoring Quality Score

There are times when working with Quality Score can lead you in the wrong direction. Here are the three main times when you want to ignore Quality Score:

- Google isn't calculating it correctly (bugs).
- You don't have enough data.
- Your industry is just messy (mostly finance, pharmaceutical, and legal).

With each of these scenarios you shouldn't give up before you try. You might try a few variations of ads, split out the keywords into their own ad group with their own ad and landing page, and other such strategies. And after a few rounds of tests, if you can't make the Quality Scores, then you should walk away.

I'll walk through the main issues I see when I work with a low Quality Score keyword, what tests you can run, and when you should just walk away and not obsess over it after you have done some testing.

Word Variations These scenarios are probably the most maddening. Certain words don't have different CPCs, CTRs, or conversion rates by plural, singular, or various stems. Yet, the Quality Scores are completely different for each variation.

Plurals and singulars:

- Your singular (or plural) is a 7–10.
- The reverse, your plural (or singular) is a 3–4.
- For example: The word *accident attorney* is a 7–10; the word *accident attorneys* is a 4.

Stemming:

- The word is a 7–10.
- Any stem is a 3–4.
- For example: *Gardening tools* is a 10 and *garden tools* is a 3–4.

Reverse words:

- *Accident attorney* is a 7–10.
- *Attorney accident* is a 3–4.

With these words, if your CTRs, CPCs, and average position are similar for both variations, then after a few tests walk away. I can't count the number of wasted hours I've seen on these tests.

You Don't Have Enough Impressions This is one of the biggest mistakes I see. Someone adds 100 new keywords, immediately gets 3s, and then starts to worry about it.

Or, someone adds 1000 keywords, waits 24 hours, sees lots of 4s, and starts testing when no keyword has more than 30 impressions.

Your keywords do not start with your Quality Score. They start with an average that is tempered by your overall Quality Score.

Don't even look at Quality Score until you have 500 impressions. If it's a higher-volume term, then wait until you have 1000–2000 at a minimum. The lone exception is when you see below-average landing page experience. In that case, take a look at your organization and landing pages.

It's Just Your Industry Some industries have had such a plethora of bad traffic bought within them that no one can get a good Quality Score. This can be maddening because

you think you should have 7s, but no matter what you do, you can't break 3–4. Some accounts are in great shape with an average Quality Score of 3.5. This is not common. I'll show you how to diagnose it.

One common scenario you may encounter is high positions but low Quality Scores (Figure 7.10).

Status ?	Max. CPC ?	Qual. score ?	↑ Avg. Pos. ?	Avg. CPC ?
--			1.8	\$11.24
Eligible	\$200.00	3/10	1.2	\$145.62
Eligible	\$200.00	3/10	1.2	\$47.81
Rarely shown due to low quality score	\$200.00	2/10	1.3	\$108.46
Rarely shown due to low quality score	\$200.00	2/10	1.3	\$14.67
Rarely shown due to low quality score	\$200.00	2/10	1.4	\$39.49

Figure 7.10 Low Quality scores and high positions

If you see this scenario, then take a look at the top vs. other segmentation for those keywords and see if you have a lot of your impressions in the top range. Google does not put bad ads above the organic results. Therefore, if you see your ad above the organics, and you have Quality Score 3 and 4 words, the problem is most likely your industry. This is very common in these industries:

- Financial
- Pharmaceutical
- Legal
- Industries with average CPCs above \$35–\$50 (and commonly in the \$100-plus range).

With keywords in these industries, there is one big issue:

- At a QS 3, your ads can be above the organics and show all the time.
- At a QS 2, your ads are rarely shown.

There is a huge difference between a 2 and a 3 Quality Score. Therefore, you will want to get to 3s. A 4 is good (consider it a 7), and a 5 is great (consider it a 10); rarely does anyone have an actual 7 to 10.

Words with Other Meanings Not everything means what you think it does. Many words have multiple meanings, and this can cause low Quality Scores due to low CTRs. You usually don't want to fix them because doing so means you get lots of unqualified visitors and your conversion rate suffers. A good example of this is the bleach

query example from earlier chapters, where *bleach* could mean a cleaning supply or a Japanese anime show.

In these cases, you'll rarely get a great CTR. You can do lots of negatives, but be prepared to have some low CTR or to use such generic ads that your conversion rates suffer. Always know who is searching on your ads—you don't always want a high QS if you lose money by having one.

It's Someone's Local Brand Quality Scores are reported at the keyword level. Quality Score takes into account geographic and ad CTRs. If you are advertising on a word that is a brand, you might have a low CTR in some regions and a great one in other regions. You will see just the average. In this case, you often end up with a low Quality Score if that brand has enough of the search queries and clicks in the majority of other regions.

It's a Common URL There are a surprising number of searches for URLs or common company names. Not everyone directly goes to a website (often called direct navigation). It's pretty common to see people search for a site and then click the link to go to the site. Therefore, if you are advertising on a word that matches someone else's website, you could see low Quality Scores.

Bugs Google launches Quality Score changes on a regular basis, and sometimes bugs in the programming occur. The easiest way to spot these is that your average position and actual CPCs have not changed at all, but your Quality Scores have dramatically decreased. In these cases, since your ad rank and costs have not been affected, it is sometimes due to a bug in the system. There is nothing you can do about this situation until Google corrects the issue. The good news is that since your costs are usually not affected, these bugs do not usually cost you additional money.

Fortunately, if you are in one of these scenarios, then odds are your competitors are too and no one is actually getting an advantage. If you are in one of these situations, do not just immediately give up and say you cannot get a good Quality Score. You will want to do a bit of testing and examination of organization before you give up because you might be the exception for those keywords or industry.

Increasing Quality Scores

The first step to increasing Quality Scores is understanding where you need to increase your Quality Scores. The second step is taking action on that knowledge.

There are also ways in which you can structure your account that usually lead to high Quality Scores when you begin, and therefore you will have fewer account structure issues to work through in trying to increase Quality Scores. The first step to creating a good account is creating highly relevant ad groups. If you are diagnosing your Quality Scores and find ad groups that need Quality Score improvement, this same technique is used: create highly relevant ad groups.

Creating Highly Relevant Ad Groups

Relevance is a subjective word, and yet being relevant determines much about your account's success. There are four main places where Google attempts to ascertain relevance:

- Keyword to ad copy
- Ad copy to landing page
- Keyword to landing page
- Ad copy and keyword to Display Network sites

In these four instances, you might not be able to quantify relevance; however, you can conduct exercises and research to help ensure you are coming close to meeting Google's relevance guidelines.

The most time-consuming exercise, and the one that will give your account the best chance of long-term success, is successful account organization. Make no mistake, this organization will take time, but the rewards are worth the effort. Not only will creating tightly themed ad groups where the ad copy is closely related to the keywords lead to a higher Quality Score due to Google's relevancy algorithms, but it will also lead to higher click-through rates, which is the major component in your Quality Score.

To begin, write one highly targeted ad—an ad that does not have to be used within your account but that if a searcher reads it, they could only assume that it describes exactly one service or product. After you write this ad, examine the keywords within that ad group. If the ad copy describes those keywords, that means the keywords are in the correct ad group. If the ad copy does not describe the keywords, the keywords need to be in a new ad group.

The best organization possible would be to write one ad for one keyword. This way, the keyword and the ad copy are always closely related. However, that is not usually possible due to the restrictions on how many ad groups can be in a campaign and the fact that it would take significantly more time than the vast majority of people have. Therefore, it is much better to have 10 ad groups of 10 keywords that are closely related than 1 ad group of 100 keywords that are only marginally related.

It is common to see an ad such as

John's Plumbing Service
Servicing the Chicago area
Call for an appointment today!

to be shown for an ad group with these keywords within it:

- Chicago plumbing
- Plumbing service
- Broken pipes
- Emergency plumbing

- 24-hour plumbing
- Fix shower
- Overflowing toilet
- Saturday plumbing
- Weekend plumbing
- Flooded basement

The common argument is that plumbers offer all of these services; therefore, you need to write only one ad to describe all these keywords. The truth is that while you might have some keywords that are fairly generic (such as *plumbing*) where this ad copy would serve, the account would be much better served to break this copy into more targeted ad groups.

An emergency plumber is one who is willing to come to a house at 3:00 a.m. on Tuesday. You might want to hire a weekend plumber who will not charge double time for the visit to your house. Instead of using a single ad, consider the ads and keywords shown in Table 7.2.

► **Table 7.2** Ads vs. keywords

Ad group	Ad	Keywords
Emergency plumbing	Emergency Plumbing Service	Emergency plumbing
Emergency plumbing	Call 24/7 for immediate service	24-hour plumbing
Emergency plumbing	We will be there in an hour or less	Midnight plumber
Weekend plumbing	Weekend plumbing service	Saturday plumbing
Weekend plumbing	Don't pay high weekend rates	Weekend plumbing
Weekend plumbing	We work all day, every day	Sunday Chicago plumber

This granular grouping of keywords and ad copy will allow you to write ads that truly reflect your keywords. In addition, because your ad groups now contain only a single theme, it is easier to pick (or create) the landing page on your website that best reflects your keywords. Almost every ad group will use a different landing page.

You may see higher conversion rates when you use ad copy and landing pages that are closely related to the search query, but that will not inherently increase your Quality Score.

By organizing your account in this manner, it is common to see these results:

- Higher click-through rates
- Higher relevancy
- Higher Quality Scores
- Higher conversion rates
- Lower cost per lead
- Lower cost per click

Compared to accounts that are organized in the original manner described that contain one ad and a handful of semi-related keywords, this might take some time, but it is some of the best time investment you can make with your account.

If you have some ad groups that are not highly relevant to all the keywords in the ad group, then you will want to take the non-relevant keywords out of that ad group and either add them to an existing one that does describe that keyword well or create a new ad group for those keywords with highly relevant ads and landing pages.

Once you have done that a few times, you will not be able to create even more granular ad groups, so the next step to increasing Quality Scores is ad testing.

Ad Testing to Increase Quality Scores

In Chapter 15, “Implementing Testing Techniques That Will Increase Profits,” we will examine ad testing in detail. However, since a great part of your Quality Scores is ad relevance and expected CTR, you can address those two areas through ad testing.

If you see that your expected CTR is low, then you can create entirely new ads or just make incremental changes to your existing ads in an attempt to increase your Quality Scores.

If you see that your ad relevance is below average, then you should start with entirely new ads to try to increase the relevance.

While those are general guidelines, you also need to take a look at your current ad serving to see if just deleting ads could increase your Quality Scores. For instance, if you have several ads in an ad group, then your Quality Score is the average of your CTR and relevancy to all the ads combined for that keyword. If you have several ads with low CTRs and some with high CTRs in the same ad group (Figure 7.11), just pausing or deleting your worst performing ads can increase your Quality Scores.

The percentage served is how often that ad was served based up the level of detail (account, campaign, or ad group) that you are examining. Figure 7.11 is the ad-served percentage of ads within a single ad group. Please note that this percentage served is based on the date range of data that you are examining. If you are examining the past month of data, and one of the ads has been live for only a single week, it will naturally have a low ad-served percentage because it was eligible to receive impressions only for roughly 25 percent of the time frame you are examining. Therefore, it is useful to examine ad-served percentage data based on date ranges when all the ads were active.

In this case, the highest CTR ad is being served only 33 percent of the time. Just by deleting the other ads, your Quality Score could increase. Now, please note that your main metric may be conversion rates or cost per conversion, in which case deleting the lower CTR ads may be deleting your highest conversion rate ads. There is a balance to be had between increasing Quality Score and putting money in your bank account. If you are ever in doubt, pick the ad that puts the most money in your bank account.

Settings	Ads	Keywords	Ad extensions	Auto targets	Dimensions		
All enabled ads	Segment	Filter	Columns				Search
+ New ad	Change status	Automate	More actions	Labels			
<input type="checkbox"/>	Ad	Status	↓ % Served	Clicks	Conv. rate (1-per-click)	CTR	
<input type="checkbox"/>		Approved	33.73%	1,059	8.88%	2.55%	
<input type="checkbox"/>		Approved	26.28%	3,635	11.44%	2.17%	
<input type="checkbox"/>		Approved	17.56%	600	9.33%	1.99%	
<input type="checkbox"/>		Approved	9.36%	586	12.63%	1.93%	
<input type="checkbox"/>		Approved	7.93%	956	8.47%	0.74%	
<input type="checkbox"/>		Approved	5.14%	402	9.70%	0.50%	

Figure 7.11 Ad CTRs and % Served

Mobile vs. Desktop Optimization

When you are examining your ads for CTR purposes, you should also segment them by device (Figure 7.12). It is not uncommon to see that one ad has the best mobile CTR and another one has the best desktop CTR. If you examine the combined metrics, then you will not see this difference.

<input type="checkbox"/>	Keyword	Clicks	↓ Impr.	CTR	Avg. CPC	Cost	Avg. Pos.
	Total - all account	1,599,357	578,347,119	0.28%	\$0.32	\$511,782.14	2.3
<input type="checkbox"/>		11,113	505,169	2.20%	\$0.55	\$6,069.59	1.2
	Computers	8,931	457,188	1.95%	\$0.58	\$5,164.54	1.2
	Mobile devices with full browsers	1,323	22,617	5.85%	\$0.28	\$375.78	1.2

Figure 7.12 Ad data segmented by device

In this case, you will want to ensure that your best mobile ads are using the mobile device preference and that your best desktop ads are not using the mobile device preference.

Landing Page Fixes

Landing pages are tricky to work with in AdWords because they take more work to fix than just writing a new ad or rearranging ad groups. Since landing pages have a large range of what is average, below average, and above average, it is possible to have a 10 Quality Score even with a below-average landing page.

Here are the general rules for landing page fixes:

- If your landing page is below average, and both your ad relevancy and expected CTR are above average, then you will want to work on your landing page to increase your Quality Score.
- If your landing page is below average, and both expected CTR and ad relevance are average or below average, then your first step would be to test ads to try to increase your expected CTR and ad relevance before you start working on fixing landing pages.
- If your landing page is below average, and one of the other two factors is above average and the other is average, you can choose either to work on the landing page or to test ads.

If you realize that you need to fix your landing page, do not immediately start coding a new version. You will want to do one more analysis: examine your bounce rates and time on site by device (Figure 7.13).

<input type="checkbox"/>	Destination URL	Device Category	Visits ?	Pages / Visit ↓ ?	Avg. Visit Duration ?	% New Visits ?	Bounce Rate ?	Goal Completions ?
			968,886 % of Total: 84.06% (1,152,605)	2.35 Site Avg: 2.39 (-1.57%)	00:01:42 Site Avg: 00:01:46 (-3.45%)	68.06% Site Avg: 69.23% (-1.69%)	56.45% Site Avg: 55.25% (2.17%)	165,574 % of Total: 84.54% (195,859)
<input type="checkbox"/>	1. http://www.example.com	desktop	266,147	2.67	00:01:49	67.91%	46.25%	43,979
<input type="checkbox"/>	2. http://www.example.com	desktop	252,718	2.37	00:01:47	68.32%	61.50%	51,474
<input type="checkbox"/>	3. http://www.example.com	mobile	107,325	1.67	00:01:28	69.91%	75.48%	16,647
<input type="checkbox"/>	4. http://www.example.com	desktop	99,863	2.49	00:01:33	57.84%	51.72%	13,382
<input type="checkbox"/>	5. http://www.example.com	desktop	88,831	2.76	00:01:47	76.97%	39.59%	16,698
<input type="checkbox"/>	6. http://www.example.com	tablet	40,770	1.62	00:01:08	68.82%	78.17%	5,407
<input type="checkbox"/>	7. http://www.example.com	desktop	30,999	2.09	00:01:56	64.74%	61.20%	5,869
<input type="checkbox"/>	8. http://www.example.com	mobile	20,849	2.28	00:02:03	71.38%	49.81%	3,505

Figure 7.13 Landing page metrics by device

If you see that your bounce rates for a keyword are very high or your time on site is very low on one device but not on another, then you need to fix only the landing page for that device and not the page as a whole. If you are using responsive design, this might be more difficult since your same pages are used on both devices. If you have separate sites by device, then making changes to a page for each device is much easier.

When examining pages that need Quality Score improvements, do not just examine time on site and bounce rates but also look at the major factors discussed earlier in the chapter that affect your landing page Quality Score.

What to Do if Your Quality Score Drops

There will be times when your Quality Score may suddenly drop. In these cases, there are some steps you can follow to find the problem and try to fix it.

The very first step is to look at the Quality Score pop-up (refer back to Figure 7.3) to see if Google will let you know what the problem is. However, the problem will not always be listed.

A good corporate practice is to make sure your company has a communication system between your IT and marketing departments. It's possible that IT has launched a new version of the website and has broken your URLs. In this case, you are sending traffic to error pages. If you also have an SEO (search engine optimization) department, make sure there is communication with this department because they might have instituted rewrites, modified a robots.txt file, or made other changes to your website that could affect your Quality Score. Having a record of website changes, and preparing for website changes, can save you many headaches at a later date.

It is a good idea to track historical Quality Score so that you can see how the changes you implement in your account increase or decrease Quality Score. This will give you insight into how your changes affect your Quality Scores.

Quality Score is considered an attribute in AdWords. Any data point that is an attribute is not tracked over time within AdWords. For instance, you cannot see your historical max CPCs in AdWords because max CPC is considered an attribute. Google tracks only metrics, such as conversion rate, over time.

Since Google considers Quality Score an attribute, when you run a report in AdWords, the Quality Score listed is the number at that exact moment in time. You cannot see previous Quality Scores within AdWords, so you need to keep track of your own historical Quality Scores.

You can schedule a report to be automatically run (Figure 7.14). Set up a keyword report that includes your Quality Score to be created on a regular basis (usually weekly) so that you have an archive of your keywords and Quality Scores. Google does not email these reports, but they will email you a notification that the report has been created. You can always navigate to the Reports section and download these reports.

Download and schedule report

Download the table statistics below as a report. You can also schedule the report to automatically download in the future, using the same filters, segments, columns, and relative date range. [Manage your downloads »](#)

Report name

Keyword report

Format

Excel .csv

Segment

+ Add segment

Editable?

☐ ?

Email and schedule report

Send to

☐ No one (no emails needed)

☒ Only me ()

☐ All account users with access to view reports

☐ Specific account users and me ?

Frequency

Weekly on Monday

Create

Cancel

Figure 7.14 Schedule reports to be sent to you automatically.

When you find that a Quality Score has dropped, look through your reports to find the time frame where the drop occurred. Once you have isolated the time frame, use the Change History tool (Figure 7.15) to see what changes were made in your account during that time. You will find times when new destination URLs, ad changes, or campaign changes affected your Quality Score.

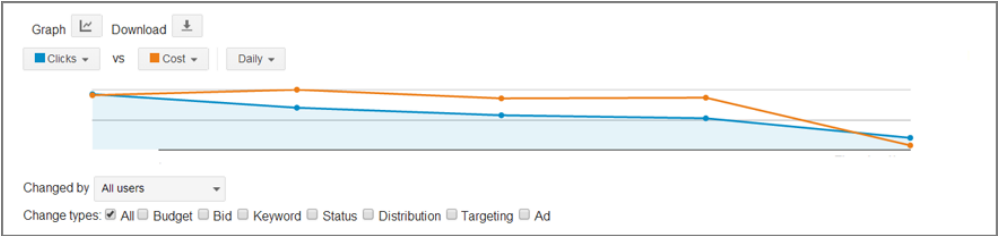


Figure 7.15 Change History tool

If you have yet to turn up a reason for the lower Quality Score, examine the natural search results. Has the keyword changed in search intent? In Chapter 2, “Performing Keyword Research,” you saw an example of the word *bleach* having a higher search volume for the anime show than for the cleaning product. There are many examples of news stories, new products, and new services changing the meaning of a word, which could result in changes to that keyword’s Quality Score.

The AdWords Editor (featured in Chapter 12) allows you to keep notes associated with data points in your account. Using the AdWords Editor notes helps you keep track of your changes, reasons, and investigations into Quality Score changes.

There will be times when none of these investigations turns up a reason for that change. If the Quality Score box does not list a reason for the low Quality Score, your landing page, keyword, and ad copy should be relevant. In these situations, the best steps to take are the ones you take to improve the Quality Score in the first place:

- Check your ad group organization. Can it be more granularly organized?
- Does your CTR vary widely by geography? You can determine this by looking at geographic performance reports (covered in Chapter 11). If so, use geo-targeted campaigns to write more effective ad copy.
- Does your CTR vary widely by time of day, day of week, or even days of the month? If so, try utilizing ad scheduling (see Chapter 13, “Devising Profitable Bid Strategies”).
- Test new ads. Determine if a different ad has either a higher CTR or higher relevancy, which will raise the Quality Score.

If Google does not give you a reason for the lower Quality Score, that almost always means you need to increase relevancy or CTR. Focus on those two items to see what combinations of ad delivery, ad copy, and keyword usage increase your Quality Score. However, never forget your profit. There may be times when a campaign is highly profitable and you make a business decision that working with lower Quality Scores is acceptable for your account.

Quality Score FAQs

There are a handful of questions that always present themselves when Quality Score is being discussed.

What happens if a keyword or ad is paused or deleted? When a keyword or ad copy is paused or deleted, it does not accrue impressions. If no data is being collected, this ad copy or keyword does not currently affect your Quality Score.

Can I save this keyword? If you have a keyword that has not done well for you but you believe in it and want to run it, then, yes, you can save it. Most recent history matters more than all-time history. If you have a problem keyword, do this:

1. Delete it everywhere in your account. This will help you isolate its appearance.
2. Create a new ad group with just that keyword.
3. Write a few highly targeted ads for just that keyword, and send the traffic to a relevant landing page.

It will take some work, but if the keyword is relevant to your business, you should be able to make it work.

When reorganizing my account, what keywords should I move? You have two options; the first is just to move the low Quality Score keywords. However, if you need to reorganize your account, just do it. It used to be that you lost so much history that reorganizing an account was a drastic measure. That is no longer true; the gains you get from better organization outweigh any short-term losses that may occur when you move keywords around or create new ads.

Can't I just buy my way out of trouble? Relevancy trumps money at Google. If your ads are completely irrelevant, your dollars will not help you to increase Quality Scores. Spend your money on creating a more relevant experience on your website and writing appropriate ads. You will have much better success in this manner.

However, the one exception is that Google is not always good at normalizing the CTR between the top and the side of the page. You might see a keyword with a 5 Quality Score when it's on the side of the page and a 7 when it's at the top of the page. Sometimes, just by raising bids to go from the side to the top of the page can increase Quality Scores. This is not always true, especially if your ads are not relevant, but this scenario does happen on occasion.

I resumed a paused keyword and it dropped in position and Quality Score; what happened? Pausing and resuming keywords or ad copy does not affect your Quality Score. Pausing campaigns will not affect your Quality Score. It is not uncommon to see new competitors enter the market, changes in keyword meanings that change searcher intent, and changes in Quality Score formulas occur over time. When you resume a keyword, it may drop in position due to the new competitors driving up the keyword price or a new Quality Score formula being released.

How do I get my ad above the natural search results? Sometimes you will see no ads above the search results, and other times you may see several ads (Figure 7.16) in that same spot. There are two things that need to happen for your ads to show in the top spot:

1. Google examines a keyword for commercial intent and how often that keyword results in clicks (and some other secret sauces) and determines how many ads they might show in these premium positions.
2. Assuming Google has decided to show at least one ad in the premium position, they look at your max CPC and Quality Score.

Your Quality Score is held to a higher standard than normal and must meet certain minimum guidelines for your ad to be shown in these top positions. If your keyword meets the minimum Quality Score guidelines, Google examines your max CPC. If the combination of your max CPC and Quality Score are high enough, your ad can be shown in the top spot.

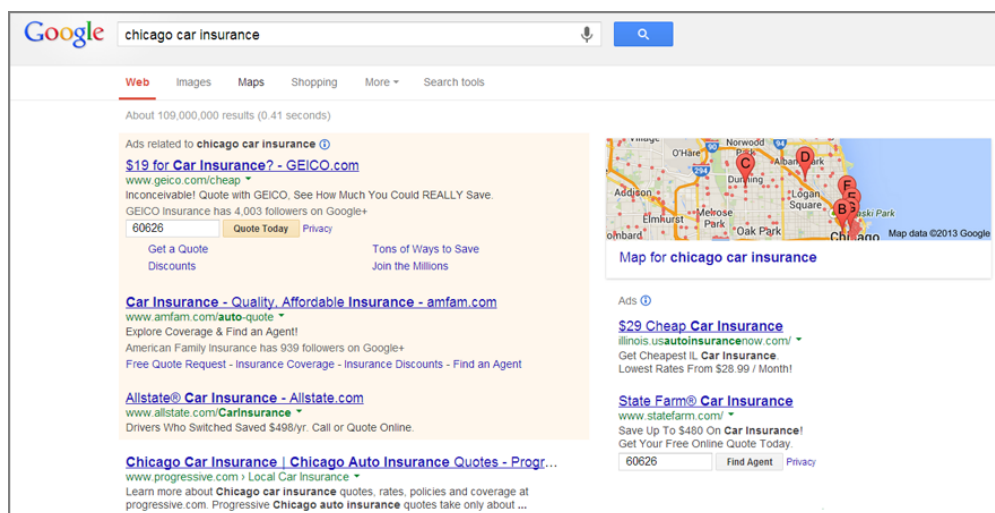


Figure 7.16 Premium ads shown on Google

If your Quality Score and CPC do not meet their minimum requirements to be shown in the top position, and your competitor's ad in a lower position does meet those requirements, Google may leapfrog your competitor's ad over yours and display it in the premium position.

How often is Quality Score updated? The Quality Score that Google uses in the auction is updated in real time. Google currently updates Quality Score in regard to click-through rate every day for most keywords. Very high impression words may be updated more than once per day. However, the keywords are not all updated at the same time. You might have some keywords in an ad group updated at 9 a.m. and others updated at 1:30 p.m.

Google updates Quality Score in regard to relevancy about once per week. Google updates landing page data even less frequently.

Google crawls landing pages on occasion; the more traffic you receive, the more often your site is crawled. When your landing page changes have been processed, the changes should be reflected within your account the next time Quality Score is updated.

Google updates the Quality Score algorithm about once per month. These are slight tweaks to the algorithm that may or may not affect your account.

Quality Score was created to ensure that Google shows searchers relevant ads and sends those searchers to websites that help them find the answers to their search queries. While there are some factors and rules that can be quantified to help you optimize your keywords for higher Quality Scores, always keep the searcher in mind when making changes to your ad copy and landing pages.

Google tries to show the most appropriate ads to each searcher, but the searchers also vote by clicking on your ads. Since click-through rate is the highest weighted factor in determining Quality Score, those clicks ultimately decide if your keywords will receive high Quality Scores.

Best Practices for Optimizing Quality Scores

Quality Score is one of the most important numbers you can understand and optimize in your account. While the number can seem ambiguous to work with, once you understand these principles, it is a number that can be quantified and improved.

- To increase your ad rank, you need to raise your bid, increase your Quality Scores, or change your ad extensions.
 - If you have a low Quality Score, you should optimize your Quality Score instead of raising bids.
 - If you are not using ad extensions, you need to create them.
 - If your Quality Score is high and you are using ad extensions, then you need to raise your maximum CPC. When raising your maximum CPC, always make sure the new bid does not make your keyword unprofitable.
- It is essential that you create granular ad groups with closely related keywords and ad copy.
- To make your landing page relevant, make sure it possesses the following five attributes:
 - Spiderability: Ensure that Google's bots can find and read your landing pages.
 - Relevance: Your landing page must reflect the keyword or its general theme.
 - Transparency: Tell the searcher what you will do with their private information.
 - Navigation: Enable the searcher to navigate to other sections of your website if they do not find what they are looking for on the landing page.
 - Load time: Ensure that your site loads quickly.
- It is useful to always have your Quality Score displayed in your account and the AdWords Editor so you can easily notice Quality Score changes.
- Look for areas where your first page bid is higher than your maximum CPC. These words receive little exposure, and raising the maximum CPC or optimizing their Quality Score will help raise their ad rank so they appear on page 1.
- Your Quality Score will change over time. This is due to your keywords and ad copy accruing more data from clicks or from Google updating their Quality Score algorithm. Use the My Change History tool, AdWords Editor notes, and report scheduling to keep historical data about your account.

- When trying to increase Quality Scores for search, there are three main steps:
 1. Examine the detailed Quality Score information inside your AdWords account. If you identify a problem there, fix that problem first.
 2. If no problems are listed, examine your ad group's ad copy and keyword organization. Move any unrelated words to a new ad group.
 3. If keywords in the ad group are already closely related, write new ad copy to examine its relevance and click-through rate.
- Your Display Network Quality Score is not shown by Google. However, you can still optimize your Display Network Quality Score by creating tightly themed ad groups and examining your relative CTR.
- Use pivot tables to save time in identifying Quality Score problem areas.

By following these principles, you should be able to track your Quality Scores and changes over time. Then, when you find areas that can be improved, you can improve your Quality Score, which will lead to higher ad position or a decrease in cost per click.

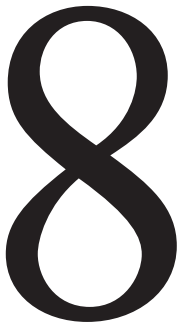
Up to this point in the book, I have primarily focused on text ads and the search network. In the next chapter, I will cover some of the additional ad types found in Google AdWords, such as video and image ads, which are shown not on search but across the Display Network.

Beyond Text: Employing Image, Video, and Mobile Ads

Mobile usage has been rising and is a challenge for marketers who seek to reach and engage this audience. Google AdWords also supports several types of ads that reach desktop users in new ways. Rich media (such as video, interactive, or image) ads can increase clicks to your site and brand recall.

Building rich media ads can be costly and time consuming. This chapter examines how you can build rich media ads within the AdWords interface, saving time and money.

This chapter focuses on building additional ad types; the following two chapters discuss places to utilize them in your AdWords display campaigns.



Chapter Contents

- Beyond the desktop: creating mobile ads
- Beyond static text: creating rich media ads
- Using Google's Display Ad Builder
- Best practices for employing image, video, and mobile ads

Beyond the Desktop: Creating Mobile Ads

Mobile users have different needs than people on a desktop computer. They often want different information when they are out in the community than when they are at home or in the office. For example, if someone searches for the brand Best Buy while on the computer, they may be looking for an actual location, to purchase an item, or for price comparison. If that same user is looking up Best Buy on a mobile phone, the searcher is most likely not looking to buy an item over the phone (e-commerce activity on mobile devices is still quite low compared to desktops, and much of it occurs in apps and not via browsers, although the numbers are climbing year over year). On a phone, it is more likely that the user is either comparing prices or trying to find the nearest location. In this case, the landing pages could be completely different for the mobile search versus the desktop search.

The desktop search will take someone to Best Buy's main website, where the user can decide where to go on the site. For a mobile phone user, waiting for a site to load and then trying to search throughout a website can be a frustrating experience. Sending the mobile user to a landing page that has driving directions or location look-ups for the nearest locations as a primary action and then viewing products as a secondary action can lead to a higher user engagement for that mobile site.

As another example, someone searching for a locksmith on a desktop computer might want to know more about locks, pricing options, redoing the locks on their front door, or maybe adding an alarm system to their house. You do not know the intent of such a general search. However, if someone is on the phone searching for locksmiths, that user is probably locked out of their car or house. Those two experiences should be met with two different landing pages.

For many businesses, mobile advertising is highly effective, especially if generating phone calls is your primary desired conversion activity. Before starting mobile advertising, first think about the reasons someone might search for your products or services from a mobile phone. Once you have those pieces of information, some of the later decisions you will make in setting up mobile campaigns will be easier.

There are a few ways to reach mobile users with Google AdWords, depending on the user's mobile technology. The sophistication of the user's phone will determine what type of ads they can see and what type of ad you need to create to reach them.

Reaching Smartphone Users

Two types of browsers come installed on mobile phones:

- A full Internet browser, also called a full HTML browser
- A basic browser that does not display entire websites (these browsers rarely support scripts)

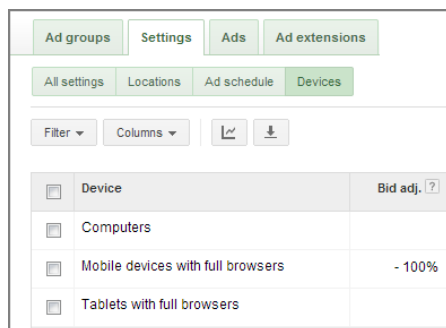
The full HTML browser is the type that an iPhone, Windows phone, or Android device has. These browsers can support scripts that enable websites to render similarly to what you would see in a desktop browser.

However, cell phone speeds are often slower than broadband speeds, and while phones have made great strides in memory and processing, they do not compare to their desktop counterparts. Therefore, web elements such as large images, scripts, and so on can take a long time to load. When designing landing pages for smartphone users, keep in mind the total time it will take for your page to load on a mobile device. Most users understand that it takes a few more seconds for a mobile page to load than a desktop page, but if the page takes too long, these users will navigate back to the search results and visit someone else's website instead of yours.

In addition, not all full HTML browsers support Flash or all web elements. Be careful not to add too many design parameters to mobile landing pages even if the user has a full HTML browser.

By default, your ad will be displayed on all devices (desktops, tablets, and mobile devices). If you wish to prevent ads from being displayed on mobile devices, you will need to use bid modifiers to accomplish this action.

Bid modifiers will be covered in depth in Chapter 13, “Devising Profitable Bid Strategies”; however, at a conceptual level they are positive or negative modifiers that are applied to your bid based on the user meeting certain criteria, such as using a mobile device. A –100% modifier means that your bid will be 100 percent lower if the user meets that bid condition (in this case, that means the condition is the ad is displayed on a mobile device); therefore, if you use a –100% mobile bid modifier, then your ads will not be displayed on a mobile device (Figure 8.1).



Device	Bid adj. [?]
Computers	
Mobile devices with full browsers	- 100%
Tablets with full browsers	

Figure 8.1 –100% mobile bid modifier

If you are targeting only the Display Network, then you can also target mobile users based on the phone's operating system or the carrier. It is common to see different carriers and operating systems have different demographics of users. Therefore, if you want to reach a wealthy audience, you might only target high-end carriers and iPhones

or high-end Android phones. If you are trying to reach a demographic that makes less money, then targeting discount carriers is a good idea. In addition, if you are selling iPhone apps, you will want your ad shown only to iPhones. A local store using mobile ads to send searchers to driving direction pages should not filter ads by device or carrier and choose all carriers and all devices.

Technology Filters

Some technology is not supported on all devices. Google examines the technology used on your website to help determine what devices can support your website, and if a device does not support a technology you are using, then your ad may not show on that device. For instance, iPhones and iPads do not support Flash, so if you make liberal use of Flash on your website, then your ads most likely will not be shown to these devices that do not support Flash.

If you have desktop-based sites that utilize some of these filtered technologies and wish to show on all devices, then creating mobile-specific websites or landing pages using responsive design techniques can help you reach the most users regardless of the device being used to access your site. Responsive web design is a fairly recent web design approach that enables the website appearance to adjust based on the device on which it is being viewed.

Viewing Your Site's Mobile Usage

You can view your site's current mobile usage in some analytics systems. If you use Google Analytics, there are two ways to see your mobile usage. The first is to navigate to the segments and choose the Phone And Tablet option to segment all your data by non-desktop usage. The second option is to navigate to Audiences and then Mobile to see the amount of mobile traffic that your website has along with some basic metric differences, as shown here:

	Device Category	Acquisition			Behavior			Conversions	
		Visits	% New Visits	New Visits	Bounce Rate	Pages / Visit	Avg. Visit Duration	Conversion test1 (Goal 1 Conversion Rate)	Conversion test1 (Goal 1 Completions)
		572,406 % of Total: 100.00% (572,406)	69.51% Site Avg: 69.52% (-0.02%)	397,852 % of Total: 99.98% (397,947)	65.00% Site Avg: 65.07% (-0.11%)	2.00 Site Avg: 2.00 (0.17%)	00:01:44 Site Avg: 00:01:44 (0.46%)	17.42% Site Avg: 17.38% (0.24%)	99,735 % of Total: 100.24% (99,494)
	1. desktop	317,701	70.81%	224,976	59.96%	2.21	00:01:50	19.32%	61,367
	2. mobile	183,159	67.89%	124,350	70.87%	1.74	00:01:41	15.61%	28,595
	3. tablet	71,546	67.82%	48,526	72.38%	1.76	00:01:26	13.66%	9,773

Smartphone Extensions

Many of the ad extensions discussed in Chapter 4, “Writing Compelling Ads,” can be used on smartphones. In addition, you can choose to create an extension so it is used on all devices or is smartphone preferred (Figure 8.2).

The screenshot shows the 'Phone number' extension settings in Google Ads. At the top, there is a 'Phone number' field with a dropdown menu set to 'United States' and an empty input box. Below this is a note: 'Phone number example: (201) 555-5555'. The 'Show my ad with' section has two radio button options: 'A Google forwarding phone number and use call reporting' (which is selected) and 'My own phone number (don't use call reporting)'. A link to 'Google Voice Terms of Service and Privacy Policy' is provided. The 'Show the following links' section has two radio button options: 'Both my website and the phone number' (selected) and 'Just the phone number'. The 'Report phone call conversions' section has a checkbox labeled 'Count calls as phone call conversions when they last longer than' followed by an input box set to 'seconds'. The 'Device preference' section has a checkbox labeled 'Mobile' which is checked. At the bottom, there is a link for 'Start/end dates, scheduling'.

Figure 8.2 Mobile preference on call extensions

Usually the best extensions to make specifically for phones are the call, location, and sitelink extensions. This allows you to promote your business to mobile users differently than to desktop users and control the message for each device.

An Easy Way to Create Mobile-Compatible Sites

If you want to test out mobile advertising but do not want to pay to have a full website developed, there is an easy way to create a small mobile site to test the traffic.

First, install WordPress, an open source content management system (CMS) that takes only a few minutes to set up on a server that supports PHP and MySQL.

WordPress supports a large variety of plug-ins that expand the functionality of the CMS. One of these is WordPress Mobile Edition. Information for the plug-in can be found at <http://certified-knowledge.org/blog/adwords-retiring-google-mobile-business-pages-quick-mobile-site-creation-guide/>. Install the plug-in.

Last, create your landing pages based on what you want a visitor to see, such as phone number or driving directions.

If you are technically minded, you can set up WordPress, install the plug-in, and create some new pages within an hour. And best of all, since it is open source, the entire system is free outside of your hosting fees.

Always think about the user experience. Is there a different reason someone would search for you on a desktop as compared to a mobile device? In most cases, the answer is yes. Therefore, you want to market to the user based on the action they are trying to conduct, which is often different by device.

While ad extensions can show on desktops or smartphones, older technologies power many phones where extensions and your regular text ads cannot be displayed. Instead, you need to use Google WAP ads, which have an entirely different creation process.

Reaching Other Mobile Users: WAP Mobile Ads

Many phones do not have full Internet browsers. These are often called *feature* phones. Feature phones can access the Internet, but they can view only pages that are designed to be rendered on a mobile device.

Because feature phones need specifically created pages, their users do not see the typical text ads on a Google search page. These users see only Google mobile ads on their search pages.

Google mobile ads are created at the ad group level. They are shown only if your keywords within that ad group are triggered. These ads follow all of your typical campaign settings such as location or time-of-day targeting. To create a Google mobile ad, follow these steps:

1. Navigate to the ad group where you wish to create the ad.
2. Click the Ads tab.
3. Click New Ad.
4. Choose WAP Mobile Ad (Figure 8.3).

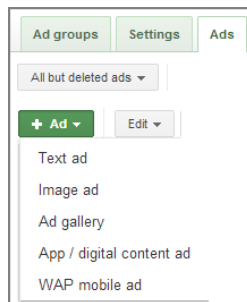


Figure 8.3 Choose WAP mobile ad to create a new mobile ad.

You should be presented with an ad-creation screen (Figure 8.4). Your new ad can be either text or an image. Since mobile screens are smaller than computer monitors, so are the mobile ads.

Figure 8.4 Mobile ad-creation wizard

If you choose to create a text ad, your new ad will contain only two 18-character lines and a 20-character display URL. Mobile text ads must still meet all of the editorial requirements of typical ads, as discussed in Chapter 4.

Mobile image ads are smaller in size than normal image ads. If you select the WAP Image Ad radio button (as shown in Figure 8.4), you will be presented with an upload button and the image size requirements. Mobile image ads must meet image ad editorial requirements (discussed later in this chapter in the section “Technical and Editorial Requirements for Image Ads”).

Once you have created the ad, the next step is deciding what options you will present to a user who clicks on your ad. You have three options:

- Send the user to your website.
- Initiate a call to your phone number.
- Give the user both choices.

If you want to send users to your website, your website must be mobile compatible. You cannot send users who click on a WAP mobile ad to a typical HTML-coded website.

If you do not have a mobile-compatible site, or you want users to call you instead of visiting the site, you can choose only to allow visitors to call your business. This is often the best choice for locksmiths, towing companies, and other service-based businesses that prefer phone calls to website visits.

If you have a mobile website, you can give the user the choice of calling or clicking. In this case, the ad will be clickable and there will be a call feature next to the ad for someone to initiate a call to your company.

The last option is to have your ad show across all carriers or only specific carriers. For most companies, you will want to choose all carriers. However, if you are offering services that only certain types of phones can install, you might want to limit your ads to the carriers that support that phone.

Tracking Mobile Conversions

AdWords conversion tracking (covered in Chapter 13) works with text ads shown on smartphones but does not work with WAP mobile ads. To track conversions on your mobile site for smartphones, put your conversion tracking script on your mobile site's thank-you pages. However, not all smartphones and their browsers support all scripts, so although conversion tracking is supported, the numbers will not be 100 percent accurate.

If you allow users to call you from your mobile ads, it is beneficial to use a phone number that is different from the one shown on your website and to work with a call-tracking provider so you can track how often you receive calls directly from the mobile ads and the quality of those phone calls.

Ad Preview and Diagnosis Tool

Often you will market to searchers who do not live in your own geography or are using technology (such as various phone types) that you do not own. When you want to see if your ads are running and approximately what they look like when displayed across various geographies and devices, the Ad Preview and Diagnosis tool will let you see what the ads look like under a variety of conditions.

You can access the Ad Preview and Diagnosis tool here:

<https://adwords.google.com/d/AdPreview/>

With this tool (Figure 8.5), you can preview ads based on the following characteristics:

- The domain (useful for viewing other country information)
- Language
- Location
- Desktop or laptop computer
- Mobile devices
- Tablet devices

When you choose mobile or tablet devices, you can also preview based on the operating system or carrier.

Ad Preview and Diagnosis

Preview

Additional options

Domain

Language

Location **Chicago, Illinois, United States** [Edit](#)

Device ☐ Desktop or laptop computer
☒ Mobile device with full browser (e.g., iPhone)
☐ Tablet with full browser (e.g., iPad)

Operating system Version

Carrier or Wi-Fi

Figure 8.5 Ad Preview and Diagnosis tool options

Once you choose your options, then you will see the search results based on your chosen preview criteria. This is a very useful tool when you want to see ads from various areas or on various devices. In Chapter 13, we will discuss bidding, and one of the components we will cover is setting bids or segmenting campaigns based on geographic data. Often when creating these campaigns, you cannot see the ads in all of these regions, so by using the Ad Preview and Diagnosis tool, you can see your actual competition inside all of these various regions.

The total inventory for mobile ads is growing quickly. The number of searches on phones is smaller than what occurs on the desktop, but it is steadily increasing. However, sometimes the buy intent is often higher on a mobile device. You might comparison shop different locksmiths from a desktop computer, but if you are searching for a locksmith on a mobile device, you probably need a locksmith quickly.

In other cases, the buying intent is often lower on mobile devices. For instance, B2B companies often find that mobile phones and tablets are often used for research queries and not for contacting the company, and they spend a lot more time working on traditional desktop ads than mobile strategies.

Just because you can advertise on phones does not mean you should. You should examine your budgets, users, and conversion differences by device to determine if you should spend more time advertising on mobile devices, focus more on desktops, or split your time evenly.

While mobile text ads allow you to reach those not on a desktop, Google offers many ad types besides text ads to reach users who are still on their computers or are browsing the Web on their phones. In the next section, you will learn about additional ad types that will increase your company's visibility across the Internet.

Beyond Static Text: Creating Rich Media Ads

AdWords supports different ad formats beyond text ads. The simplest of these are *image ads*. Image ads look like standard banner ads. The second ad format is known as *rich media ads*. Rich media ads are ad formats with which a user can interact, such as video ads.

These additional ad formats show up only on the Display Network (which will be discussed in depth in the following two chapters). Image and rich media ads are not shown on Google or search partners.

Image and rich media ads are typically paid for the same way you pay for text ads: using cost per click or cost per conversion bidding tactics. An additional feature of AdWords allows you to bid based on ad impressions you receive and not clicks. This is known as CPM bidding (cost per thousand impressions) and is available only for Display Network campaigns, which will be discussed in Chapter 9, “Understanding the Display Network.” Although the bidding methodology and setting bids are the exact same for these additional ad formats, it is not uncommon to see slightly higher prices for image ads due to the fact that you need to win the entire ad block for your ad to be shown.

Here are some of the benefits of using image and rich media ads:

- Creating product awareness
- Establishing higher brand recall value
- Associating your brand with a product line
- Introducing new products or services
- Educating consumers on the product
- Creating higher Display Network CTR
- Increasing search CTR due to brand recognition
- Increasing product awareness
- Moving consumers into the buying funnel

Creating Effective Image Ads

Image ads serve two main purposes. The first use of image ads is to direct traffic to your website. These ads are measured in total clicks, conversions from those clicks, and cost per click.

The second reason to use image ads is to increase awareness of your products or services. These images should match other advertising efforts you are conducting, such as TV, print, or banner ads. Matching online and offline images can help increase your brand’s awareness by connecting the consumer’s awareness of your brand across channels.

Often the success of image ads is measured in brand lift, as measured by increased searches for your branded keywords or increased CTRs of your search ads. It is not uncommon to see your search CTR rise while your image or banner ads are being displayed across the Web as your brand becomes more recognizable and your site increases in authority.

There is a reason the old adage “A picture is worth a thousand words” has stood the test of time—it is true and can be applied to display ads. Text ads have very little recall. After a consumer sees your text ad, there is little chance they will remember the benefits the product promised. Image ads have much higher recall values. Often a consumer can recall the benefit of an ad that included images. If one of your advertising goals is not just to click but to increase your brand presence or align your company with a product, image ads are much more effective at accomplishing these goals.

The Tenets of Effective Image Ads

Follow these commandments when creating image ads:

Image ads should command attention. Most banner-type ads can be camouflaged in the page. If your ad blends in with the rest of the page, it will be easy for users to ignore the image. Use visuals that stand out from the page and illustrate your point (Figure 8.6).



Figure 8.6 While this ad does many things correctly, the highlighted spine enhances this ad’s point of living pain free.

Image ads should be easy to comprehend. Although image ads should contain some text that lets the reader know what you offer, if you have too much text in a small ad your main points will be lost. You should be able to glance at your image ad and know exactly what is being advertised without having to study it.

For example, in the ads shown here, the first ad (Figure 8.7) offers lower trading costs than the second ad (Figure 8.8). However, the text in Figure 8.7 makes it difficult to quickly comprehend all the information in the ad. Most users will not study your ads before clicking. The information should be clear and concise.



Figure 8.7 Ads that contain too much text are difficult to comprehend.



Figure 8.8 An ad that lacks a call to action

Image ads should clearly offer consumers a benefit. Search ads are shown to individuals who are actively researching your market and are learning the features and benefits of different products and services. Image ads, also commonly called banner ads, are encountered by individuals as they browse websites on the Internet, not necessarily actively looking for anything in particular. Therefore, showing a clear benefit is essential. In addition, since these individuals may not even be in the buying funnel yet, offering free information or a compelling reason to click is also essential (Figure 8.9). This approach can help you move someone who is unaware of your product into the buying funnel.



Figure 8.9 Offering free information can entice someone into the buying funnel.

Image ads should contain a call to action. There is a difference between someone reading your ad and someone clicking on your ad. Without a clear call to action, a user will often read the ad and understand the information, but without further instructions will

wander back to the content on the page. Make sure there is a clear call to action, such as a button that stands out from the rest of the ad. In addition, your callout buttons should contain benefits or call-to-action statements that go beyond just “click here.” See Figure 8.10.



Figure 8.10 Reclaim Your Time is an orange button that stands out from the mostly blue and silver ad.

For image ads that display across various networks you usually will need to use a more generalized offer, such as a free download, free trial, or compelling benefit for the user to visit your website. The biggest reason for these offers is that the user may not be in the buying funnel for your products, and you need to use the image ad to entice them into the buying funnel so you can eventually do business with them. If you are targeting specific websites and web pages, then you can also direct your ad messaging and offers differently to the consumer, tailored to the content of those specific pages.

If the user is on a website that indicates they have entered the buying funnel, you could show them an ad that does not offer a free or low-cost entry point to your services but instead directs them further into the buying funnel (Figure 8.11).



Figure 8.11 If someone is on a site that contains LCD TV reviews, this ad brings them further into the buying funnel on your website.

If you know additional information about a user, utilize that information within your ads as well. This ad from Ford (Figure 8.12) shows the user’s location and how far

a single gallon of gas will take them by incorporating a map program into the ad. This type of ad helps the user visualize exactly the benefit of buying this car.

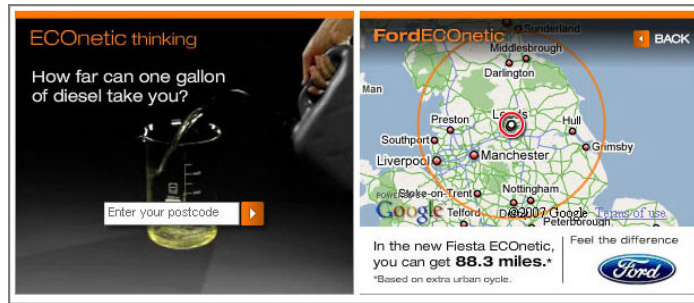


Figure 8.12 A Ford ad that incorporates a map to illustrate a vehicle's gas mileage

These same tenets of effective ads apply to both static and animated (such as Flash, animated GIF, and video) image ads. With dynamic image ads, the user may not watch the entire ad; therefore the opening and ending images should follow the exact same rules as static ads. However, while any additional animations are being displayed within the ad, feel free to be creative as long as you can keep the user's attention. Do not let an image animate for too long (more than a few seconds) without showing a benefit to the user. Long-running animations might be fun for the graphics department to create, but a user's attention will start to wane after a few seconds.

Technical and Editorial Requirements for Image Ads

Although these guidelines will help you make more effective image ads, there are certain standards your ad must meet before Google will approve your image ads:

- Image ads must meet all of the standard editorial guidelines for text ads that were covered in Chapter 4, plus editorial and technical guidelines specific to image ads as discussed in this list.
- Image ads can be in any of these formats:
 - JPG
 - JPEG
 - GIF (can also be used for animated ads)
 - SWF
 - PNG
- Image and animated ads must be one of the standard Internet Advertising Bureau (IAB) sizes, with the exception of some regional specific sizes:
 - 320 × 50 Mobile banner
 - 320 × 100 Large mobile banner
 - 468 × 60 Banner

- 728 × 90 Leaderboard
- 250 × 250 Square
- 200 × 200 Small square
- 336 × 280 Large rectangle
- 300 × 250 Inline rectangle
- 120 × 600 Skyscraper
- 160 × 600 Wide skyscraper
- 300 × 600 Half-page ad
- 970 × 90 Large leaderboard
- 240 × 400 Vertical rectangle
- 980 × 120 Panorama
- 930 × 180 Top banner
- 250 × 360 Triple widescreen
- 580 × 400 Netboard
- All ads can be no larger than 150 KB in size regardless of the file format.
- Animated ads cannot be longer than 30 seconds.
- Animated GIFs cannot be faster than 5 frames per second.
- Animated Flash ads cannot be faster than 20 frames per second.

Note: Google will add a small overlay to your image ad. This overlay will contain a line stating “ads by Google” or “AdChoices” that will link to more information about online advertising. Do not submit ads that have been resized for this overlay—those ads either will be rejected or will have additional whitespace in them.



While your ad must meet all of the editorial requirements for standard text ads, there are some additional requirements for image ads. Most of these requirements follow the four tenets of landing pages:

Respect the user’s privacy. For instance, you cannot use click tracking in Flash ads.

Do not be obnoxious. An animated ad cannot expand beyond its frame. You cannot use strobing or Flash effects.

Do not trick the user. You cannot mimic computer functions, computer error warnings, and the like.

All image ads must be family friendly. Google does not allow adult image ads.

If you would like to see the full details and editorial policies for image ads, please visit Google’s editorial policy page at <http://adwords.google.com/support/aw/bin/answer.py?hl=en&answer=176108>.

Image ads can effectively increase the recall rate of your brand, drive traffic to your website, and increase the search volume for your business. However, image ads contain a limited amount of information. If you wish to convey more information to Internet users or tell them a story about your products, video ads are a more effective communication tool.

Developing Profitable Video Ads

The massive increase in broadband penetration and Internet bandwidth around the world has given rise to an increase of video usage, from sites that contain user-generated videos such as YouTube to entire TV programs on Hulu.com.

The rise of video usage has not escaped marketers. Video allows you to both visually and audibly communicate a message to consumers. This increased interaction allows marketers to show how their products are used, utilize video testimonials, or create a more traditional message similar to a TV commercial. (An actual TV commercial is rarely useful for video ads unless it is complementary to the TV commercial and you are creating a cross-medium message.)

Here are the three major ways to measure the effectiveness of your video ads:

- The first is by examining how many people clicked on your video ad and then visited your website and conducted business with your company.
- The second is similar to image ads, where you examine the increased searches and CTR of your search campaign on branded terms.
- The third is a combination of the two, where you examine your play rates (the number of people who saw the video ad compared to the number who watched the video) and optimize your account to increase your play rate. Play rate is a useful metric if you are launching a new product or service that currently does not have search volume. The use of video can increase the awareness and benefits of a service.

When you create video ads, you will have access to additional reports that include the following:

Play Rate The percentage of people who play your video

Average Percent Played The percentage of your video that is being watched

Cost per View How much it costs you each time your video is watched

Frequency How often users are being exposed to your ads

Reach Estimated number of different individuals who have seen your ad

Click-Through Rate The percentage of people who clicked on your ad

You can choose to pay according to CPV (cost per view), CPC, or CPM with video ads. CPV is probably the most popular option because you are charged only once a user watches at least 30 seconds of your video when the video autoplays or once the

user decides to watch your video, which is common with video formats where a user must explicitly choose to watch your video (no autoplay). Video ads look very similar to image ads (Figure 8.13), with the exception that they each contain a play button and video bar at the bottom.



Figure 8.13 A perfect pairing of medium and subject

How to Create Videos That Are Actually Watched

These guidelines will help you get the most out of your video ads:

Utilize a compelling opening image. AdWords video ads rarely autoplay, unless they are shown on YouTube. Most YouTube ads do autoplay, and some third-party publishers that specialize in video content also show autoplay ads. In many cases, a user has to click the play button to start playing the video. Therefore, the opening image (an image that you choose and upload along with your video ad) must be compelling so that someone will want to watch the video. Testing opening images (testing will be discussed in Chapter 15, “Implementing Testing Techniques That Will Increase Profits”) together with using the guidelines for creating image ads can help increase your play rates.

With image ads, you want a commercial feel to them. With opening images for video ads, noncommercial images tend to increase play rates. Use a compelling image that is easy to comprehend and that contains a user benefit or call to action. Keep commercial items such as prices or shipping out of the image.

Keep videos to the point. A video ad can be up to several minutes in length. However, after roughly 30 seconds, a user’s attention starts to decrease and you may see a lower percentage of your video being viewed. Try to keep your videos on the shorter side.

Utilize a strong call to action. Since a user can stop watching your video at any time, make sure you have a strong call to action at multiple points within your video so that the viewer will want to click on the ad to visit your website. Do not have your only call to action at the end of the video. If you do, and no one finishes watching the video, your call to action will never be seen.

The video is a story, not an ad. Videos that do well usually do not look like advertisements. These videos tell a story, educate the consumer, entertain the watcher, and give them a

reason why they need to learn more about your business. Remember, the user can stop watching the video at any time. If your storyline is boring or appears to be a commercial, you will see fewer visitors continuing to interact with your ads. Educate, inform, and entertain your viewers.

Video Ad Formats

There are a few types of video ad formats, and each one is slightly different in how it is used and paid for, so we will examine each one individually. Please keep in mind that a video ad format might not only be a video ad; it can refer to a banner run on top of a video ad, so the video ad formats refer to the AdWords ads that are used in, or as a companion to, online video.

In-Stream Video Ads An in-stream video ad is a short, usually 15 or 20 seconds, autoplay video ad that appears before or within video content. These are very similar to traditional TV commercials where someone has to watch an ad before they can see the content of the site. With these ads, you are charged when the user watches the entire ad or thirty seconds, whichever occurs first.

In-Video Static Image Ads These are banner ads that are overlaid on a video that a user is watching. A user can click the banner to watch another video or visit your website. With these ads, you are charged when a user clicks on your ad.

TrueView In-Display Video Ads These are traditional video ads. These ads can be seen on YouTube or on third-party Display Network sites. With these videos, you can also create a call-to-action overlay that looks much like a text ad, to help drive people from the ad to your destination URL. With these ads, you are charged when a user plays your ad.

TrueView In-Search Video Ads These are ads that are displayed within YouTube search results. With these videos, you can also create a call-to-action overlay that looks like a text ad to drive people from your video to your website. With these ads you are charged when someone begins watching your video.

Hover-to-Play Engagement Ads These are static images, and if a user hovers over the ad for two seconds or clicks on it, then a video is loaded and played. With these ads, you are charged when the video starts playing.

Lightbox Engagement Ads These are video ads shown within a lightbox. A user can hover over or click on a small image and then see a large version of the ad overlaid on the screen. If the user watches your ad, then you will be charged.

Companion Banner Feature With several of these ad formats, you can also upload a companion banner that may show alongside the video. Not all publishers support companion banners. YouTube does support these banners, so we recommend that you upload a banner that can accompany your in-video images.

Video ads allow you to tell your company's story to its viewers. They can show a viewer who is not in your buying funnel how your business can help them fill a need in their lives. As soon as a viewer thinks you can assist them with a need, they have entered the first steps of the buying funnel: awareness and interest.

The keys to effective AdWords video ads are the opening image that induces someone to watch the video and then the story itself.

Video ads are a challenge to create. They take time, money, and technical resources. If you want to create video or image ads but do not have the resources to start yet, Google offers tools that can help you get started in creating image and interactive ads within the AdWords interface.

AdWords Ad Gallery

There are two easy ways to create image and animated ads in the interface. The first one is a very basic ad that's automatically created by scanning your landing pages and showing you examples.

To use the first creation tool, click the New Ad button from the Ads tab, and then choose Image Ad. On that screen, you will have the ability to create an ad. If you select it, Google will scan your landing page and website and give you several ad ideas (Figure 8.14).

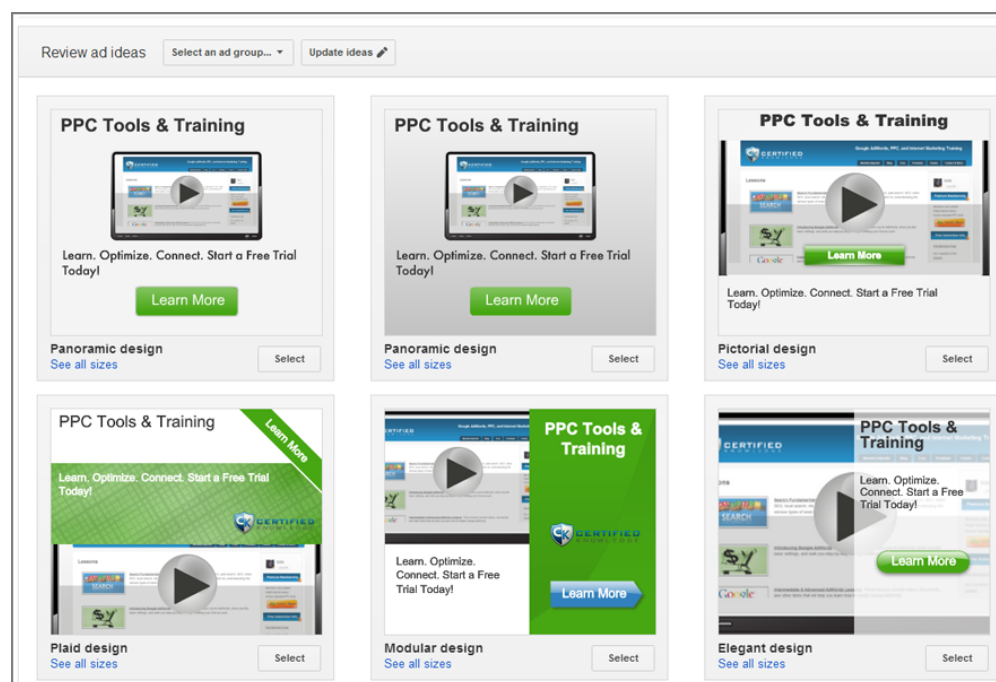


Figure 8.14 Autogenerated image ads

From this screen, you can change the text of the images, change your destination URL, or just save these images to an ad group. These are rarely better ads than a good designer could create. However, if you are looking for a quick way to create image ads for many different landing pages, these ads can get you started while you determine your top products and services that you want a designer to create for you.

The second way to create ads in the interface is to once again choose to create a new ad from the Ads interface screen but choose Ad Gallery as the option (Figure 8.15).

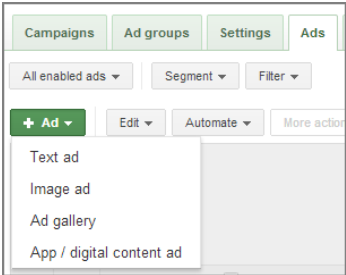


Figure 8.15 Selecting the Ad Gallery tool

While there are several choices within the Ad Gallery tool, most users will want to start with General Purpose Ads. This is akin to the old Display Ad Builder tool, which allows you to quickly create image, rich media, and interactive ads. Google has designed a significant number of ad templates. All you need to do is fill in the template's blanks to customize those ads for your own business.

Once you've chosen to create a new ad, you can examine the various templates to find one that fits your needs (Figure 8.16).

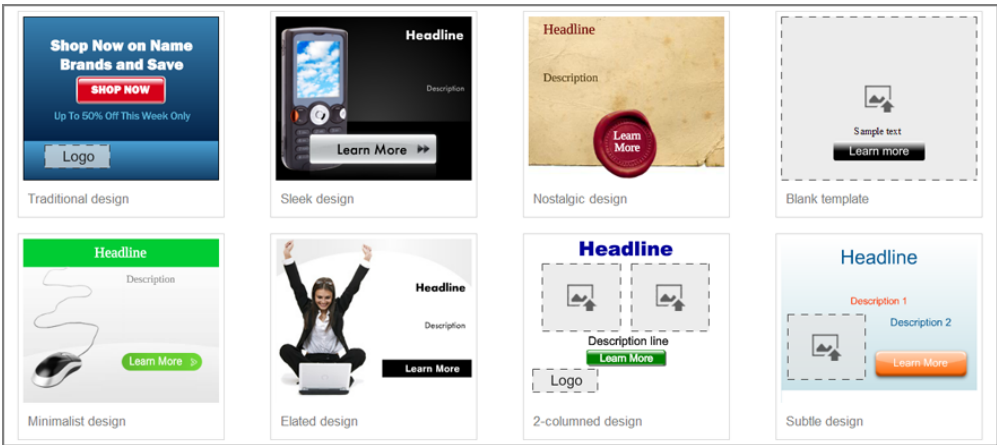


Figure 8.16 Pick an ad template to customize.

One useful feature of the Ad Gallery tool is that you can build multiple ad sizes at once. Below the ad template image you will see the available sizes. You do not have to build a different ad for each size. If you build one ad, the same ad can then be saved as all the different image sizes. This is a huge timesaver when you are testing various formats and sizes.

After you have chosen an ad size, it is time to build the ad. Building the ad is a straightforward process (see Figure 8.17). Here's all you need to do:

- Fill in the text boxes.
- Choose the colors of that text.
- Choose the font for the text.
- Upload images or logos where applicable.
- Choose your background colors (if you wish to change them from the defaults).
- Choose the display and destination URLs.

The screenshot shows the Ad Gallery tool's ad-creation interface. On the left, there's a form with the following fields: 'Headline (optional)' with a text input and color/font icons; 'Description (optional)' with a text input and color/font icons; 'Click button' with a text input and color/font icons; 'Display URL' with a text input; 'Destination URL' with a dropdown menu and a text input; and 'Ad name' with a text input. On the right, the 'Ad preview' section shows a 300 x 250 ad size selected. The preview displays a woman sitting cross-legged with her arms raised, a laptop in front of her, a headline, a description, and a 'Learn More' button.

Figure 8.17 The Ad Gallery tool ad-creation screen

Before you save your image, preview the image in all the possible sizes. It is common for the Ad Gallery tool to build most of the sizes well, but usually you will see one or two sizes that just do not look correct. If you do not like how the tool built the image in certain sizes, uncheck those sizes so that you will not create ads that you do not like.

Depending on the amount of customization you add to an ad, it can take as little as five minutes to build an ad from scratch using this tool. It can be useful to first test different types of images, layouts, color schemes, and sizes before hiring a more expensive designer to perfect your images. First, find out what works for your company, and then move to a more polished design step. Of course, you do not have to hire a designer; you can exclusively use these ad templates and still find advertising success.

Best Practices for Employing Image, Video, and Mobile Ads

Image and rich media ads allow you to target the Display Network in new and interesting ways. These ads usually have response rates higher than you can receive from text ads. Mobile and Display Network users interact differently with ads than a desktop searcher; so ensure you follow these best practices to find advertising success with all your targeting methods.

- When utilizing mobile ads, always consider whether the searcher has different needs than when they are on a desktop so that you send the searcher to the proper place on your website.
- Watch your mobile device usage statistics in Google Analytics to determine whether you need to create a mobile website for your current users.
- Use mobile preferred ads and mobile preferred extensions to change the messaging for mobile users versus desktop users.
- If you want to reach users who do not have smartphones, which is very important in developing nations, then use WAP mobile ads.
- Use image ads to increase the recall of your brands and to increase the CTR of your display campaigns.
- When using video ads, always test opening images to see which image increases play rate, CTR, and conversion rates.
- Many video ad formats are charged on a CPV (cost per view) metric and not on a click basis.

Measure the changes to your branded search volume, search CTR, and conversion rates when using rich media ads. Image and video ads can not only increase branded search volume, but they can also improve your search performance metrics. Image and video ads are shown only on the Display Network. The Display Network is significantly different from search. The next two chapters will dive into exactly what the Display Network is and how to effectively use the network to increase your advertising reach with text, image, and/or video ads.

Understanding the Display Network

The Display Network is an often-misunderstood aspect of Google AdWords. The Display Network will show your ads on non-search pages, such as news articles. Because search page views are a small percentage of the Web, using the Display Network can increase your advertising reach tremendously.

However, the Display Network uses different rules to display your ads—users are in a different mind-set when reading articles compared to when they are searching. Therefore, understanding how the Display Network works and how to reach your prospects is essential to creating successful display campaigns.



Chapter Contents

- What is the Display Network?
- Creating successful Display Network campaigns
- Blocking your ads from being shown across the Display Network
- Smart pricing: measure success with cost per conversion
- Using the Display Planner tool
- Best practices for the Display Network

What Is the Display Network?

When you think of Google, you naturally think of search. After all, it's the premier search engine on the Web. If someone has to conduct a search before they can view your ad, then your ad is being displayed on Google search or Google search partners.

However, there are many times when someone does not have to conduct a search to see your ads. In these circumstances, your ads are displayed based on the content of the page or other targeting methods that will be discussed in this chapter.

If a person is reading an article on a newspaper site, would it not make sense to show ads based on what the article is about? Unrelated ads are easy to ignore, but when the ad is related to the article, it can help a consumer understand their choices or products and services related to that article.

For instance, I have a radio show called *Marketing Nirvana*, and I wrote an article about an episode that was all about call tracking (Figure 9.1). Within the article was an ad for Mongoose Metrics, a call-tracking solution.



Learn How to Track Phone Calls with David Szetela

9:00 am in [PPC Marketing Blog](#) by [brad](#)

by brad



A large number of conversions happen over the phone. This can be very problematic for many companies as they have no idea how many calls they received, or they do not know what traffic source or keyword caused the phone to ring.

Call tracking is the answer to this problem. It has been around for several years on the web, but it has not seen the adoption rates one would expect from a technology that can help close the offline sales loop.

Much of this problem stems from companies either not knowing it exists, or not understanding all of its uses.

The next episode of Marketing Nirvana is dedicated to call tracking.

- What is is
- How can it benefit you
- The different types of call tracking and accuracy
- Best practices for choosing vendors
- And a lot more

I have a special guest for this episode, David Szetela.

Many of you might remember David from his days with Clix Marketing and PPC Rockstars. He's been around for a long time in the PPC industry and has quite a bit of insights to share.

**ONLINE LEADS CONVERTING OFFLINE?
FIND OUT TODAY!**

[schedule a demo](#)

Figure 9.1 Certified Knowledge article about call tracking

This is the type of match between advertiser and content that helps to drive new leads from the Display Network. The user who is reading an article about call tracking is likely to be interested in potential solutions.

Network Names: Content vs. Display

For years, the Display Network was called the content network. It makes sense—the ads are based on the page’s content. Google renamed this to the Google Display Network. The overall industry where ads are based on the content of the page is called contextual advertising. Regardless of the name, content network and Display Network mean the same thing within AdWords.

Advantages of the Display Network

A finite number of searches are conducted every month. That number continues to grow, but search page views are still a small percentage of all web activity. According to numerous studies by Pew Internet, Nielsen (www.nielsen.com/us/en/newswire/2010/what-americans-do-online-social-media-and-games-dominate-activity.html), and others, search page views make up approximately 3–5 percent of all page views on the Web. Other studies have stated that search page views make up approximately 3–5 percent of consumers’ time online. Most of these studies were conducted between 2009 and 2012, and while there is no recent data on these overall activities, analysts do not feel these numbers have changed with respect to search.

If a page view is not a search result, it is a content page view. For instance, do you go directly to a news site every morning to read the news? If so, you could be making 20 or 30 content page views and no search page views. Those who go directly to Amazon to read product reviews often make 10 or 20 content page views and no searches. Do you use an app on your phone that shows ads? Display ads can be any non-search view, such as ads in a video or mobile app. Of course, there are those who combine searches and page views. However, when you want to expand your advertising efforts, there is no larger network than *display advertising*.

Google’s Display Network has a massive reach:

- 1 trillion monthly impressions
- Over 2 million content partners
- Reaches 94 percent of U.S. Internet users
- Reaches 90 percent of global Internet users

Individuals who search for a product already have a need in mind. They are conducting a search to find the answer to their need. These individuals are a small percentage of everyone online who could benefit by your product. Generally, these searchers are in the learning or later stages of the buying funnel (Figure 9.2), which is described in detail in Chapter 2, “Performing Keyword Research.”

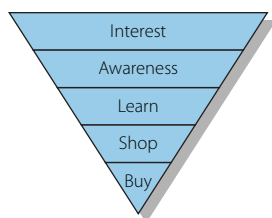


Figure 9.2 The buying funnel

The buying funnel starts with awareness and interest. If people are unaware of your products or services, they do not know enough to search for them. Since the Display Network reaches those who may have a need for your product or service but who are unaware of your offerings, it can introduce many new prospects into the buying funnel.

Another advantage of utilizing Google's Display Network is that you can use the alternate ad formats covered in Chapter 8, "Beyond Text: Employing Image, Video, and Mobile Ads." Image and video ads are highly visual; combining rich media ads with the Display Network is a good technique for introducing your company to new prospects who otherwise are not aware of what you offer.

Display Targeting Methods

Your ads can be triggered across the Display Network in numerous ways. First, I will walk you through the more common ways in which your ad can be displayed and the jargon associated with the targeting types, and then we will get into how to build ad groups and campaigns based on these options.

Keyword Targeting Advertisers can use keywords in display ad groups, and Google will attempt to show your ads when your keywords match the content on the page. This is often known as contextual targeting because your ads are being displayed based on the page's content.

Topic Targeting As Google crawls the Web, they classify the pages they find into various topics. Advertisers can choose to show your ad based on a topic. Since topics are more general than specific keywords, topic targeting often gathers more impressions than choosing some keywords. However, because topics are not as specific as keywords, the cost per action is often higher than for keywords. Since these ads are based on the page's content, they are also known as contextual ads.

Interest Targeting As users search and browse the Web, Google collects data about the type of content that interests the user. Users then get classified into various interest categories based on this data. Advertisers can target users based on these classified interests.

Interest targeting is much different than contextual targeting because you are showing ads based on the user's behavior regardless of the page content.

Placement Targeting Placement targeting allows an advertiser to target a specific site, page, or app or even ad slottage within a site. With this method, the advertiser actively picks the site where the ad is displayed.

Remarketing Remarketing allows you to show ads to a user based on their prior behavior on your website. This is a good method for showing ads to users who came to your website, showed an interest in your products or services, but did not convert. Because remarketing is an advanced form of display targeting, it will be covered in Chapter 10, "Utilizing Advanced Display Network Techniques."

Flexible Targeting Flexible targeting allows an advertiser to combine the various targeting methods before an ad is displayed. For instance, instead of using just placement targeting or just keywords, an advertiser can choose to show an ad based on both criteria; that is, the user is on the managed placement and the page's article matches the advertiser's keywords. Because this is an advanced targeting method, it will also be discussed in Chapter 10.

Demographic Targeting Advertisers can also target users based on age and gender information. Since these targeting options are rarely used by themselves but are mostly used as an additional filter when flexible reach is being utilized, these options will also be discussed in Chapter 10.

Other Campaign Settings Over the course of this book, we cover many other campaign settings such as geography, budgets, and bid techniques. All of the other campaign settings also apply across the Display Network.

Automatic vs. Managed Placements

When your ad is displayed on a site, in a mobile app, or in a video, regardless of the type of targeting you use, this is known as a placement. A placement could be as general as the entire site or it could be as specific as an individual ad slot. For instance, you might see that your ad was shown on the *New York Times*, business section, bottom of page ad slot.

When you use keyword, topic, or interest targeting, you are choosing the method for displaying your ads, but you are not choosing the sites where the ads are being displayed. This is known as *automatic placements*. With automatic placements, the site is chosen for you based on your targeting method.

When you specifically choose a site or ad slot for your ad to be displayed, these placements are known as *managed placements*.

Beyond knowing the basics of the targeting methods and the jargon for placement data, before you create a display campaign you should know how to isolate it from search.

Creating Search- and Display-Only Campaigns

With the search network, a user is actively looking for a solution to a problem. In many circles, this is also known as permission marketing. The user has given you permission to show them an ad based on their actions.

Across the Display Network, an advertiser is trying to pull focus from the user's main interest, such as reading an article or watching a video, in order to receive the click on their ad. This is often called interruptive marketing because you are interrupting the user from their desired activity so that the user focuses on your ads.

Since these two methods of reaching users are quite different, you will often show different ads across the search network and Display Network. In addition, you will want to control bids and budgets separately for each network. Therefore, the first step is to make sure your ads are being shown only on the Display Network or on the search network.

When you create a new campaign, you have three options for search network and Display Network campaign types (Figure 9.3).

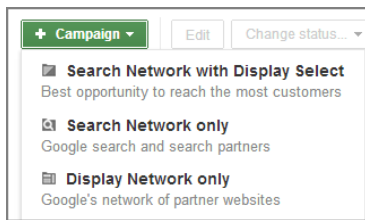


Figure 9.3 Selecting network options for new campaigns

- **Search Network Only:** Your ads will be shown only on the search network.
- **Display Network Only:** Your ads will be shown only on the Display Network.
- **Search Network With Display Select:** Your ads will primarily be shown on search, but you will receive some display impressions.



Note: You can also make these changes by using the AdWords Editor, which will be addressed in Chapter 12, “Saving Time and Scaling Accounts with the AdWords Editor.” In addition, if you have existing campaigns and want to change your account structure so that you have search-only and display-only campaigns, there is an easy way to accomplish this with the AdWords Editor.

Today, you no longer have the option to create campaigns that reach the entire search network and Display Network. However, many older accounts do have campaigns that are set to both networks. If you navigate to the Settings tab for the account, you can view the settings for all your campaigns at once. If any of your campaigns have the Networks setting of All (Figure 9.4), then you will want to adjust those campaigns' Network settings.

+ Campaign ▾		Edit	Change status... ▾	Copy locations to ...		
<input type="checkbox"/>	<input type="checkbox"/>	↑ Campaign	Status ?	Budget ?	Language ?	Networks ?
<input type="checkbox"/>		Charlotte	Paused	\$25.00/day <input checked="" type="checkbox"/>	English	All
<input type="checkbox"/>		Charlotte ST	Paused	\$1.00/day <input checked="" type="checkbox"/>	English	Display Network
<input type="checkbox"/>		Chicago	Paused	\$10.00/day <input checked="" type="checkbox"/>	English	All
<input type="checkbox"/>		Chicago ST	Paused	\$1.00/day <input checked="" type="checkbox"/>	English	Display Network
<input type="checkbox"/>		DC Placements	Paused	\$10.00/day <input checked="" type="checkbox"/>	English	Display Network
<input type="checkbox"/>		Denver	Paused	\$1.00/day <input checked="" type="checkbox"/>	English	All
<input type="checkbox"/>		Denver ST	Paused	\$1.00/day <input checked="" type="checkbox"/>	English	Display Network
<input type="checkbox"/>		Denver2	Paused	\$10.00/day <input checked="" type="checkbox"/>	English	All
<input type="checkbox"/>		Detroit	Paused	\$1.00/day <input checked="" type="checkbox"/>	English	All

Figure 9.4 Viewing your campaign settings

Once you make these changes, it can be useful to include the network type in your campaign name so you know which campaigns are shown on different networks (Figure 9.5).

Campaign
AdWords Book - Display
AdWords Book - Search
Houston - Display
Houston - Search

Figure 9.5 Campaign names can help with organization.

Managing Ad Group Targeting

Choosing your targeting options is the same for each of the targeting methods. First, navigate to the Display Network tab, and click the button labeled + Targeting (Figure 9.6).

SettingsAdsAd extensionsAuto targetsDimensionsDisplay Network

+ TargetingDisplay keywordsPlacementsTopicsInterests & remarketingGenderAge

Figure 9.6 Navigating to the Display Network tab

If you are at the campaign level of data inside your account, Google will ask you to select an ad group. If you are currently in an ad group, then this step will be ignored and you will be changing the targeting for that ad group.

Next, choose the targeting type that you wish to employ (Figure 9.7).

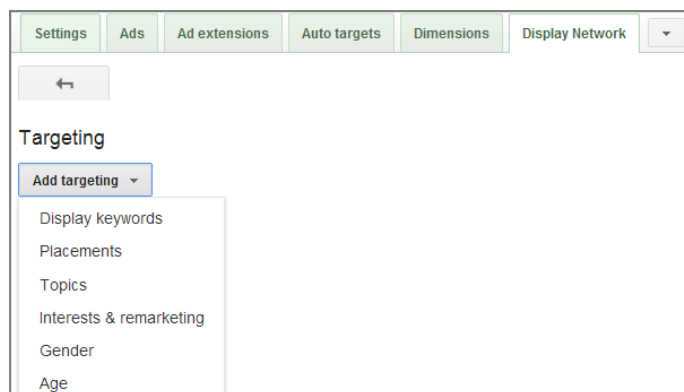


Figure 9.7 Choose your targeting method.

You will then see a screen where you can manage that targeting type. For instance, if you select Display Keywords, then you can add and remove keywords. If you select Topics, then you can add and remove topics.

Some of the targeting methods have advanced options, such as Target And Bid and Bid Only. Since these options are mostly used for flexible reach, we will address them in Chapter 10 in the “Flexible Bidding Examples” section.

Once you have added or adjusted your targeting methods, then you can save the ad group and that ad group will use that targeting method.

There is no easy way to see which targeting method an ad group employs without examining the Targeting settings. This is why it is useful to limit a campaign to a single targeting method and then label the campaign with the targeting method.

If you are going to have different targeting methods by ad group within the same campaign, for instance, one ad group is based on topics and another is based on keywords, it is useful to name the ad group based on that targeting method or employ labels and label each ad group.

Because the Display Network can be quite complex, especially with flexible reach, in this chapter we will focus on the basic ways in which ads can be displayed. In the next chapter, we will examine remarketing and how to combine the targeting types.

Creating a Successful Display Network Campaign

The first two methods of targeting we will address are contextual targeting methods: keywords and topics.

Google matches your display ads with pages using a three-step process when you use contextual targeting methods. Please note, this is a very simplified example to show how the overall process works:

1. Google scans a page within their Display Network, and they assign a topic to that page and determine the main words that are used on that page. At times they might scan only a section of a page, because items such as links or other ads do not always help determine the theme of a page.
2. Google examines the topics you have chosen for that ad group and makes note of your major keywords and the themes of those keywords.
3. When the Display Network page and your ad group contain the same keyword themes or topics, your ad can be displayed.

This is a simple look at how Google selects and places display ads; for organization and optimization purposes, there is no need to dive further into the nuances of this ad serving. Instead, I will show you some tools and tips to help refine your organization.

Use One Primary Targeting Method per Campaign

While you can have a campaign that utilizes one ad group for keywords, another for topics, and yet a third for interest targeting, I find that this lends itself to confusion as to how ads are being served and limits your overall campaign options. Therefore, it is useful to limit yourself to one targeting method per campaign. For instance, you might have one campaign that is only topics, another that is only interests, and yet a third that uses keywords. With this organization, if you find that keywords perform better than topics, you can easily adjust your budgets to have a higher daily budget for keywords and a lower daily budget for topics.

It is important to note that the Display Network obeys all of your campaign settings, such as location, time of day, and daily budget. Therefore, you can have your display ads shown only to a specific city or shown only at certain times of the day.

Creating Keyword-Based Display Ad Groups

Google examines the keywords within an ad group to try to establish the theme and top keywords of that ad group in order to show it on appropriate pages. There are a few rules when creating keyword-based display ad groups:

Use fewer than 50 keyword targets in an ad group. Google will allow you to create a display ad group that has hundreds of positive and negative keywords in it. When you have this many targets within an ad group, your ad serving often suffers, and you might have

keywords that never receive impressions or receive some very poor impressions due to too many targets.

It is useful to limit yourself to a maximum of 50 keywords, both positive and negative, per ad group. You should also consider your negative campaign keywords in this number. For instance, if you have 20 campaign negative keywords and 10 ad group negative keywords, then the ad group should have no more than 20 positive keywords.

For positive keywords, Google recommends 5–20, but I often find that 20 words are too many and can be confusing to Google’s matching technology. I try to limit myself to 12 words. It is even okay to have 1-word display ad groups.

The overall rules for search ad group organization also apply to display. Write an ad, pick a landing page, and then use a handful of words that are connectors between the ad and the landing page.

Use local jargon as keywords. With contextual targeting you are matching keywords from your ad group to ones used on the page. Different journalists, websites, and countries use different words to describe the same product. For instance, do you call it a cell phone or a mobile phone? The word *cell phone* is widely used in the United States in both consumer jargon and on website reviews about phones, and the word *mobile phone* is rarely used. Conversely, in the UK, you will see articles that use the word *mobile phone* much more often than *cell phone*. Therefore, if you are marketing a new phone around the world, you would want to use both of these keywords.

Match types do not matter. Google does not give more weight to exact match keywords over broad match keywords in determining your ad group’s theme. Match types are ignored. Therefore, if you have a keyword with all three match types in a display campaign, you are just wasting your time. Ignore match types.

Google takes negative keywords into account. While Google ignores whether a keyword is a broad, phrase, or exact match, they do take into account negative keywords when trying to determine your theme. If there are words that when used in an article signal to you that the article is not being read by your desired audience, you should add them as negative keywords.

For example, let’s assume you are marketing an iPhone application. You regularly check the pages that are sending you traffic but are not converting. Over time, you find a pattern that when the words *jailbreak* and *jailbreaking* appear on the page, the traffic does not convert. Since jailbreaking an iPhone is a method of unlocking the iPhone that makes the phone incompatible with other features, it turns out these “jailbroken” iPhones can’t take advantage of your app; therefore, these clicks do not convert. In this case, you would then add *jailbreak* and *jailbreaking* as negative keywords in the ad group so your ads no longer show up on those pages.

The overall idea of creating granular keyword-based ad groups is the same for search as it is for display. The major difference is that with search, there are set rules based on your match types and the search query that determines if your ad will be displayed. With the Display Network, your keywords are suggestions, and since match types are ignored, you have less control over determining if an ad will be displayed.

Now that you know the overall rules for creating keyword-based display ad groups, let's examine some tools to help you find keywords.

Display Keyword Research

There are two methods, besides just using your brain to think about your keywords, that you can use to find display-based keywords. The first is a tool from Google known as the Display Planner, and the second is a method based on examining data from potential placement targets.

Display Planner Tool

Google has a tool that will suggest potential keywords, topics, and other display targets: the Display Planner. This tool is similar to Google's Keyword Planner (discussed in Chapter 3, "Keyword Tools: Extracting Valuable Data from Google") except it is meant to find data to use across the Display Network, whereas the Keyword Planner tool is useful for finding targets across the search network. To access this tool, click the Tools and Analysis button in the account, and then select Display Planner (Figure 9.8).

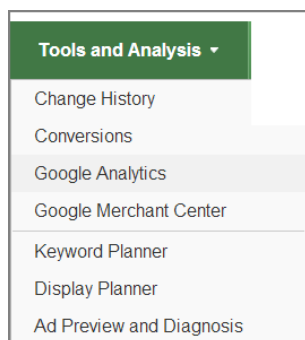


Figure 9.8 Accessing the Display Planner

Within the tool, you can search for keyword, category, or site data to receive information. In addition, you can use your website's landing page as well as a few other options in finding data. Once you conduct a search, you can then see a list of potential display ad groups (Figure 9.9) along with information about the total inventory, such as age, gender, and device.

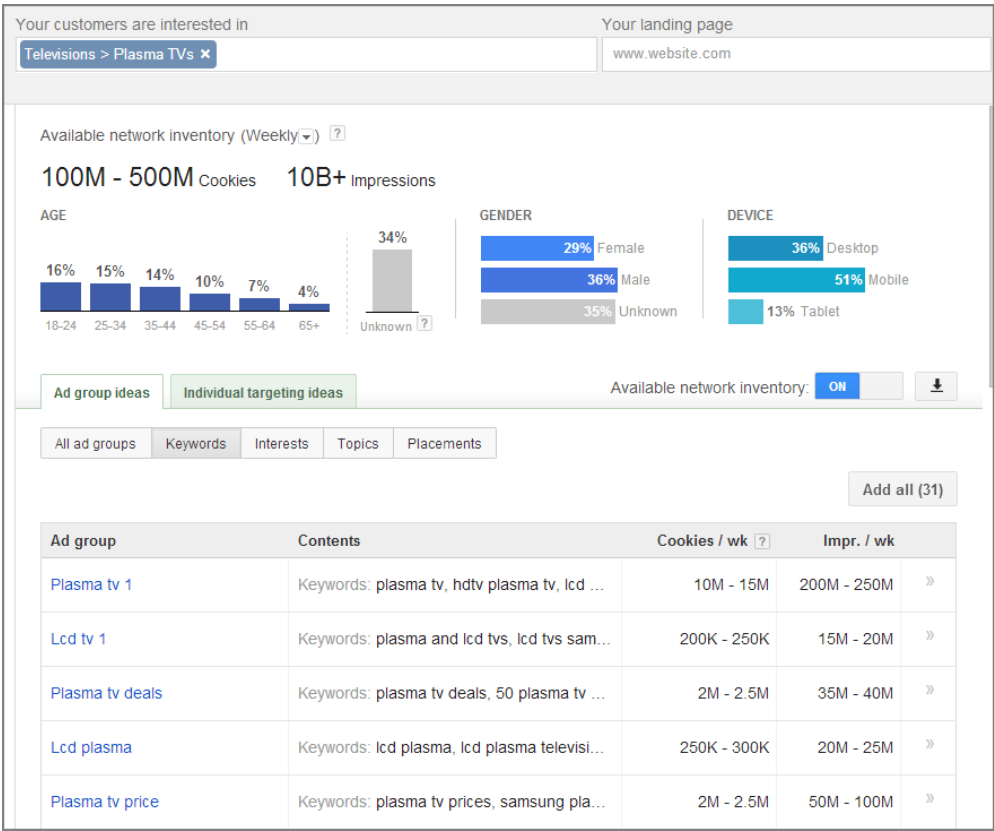


Figure 9.9 Display Planner results for plasma TVs

From these results, you can click an ad group and see detailed stats about the keywords in that ad group (Figure 9.10).

Keyword	Relevance ?	Hist. CPC ?	Cookies / wk ?	Impr. / wk
plasma tv	■■■■■■■■	\$0.00 - \$1.00	2M - 2.5M	50M - 100M
hdtv plasma tv	■■■■■■■	\$0.00 - \$1.00	1.5M - 2M	10M - 15M
lcd and plasma tvs	■■■■■■■	\$0.00 - \$1.00	50K - 100K	400K - 450K
plasma tv screens	■■■■■■■	\$0.00 - \$1.00	25K - 30K	250K - 300K
32 plasma tv	■■■■■■■	\$0.00 - \$1.00	10K - 15K	200K - 250K
plasma tv installation	■■■■■■■	\$0.00 - \$1.00	5M - 10M	100M - 150M
plasma tv television	■■■■■■■	\$1.00 - \$1.50	15K - 20K	50K - 100K
plasma tv stand	■■■■■	\$0.00 - \$1.00	500K - 1M	10M - 15M

Figure 9.10 Suggested display keywords for Plasma TV ad group

From within the tool, you can add ad groups or keywords to your account just as with the Keyword Planner tool. The tool makes it easy to find keywords and ad group ideas for the Display Network. This tool is also useful for each of the other targeting methods we will discuss. Therefore, we will show a few snippets of the tool in each appropriate section, and then we'll cover the entire tool in depth in the section “Using the Display Planner Tool,” later in this chapter.

Keyword Density Analysis

Another way to try to find the correct words to use in an ad group is to use a keyword density analyzer program like Textanz, shown in Figure 9.11.

Phrase frequency Concordance Wordforms Summary Options			
Filter <input type="text"/>			
phrase	frequency	words	dispersion
DLP	76	1	6383.5
LCD	55	1	4394.1
TV	44	1	5436.7
color	29	1	6073.8
will	24	1	3247.6
TVS	23	1	6480.1
have	22	1	5364.1
you	21	1	5076.6
DLP TV	21	2	5050.4
can	18	1	6939.1
light	18	1	7579.8
image	17	1	7055.7
than	17	1	6274.2
projection	17	1	5323.6

Figure 9.11 Textanz keyword density analyzer by Cro-Code

Note: A *keyword density analyzer* is a program that examines a page, or set of pages, and tells you the frequency at which words and phrases appear on the pages.



When using a keyword density analyzer, there are a few rules to keep in mind:

Choose the types of pages where you want your ad to be shown. If you want your ads to be shown on review sites, examine the density of the review page. Different words are used in describing a product review versus an editorial page versus a news article. By using words in your ad group that show up on these pages, your ad is more likely to be placed correctly.

Analyze several pages and combine the data before choosing your keywords. Authors vary in writing styles. Different types of sites have different editorial guidelines. If you were to analyze only a single page, your results would be skewed and your placements could suffer. Choose several different pages across multiple websites when you are analyzing the top keywords.

Examine your best placements. Later in this chapter, we will examine how to find your best placements. You can use those placements as a starting place for examining what keywords are being used on those sites or individual pages.

Always use common sense. When you use a density analyzer, you will find instances of common words (*you, submit, can, have*, among others) and ad copy from poorly targeted text ads that do not describe your services or goods. Just because a word has a high frequency of occurrence does not mean it is a good word to use in your ad group. Always use common sense in choosing words to create a cohesive theme.

Once you have a list of the most common words used on your top pages, you can then organize those words into display ad groups using the same rules that we have discussed: Pick an ad and landing page, and then use keywords in that ad group that serve as good connecting points for the ad and landing page.

When using keyword targeting across the Display Network, you must think a lot about your ad groups and their overall organization. However, if you just want to quickly reach many users, you do not have to go to that level of detail; instead you could use topic targeting.

Display Network Topic Targeting

As Google crawls the Web, they assign each page or site they find into one or more topics of their preset list of topics. As an advertiser, you can choose to have your ads displayed based on a user being on a page that matches one of the topics you are targeting.

When examining our clients, we find that topic targeting often leads to more impressions than our keywords. With keywords, Google is trying to match the page's content to your keywords, so if you are missing some keywords in a topic, which is pretty easy to do, then your ad will not be displayed if you are using keyword targeting. Since topics can cover a large range of keywords, topic targeting usually brings in more total impressions.

However, we also find that, in general, our cost per action and conversion rates are lower for topic targeting than for our keywords. With keywords, you are explicitly choosing when you want your ad to show, and since hopefully you have well-chosen keywords, most of your traffic should be highly qualified. Since topic targeting covers a wide range of keywords, some being good for you and others not as good, you often end up with some traffic that is not relevant to your products and services.

This is the great balance across the Display Network: reach or CPA? If you want a large reach, then topic targeting is fantastic. If you want a low CPA by driving only quality traffic to your site, then keywords are great to use. What is more important to you: a few conversions at a great CPA or more total conversions at a higher CPA?

You can also use both keywords and topics. One campaign or ad group can employ keywords and another one can employ topics. Then you can set your bids or budgets (if you have separated the targeting types by campaign) based on how each targeting type is performing.

When choosing your topic targeting options, you can either drill down through the results (Figure 9.12) or conduct a search and see matching topic options.

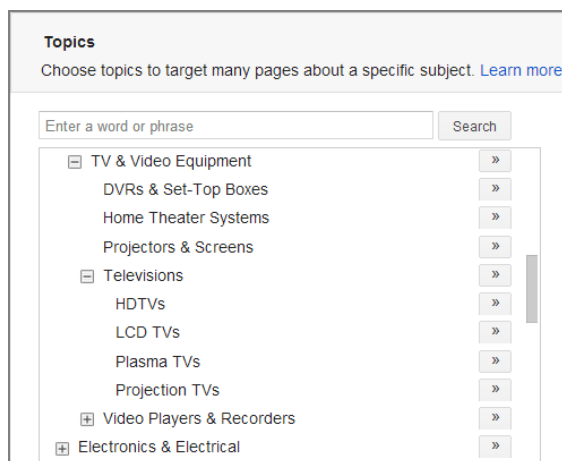


Figure 9.12 Topic targeting categories

A topic can fall into a top-level category, a subcategory, or multiple subs of a category. When you choose the top-level category, you ad can show for any subcategories as well.

For instance, the topic plasma TVs is under these categories:

- Consumer Electronics
- TV & Video Equipment
- Televisions
- Plasma TVs

If you were to choose the Consumer Electronics category, then your ad could show for items ranging from plasma TVs to game consoles to GPS devices.

If you were to choose TV & Video Equipment, then your ad could show for items ranging from home theater systems to projection TVs to DVD players.

If you were to choose Televisions, then your ad could show for a variety of TV types, such as plasma, LCD, and so on.

If you were to choose Plasma TV, then you ad should show up only on pages that mention plasma TVs.

Let's say that you are a very large electronics company and that you want to advertise across the Display Network for all consumer electronics. You would not want to add just the Consumer Electronics category and be done with your display advertising. In that case, you would use the same ad and landing page for every one of those potential topics.

Instead, you would create one ad group for consumer electronics, another ad group for televisions, and yet another for plasma TVs and continue to add every single topic as its own ad group. When you create all of these ad groups, you can then test ads by category and ensure that your landing page is the most specific page on your site for that topic.

With topics, since these categories can reach a large variety of keywords, it is best to limit yourself to one topic per ad group.

Researching and Finding Topics

When you add topics, you can search and drill down through the preset category lists to find topics. In addition, you can see a lot of information about potential topics with the Display Planner tool.

If you search for a general keyword, in this case TV (Figure 9.13), the Display Planner tool will show you a list of potential ad groups along with some data about the reach of those topics.

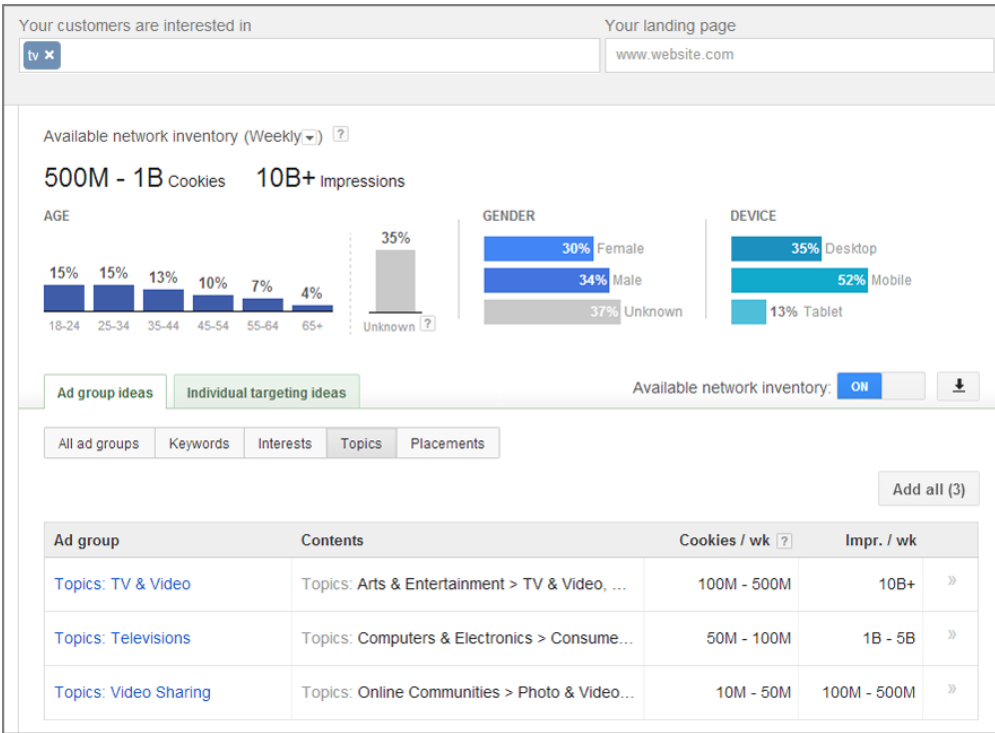


Figure 9.13 Display Planner topic overview

If you drill down into one of those ad groups, you can see more detailed information on all of the topics (Figure 9.14).

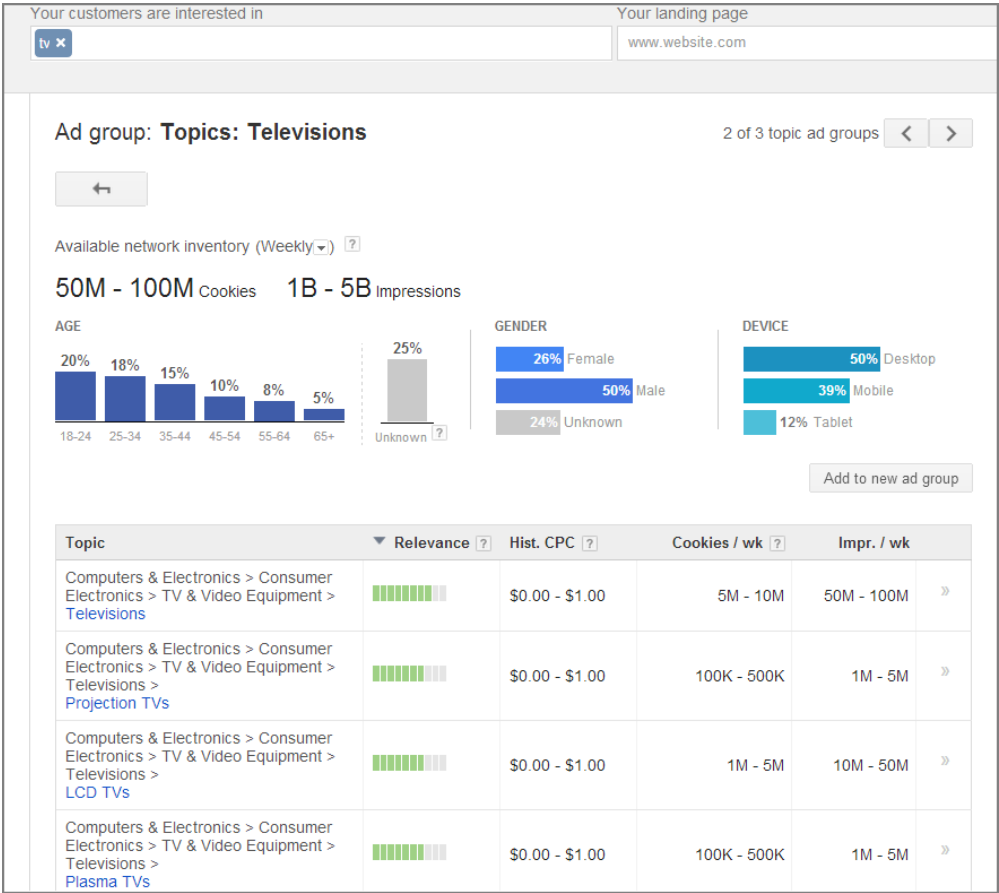


Figure 9.14 Detailed topic information from the Display Planner

In the Topic column of Figure 9.14, the very last word or phrase of the topic drilldown is a hyperlink. If you click that hyperlink, then you can see detailed stats about that specific topic (Figure 9.15).

As with the Keyword Planner tool, when you find topics that you want to advertise on, add them to your plan, and you can then save them to your campaign.

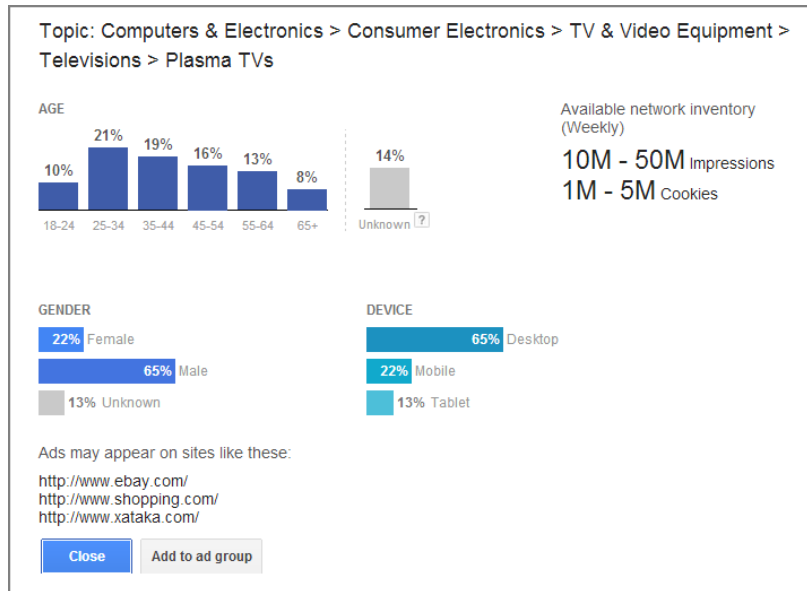


Figure 9.15 Detailed Plasma TV topic statistic

Targeting Ads Based on a User's Interest

As users search, use various Google products, and surf the Web, a treasure trove of data is collected about these users. One of the data points that is created is the type of information and products that each user has shown interest in.

As a marketer, you can target a user based on this interest regardless of the page they are currently on. This type of targeting is not contextual because the ad is shown based not on the page's content but on the user's interest. This is often known as behavioral targeting since you are showing ads based on a user's behavior.

Just to be clear, you could target a user based on the fact they have shown an interest in traveling. If that user is on a site that is about AdWords because they want to learn more about advertising online, they can still see your travel ad because you are targeting the user and not the site's content.

If you are curious as to what interest categories you have been classified into, you can visit the page <https://www.google.com/settings/u/0/ads> and view, adjust, or opt out of the settings used to target you.

Interest categories fall into five types of subcategories (Figure 9.16). Two of them, remarketing and custom combinations, will be addressed in Chapter 10.

Other Categories Other categories, often listed as interest categories depending on your country, are the full list of available categories based on a user's interests. The three interest-level categories do not exist in each country, so for countries that do not have affinity categories or in-market buyers, this might be the only category listed.

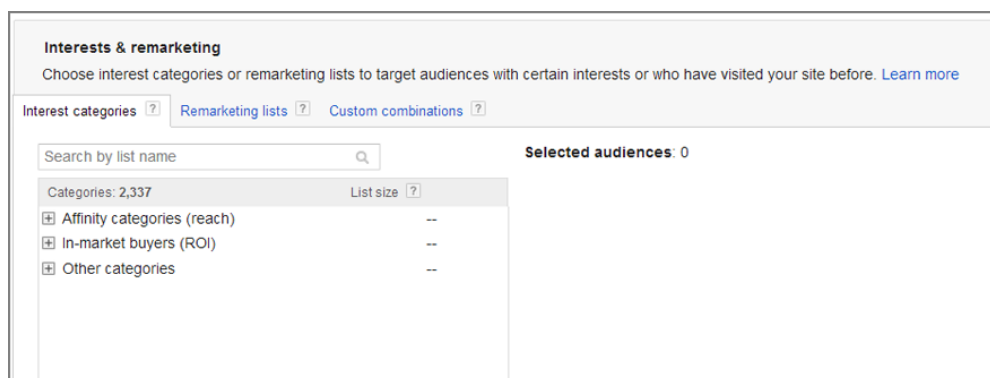


Figure 9.16 Three of the top-level interest categories

With these categories, you can be very specific as to the type of interest you want to target. This category type has the second-largest reach of all the interest categories. Often this category type is used when the more specific options are not available for a country or if your target user does not exist in one of the other targeting methods.

Affinity Categories Affinity categories attempt to bridge the gap between the reach of TV advertising and the data-driven approach of web-based advertising. These categories are derived by user behavior as much as by their interests and are broader than the “other” categories. For instance, there is the category luxury shoppers. A luxury shopper is one who buys high-end items, such as expensive jewelry, a lake house, or the best in home entertainment.

If your goal is an increase in the reach and awareness of your offers and not just direct sales, these are good lists to use. If your goal is just direct sales, these lists are usually too broad to lead to great results.

In-Market Buyers Google attempts to determine if a user is currently shopping for a specific item, such as a car, new computer, or refrigerator, and then puts them in an in-market buyer list. This list should be made up of users who are currently in the consideration phase of a product.

At the moment, there are not very many total list options, and most of the options are for items with long consideration phases, such as a new house. If your goal is to drive sales from your interest targeting, even if the reach is not that large, this is a good list type to try.

The in-market buyers list options are currently available only to English targeted ads.

In my experience, I find that affinity categories are good at driving impressions and awareness but rarely drive many direct sales. There are times when your goals are to ensure everyone knows about your product so that when they are in the market for your product, your company is top of mind. This is a good way to increase that type of reach.

As for in-market buyers, my experience has been up and down. I have had a few occasions when it did work quite well, especially with automotive ads that had a goal of getting people to test drive a car. However, I have also had some very poor experience with this segmentation type.

I find that the other interest-based ads, which is the only option in some countries and languages, generally perform better than topic targeting but worse than keyword targeting, for purchases that happen on a regular basis.

For instance, if a family has an infant, they purchase diapers at least once per month. Because this is a common repeat behavior, showing interest ads to those in the Baby Care & Hygiene and Baby Food & Formula interest groups usually performs well since a user repeats this purchase often.

Unless you are a very lucky person, you probably do not go on a cruise vacation every month. Buying a ticket for a cruise is usually a yearly event at the most and might be a onetime event for many individuals.

Therefore, I find that showing interest ads to those in the Cruises & Charters interest groups is met with very mixed results. In some cases, these interest groups do okay at best (but usually worse than topic and keyword targeting) and sometimes do quite poorly.

In this instance, see if an in-market list exists for you to try. At the moment, travel is not part of the in-market list options, but Google is constantly expanding their lists, so that option might be available someday.

If you are trying to reach repeat buyers, then the other interest targeting is worth trying. If your goal is only direct sales, then stick to in-market buyers or other display targeting options.

As with the keyword and topic targeting options, you can use the Display Planner to search for interest ideas and see the same stats for interest ideas as you can for the other targeting types.

Placement Targeting: Choose the Actual Sites Where Your Ads Are Displayed

With interest, topic, and keyword targeting, Google places your ads on a variety of sites based on the user or site being in your targeting criteria. These are known as *automatic placements*. However, what you do not get to select with automatic placements is the actual website where your ad will be displayed. With placement targeting, you can select the actual website and even ad slot where your ad is displayed. This targeting method is also known as *managed placements* since you are actively choosing which sites you want to display your ads.

This targeting option is called placement targeting and not website targeting for a reason. Many websites have multiple ad slots on them. So instead of trying to advertise on the entire site, in many cases you can advertise on just a small section of a site or even in a specific ad slot. For example, the *New York Times* has a large variety of placements (Figure 9.17), and you can designate your ad to be on the theater pages, the homepage, the finance pages, and many more other categories within that website.

Available network inventory: **ON**

Keywords Interests Topics **Placements** Demographics Remarketing

All placements **Sites** Mobile apps Videos

Add all (342)

Website	Ad formats	Relevance ?	Hist. CPM ?	Cookies / wk ?	Impr. / wk
nytimes.com (Book... Hide similar placemen			--	--	50K - 100K »
nytimes.com (Th...			--	--	100K - 150K »
nytimes.com			--	--	150M - 200M »
nytimes.com (Di...			--	--	25K - 30K »

Figure 9.17 NYTimes.com placement options

Researching Placements

There are three ways of finding placements to target. The first is to examine your current placement data based on your other targeting options, such as keywords or topics. To see this data, navigate to the Display Network tab and click the Placements button. From that screen you will see a list of all your placement data (Figure 9.18).

Placement	Status	Max. CPC	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Avg. CPM ?	Cost ?	Conv. (1-per-click) ?
freestufffinder.ca	Managed	--	12,384	823,156	1.50%	CA\$0.61	CA\$9.25	CA\$7,612.22	2,851
quebecechantillonsgratuits.com	Managed	--	15,129	1,269,875	1.19%	CA\$0.55	CA\$6.58	CA\$8,360.56	2,765
freestuffcanadaguide.ca	Managed	--	8,864	626,847	1.41%	CA\$0.61	CA\$8.66	CA\$5,431.44	1,927
quebecechantillonsgratuits.com	Managed	--	8,473	678,297	1.25%	CA\$0.57	CA\$7.09	CA\$4,807.36	1,394
greenmommy.ca	Managed	CA\$1.41	3,956	145,250	2.72%	CA\$0.62	CA\$16.99	CA\$2,467.23	1,345

Figure 9.18 Placement data

In the Status column, you usually see one of three statuses:

- **Automatic:** These placements are ones where Google showed your ads based on other targeting settings.
- **Managed:** These placements are sites you added as managed placements.
- **Paused/deleted:** If the campaign or ad group is paused or has been deleted, you will see a paused or deleted notice.

If you want to see more details about the specific placements, you can click next to the placement or select them all, click **See Details** (Figure 9.19), and choose to see more in-depth data about the placements.

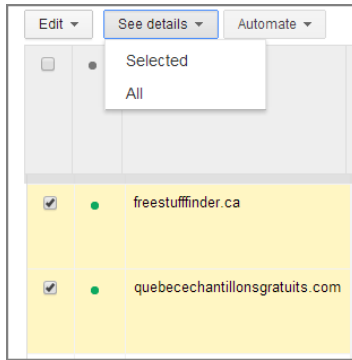


Figure 9.19 View placement details

When you view the details (Figure 9.20), you can see the actual URLs where your ads have been displayed along with detailed metrics, such as cost-per-conversion data if you have conversion tracking enabled.

From this screen, you can then exclude a placement, meaning your ad will no longer be shown on that placement, or add the URL as a new managed placement. To do so, select the URL that you want to exclude or manage and then click the **Exclude Placements** button to exclude the placement or click the **Manage Placement And Bid** button to add the URL as a new placement (Figure 9.21).

When you add a placement, in the details screen you will see the **Added** annotation. If you exclude the placement, then you will see the **Excluded** annotation next to the URL.

If you see automatic placements that are regularly sending you traffic that meets your goals, then adding those URLs as managed placements is a good idea so that your ad is always eligible to show on those websites.

<div> <div>Campaigns</div> <div>Ad groups</div> <div>Settings</div> <div>Ads</div> <div>Keywords</div> <div>Ad extensions</div> <div>Auto targets</div> <div>Dimensions</div> <div>Display Network</div> </div>							
<div> <div>Filter</div> <div>Columns</div> <div> <div>« Back to Placements</div> <div>Exclude placements</div> <div>Manage placement and bid</div> </div> </div>							
<input type="checkbox"/> URLs	Clicks	Impr.	CTR [?]	Avg. CPC [?]	Avg. CPM [?]	Cost	
<input type="checkbox"/> 04953823c1610f2d.anonymous.google	9,843	6,524,884	0.15%	\$1.70	\$2.57	\$16,746.03	
<input type="checkbox"/> worldofsolitaire.com Added	7,501	866,882	0.87%	\$0.40	\$3.50	\$3,035.59	
<input type="checkbox"/> www.safeshare.tv/mediaplayer/player-licensed-57.swf	7,472	308,883	2.42%	\$0.48	\$11.58	\$3,576.82	
<input type="checkbox"/> www.safeshare.tv/mediaplayer/player-licensed-57.swf	6,130	238,278	2.57%	\$0.37	\$9.50	\$2,263.73	
<input type="checkbox"/> www.wunderground.com/cgi-bin/findweather/getForecast	5,365	6,469,354	0.08%	\$1.23	\$1.02	\$6,574.29	
<input type="checkbox"/> www.youtube.com/video/2DbaaFCAbU	4,148	266,590	1.56%	\$0.79	\$12.27	\$3,270.78	
<input type="checkbox"/> www.safeshare.tv/mediaplayer/player-licensed-57.swf	3,928	163,878	2.40%	\$0.53	\$12.68	\$2,078.63	
<input type="checkbox"/> www.aralifestyle.com/article.aspx	3,669	488,458	0.75%	\$2.27	\$17.07	\$8,339.92	
<input type="checkbox"/> www.pandora.com/radioAdEmbed.html	3,579	4,862,813	0.07%	\$1.08	\$0.80	\$3,869.81	
<input type="checkbox"/> game3.pogo.com/exhibit/intermission.jsp	3,571	313,625	1.14%	\$0.47	\$5.37	\$1,682.89	

Figure 9.20 URL details for your placements

<div> <div>Exclude placements</div> <div>Manage placement and bid</div> </div>	
<input type="checkbox"/> URLs	
<input type="checkbox"/> d2099868202a60bc.anonymous.google	Excluded
<input type="checkbox"/> d2099868202a60bc.anonymous.google	Added
<input checked="" type="checkbox"/> www.quebecechantillonsgratuits.com/echantillons-gratuits-pour-bebe	

Figure 9.21 Managing or excluding placements

The second method of finding placements is to navigate to the ad group's Display Network ad targeting screen, select placements, and then search for various placements (Figure 9.22).

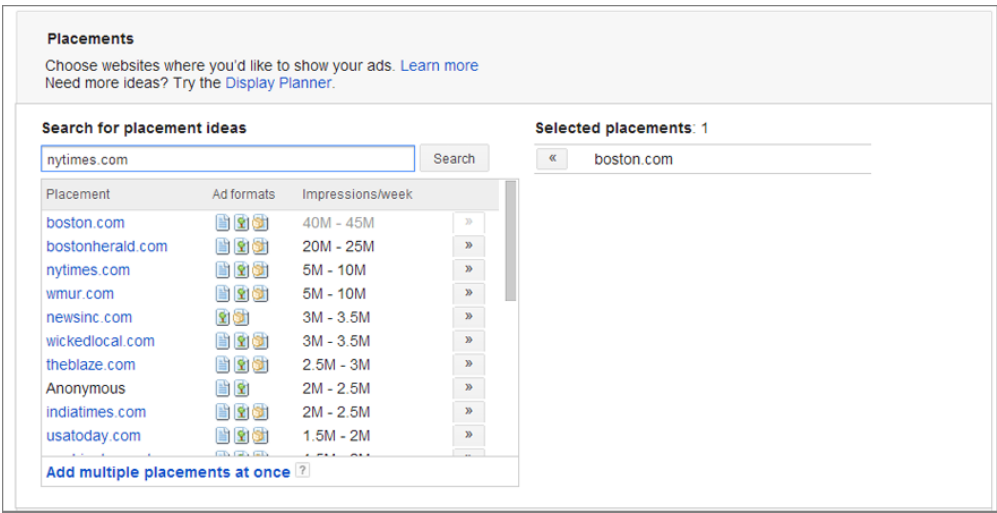


Figure 9.22 Searching for placements in the display targeting options

While this method is very simple, it is often the worst way to add placements unless you know exactly what sites you want to add. The reason is that the search feature rarely shows all the placements available for a website, and in some cases it does not show available sites. For instance, in Figure 9.23, the search was for *nytimes.com*, a site that is available to target through the Display Network, and yet that site is not shown in the search results.

Usually the best tool to use in researching placements is the Display Planner. You can navigate to the Display Planner from the Tools menu, enter your criteria for search, and then click the button *Get Placement Ideas* to see available placements (Figure 9.23).

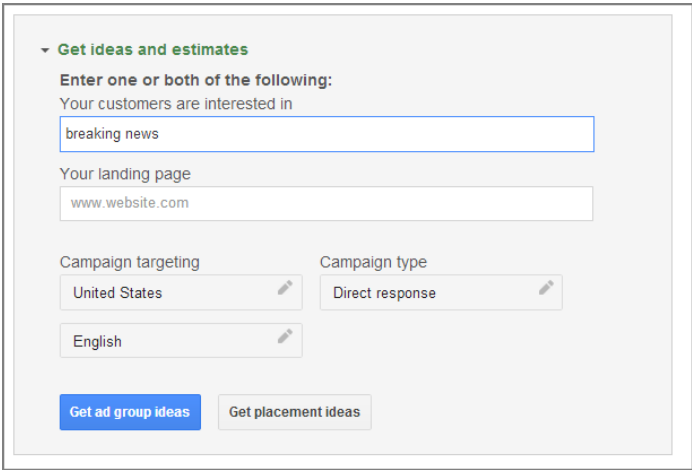


Figure 9.23 Get placement ideas from the Display Planner.

This will take you to a screen that shows you available placements (Figure 9.24) and data about those placements.

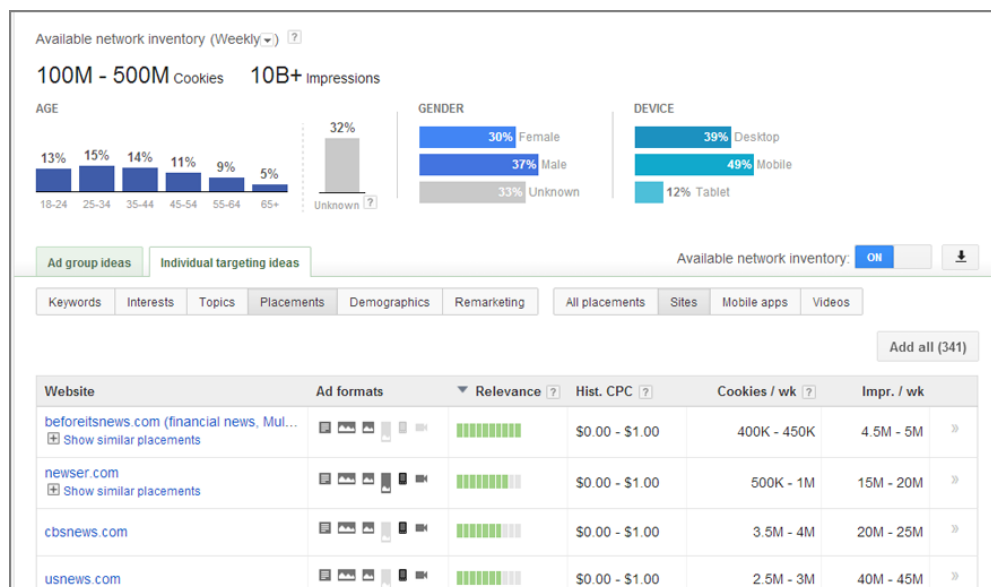


Figure 9.24 Detailed placement data in the Display Planner

If you see the notation underneath a URL “+ Show Similar Placements,” as shown in Figure 9.24, you can click the plus icon to see additional placements available on the same website.

If you click the website link, you will see detailed data about the site, including the type of ad formats supported (Figure 9.25).

As you see websites where you wish to show your ads, you can add them to the keyword plan and then save them to your ad group. Once you add placements to your ad group, you can set the bids on those placements just like you would with keywords. The main difference between display and search campaigns is the targeting; the management of bids if you are using a single targeting method is the same.

Organizing Placements

When you are creating search keyword ad groups, the ads should be closely related to the keywords. Granular ad groups usually lead to higher click-through and conversion rates.

The same organization can be applied to placement ad groups. Examine the placements where your ads will be shown to create themes for these placements. Then group these different themes into ad groups.

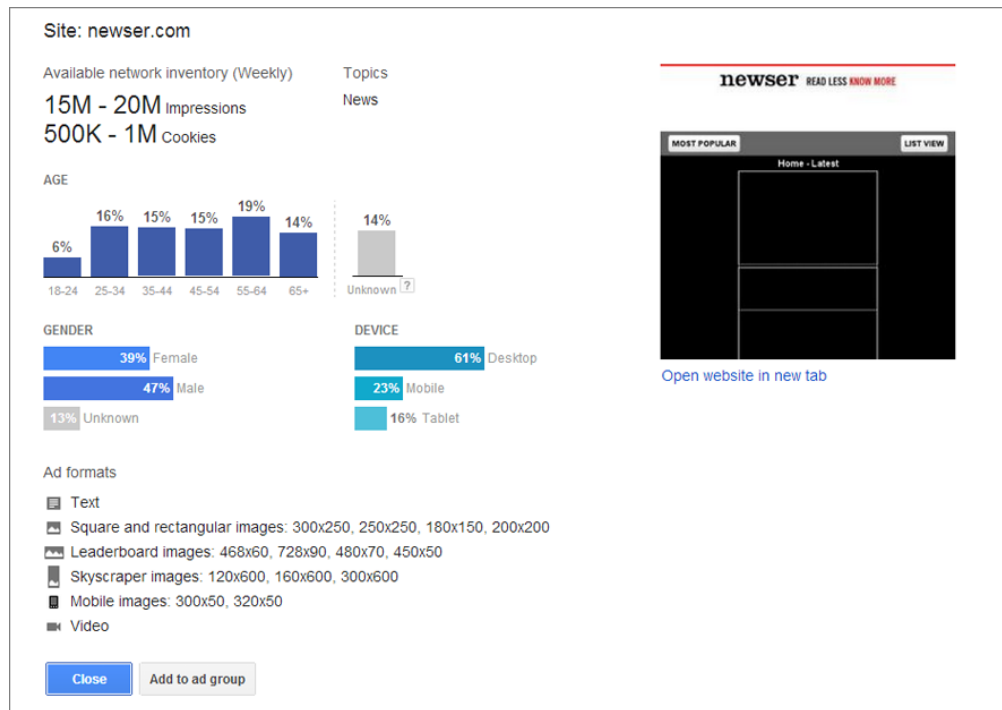


Figure 9.25 Detailed placement data for newser.com

This organization will make your ads more relevant when they appear on placement targeted sites, which should increase both click-through and conversion rates. For instance, if you sold wedding supplies you could start with ad groups such as these:

- Wedding dresses
- Wedding cakes
- Wedding favors
- Wedding flowers
- Wedding pictures

With this organization, you no longer have to write generic ad copy about how your company handles everything related to weddings. You can now tailor your ads to each type of website where your ads will be shown. This strategy will create higher relevancy between your ad, placement, and landing page, which will in turn make your marketing more effective.

By taking this extra step in organizing your placement campaigns, you will find it easier to see not only what sites are converting for you but which ad groups (or themes) are bringing in revenue.

Blocking Your Ads from Being Shown across the Display Network

The methods discussed so far in this chapter have been around ways in which you can enable your ads to be shown across the entire Display Network. However, there will be places on the Internet where you do not want to show your ads. The reasons can range from underperforming websites to R-rated videos that are not brand appropriate for your ads. The good news is that AdWords gives you the ability to exclude certain types of online properties from ever showing your ads.

There are two ways to navigate to the area where you can select what to block. From the Display Network tab, you can scroll down to the bottom of the screen to where you see the +Exclusions and +Options buttons (Figure 9.26), or you can navigate to the Ad Group Targeting And Exclusions screen shown in Figure 9.27.

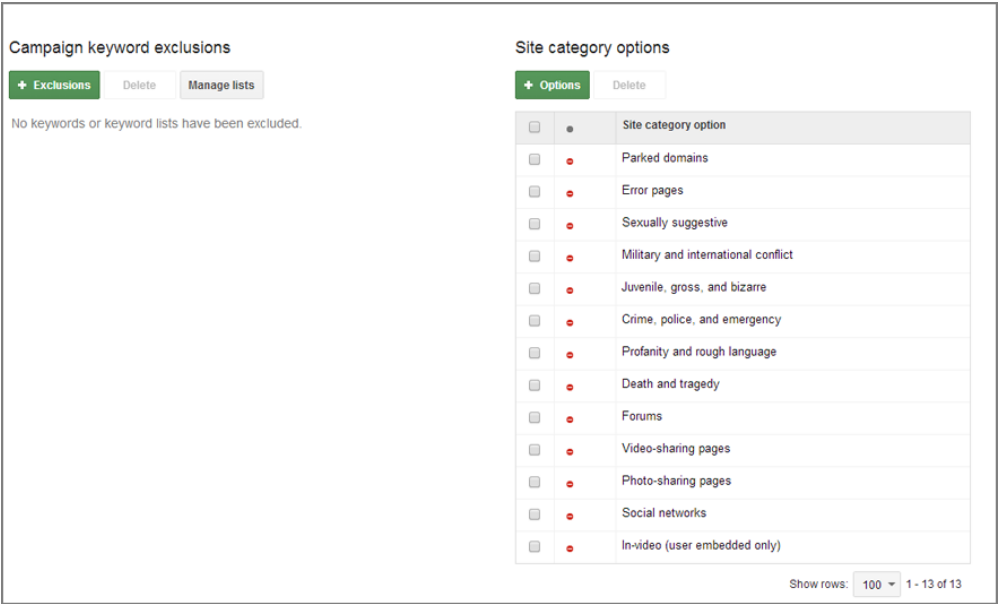


Figure 9.26 Blocking your ads from unwanted sites

Each of these methods takes you to the exclusion features area; the difference is which exclusion is open by default. However, you can navigate to any of the exclusions from this screen (Figure 9.27).

All of the exclusions except for site category options can be applied at the ad group or campaign level. The site category options apply only to the campaign level. If you exclude a targeting method at the campaign level, it will apply to all the ad groups within that campaign. If you exclude an option at the ad group level, the exclusion will apply only to that ad group.

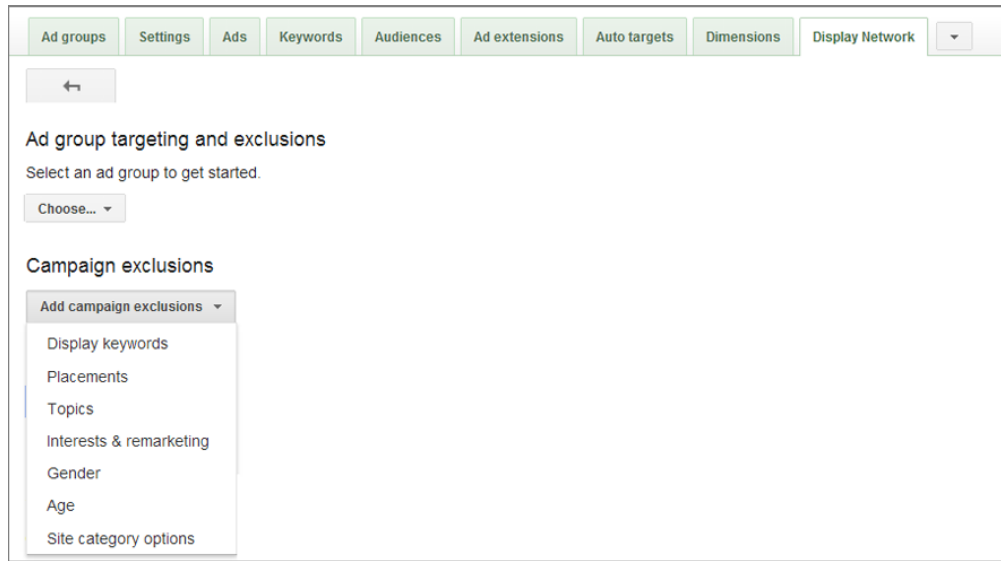


Figure 9.27 Ad group and campaign exclusions

You have several options for excluding your ads from being displayed:

Display Keywords With display keywords, you can exclude your ads from showing when a page contains a specific keyword. The way negative keywords are used for display is different than for search. Across the Display Network, these negative keywords are suggestions as to what pages you do not want your ad to appear on. It is possible that your ad will appear on a page that contains that keyword. As with Display Network keywords, do not worry about match types. Since you do not want an ad group to have more than 50 total keyword targets, we will examine later in this chapter how to determine negative keywords for the Display Network.

Placements The placements exclusion allows you to keep your ad from showing on specific placements. If you find sites that do not perform or that you do not want your ads to appear on for other reasons, such as the overall content of the site, then you can block your ad from showing on that site by using the placements exclusion option.

You do not have to exclude an entire site; you can choose to exclude only a single page, a subdomain, or a folder of a site. For instance, if you exclude `sample.example.com`, then your ads will not run on the subdomain `sample.example.com`, but your ads can show on `example.com`. If you exclude the folder `example.com/stuff`, then your ads will not show in the `/stuff` directory, but they could show on other pages of that domain.

There is also a placement list option that is the same as the negative keyword list option. You can create a list of placements and then share that list to other campaigns

using the Shared Libraries feature. Whenever you add a placement to a placement list, each campaign that also shares that list will then block that placement.

Topics If you do not want your ad to show for certain topics, then you can add those topics as negative topics, and if a page is classified into that topic, then your ad should not show on that page.

For instance, in several examples throughout this book I have used the word *bleach* because it can mean both a cleaning supply and a Japanese anime show. If you were marketing cleaning supplies, then you would want to add the negative topic Arts & Entertainment or Comics & Animation to keep your ad from showing on sites about anime.

Interests & Remarketing We will discuss remarketing in depth in Chapter 10, so we will skip that option for the moment. However, if there are interest categories that you do not wish to show for, you can block them as well.

A good example would be if you were selling expensive jewelry. You might create an ad group that utilizes the interest targeting affinity group Luxury Buyers. However, if you sold only jewelry, you might exclude those who also show an interest in other luxury goods, such as cars. Please note that a person could be in both groups, so if you did block the Luxury Car category and a user was in both the Luxury affinity group and the Luxury Car category, they would not see your ad. Whenever you add additional negatives, you will want to wait a week to a month and then compare your current metrics to your old ones (before you blocked that category) to see how the change affected your total conversions and your CPAs.

Gender and Age You can block users based on their gender or age. This blocking occurs only if Google is confident in the user's demographic information. Since many users are classified as Unknown for gender and age, you will lose a lot of traffic if you exclude the Unknown classification. It is probably best not to block the Unknowns unless you have a small budget and want to reach only a very specific age or gender group.

Site Category Options The site category exclusions can be specified only at the campaign level and are a catchall category comprising several options (Figure 9.28) including sensitive content, the types of placements, video content, ad location, and mobile apps.

If you have someone in your company who is in charge of brand management, then you should discuss these options with them because these can protect you from some embarrassing situations. Every once in a while you will see an article about a devastating plane crash and next to the article is an ad for new luggage or cheap airfares. These are usually poor placements that you will want to block. However, do not blindly block all of these categories. If you sell surplus military gear, you will want to be on pages that discuss military and international conflict.

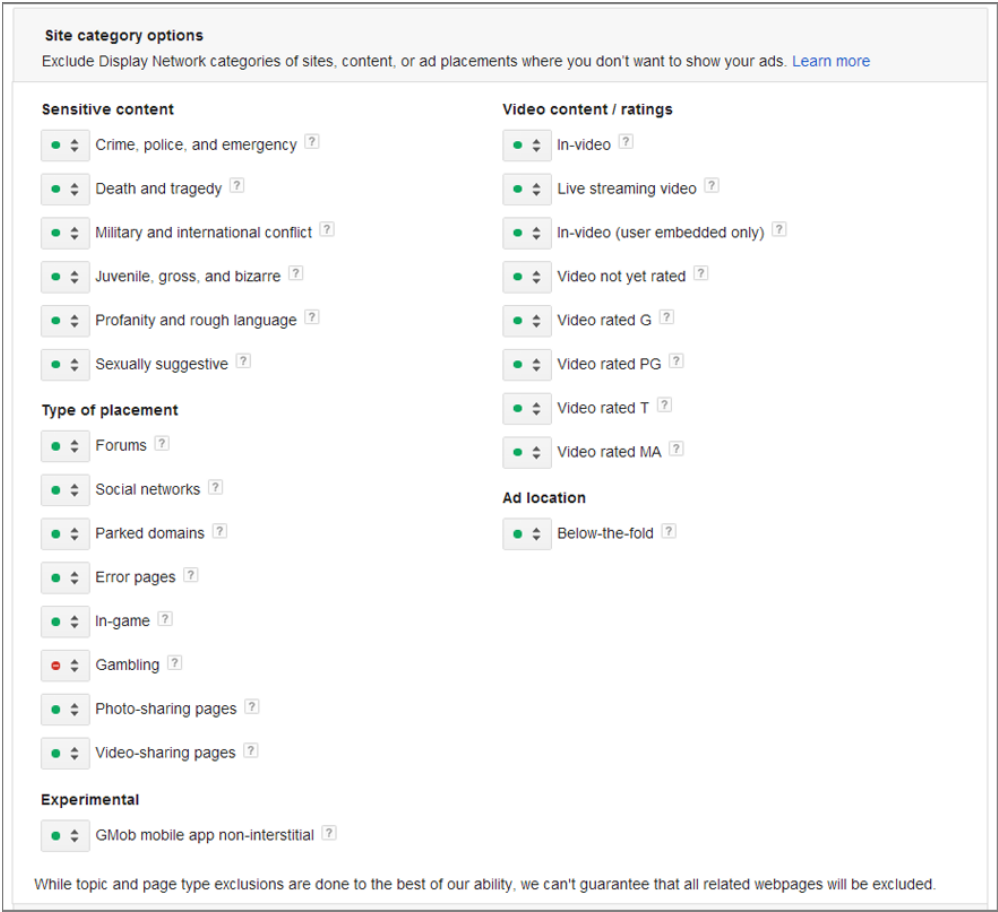


Figure 9.28 Site category exclusion options

One of the current issues is that you can no longer see your stats by category within AdWords to determine whether you should block a category. For instance, Figure 9.29 shows the stats by category in the old interface for a site that sold software. The conversion rates for this company's sales for their account were roughly 10 percent. The software had nothing to do with crime, conflict, or sexually suggestive content, yet those categories converted higher than their search marketing. With the current lack of data about each category, you should block them based on protecting your brand and not necessarily because you do not think the categories will convert.

Category exclusion														
Prevent your ads in this campaign from showing on certain categories of web pages.														
Exclude	Category	Clicks	Impr.	CTR	Avg. CPC	Avg. CPM	Cost	Conv. (1-per-click)	Cost / conv. (1-per-click)	Conv. rate (1-per-click)	View-through Conv.	Conv. (many-per-click)	Cost / conv. (many-per-click)	Conv. rate (many-per-click)
<input type="checkbox"/>	Crime, police & emergency	306	92,494	0.33%	CA\$0.77	CA\$2.55	CA\$236.12	46	CA\$5.13	15.03%	10	55	CA\$4.29	17.97%
<input type="checkbox"/>	Death & tragedy	361	122,096	0.30%	CA\$0.76	CA\$2.23	CA\$272.80	41	CA\$6.65	11.36%	35	46	CA\$5.93	12.74%
<input type="checkbox"/>	Military & international conflict	143	93,985	0.15%	CA\$0.72	CA\$1.10	CA\$103.57	14	CA\$7.40	9.79%	6	15	CA\$6.90	10.49%
<input type="checkbox"/>	Juvenile, gross & bizarre content	614	150,781	0.41%	CA\$0.54	CA\$2.19	CA\$330.61	39	CA\$8.14	6.63%	64	45	CA\$7.05	7.65%
<input type="checkbox"/>	Profanity & rough language	199	31,323	0.64%	CA\$0.54	CA\$3.43	CA\$107.39	10	CA\$10.74	5.03%	14	11	CA\$9.76	5.53%
<input type="checkbox"/>	Sexually suggestive content	1,300	382,816	0.34%	CA\$0.61	CA\$2.09	CA\$798.63	164	CA\$4.86	12.65%	151	180	CA\$4.42	13.89%

Figure 9.29 Stats by category exclusion options

Determining Negative Display Keywords

While most of these blocking options are straightforward, the one option that often needs additional analysis before employing is negative keywords. Since negative keywords are suggestions about placements and not absolutes, and you do not want too many negative keywords because that can adversely affect your display ad serving, there is a way to determine your negative keywords.

The first step is to look at your placement data and find your top 10 to 20 placement URLs in terms of both CPA and absolute conversions and then take a look at your worst 10 to 20 placements. Please note, if you are tech savvy, you can use many more pages than 10 to 20.

Run those pages through a keyword density analyzer to find what words are common to the top sites and the worst sites. You can even make this analysis to examine the frequency of those words on your top and worst placements.

For instance, in this analysis (Figure 9.30) the company's CPA goal is \$50. They are okay if the CPA is between \$51 and \$99, but it is not ideal. Finally, they do not want to pay to be on any sites where the CPA is above \$100.

	A	B	C	D
1		Uses in < \$50 CPA	Uses in > \$100 CPA	Delta
2	software	1	93 ↓	0.011
3	planning	12	19 ↘	0.632
4	gates	110	97 ↘	1.134
5	safety gates	82	79 ↘	1.038
6	kids	32	33 ↗	0.97
7	children	58	49 ↗	1.184
8	child safety	32	29 ↗	1.103
9	child safety gates	19	12 ↑	1.583
10	gate locks	19	34 ↘	0.559

Figure 9.30 Keyword frequency for top and worst placements

Therefore, for the nine most commonly used words on pages where their ads were being shown, we examined how often a placement included that word at least once when the CPA was under \$50 or over \$100. In this case, the word *software* appeared on 94 placements. One of those placements had a CPA of under \$50 and 93 of them had a CPA of over \$100. This tells us that the word *software* would be a good negative keyword.

In the same example, the word *gates* appeared on 110 sites when the CPA was under \$50 and 97 times when the CPA was over \$100. While this word frequently appears on sites with high CPAs, it also appears often on sites with low CPAs and thus should not be a negative keyword.

Although this type of analysis can be a lot of work, it can also help ensure that you are adding only the appropriate display negative keywords.

Smart Pricing: Measure Success with Cost per Conversion

We will cover bidding in detail throughout Chapter 13, “Devising Profitable Bid Strategies.” However, because search and display have slightly different metrics and because of the ways that click costs are calculated, we need to address some of the success metrics with the Display Network here before you read all of the ways to calculate bids in Chapter 13.

In search, Google uses a feature called the AdWords Discounter so that you pay only a penny more than necessary to appear just above the ad that is below yours. Google uses a different set of pricing rules, called *smart pricing*, for the Display Network.

With smart pricing, Google looks to see if a page is more or less likely to end in a conversion action. If a page is less likely to end with a conversion, Google may discount the price of that click. If a click is more likely to turn into a conversion, they may charge more for that click (up to your maximum CPC).

Note: While Google may discount your click prices for the Display Network, you should set different bids for the Display Network based on the return of ad spend or what it will cost to reach your marketing goals. You may have ad groups where you are willing to bid more per click than on search. Conversely, you will have ad groups where you are willing to bid less than on search. Do not use the same bid for both networks. If in doubt, using a display bid of 75 percent of your search bid will get you started. For example, if you were willing to pay \$1 for a click on search, set your display bid at \$0.75.



The smart pricing feature creates a scenario where your conversion rates are not nearly as important as your cost per conversion for the Display Network.

Let's assume for a moment that you sell digital cameras and that your maximum CPC is set to \$1. The first site where your ad is shown is an authoritative review site where your ad is shown alongside an article that reviews the digital camera you are selling. This type of site is far along in the shopping cycle and the traffic is more likely to convert on your website than traffic from other display sites; therefore, you are also going to pay a higher CPC than a less-authoritative website. Let's also say that your ad was shown on Johnny's blog alongside a story where he talks about how he used his new digital camera on a trip to Aruba. This site is less commercial in nature and therefore less likely to convert for your products. However, that does not mean you do not want your ad to show on Johnny's blog. The numbers should tell you the story of your ad's effectiveness on each of these two sites (see Table 9.1).

► **Table 9.1** Comparison of two sites

Metrics	Authoritative Review Site	Johnny's Blog
Clicks	100	100
CPC	\$1	\$0.25
Total Cost	\$100	\$25
Conversions	10	5
Conversion Rate	10%	5%
Cost per Conversion	\$10	\$5

In this scenario, Johnny's blog has half the conversion rate of the review site (5 percent vs. 10 percent). However, because you are paying significantly less per click (\$0.25 vs. \$1), Johnny's blog has a better cost per conversion (\$5 vs. \$10). You make more profit from a visitor to Johnny's blog than from a visitor to the review site.

Each site has different types of users and will therefore send different types of traffic. You may see large differences in CPC and conversion rate for each website where your ad is shown. However, conversion rates and CPC are not nearly as important as cost per conversion when examining success for the Display Network.

Once your ads have some exposure across the Display Network, you should examine the websites where your ad is being shown to determine where you are receiving both good and bad returns.

After your ads have run for a while and accrued enough data for you to make sound decisions, it is time to run AdWords reports and fine-tune your display campaigns based on success metrics.

Choosing CPM or CPC Bidding

With the Display Network, placements, or keywords, there are several ways you can choose to pay for your ads. The typical method is cost per click or CPA bidding (discussed in Chapter 13). However, if your ad is shown only on the Display Network, you can choose to pay per impression instead of by click.

Cost per thousand impressions (CPM) is the way most banner ads are purchased on the Web. With CPM bidding, you are informing Google how much you want to pay for a thousand impressions. As with CPC bidding, you could pay less than your bid amount, but you will not pay more.

With CPM bidding, your goal is not just traffic to your website—your goal is also to increase the recognition of your brand, products, and services. It is not uncommon to see a company buy banner ads and then see an increase in search volume for their company's name or products.

Since you are paying for an impression, you need to make sure each impression is worth your marketing dollars. Therefore, always use a rich media ad, such as an image or video ad, when bidding CPM. Text ads have little recall value, and bidding CPM on a text ad is a waste of money.

Every time your ad shows, you pay for an impression. It does not matter if a user sees your ad or not—if the ad appears, you pay. So be careful about buying CPM ads on sites where users are highly engaged in the content or where the site generates many page views but very little time on each page. Here are some examples:

- Forum sites
- Image-sharing sites
- Social networks
- Ads below the fold

Before you can bid CPM, the campaign must be set to appear only on the Display Network. Once you have enabled a campaign to be shown on display only, when you examine your bidding options in your campaign settings you will have an additional option to bid CPM (Figure 9.31).

When you use CPM bidding you also have the option to enable viewable CPM (Figure 9.31). When you enable this option, you accumulate statistics (and pay) only when at least 50 percent of your ad has been seen for at least one second.

☐ Focus on **clicks** - use maximum CPC bids
☐ I'll manually set my bids for clicks
☐ AdWords will set my bids to help maximize clicks within my target budget
☐ Focus on **conversions** (Conversion Optimizer) - use CPA bids
 Unavailable because this campaign doesn't have enough conversion data.
☒ Focus on **impressions** - use maximum CPM bids
☒ Enable viewable CPM (with Active View reporting) [?](#)
 We'll optimize for viewable impressions and you'll only pay when your ad becomes viewable. [Learn more](#)
☐ Select a **flexible bid strategy** [?](#)

Figure 9.31 Enabling CPM bidding in the campaign settings

This is a good option to use if your ads are often shown below the fold. When you use this option, you often have to increase your CPM bids to have your ads displayed since Google is going to compare how often your ads are viewed and how much they make when your ad is viewed against other advertisers who may be willing to pay for the impression even if their ad is not viewed.

With CPM bids, you will first set a bid at the ad group level. This is the default bid that all new placements will receive. You can adjust this bid either higher or lower for each placement.

When using CPM ads, you are generally trying to raise the awareness of your products, services, or brand. Therefore, your ads should not contain specifics, such as prices. They should be memorable and easy to recall. If you want to add a call to action, do not make it commercial in nature. Instead, use a call to action that lets consumers know that you will teach them valuable information.

CPC bidding gives you more control of your spending each time someone visits your website. If you want to examine the cost per conversion for an ad group or placement and then set a bid based on those metrics, you should use CPC or CPA bidding. If you are using text ads, do not use CPM bidding. In cases where you are unsure of which bidding type to use, start with CPC bidding, since you should have more experience with it because that is the primary method that AdWords utilizes.

In general, if you want to control costs, use CPC or CPA bidding. If you want to maximize your exposure, CPM bidding is more effective. Once you have created a placement ad group and chosen the bidding type for the campaign where that ad group resides, it is time to manage the bids for each of those placements.

Using Frequency Capping to Limit the Number of Times a User Sees Your Ads

There are times when you might want to limit the number of times a unique user views your ads. If you are trying to reach the most users possible, especially if you are

bidding by CPM, you might want to pay only for a single person to see your ad a few times. This is called *frequency capping*. If you limit the number of times a single user sees your CPM ads, you will not use up your budget on only a handful of users but instead spread out your budget among many users.

Frequency capping only works to control the exposure of your display ads. However, it applies to both keyword and placement display exposure.

You cap impressions by specifying the maximum number of impressions you want any one user to see over a timeframe (day, week, or month) and whether the cap applies to individual ads, ad groups, or your whole campaign. To enable frequency capping, navigate to the Campaign Settings tab and click Edit next to the Frequency Capping text (Figure 9.32).

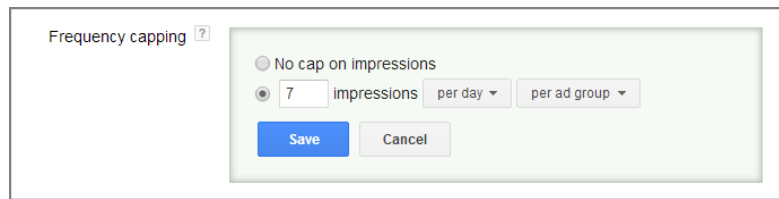


Figure 9.32 Frequency capping interface in your campaign settings

For CPC bidding, frequency capping is usually not necessary, because you are paying only on a per-click basis. The only reasons to worry about frequency capping with CPC ads are if you are having display Quality Score issues or you just want to make sure you are not annoying people by showing your ad too often. Frequency capping is most commonly used in CPM campaigns or in remarketing (discussed in Chapter 10). Why pay for one person to see your ad a thousand times? Instead, pay for someone to see it a few times and then use the rest of your budget to reach more total users.

Using the Display Planner Tool

The Display Planner tool (Figure 9.33) has been shown throughout this chapter, and it is very similar to the Keyword Planner tool discussed in Chapter 3 from a navigational and feature standpoint.

However, there are a few filter options and data display options that are different than those in the Keyword Planner tool that we need to cover.

If you click the Filters option on the left side of the screen, you will be presented with a list of ways that you can filter the data that is being displayed (Figure 9.34).

Select Ad Formats Not all publishers support all ad formats. If you are trying to find new placements for your image ads, then you will want to see only sites that support image ads. You can use the Select Ad Formats filter to see only placements that support certain ad formats such as text, video, or image ads.

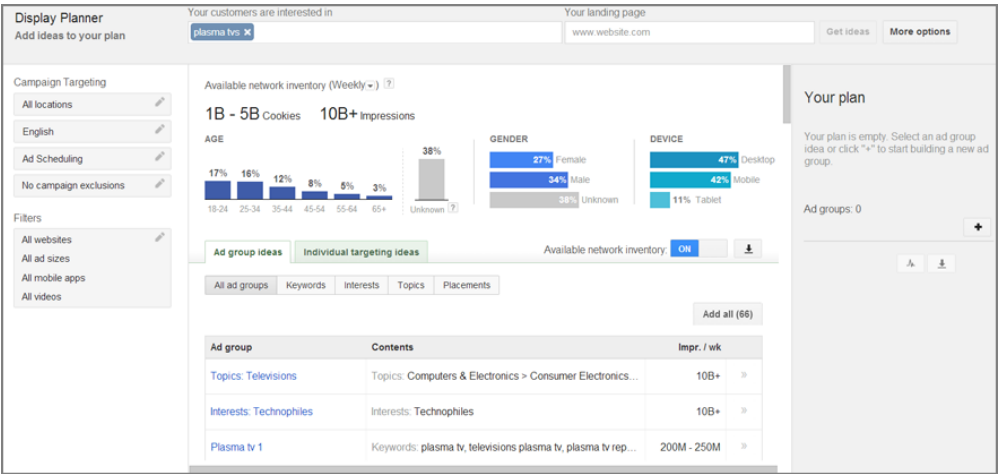


Figure 9.33 Display Planner overview

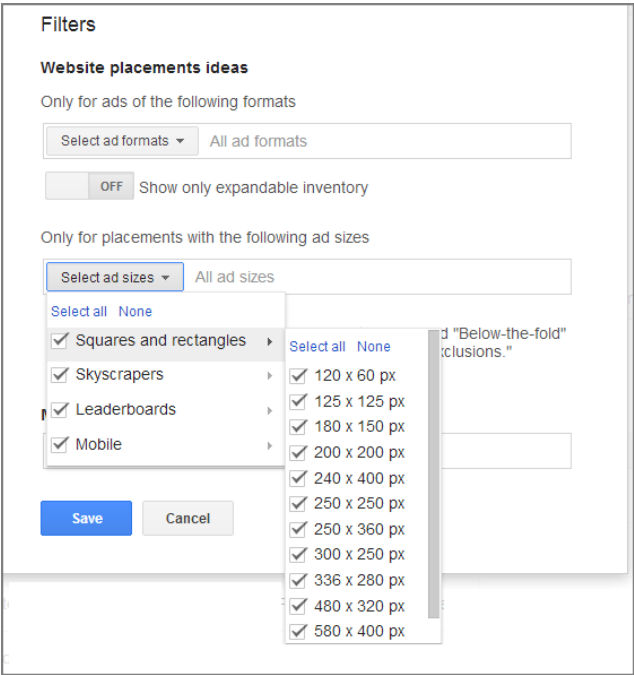


Figure 9.34 Display Planner Filters

Show Only Expandable Inventory Certain ad formats require expandable inventory; these are ads that expand once the user hovers over the ad. If you are trying to find placements that support expandable ads, then you will want to turn this filter on.

Select Ad Sizes If you have created a certain set of ad sizes, then you can filter the results to sites that have ad slots available for those ad sizes.

Mobile App Placement Ideas If you are looking for mobile app placements, then you can filter by the operating systems of Android or iOS.

The other major difference between the two tools is the data displayed. With the Keyword Planner tool, the data is based on actual search queries. With the Display Planner tool, the data is based on ad impressions for the targeting method you have chosen. For instance, if you examine the data on the Ad Group Ideas screen (Figure 9.35), you will see the data for all the ad groups at once. If you navigate to a specific Ad Group Ideas screen, the data will be for that specific ad group.

Ad group	Contents	Cookies / wk	Impr. / wk
Sites/Channels 1	Sites: nytimes.com, ap.org, wmur.com, wyff4.com, wcpo.com, info...	0 - 1K	200M - 250M
Topics: News	Topics: News, News > Newspapers, News > Business News, News...	100M - 500M	10B+
Interests: General Investing	Interests: Financial Services > Financial Planning > General Inve...	10M - 50M	1B - 5B

Figure 9.35 Display Planner ad group data

Available Network Inventory (Weekly) You can change the data to be based on a weekly or monthly basis. If you change the data to monthly, then the columns that display weekly data (such as impressions per week) will also change to show monthly data instead of weekly data.

Cookie Data This is the number of cookies that can be set for the targeting methods. Please note that *cookies* does not mean unique users. If I were to see your ad on a site on my phone, then see your ad in my Chrome browser, then load your ad in Firefox, and then switch computers to view your ad in yet another browser, I can have at least four cookies.

Age This is the percentage of users who fall into each age bracket for your data along with the Unknown user base. If you hover over the age data, you can see a pop-up that shows you the cookies by age range (Figure 9.36).

Gender This is the percentage of users who fall into the Female, Male, and Unknown categories. You can hover over this information to see the cookie data for each gender classification.

Device This information shows you on what devices the current targeting options will be displayed. In addition, you can hover over this information to see the cookie data.

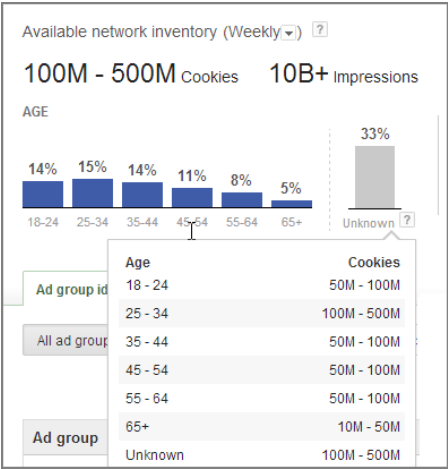


Figure 9.36 Cookie data for age ranges

In addition to the entire plan data, you can see detailed data about each of the targeting methods (Figure 9.37) by selecting just that targeting method in the interface.

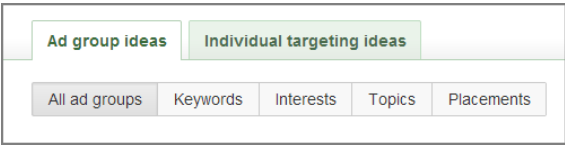



Figure 9.37 Viewing targeting method data

As you navigate through the options, ad groups, keywords, interests, topics, and placements, the data will change to show you all ideas (All) or only ideas for that select targeting method. In addition, there is some data you can see about the displayed data:

- Ad Group** This is the name of the suggested ad group.
- Contents** This is a sample of the proposed ad group contents. It may contain placements, topics, interests, or keywords.
- Cookies/Wk** This is the number of cookies the proposed contents will set in a week.
- Impr./Wk** This is the number of impressions the proposed contents will show each week.

If you click into the contents of an ad group, you can see detailed information about the proposed targeting for that ad group (Figure 9.38).

For this data, the first two columns, Website and Ad Formats in Figure 9.38, may change based on the type of data you are viewing. For instance, the Website column will contain sites if you are viewing placement data and it will contain topics if you are viewing topic information.

Website	Ad formats	▼ Relevance [?]	Hist. CPM [?]	Cookies / wk [?]	Impr. / wk	
nytimes.com		<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div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screen or a single targeting idea, such as a placement or keyword, from the targeting details screen. As you add and remove items from your plan, you can see updated data about your plan (Figure 9.39).

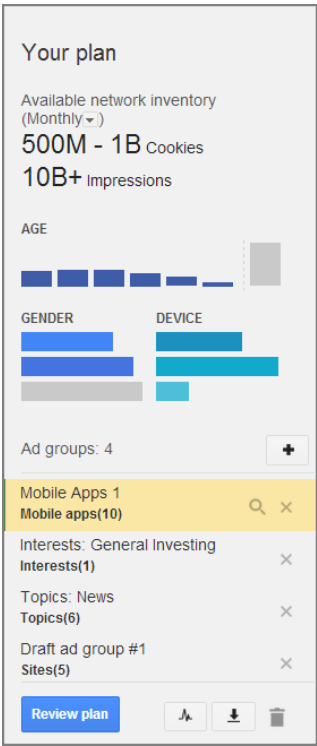


Figure 9.39 Your plan information

If you plan on using frequency capping in your campaign, you can also set a frequency cap in your plan information (Figure 9.40). When you set a frequency cap, the number of impressions and cookies for that plan may change based on the caps that you set.

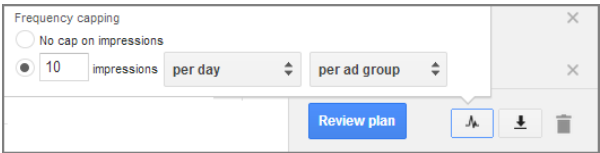


Figure 9.40 Setting a plan frequency cap

Once you have built a plan, you can delete it, download it, or review the estimates before saving it to your account. Once the targeting options and new ad groups are saved to your account, you can create ads in those ad groups and start advertising across the Display Network.

Best Practices for the Display Network

Running your ads across the Display Network can help increase exposure for your business by increasing your reach, reaching non-searchers, and introducing your product and services to start someone down the buying funnel. In other words, the reach of the Display Network is so vast that you can find many new customers on websites who will never search for your products. By implementing display campaigns, you can introduce your products to a significant number of web surfers who have never heard of your business. The following is a recap of critical points to remember when utilizing the Display Network:

- Always run a campaign that is based on either display or search. Never combine search and display in a single campaign.
- When creating keyword-based ad groups, do not use more than 50 targets, that is, more than 50 combined positive and negative keywords.
- When creating keyword-based ad groups, use granular ad group organization as you would with search.
- Target only one interest or topic in an ad group.
- If there are topics or interests that you do not wish your ad shown for, add them as negative options.
- Be careful of adding too many negative keywords to your campaigns or ad groups. If you want to protect your brand's exposure, use site category options to block types of sites and content.
- When you find sites that do not meet your performance goals, exclude them at either the ad group or campaign level. Alternatively, you could add that site into your campaign as a managed placement and manage it more closely—write ad copy specifically and set bids specifically for that placement. Focus on cost per conversion. With smart pricing, the click price and conversion rates are not nearly as important as cost per conversion.
- To see the actual URLs where your ad is displayed, use the See Details option in the Placements section of the Display Networks tab.
- Use managed placements to reach users on specific websites or in sections on those sites.
- Use CPM bidding only with rich media or image ads. Usually, you want to use CPM bidding when your primary goal is to increase awareness of your products.
- Use CPC or CPA bidding when you want to focus on bidding by cost per conversion or you are utilizing only text ads.
- Break down managed placement ad groups by themes so you can write targeted ads for each site where your ad is displayed.

This chapter outlined only the basics of creating display campaigns. There are ways of structuring your account that can help you take greater advantage of the Display Network. You can combine the targeting options or serve an ad only to those who visited your website but did not convert. In the next chapter, you will dive even further into additional features, flexible reach, and structure that will help make your display campaigns a success.

Utilizing Advanced Display Network Techniques

In this chapter you will learn how to combine the dizzying array of options in the Display Network with flexible bidding. You will learn how to target very small audiences and exceptionally large ones. With so many options available, the Display Network can become unwieldy. You will learn a strategy for managing and organizing the Display Network.

Remarketing allows you to bring lost customers back to your site. This chapter explores several effective remarketing techniques.

Finally, this chapter shows you how to create scenarios for targeting users that will simplify all of the targeting choices that you can use.

10

Chapter Contents

- Remarketing: bringing visitors back to your site
- Flexible targeting: mixing and matching every display targeting option
- Optimizing your display campaigns
- Creating scenarios to understand and reach your targeted audience
- Writing effective display ads
- Best practices for advanced Display Network usage

Remarketing: Bringing Visitors Back to Your Site

Remarketing campaigns (called retargeting in many non-AdWords circles) allow you to serve ads based on visitor behavior on your website. This is an excellent way of reaching visitors who came to your site, showed some interest in your company, but left before completing an action.

The beauty of remarketing is that you are targeting the user. You do not have to use placements or keywords to target individuals. The other part of remarketing that is useful to know is that these do not have to be AdWords visits. You can target anyone who visits your sites. This is a great way of combining SEO (search engine optimization) efforts or social marketing with AdWords.

First, we will walk through conceptually how remarketing works so you have a basic idea of the execution, and then we will dive into the specifics.

At a conceptual level, this is the remarketing process:

- You define audience(s) in AdWords.
- You place a script across your site or make a slight change to the Google Analytics code.
- You make an ad group that only targets an audience.
- When someone visits the pages where your remarketing script is placed, a cookie is added to their browser.
- The visitor leaves your site, but the cookie is still on their browser.
- That person then visits a site that is in the Display Network.
- You can serve an ad to that person based on the cookie being placed on their browser regardless of the site they are currently on (assuming the site is in the Display Network).
- Hopefully, the user clicks on the ad and returns to your site and performs your desired action.

With remarketing, you can also use Google Analytics codes instead of the AdWords code. The overall process is the same, except you will define some items in Google Analytics instead of within AdWords.

Define an Audience

The first step to remarketing is to create an audience. To create your remarketing lists, navigate to the shared library and click the Audiences tab.

On that page, you can see a list of all your current remarketing lists (Figure 10.1) and create new lists.

It is important to note that you can have both positive and negative lists that function like positive and negative keywords. For instance, you might have one list that triggers your remarketing ads based on users who made it to a specific product

page and another list that is a negative list for those who just saw one page of your site and then bounced off it, so that you do not spend money on those who do not care about your offer.

Once there, it is time to define your first remarketing list (Figure 10.2).

+ Remarketing list				
<div>Delete</div> <div>Add to ad groups</div> <div>Filter</div> <div>Labels</div> <div>Search by list name</div>				
<input type="checkbox"/>	Audiences	Type ?	Membership status ?	Membership duration ?
<input type="checkbox"/>	AdWords Seminars	Tag-based	Open	30 days
<input type="checkbox"/>	Converted	Tag-based	Open	30 days
<input type="checkbox"/>	Trial membership	Tag-based	Open	30 days
<input type="checkbox"/>	Converted From Trial	Tag-based	Closed	30 days
<input type="checkbox"/>	AdWords Seminar Visits	Tag-based	Open	60 days
<input type="checkbox"/>	Seminar Registration Complete	Tag-based	Open	300 days
<input type="checkbox"/>	Thank You	Tag-based	Open	30 days
<input type="checkbox"/>	We Miss You	Tag-based	Open	90 days
<input type="checkbox"/>	Shopped but didn't buy	Combination	Open	--
<input type="checkbox"/>	Seminar Non-Coverters	Combination	Open	--

Figure 10.1 Audience information in the shared library

Shared library > Audiences >

New remarketing list

Create a list of people who have recently visited your website or mobile app. Before you create a list, you need to place a remarketing tag across your website or mobile app. [Learn more](#)

Remarketing list name

Enter a name for your list

Who to add to your list ?

Visitors of a page

People who visited a page with **any** of the following:

Enter a value (ex: page.html)

+ Rule

Estimate list size

Show advanced options

See examples

☒ Include past visitors that match these rules ?

Membership duration ?

30 days

Description

Optional

Figure 10.2 Defining a new remarketing list

When defining your audience, you need to define a few pieces of information:

The first item to define is the Remarketing List Name. This is what you want the list called. Usually calling it something obvious based on how visitors will be included in your list is the best way to name your lists. Naming conventions such as *checkout*, *visited women's apparel*, and *in shopping cart* can help you to remember exactly where this code is being placed.

Next, you need to define how someone will be added to the list. In this step, there are two items that you will need to define. The first is how the user is added to the list (such as visitors of a page), and the second is the value, such as the URL.

Visitors of a Page In this scenario, you can define a specific page on your site that if a visitor goes to it, they will be added to your list. Since this could be a single page visit, it is rarely a good idea to add this to your landing page or your homepage because the visitor might just bounce off your site and you are still trying to spend money on a user who does not care about your offer. This is a good option to use when a user made it to your shopping cart or saw a thank-you page of your site.

Visitors of a Page Who Did Not Visit Another Page In this scenario, you are adding users to your site who just bounced off your site because they went to one page and did not go any further. This can be a good option to use if you are building a negative list.

Visitors of a Page Who Visited Another Page This list will be built off non-bouncers since the user did go to at least two pages of your site. This can be a good method to use for smaller sites and beginners who want to try remarketing but want to remarket only to those who care enough about the site to visit at least two pages.

Visitors of a Page within Specific Dates If you run short-term promotions and then want to bucket users based on the promotional types they are interested in viewing, this is a good list type to use.

Visitors of a Page with a Specific Tag When you define remarketing lists that are not custom combinations, the lists are also known as tags. You can then set a remarketing list based on a user being in one or more tagged lists. If you have several remarketing lists, you can combine them using this option to bucket the various lists together.

With these options, as you choose which option you want to employ to build the remarketing list, the rules box (Figure 10.3) for how a user is included will also change based on the criteria that need to be defined.

People who visited a page with **any** of the following:

Enter a value (ex: page.html) [+ Rule](#)

But didn't visit another page with **any** of the following:

Enter a value (ex: page.html) [+ Rule](#)

[See examples](#)

Figure 10.3 Defining the page rules to include users in your remarketing list

For instance, if you were to choose Visitors Of A Page Within Specific Dates, then a date box would also appear within the rule definition box. If you use the option Visitors Of A Page With A Specific Tag, then you will see a box with all your tags that can be added to or removed from the list.

Finally, you can choose the cookie duration, which is how long the cookie will remain active on the visitor's browser, and write a description for the list that will help you remember its purpose.

The initial list definitions for how a user is included in your remarketing list allow you define tags and basic lists. There is also an advanced list-creation function known as custom combinations.

Custom Combinations

Once you have a few lists created, you do not always have to create a new list; you can use custom combinations. With a custom combination (Figure 10.4), you can make simple rules that tell Google that if someone is in list A or list B, you want to add that user to the combination. Or, you can tell AdWords to include someone from list A but exclude anyone in list B.

Figure 10.4 Custom combination example

A custom combination lets you combine lists to create list combinations that you will use in your ad groups to target users (Figure 10.4). For instance, you could make a combination that is users who visited a specific page of your site but not users who saw only one page of your site. That way you are targeting only non-bouncers who saw a specific offer.

I'll walk you through executional strategies shortly, but first I want to show you an example of why you would want to use a custom combination list. I work directly with Google to occasionally give in-person seminars about AdWords. When someone comes to our seminar page, we place one cookie on their browser (called AdWords

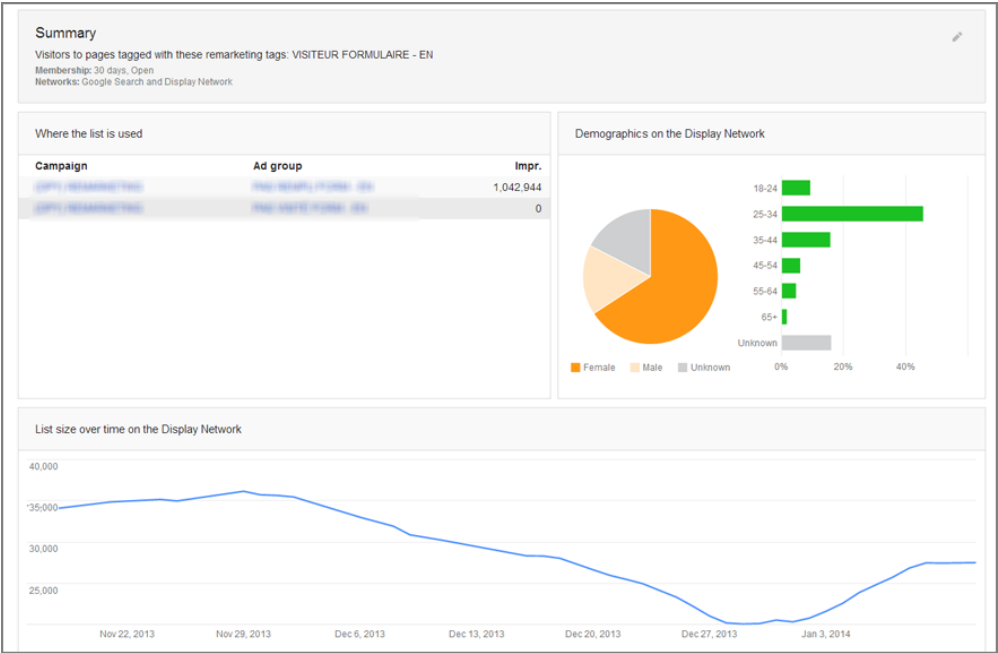


Figure 10.6 Detailed audience list data

Remarketing tag

Details

Setup

Copy a snippet of code, called a remarketing tag, to your website to add people to your remarketing lists so you can show them ads while they visit other sites. [Learn more](#)

▼

View remarketing tag and instructions

Add this code to all your webpages, right before the `</body>` tag. [Learn more](#)

```

<!-- Google Code for Remarketing Tag -->
<!--
Remarketing tags may not be associated with personally identifiable information or
placed on pages related to sensitive categories. See more information and instructions
on how to setup the tag on: http://google.com/ads/remarketingsetup
-->
<script type="text/javascript">
/*  */
var google_conversion_id = 999999999;
var google_custom_params = window.google_tag_params;
var google_remarketing_only = true;
</pre>
</div>
<p>Check that you've added the tag correctly to your website using <a href="#">Tag Assistant</a>. This is a browser</p>
</div>
<div>
<div>Email tag and instructions</div>
<div>
<input type="text" value="email@example.com"/>
</div>
<p>Review the <a href="#">Remarketing program policy</a> to find out what you need to include in your site's privacy policy, and which <a href="#">sensitive categories</a> of sites can't use this feature.</p>
</div>
</div>
</div><div data-bbox="102 916 291 930" data-label="Caption"><p>Figure 10.7 The remarketing code</p></div>
```

When you put the tag on your site, you must also adjust your privacy policy page to tell visitors you are using remarketing. This is a Google Terms of Service rule. The policy adjustment must also let consumers know how to opt out of remarketing. To learn more about creating a good privacy policy, you can see our very transparent privacy policy at <http://certifiedknowledge.org/terms-of-service/#privacy>. Before you just copy and paste that policy, make sure you talk to your lawyer about what you may need in your policy or the policy implications.

Create a Remarketing Ad Group

It is useful to create a new campaign for just remarketing. We will cover some of the advanced targeting options later in this chapter, but if you add a remarketing list to an ad group that has placements set and both of these settings are set to Target And Bid for how the ads are displayed, then your remarketing list will go active only if the user is on a selected placement and is on your remarketing list. It is easy to end up with ad groups that target so few people that you might never get an impression.

With remarketing campaigns, you can target based on just audiences. You do not need keywords or placements. Therefore, for your first remarketing campaign (and as you play with them, feel free to refine this targeting), you will set the campaign to show only on the Display Network, and you will not add other targeting methods (such as topics or interests) to that campaign. Instead, in your remarketing campaign, you will focus only on negative items, such as placements that do not convert.

When you create a new display campaign, there is an option to create a remarketing campaign (Figure 10.8).

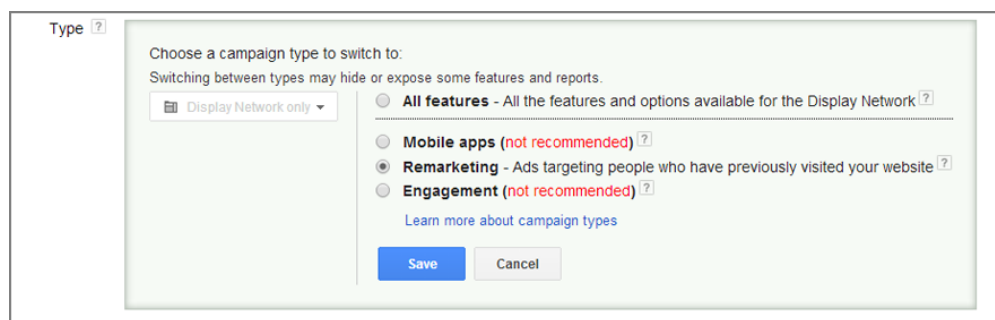


Figure 10.8 Creating a remarketing campaign

However, if you use this option, you will not have access to all the features of a display campaign, such as setting bid modifiers by location. In most cases, you should always create campaigns using All Features for either search or display campaigns and not use the Remarketing campaign option.

Once you have a new campaign that will be used only for remarketing, navigate to the Ad Group tab and create a new ad group based on Interests & Remarketing (Figure 10.9).

Ad Group name: Ad Group #1

Enhanced CPC: \$

Choose how to target your ads

- ☐ Display keywords – show ads on sites related to your keywords.
- ☒ Interests & remarketing – show ads to people based on their interests.
- ☐ Use a different targeting method

Interests & remarketing

Interest categories Remarketing lists Custom combinations

Search by list name Filter by label

Combinations: 2	List size	List size
	Google search	Display Network
Seminar Non-Coverters	--	--
Shopped but didn't buy	--	--

Selected audiences: 1

Seminar Non-Coverters

Figure 10.9 Create an Interests & Remarketing ad group.

You can add the remarketing lists or custom combinations that you want for the ad group from the ad group wizard screen and then save the ad group and create your ads. If you have more than one remarketing ad group that you want to create, repeat the process until all your remarketing ad groups are created.

If you want to change the lists in the ad group, as with all Display Network targeting options, navigate to the Display Network tab and click the +Targeting button.

If you have certain negative lists that you want to add to the ad group or the campaign, you can do so in the targeting options under Exclusions (Figure 10.10).

Ad group exclusions

Interests & remarketing

Exclude interest categories or remarketing lists so audiences with certain interests or who have visited your site before don't see your ads. [Learn more](#)

Interest categories Remarketing lists Custom combinations

Search by list name Filter by label

Remarketing lists: 7	List size
AdWords Seminar Visits	--
AdWords Seminars	--
Converted	--
Seminar Registration Complete	--
Thank You	--
Trial membership	--
We Miss You	--

Selected audiences: 1

Seminar Registration Complete

Figure 10.10 Excluding a remarketing list from an ad group

Your ads will now be displayed based only on your remarketing lists. The next step is to navigate to the Ads tab and create additional ads that are associated to the list.

Read Google's Remarketing Policies before Writing Your Ads

Google's remarketing policies are quite strict, and it is easy to violate them if you do not read them. For example, one of the policies states that you cannot claim to know someone's religious affiliation. There was a Christian dating site that always used "Christian Dating" in their ad copy, which was fine for all their ad groups except for remarketing. That ad copy ran into issues with remarketing because it listed a religious affiliation.

You can see the policies for yourself at <https://support.google.com/adwordspolicy/answer/143465?hl=en>.

The 100 Cookie Rule

A remarketing list must have placed 100 active cookies in the past 30 days before the list is active and associated ads go live.

When planning your remarketing campaigns, you will find it useful to have your analytics program open and examine the number of unique visitors to a page, or website section, in the past month to ensure you can make a list go active by hitting 100 active cookies.

When the remarketing code has been active on your site for at least a month, you can also estimate the list size from the list-creation screen to ensure that a list can go active.

Once you have written your ads and have audiences listed, and those audiences have 100 cookies set for the past 30 days, you are remarketing and trying to bring back visitors to your site. Those are the basics of remarketing. Next, let's examine ways of organizing your remarketing campaigns based on your website.

Remarketing Strategies

With remarketing, you have four main variables that allow you to create custom marketing lists:

- Cookie duration
- Pages and custom combinations for where the cookies are placed
- Positive lists
- Negative lists

Let's look at a few common ways to set up remarketing campaigns.

Basic: Visitors and Converters

The most basic way of remarketing is to create two lists:

- Nonconverters
- Converters

The nonconverter list will be from 7 days to 60 days in length for most sites. To determine the cookie duration, examine your analytics to see how many unique visitors you receive a month and the average time between first visit and purchase.

Be careful of placing the nonconverter list on the homepage or on pages of blogs and forums. Often someone who just visits your homepage or your blog is not a very engaged visitor, and in many instances you may not wish to remarket to this visitor. In this case, you can also use the option for a user who visited at least two pages of your site so you are remarketing to more engaged visitors.

The converter cookie will last for a year and go on the thank-you page that appears only after a visitor has completed some action.

Your positive list will be nonconverters. Your negative list will be converters. Now you will show ads only to those who visited your website and did not convert. For this example, you could also use the custom combination of someone who is in your nonconverter list but not in your converter list.

Intermediate: Visitors, Abandons, and Nonconverters

With this setup, you will start with the same framework as the basic version you just saw. However, you will add one more cookie: Abandoned Cart Shoppers.

The Abandoned Cart Shoppers list will be defined by those who were inside your shopping cart or on the middle pages of a multipage form. Because these visitors are more valuable than those who just visited your site (they almost converted), this cookie duration will be longer than for your basic visitors.

Next, add the Abandoned Cart Shoppers list as another ad group. Someone who almost converted is worth more than someone who just visited your site. Therefore, your Abandoned Cart Shoppers CPC will be set higher than your website visitor audience. You should be willing to pay more to bring back an abandoned shopper to your site than just a typical visitor.

In this instance, you can also make custom combinations for those who were in the abandoned shopping cart list but did not convert or those who were engaged with your website but did not visit the shopping cart. These custom combinations will ensure that the user cannot see an ad from both lists at once. If a user can be targeted from two different lists at the same time, Google will show the user the ad based on the highest ad rank.

Advanced: Targeting by Interest

You can take your remarketing efforts to fairly granular levels if you have enough traffic. For our AdWords training and tool site, we have several types of visitors. So before even setting up the lists, I made a simple table of what our lists would be, where we were going to place the codes, and how long each cookie would be enabled (Table 10.1).

► **Table 10.1** Certified Knowledge remarketing codes

List name	Purpose	Pages included	Cookie duration
All Visitors	To reach everyone who examined the offer	All who visited at least two pages	30 days
PPC Tools	To reach those who examined the Tools section	PPC Tools pages	60 days
AdWords Tutorials	To reach those who entered the Tutorial section	AdWords Video page	60 days
PPC Community	To reach those looking for community engagement	PPC Community page	60 days
Pricing	To reach price-conscious shoppers	Pricing page	60 days
Shopping Cart Abandoners	To reach consumers who showed intent to buy but did not finish	Any cart pages except Order Confirmation	90 days
Converted Free Email Training	Free year-long email training message for sneak peek, to reach those consumers who showed high interest in the system	Thank You For Subscribing email confirmation page	90 days
Converted Subscription	If someone subscribed, to make sure we don't serve them ads	Thank You For Subscribing page after billing information entered and login page	360 days

And before we started, I laid out the execution strategy in a simple document so that the entire company could see how the site worked and view our customer acquisition strategy for remarketing. Our initial remarketing strategy with comments follows. Since you can use either custom combinations or positive and negative lists to achieve the same goals, I will list it as simply as possible with just positive and negative lists, but you can set these all up as custom combinations as well.

Ad Group 1: Nonengaged Users

This ad group is for users who visited at least two pages of the site but did not enter a specific section of the site. Therefore, they are the least qualified of all the visitors.

This is the reason the cookie duration for this list is only 30 days, the shortest of all the lists.

- The positive list: All Visitors.
- The negative lists: All the other lists. If someone is on any other list, we don't want them seeing our general ad; we want a more specific ad served to that user.
- The ad: Showcasing all benefits.
- Bid: Lowest of all the remarketing lists. These visitors went to at least the homepage and one other page but not one of the specific pages useful for tailoring a separate ad for that user.

Ad Group 2: Price Shoppers

This ad group is for users who visited the pricing section.

- The positive list: Pricing.
- The negative lists: All others except the All Visitors list.
- The ad: Showcasing that your time is worth money and then showing how Certified Knowledge can save you time.
- Bid: Second lowest of all the remarketing lists. Price-conscious users can be difficult to convince. In addition, I'd rather the more specific ad (the ad groups below) be shown to consumers instead of this ad. If someone happens to be on both the Nonengaged Users list and the Price Shoppers list, they should see this ad because its bid will be higher than the bid for the Nonengaged Users list.

Ad Group 3: PPC Community

This ad group is for people who visited the PPC community pages. I expect that most people who visit these pages will also visit other pages across the site. Therefore, while this will be an ad we show, we're going to put less importance on what I expect the stronger benefits to be: Tools and Training. However, if someone did visit these pages, we're willing to show them this ad (in addition to other ads they may see from the more specific ad groups).

- The positive list: PPC Community.
- The negative lists: All others except Price Shoppers and Nonengaged Users.
- The ad: Showcasing the benefits of having access to an active forum, email, and news system.
- Bid: Third lowest. Higher than Price Shoppers; lower than PPC Tools and AdWords Tutorials.

Ad Group 4: AdWords Tutorials

This ad group is targeting consumers who examined our tutorials. Because we have several pages explaining the tutorials, we can break this down into two lists over time: the Main Tutorials page and the All Training subpages. Doing so will help us identify those who just glanced at the tutorials versus those who looked at our videos and read more about the AdWords lessons.

- The positive list: AdWords Tutorials.
- The negative lists: Converted Subscription, Converted Email Training, Shopping Cart Abandoners. If someone converted, or was closer to converting than just visiting the features pages, I want them to see the more specific ad.
- The ad: Showcasing what Certified Knowledge can teach users about AdWords with more than 100 video lessons.
- Bid: Higher than PPC Community and lower than the three lists used here as negatives.

Ad Group 5: PPC Tools

This ad group is targeting consumers who examined our toolset. Because we have several pages explaining the tools, we can break this down into two lists over time: the Main Tools page and the All Tools subpages. Doing so will help us identify those who just glanced at the tools versus those who looked at our videos and read more about the tools.

- The positive list: PPC Tools.
- The negative lists: Converted Subscription, Converted Email Training, Shopping Cart Abandoners. If someone converted, or was closer to converting than just visiting the features pages, I want them to see the more specific ad.
- The ad: Showcasing the benefits of the PPC tools we have developed, which will save users time in creating ad copies, geographic keywords, and keywords. They will help users bid, find Quality Score issues, find broken links, and analyze their site. While most of the ad groups will contain two or three image ads to start (by themes, each theme will have different sizes), I expect this ad group will have more test ads to see what messages resonate better.
- Bid: Same as the AdWords Tutorials. I expect it will become slightly higher than the tutorials over time because tutorials are one- to three-time views for most consumers, and many repeat views will help refresh their knowledge. The tools will be used daily, weekly, or monthly depending on what users are trying to accomplish inside their account and will grow more valuable over time.

Ad Group 6: Converted Free Email Training

This ad group is for targeting those who signed up for free lessons via email. Many people who sign up for free training do not have an intent to buy—they just want the free stuff. Others want a trial of what you are offering and have a high chance of converting. However, email open rates can be sporadic on free training offers. Therefore, these ads will both remind users about Certified Knowledge and serve as a reminder about the emails delivered to them.

- The positive list: Converted Free Email Training.
- The negative lists: Converted Subscription, Shopping Cart Abandoners.
- The ad: Showcase the Certified Knowledge tutorials with messages to remind users about their email subscription. When we first started, we tested messages such as “Did you enjoy your free email training from Certified Knowledge?” “Learn how you can access all of our training,” and messages focused just on benefits of the site. I wasn’t sure how creepy it would be to people to see ads that show we know they have our emails or if the messages that contain images aligned with the training aspects of Certified Knowledge would do better. It turns out that marketers find it fascinating that we can show ads based on the fact that the user has seen our emails, and this did better than the other ads. However, in many cases, those types of ads do not do well because users are concerned about their privacy.
- Bid: To start, a bit higher than AdWords Tutorials and Tools lists since these users were willing to give us a name and email address to receive the information. Over time, the bidding for this list might change significantly up or down.

Ad Group 7: Shopping Cart Abandoners

This ad group is for targeting those who entered the shopping cart but did not convert.

- The positive list: Shopping Cart Abandoners.
- The negative lists: Converted Subscription, Converted Free Email Training.
- The ad: Two ads showcase the Certified Knowledge benefits. One ad shows a phone number with the benefits and talks about support for any problems. I find that using three to five different remarketing ads leads to an overall higher conversion rate than showing just a single benefit. This is pretty common to see in remarketing.
- Bid: The highest of all the lists.

While this organization is for a site that is only roughly 1,000 pages with roughly 50 sales and information pages, it’s this type of organization where you have to start balancing time and possibilities because the lists can grow quite large and

complex. If you examine a site such as Lands’ End (Figure 10.11) that has multiple levels of navigation and many product categories with subcategories, there are several ways you could organize the remarketing campaigns.

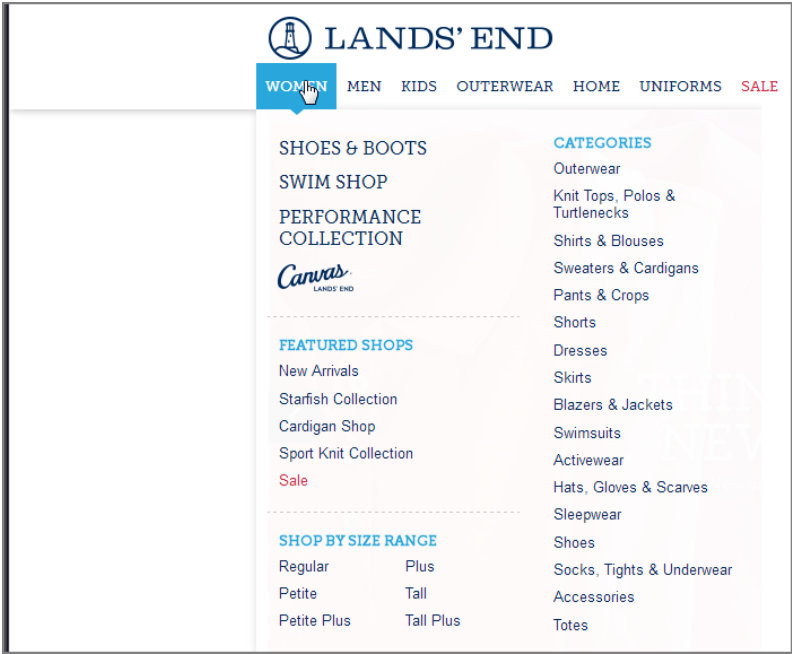


Figure 10.11 Lands’ End

A simple approach is to set a remarketing cookie in each major section (women, men, girls, boys, and so on) with an ad that examines that type of apparel. In addition, there should be a converters list and an abandoned shopping cart list.

AdWords Dynamic Remarketing

There is a way to automatically create remarketing lists for each of your products, but the setup is highly complex. To do so, you must use Google Tag Manager (<https://www.google.com/tag-manager/>) and understand how to write either JavaScript, dom tags, or custom rules for placing all of the tags. You can learn more about this feature here: <https://support.google.com/tagmanager/answer/3002580>.

Alternatively, if you are using Google Merchant Center, you can use the standard AdWords remarketing code with some dynamic variable replacements to create your lists. You can see more about this setup here: <https://support.google.com/adwords/answer/3103357>.

You could segment each subsection, so you would have women outerwear, women shorts, women pants, women sleepwear, and so forth. That quickly becomes more than a hundred lists.

When considering how to break up your remarketing lists based on interest, you need to balance your time and your unique visitors (100 cookies minimum to be active).

Remarketing by Trends

Your current customers do not have to be negative lists. It can be just as useful remarketing to your current customers. You should be careful, though; you do not want to overwhelm visitors with your offers.

Many industries have trends in how their products are sold, or peak times, that occur the same way on a yearly basis. Take the flower industry; two of the biggest days are Mother's Day and Valentine's Day. These two holidays are roughly 90 days apart. You should count this out for yourself, but for ease of illustration, we will assume they are exactly 90 days apart.

If someone bought from you on Valentine's Day, they are obviously someone who purchases flowers. One of the most common Mother's Day gifts is also flowers. So in this case, you would want to show a Mother's Day ad to anyone who bought from you around Valentine's Day in hopes of enticing them back to your site to buy their Mother's Day flowers.

In this case, you can make two lists:

- Valentine's Day Buyers: 80-day cookie
- Mother's Day Offer: 100-day cookie

You set these cookies on the Thank You For Shopping page for the seven days preceding Valentine's Day, Valentine's Day itself, and the next two days after Valentine's Day for those who forgot and need that last-minute (late) gift.

Next, go to your ad group and add these lists. The Mother's Day Offer will be your positive list. The Valentine's Day Buyers will be your negative list. For the next 80 days, the person will be in the negative list and therefore not see your Valentine's Day ad. After 80 days, the cookie will expire and the user will see your Mother's Day ads for the week or so leading up to Mother's Day.

In addition, you can also use the list-creation option Visitors To A Page Within Specific Dates to place the cookies.

You can be creative with remarketing once you understand your website, your customers, and how your products are researched, purchased, and hopefully purchased again. The biggest problem with remarketing is that you can start to scare your customers if you don't control your ad serving. You need to ensure that your remarketing efforts do not give the appearance of stalking people.

Don't Creep Out Your Customers

Remarketing is fantastic when it is done properly. When it is done poorly, you can “creep out” your potential customers so they can come to despise your ads.

The major culprit for causing this emotional state is often an advertiser not controlling how often their ads are displayed. You should always set a frequency cap when running remarketing ads. This is not an AdWords policy, but it is a good marketing policy. A frequency cap limits the number of times someone can see your ads. Go to the campaign settings of your remarketing campaign, and set a frequency cap.

The second way to combat ad fatigue is to use multiple ads within your remarketing campaign. It is common to see companies use different sizes of the same ad (for image or video ads) for their remarketing campaigns; however, that is just the same ad that has been resized.

If someone has seen the offer 50 times, the 51st impression is not going to be magical. Create a few different ads with different offers, using completely different themes (look and feel of the ads) and place them in the same ad group. Now when you show your ad to the same person a few times, you are rotating in new themes and offers. If offer 1 does not convert them, then maybe offer 2 will.

It is common to see what is known as search sessions or research sessions. Someone will start researching one product or service, and then later they will start researching a completely unrelated product or service. For instance, they were sitting with their spouse looking at cruise specials and getaway vacation packages on a Saturday afternoon. On Sunday, the husband is watching a football game and decides the TV is too small. So, he goes to the computer and starts researching new TVs. At this point in time, the remarketing ads for the cruise vacation are useless. He is no longer researching cruises—he is researching TVs.

In the travel industry it is common for someone to take a few weeks between initial research and purchase. During those few weeks, the user is not always interested in vacations. Interests and research vary depending on other life factors. There are a few ways that you can take even more control over your remarketing campaigns so that someone sees the ad only when they are more likely to be in the proper research mode for your products and services.

The easiest way to do this is to add topics or keywords to your remarketing ad group. When you do this, you can set it so that a user sees your ads only when they are in your list and the page they are currently visiting contains your display keywords or is in the topic that you are targeting.

In cases where you are only trying to refine your lists by keywords, feel free to use general keywords such as *vacation* or *cruises*. You do not need to go into the depth of detail for these keyword lists (of course, you can if you want to, but that does make a lot more ad groups to manage) that you normally would go to in creating display campaigns.

When you refine your ad group by keywords, you will often see much fewer impressions. If your offer is very general (credit cards, cell phones, and so on), you may decide not to refine your ad groups with keywords. If you are afraid you will lose too many impressions, just do a test of the same remarketing list, but in one ad group there are keywords and in the other one there are no keywords, and see how they each perform. The best way to do this testing is with AdWords Campaign Experiments, which we will discuss in Chapter 15, “Implementing Testing Techniques That Will Increase Profits.”

This refinement where you add multiple filters before an ad can be shown is known as flexible targeting.

Flexible Targeting: Mixing and Matching Every Display Targeting Option

Throughout Chapter 9, “Understanding the Display Network,” and this chapter, we have covered all the individual ways that you can show your ads across the Display Network:

- Display keywords
- Placements
- Topics
- Interests
- Remarketing
- Age
- Gender
- Exclusions for all these options at the ad group or campaign level
- Site category exclusions at the campaign level

While you can show an ad based on any of these individual criteria, with flexible targeting you can mix and match these targeting options to show an ad or set a bid when a user meets a combination of these settings.

For instance, you could show an ad in the following situations:

- If the user is on a managed placement and the page is about your keywords or topics.
- If the user is on a page about a topic and is a certain age or gender.
- If the user has shown an interest in a topic and is on a particular placement.
- If a user is in your remarketing list and is on a page that meets your topic.

The options are quite dizzying because there are millions of potential combinations. To cover them all would require a book that is much longer than this book in its entirety. So instead of focusing on every combination, we will first look at how to use flexible targeting and then show some of the more common combinations. If you can learn

to think about how these combinations work and see some examples, then you should be able to determine the best combinations that will let you hit your marketing goals.

Flexible Targeting Options

To see the targeting options, first navigate to the ad group targeting options by clicking the +Targeting option in the Display Network tab.

There are three overall rules when using flexible targeting. The first is that if an ad group has keywords, the keywords are always used to show the ad. Now you can have the combinations set to use your keywords and your placements before an ad is shown, which we will get to in a moment; however, if keywords exist in an ad group, they will always be used with any other options before targeting your ad.

With the other targeting options, such as topics and placements, you have two ways (Figure 10.12) to control the ad serving.

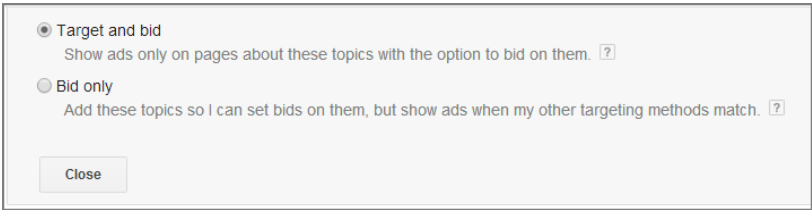


Figure 10.12 Flexible targeting options

When you use the first option, Target And Bid, your ad will be shown only if the user meets the criteria of that targeting option. For instance, if you choose Target And Bid for the topic Arts & Entertainment and you choose the interest category Celebrities & Entertainment News (Figure 10.13), then the ad will be displayed only if the user is both in the interest category Celebrities & Entertainment News and currently on a page that has been classified into the topic Arts & Entertainment.

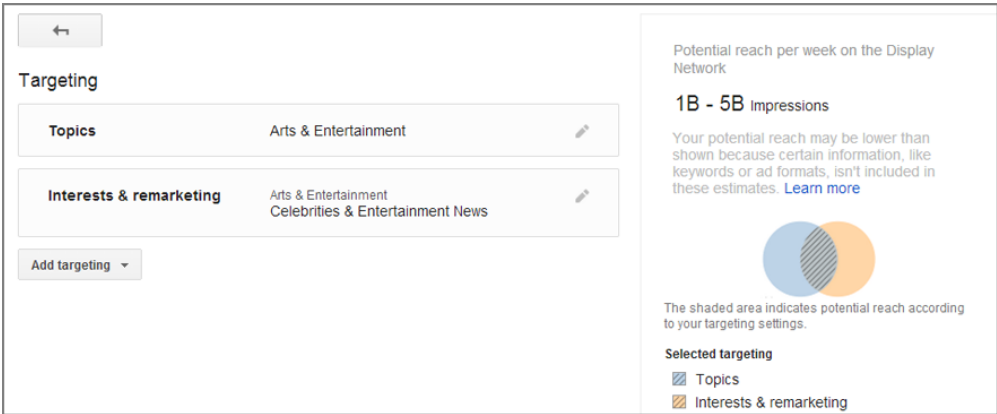


Figure 10.13 Targeting a user who is in both an interest category and a page topic at the same time

As you combine the options, you can see a Venn diagram of the combinations a user has to be in before they can see the ad. The shaded area of where the diagram intersects is the conditions the user must be in before they can see your ad. If we add yet another combination, such as the placement NYTimes.com (Figure 10.14), then the diagram will change to reflect the new conditions in which a user must be in to see your ad, and you can see the potential monthly impressions of that combination as well.

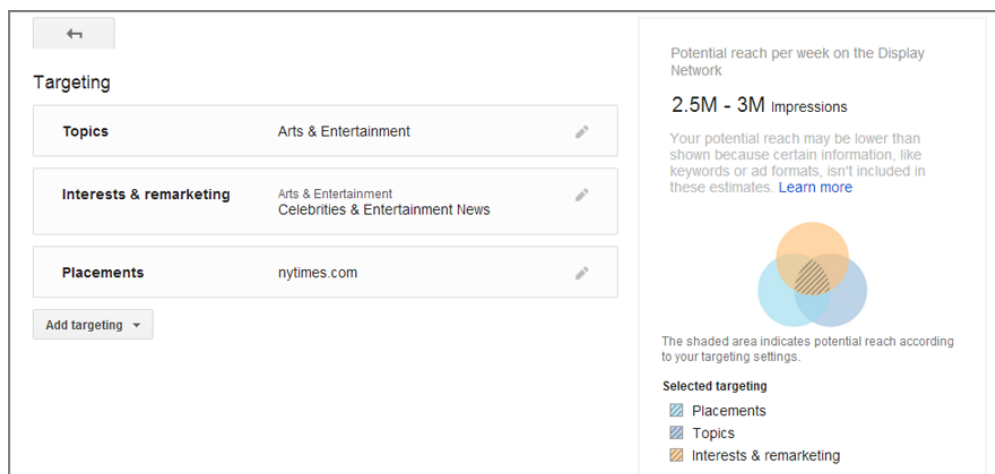


Figure 10.14 Using three targeting methods at once

When you use Target And Bid as the option for the targeting criteria, it is essentially an *and* modifier, such as interest *and* topic *and* placement, before the user can see the ad.

The other option (Figure 10.15) is Bid Only. In this case, your other targeting options will cause your ad to show, but you can set a bid override if the user meets these criteria.

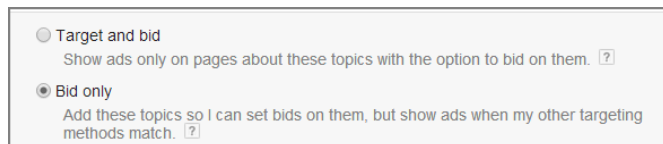


Figure 10.15 Use Bid Only to just set bids for a targeting method.

For instance, if we continue with the example where we use interests and topics to trigger our ads, but we change the placement option to Bid Only (Figure 10.16), then we can set a base bid for the ad group, but we can override the bid if the user is also on a chosen placement.

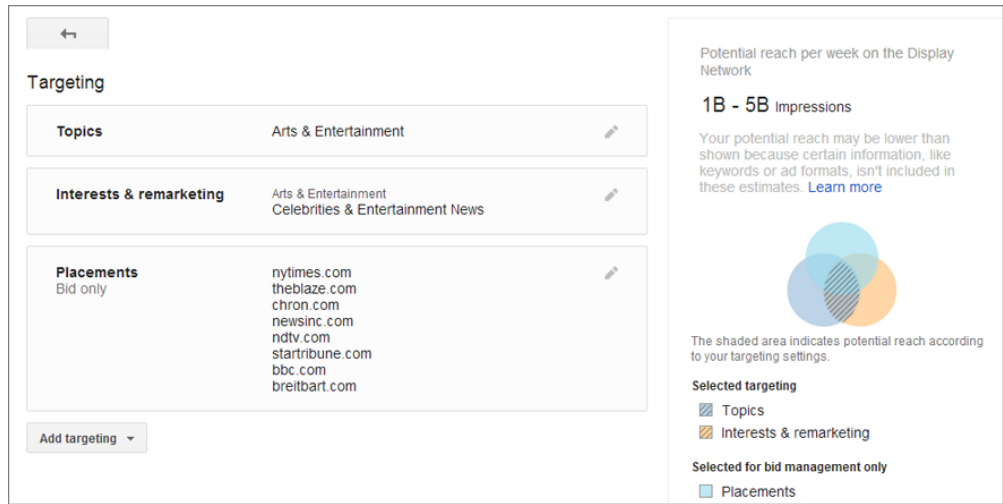


Figure 10.16 Using Bid Only for placement targeting

For instance, we can set the ad group bid to \$1. Then we can set the bids for each of our managed placements to \$0.50. If the user is on a managed placement, then our bid will be \$0.50; if the user sees our ad but they are on any other placement, then the default \$1 bid will be used.

In addition, when you add an item as a bid, the diagram on the right side, as in Figure 10.16, will be updated to show which options are set to Target And Bid and which are set to Bid Only.

This essentially means that if you want to show an ad only if a user meets one or more criteria, then you would use Target And Bid. If you want to override your basic bid if the user also meets another criterion, then you would use Bid Only for that criterion. Just remember that this option is not available for keywords. If an ad group contains keywords, they will always be used in the targeting.

Bid Modifiers for Display

With the Display Network, you can set a basic bid at the ad group level. Next, you can set a custom bid by one targeting method per ad group (Figure 10.17). For instance, you can set your base bid to \$1 and then enable custom bids for placements. This means that if a user is on a placement, the placement bid will override the default bid.

Bidding Types for Display

The screenshots and options in the flexible bidding section assume you are using max CPC bidding. If you are using one of the other bid methods (discussed in Chapter 13, “Devising Profitable Bid Strategies”), you may see different bid options or be unable to set a bid modifier, such as with CPA bidding.

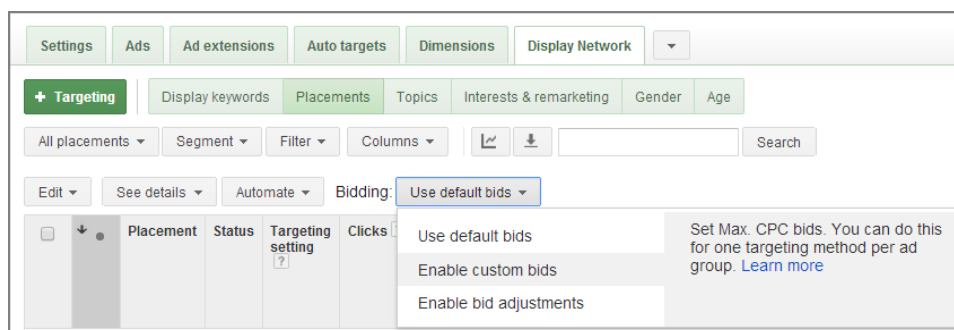


Figure 10.17 Setting custom bids

If you want to further refine your bids by another targeting method, then you can also enable bid modifiers for the targeting method (Figure 10.18).

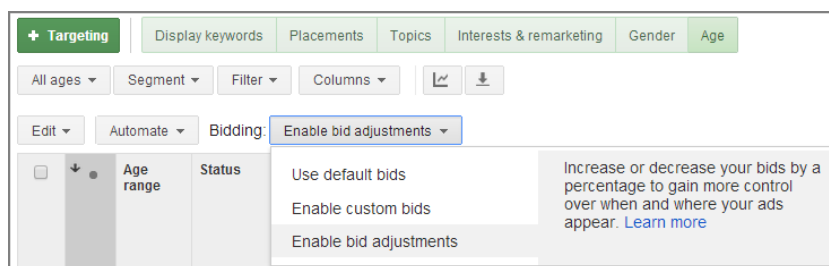


Figure 10.18 Enabling bid adjustments

In this case, we can now set our ad group bid at \$1. Then, we can override the bid if a user is on a specific placement. Finally, we can set a bid modifier based on the user's age. An ad group can have more than one bid modifier, but it can have only one default and one custom bid.

We will walk through a detailed example of using these custom bid modifiers in the age and gender refinement example within the “Flexible Bidding Examples” section.

Flexible Bidding Examples

While there are literally millions of potential combinations to show your ad or override bids, let us take a conceptual look at the most common ones to use.

New to the Display Network or Testing New Offers

When you consider the high-level steps to creating a conversion, there are three main aspects:

- The inventory: in this case, the Display Network

- The refinement of that inventory: such as topic targeting or targeting an individual placement
- The offer: your ad and landing page

The Display Network is made up of more than two million publishers who together serve more than one trillion monthly impressions. This is a huge network, and some of those publishers will convert for you and others will not.

When you first start using the Display Network, you need to test your offer first to find offer combinations that will meet your advertising goals. Since the largest variable is the publisher and their inventory, a good first combination to employ is keywords or topics plus managed placements.

By using managed placements and then refining your ad serving by using keywords or topics, you can start with only high-quality publishers in your niche that should convert. If your offer does not do well on those sites, then odds are it will not do well if you were to use larger targeting methods such as just keywords or topics.

Use the Display Planner tool to find a few publishers who have your target audience. If those publishers are large, then refine your inventory by also adding keywords and topics with the Target And Bid combination so your ad is shown only on top-quality publishers when their articles match your keywords and topics.

Next, test your offers: your ads and landing pages. If your initial offers do not convert, then continue testing until you find a combination that does work.

Once you find combinations of offers that are meeting your advertising goals, then you can expand your inventory by just using keywords or topics or by adding additional managed placements.

This is a good first step for most advertisers, especially those who have never used display targeting before (either on Google's network or on other ad networks) to study the user behavior and interaction with your ads and landing pages to determine what combinations will bring you highly qualified traffic.

Refining Traffic from Large Sites

I have had a lot of success with advertising on very large sites such as NYTimes.com, eHow.com, and About.com. However, those sites are so large that most advertisers will not be successful with run of site buys. A run of site buy is when you buy inventory that can be shown on any page of a site. Since those sites have traffic that can range from how-to articles to the latest in technology news to information about foreign investments, most advertisers will not find success on every page of those sites.

Of course, this depends on your advertising goals. If you are trying to build awareness for a new credit card offer or to reinforce your cell phone brand, run of site buys can sometimes hit your goals. These types of advertisers are usually the exception and have deep pockets with which to buy advertising.

Most advertisers do not want to be on every page of the roughly 3 million pages that a site like About.com has. Instead, they want to be on only those pages where the article matches the products. This type of large inventory refinement is another good use of placements (the high-quality yet large sites) plus topics or keywords (the refinement of that inventory) so you can be on high-traffic, high-quality sites yet still do so within your budget constraints.

Age and Gender Refinement

For the most part, just targeting a user by their age and/or gender will lead to a huge number of worthless impressions. In most cases, age and gender should not be their own targeting methods; they should be a refinement of your inventory.

Let us say that you sell baby food and diapers. In almost all cases, these are bought by moms and not dads. However, dads do occasionally buy these items. In addition, these items are usually bought by those between 18 and 44, but again, other age ranges do buy baby food and diapers.

In this case, you can start by adding the topics Baby Food & Formula and Baby Care & Hygiene.

Next, you have several choices about how you want to approach the age and gender modifiers. If you want to reach the most users, you would add age and gender as Bid Only and then set your bids higher if the user is in your target age range through the use of bid modifiers (Figure 10.19).

+ Targeting

Display keywords

Placements

Topics

Interests & remarketing

Gender

Age

All ages

Segment

Filter

Columns

Edit

Automate

Bidding: Enable bid adjustments

<input type="checkbox"/>	<input type="radio"/>	Age range	Status	Bid adj. <small>?</small>	Targeting setting <small>?</small>	Clicks <small>?</small>	Impr. <small>?</small>	CTR <small>?</small>	Avg. CPC <small>?</small>	Avg. CPM <small>?</small>	Cost <small>?</small>
<input type="checkbox"/>	<input checked="" type="radio"/>	18-24		+ 20%	Bid only						
<input type="checkbox"/>	<input checked="" type="radio"/>	25-34		+ 30%	Bid only						
<input type="checkbox"/>	<input checked="" type="radio"/>	35-44		+ 30%	Bid only						
<input type="checkbox"/>	<input checked="" type="radio"/>	45-54		- 20%	Bid only						
<input type="checkbox"/>	<input checked="" type="radio"/>	55-64		- 25%	Bid only						
<input type="checkbox"/>	<input checked="" type="radio"/>	65 or more		- 35%	Bid only						
<input type="checkbox"/>	<input checked="" type="radio"/>	Unknown		--	Bid only						

Figure 10.19 Age bid adjustments

In this instance, since you do not know additional information about the unknown category, you won't use an adjustment, and as time passes and you collect stats, you can then refine your bid adjustments based on how each age range converts. Next, you can navigate to the Gender tab and also set additional bid adjustments.

This would be the method you would want to use if you wanted to reach the most people and have a large budget to do so. However, if you have a smaller budget, you would adjust the approach to the targeting options.

To refine the targeting even further, instead of adding age and gender as Bid Only, you could add it as Target And Bid and then add only the ages and genders that meet your target market. The last question is what do you do with the unknown categories? Because the unknown categories are often the largest percentage of the age and gender categories, if you were to exclude them, you would exclude both good and bad traffic, but if you have a small budget, that would be the best option. If you have the budget to market to the unknown categories, then you would include them along with those who are known to be female and between the ages of 18 and 44.

Placement Targeting Workflow

To take this example even further, once you advertised for a while, you would start examining your best and worst placements. If you find placements that are not converting, then you would add them as negative placements so you no longer spend money on those sites. If you find placements that are converting, then you would need to break them down into two groups:

- Large sites that have a few pages that are sending converting traffic
- Small sites or very specific sites where all the traffic matches your target market

For the large sites, you would want to add them as managed placements, but you also want to refine the inventory based on the criteria that have worked for you so far. In this case, you have two options. Option 1 is to add those sites as managed placements and then enable Bid Only for the same ad group. Option 2 would be to make another ad group for large site managed placements and then enable Target And Bid plus your other targeting criteria for these sites. In this way, your first ad group's goal is to find good websites, and this second ad group's goal is to control the bids for large sites that have converted.

Next, you will also have very small or very specific sites where all the traffic on the site matches your target market. In this case, it might be mom forums, sites just about infant care, and so forth. Since the entire set of visitors to that site matches your targeting criteria, you can make another ad group that employs only these small placements as the targeting method, and you will not need to use any other refinements. This ad group's overall purpose is to control the bid for these sites, like the large site ad group mentioned, yet it does not need bid refinements.

You can even take this organization further and create a second campaign for the placements that are converting. When you do this, you are using your first campaign as a discovery campaign. Its goal is to find placements that convert. The second campaign will be a managed placements campaign and will contain only placements that have proven revenue. The managed placements campaign will have a higher budget than the discovery campaign due to the fact that when it spends money on traffic, it has proven returns. In the first campaign, some placements will convert and others will not.

This example can be extrapolated to any type of display campaign that does not use placement targeting and uses keywords, interests, or other targeting methods to find good placements. At the end of all your targeting methods, what you are trying to find are publishers that convert. In some cases, you will need to refine the inventory with topics or keywords on those top publishers; in other cases, you can advertise across an entire website; however, this workflow (Figure 10.20) is a good way to manage your display exposure so you are spending the most money on sites that have proven revenues and spending less money on ad groups and sites where you are waiting to see what sites need to be blocked and what sites have such good traffic that you want to make them managed placements and spend more money on them.

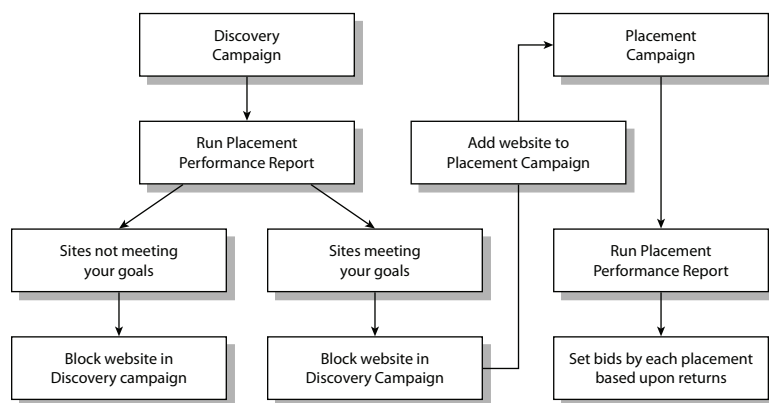


Figure 10.20 Sample display workflow for managing placements

Ambiguous Intent Words

Let's look at one more example that has multiple targeting possibilities to think through how you can employ targeting methods or even negative targeting methods in order to reach your marketing goals.

For this last example, let's revisit bleach yet again. In this case, let's say that we are selling Bleach DVDs and we want to advertise across the Display Network.

The first step is to create a small list of keywords, such as these:

- Bleach

- Bleach DVD
- Bleach anime

We would have more ad groups such as the DVD seasons, potentially episode titles, and so forth, but let's keep this simple to explain the possible options.

Next, we would want to refine our inventory so that we do not receive clicks for those looking for bleach products for use with cleaning. We have two options for accomplishing this.

The first option would be to use the Target And Bid option to include the one of the topics for anime (Figure 10.21).



Figure 10.21 Potential topic targets

With this option, we are advertising to only double-qualified individuals: the page they are on is classified into a topic and it contains some of our keywords. This option will lead to less total traffic than our second option but also a lower CPA, which I will explain after we cover the second option.

The second option would be to exclude the topics that are about cleaning supplies (Figure 10.22).

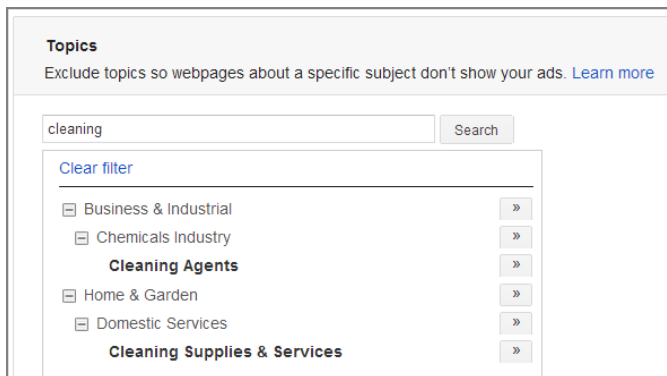


Figure 10.22 Topic exclusion adjustments

If we exclude only certain topics, then we will receive more traffic than with the inclusion option because we are excluding only a very specific set of pages, whereas if we do only an inclusion, we are including only a set of pages.

Some pages will not be classified either way, so if we use only the exclusion option, we will have some false positives and some clicks that will not have a chance of converting. If we were to use only the topic inclusion option, then the pages that do house our target market but are not classified as anime pages will not show our ads.

Therefore, the keywords plus topics will result in less total traffic than the second option but should also have a lower CPA. If we only exclude a topic, then we should have more total traffic, but some of that traffic will be unqualified, and therefore our CPAs will be higher than with the inclusion option.

This is often the great balance with marketing; what do you want more, total traffic or lower CPAs? To answer this question, look back to your marketing goals. If you are in doubt, then start with the most qualified traffic, make sure it converts, and then expand your targeting over time to find a balance that suits your advertising goals.

Optimizing Your Display Campaigns

In the previous chapter, we showed how to block a site from showing your ads. While this is a crucial step in display optimization, it is best to first know if your offer is converting and if your ad is being placed appropriately before blocking traffic.

The first step to display optimization is ensuring that your ad is being placed on the proper sites. To see the actual URLs of where your ads were shown, click the See Details option (Figure 10.23).

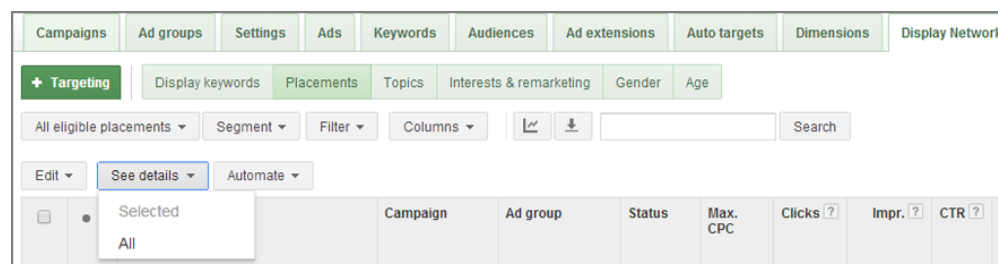


Figure 10.23 View the URLs for where your ads were displayed.

Then click some of the URLs to look at the actual pages where your ad has been shown. If these pages are related to the type of targeting you are trying to achieve based on your targeting methods, there is nothing else to do at this point. If the pages do not look relevant to your ad group's theme, you need to change the targeting in the ad group so that your ad is shown on more appropriate pages. Once you change the targeting methods in an ad group, let the Display Network accrue some more impressions, and then repeat this step until you are seeing your ads on relevant sites.

Once your ad is being shown on the proper pages, the second step is to find high-quality sites where your ad has been shown. Look for newspaper sites or sites you recognize by name without having to look them up. These types of sites should be sending you high-quality traffic. If the traffic from these sites is converting, then again you are finished and can move to the next section, “Organizing Your Display Campaigns.”

Understanding Site Quality

Personally, I like to place websites into one of four categories: low-quality, low-traffic, medium-quality, and high-quality sites. I define them as follows:

Low-Quality Sites These are sites that you look at and you just do not want your ad on the site. Often this is automatically generated content, scraper sites, or sites that have more ads than content on them. Feel free to block these immediately, because often they will not convert or do not fit your brand message.

Low-Traffic Sites Usually these are small sites that do not have much traffic and therefore do not send enough traffic to make it worth your time to create specific offers for them.

Medium-Quality Sites These could be local newspapers, for example, or sites in your niche that you are familiar with, but they are not the authority sites in your industry.

High-Quality Sites These sites are either the authority in your niche or sites that everyone knows. These sites have the potential to send large amounts of high-converting traffic.

If a site is of low quality and not converting, then I will block it quickly. If a site is of high quality and not converting, then I will examine my targeting methods and offers.

If the traffic is not converting, your ad copy and landing pages may not be in proper alignment with your targeting methods. If you find that it’s not only high-quality sites that are not converting but that most sites are also not converting, you need to improve your ads, landing pages, targeting, or all three before it is worthwhile to spend money on the Display Network or refine your exposure by blocking these sites.

In the case of low-converting traffic, instead of having your ad shown all over the Display Network and trying to find where you are receiving high-quality traffic, use only placement targeting or placements plus keywords or topics until you perfect your offer.



Note: A publisher can choose to block an individual advertiser or to not allow placement targeting on their website. If you find sites where you cannot seem to have your ad displayed, it might not be your marketing efforts. There is no way to know if a publisher has blocked your ad from showing.

Choose a handful of high-quality sites in your niche, and have your ads shown on only those sites; refer to the example “New to the Display Network or Testing New Offers” earlier in this chapter to see the steps. You can also run some ad and landing page tests (discussed in Chapter 15) to find what combination of ad copy and landing page converts. Once you have found a combination that works well, you can expand your display targeting by adding additional targeting options.

There will also be times when you find that a category of websites is not working for you. For instance, if you are doing well on high-quality sites but local newspapers are not converting, rather than just blocking these sites, you can create a new ad group that uses managed placements or managed placements plus keywords and topics to test different ad copy and landing pages to discover whether some different combination works well on just those types of sites.

You may often see that social networking sites (such as Facebook) perform quite differently than local newspaper sites or forum sites. Therefore, even testing different types of websites together can help you determine whether you are more or less likely to convert the traffic on those sites. The same user is in a different mind-set when on Facebook as opposed to a newspaper site, and that difference in mind-set can make a difference in conversion rates.

Whenever you find good traffic from an individual website or a combination of similar websites that is not converting, your first thought should not be to block these websites from sending you traffic. Your first thought should instead be to try to optimize the ads and landing page for that traffic or use flexible bidding techniques to further refine the traffic from those sites by adding filters. The more traffic you block, the fewer potential customers your company can have. By trying to convert the traffic with different offers first and then blocking second, you will constantly be improving your campaigns and finding more total customers.

Organizing Your Display Campaigns

With the Display Network, there are many ways to organize your campaigns. This is my preferred method:

- One campaign for each targeting method that is used by itself (that is, ads are shown only for remarketing, topics, or keywords)
- One campaign for each targeting combination routinely used (that is, placements plus topics, interests plus keywords, and so on)
- One campaign for placements that have proven themselves to convert over time

Within each campaign, with the exception of placements, each ad group will use only a single targeting method. For instance, if I’m targeting 50 topics, each topic will have its own ad group. This way I can test the ads and control the landing pages for each topic.

The reason why placements are the exception is that I will organize them by placement type (newspapers, social sites, and the like) or by the ads that need to show on those placements.

With topic and keyword targeting, the main goal is to find sites that convert. Therefore, for these targeting methods, I employ a multiple-campaign setup process.

Discovery Campaigns These campaigns may consist of several campaigns. For instance, one might target topics, one might target keywords, and others might be additional combinations such as topics in country 1, topics in country 2, and so on. To see this additional breakdown, please refer to Chapter 14, “Organizing Accounts Successfully.”

The goal of these campaigns is to find placements that convert. This is known as a *discovery campaign*. Some of these campaigns will make money and others will lose money, but that’s not the goal. The goal is to find what publishers out of Google’s more than two million will send traffic that meets your advertising goals.

Managed Placements Campaign The other main campaign type we will call a *managed placements campaign*. This campaign is for websites that are meeting your campaign goals.

When you find sites in your discovery campaigns that are meeting your goals, block them in the discovery campaign and move them to a managed placements campaign.

When you move these placements, you also need to examine the placements to determine if you need to move the targeting as well. For instance, if you find a very large newspaper site that is sending you good traffic only when a certain topic filter is applied, then you need to ensure that the topic filter is also applied in the managed placements campaign. If you find a small site where all of the traffic across the site converts, then this placement can go into an ad group that does not use any other targeting filters.

When you move the site to your managed placements campaign, examine your placement report and set a bid for that specific placement based on the ROI it is bringing your company. Then block this placement from being shown in your discovery campaign. Because you have targeted this site explicitly in your managed placements campaign, you want to utilize your discovery campaign to find new sites that are performing.

This campaign will have a higher budget than the discovery campaign since it contains only websites that have proven they will send your company traffic that meets your goals. You always want your ads to be shown on these websites, and setting a higher daily budget than the discovery campaign can help you sustain this converting traffic.

Interest Campaigns Interest campaigns target the user and not the website, such as when you use remarketing or topic targeting. Therefore, it’s not the site that is causing the conversion; it is the user and the offer. For these campaigns, you can examine your placement data and block sites that are not converting, but often you will not have

many sites that regularly send converting traffic from these targeting types because these users can be all over the Web. If you do find sites that regularly send traffic that converts, then you can also add them to a managed placements campaign. However, these campaign types will spend more time blocking poor traffic than adding new placements due to the targeting type reaching the user and not the website.

Once you have this organization completed, the next step is to run a placement performance report (examine the Display Network tab's placement data). When you first start using this organization technique, you will not have any websites listed in your placement campaign; therefore, start by examining data from your discovery campaign. Use the data in this report to segment sites into three categories:

- Sites that are not meeting your goals
- Sites where you do not have enough data to make a decision
- Sites that are meeting your goals

When you find sites that are not performing for you, block them in your campaign settings. If you are not receiving the proper returns from a website, you no longer want your ad to be shown on that website.

How Much Data Should I Have Before Blocking Websites?

In Chapter 15, we will discuss statistical significance in performing tests. However, many companies do not wait to acquire statistically significant data before deciding to block websites—and with good reason. There are more websites across the Display Network than most companies could ever find to place their ads. Thus, it can be easier to quickly block low-performing websites, because your ad will just be shown on another site.

Make sure that you are receiving conversions from high-quality sites. If you are not, you will not be blocking sites appropriately. In addition, if you find categories of websites that are not performing well, you can try testing different offers on those types of sites before you block them.

Low-Traffic Sites If I receive 50 to 100 clicks and no conversions, I usually block these sites. There are enough sites floating around the Display Network to replace the traffic from these sites. If you look at a site and it does not seem highly related to your offer, feel free to block it with much less data.

Medium-Quality Sites If you have received 200 or more clicks and no conversions, then feel free to block this traffic, assuming you do not see a nonconverting theme, such as newspapers you should test before blocking.

High-Quality Sites If one of these sites is not converting after a few hundred clicks, I like to create a flexible targeting ad group, with keywords plus placements, to first test a different offer. If the site just cannot convert even with offers, feel free to block it. Just remember that blocking high-quality sites can remove many potential customers, so you are better off trying to convert this traffic before blocking it.

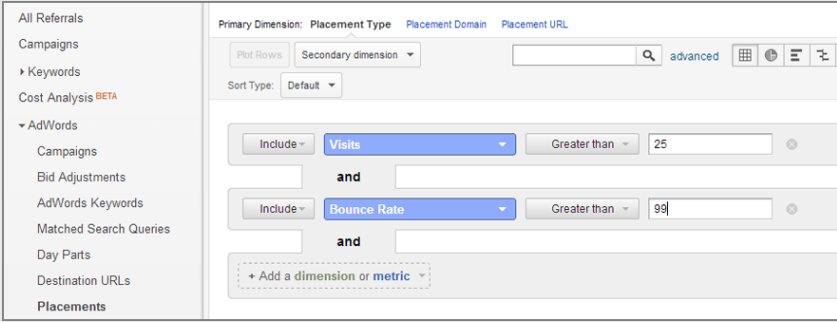
If you do not have enough data to make a decision for some sites, do nothing. Let these sites accumulate more data before you decide what to do with them.

When you find sites that are doing well for you, you will want to add them as placements in your managed placements campaign. Since these sites are doing well, ensure that your ad will continue to be shown on these websites.

Before you add a site to your managed placements campaign, use the Display Planner tool and type in the URL of the website to see if there is more than one placement available on that website. Smaller websites, or websites that are not easily broken down into categories, may have only single-placement options. In the case of single-placement options, choose that placement. However, if it's a larger site that can be broken down into sections (for instance, the *New York Times* has more than 50 different placement options), you may want to choose only a few of the available placements.

Using Google Analytics to Find Sites to Block

If you are using Google Analytics, you can see additional data such as bounce rates, conversion rates, and time on site for your placements. I find it is useful to create interaction goals (shown here) and block placements without much data based on how those visitors are interacting with your site. If a site has a 100 percent bounce rate after 25 visitors, either your landing page needs serious work or the placement will probably will not convert in the future because the traffic is not relevant for you.



If you have connected Google Analytics to AdWords, you can also build these types of filters within the AdWords interface.

If you want to be shown on every placement of a site that has multiple-placement opportunities, rather than selecting the entire site choose each individual placement. The reason to add all the smaller placements is that you can set a different bid for each placement even within a website. For instance, you could set a bid of \$0.50 for the *New York Times* travel section, a \$0.75 bid for the *New York Times* business section, and \$1 for the *New York Times* technology section.

In addition, you will want to block these sites from being shown in your discovery campaign. The discovery campaign's purpose is to find new sites to place your ads. If you do not block a site from being shown in an automatic placement discovery campaign, your ad could still be shown on a site that is also listed in the managed placements campaign, and it will slow down the process of finding new sites that are performing for you.

Since each placement in the managed placements campaign can have its own bid, calculate the bid based on the returns that site is sending you (more about calculating bids in Chapter 13), and set that as the starting bid. Next, run a placement performance report for the placements campaign and continue to refine bids based on each placement's performance.

Repeat this process to find sites doing well and sites not performing, and then block and add them as necessary. To see a flowchart and actual examples of this type of workflow, please refer to the "Flexible Bidding Examples" section for the age and gender refinement (Figure 10.20), earlier in this chapter.

By using the process of first making sure your offer converts and then placing your ad around the Display Network and refining your exposure based on individual websites, you can achieve excellent results from the Display Network.

Creating Scenarios to Understand and Reach Your Target Audience

Using automatic placements (topics, keywords, and so on) for discovery, managed placements for high-return websites, and potentially flexible targeting and remarketing campaigns will lead to a scenario where you can start to control and refine your targeting based on returns. However, if you have a smaller budget, or you want to reach only a specific user, having a large-reach display campaign might not be cost effective or financially possible for you.

If you have a smaller budget, starting with managed placements or remarketing, determining what type of placements are doing well for you (news, social, forums, and the like), and then finding additional placements that meet those criteria can help you grow your content advertising in a more returns-oriented environment.

As you start to layer on more targeting options, it can become confusing to determine how to reach your target market. Instead of focusing on all the options, focus on creating real-life scenarios and then see what options apply to your audience.

Here's a list of the ways you can target a display ad:

- Time of day (discussed in Chapter 13)
- Day of the week (discussed in Chapter 13)
- Location (discussed in Chapter 11, "Utilizing Advanced Geographic Targeting Techniques")
- Individual website or section of a website (managed placements targeting)

- Topics
- Interests
- Display keywords
- Person's previous behavior on your website (remarketing)
- A combination of one more of these options (flexible targeting)

For general display reach that has some control, beginning with either keywords or managed placements is a good starting place—it is a nice balance between both reach and control. You can use all or none of the additional targeting options. Instead of trying to think through all the options, create a scenario for reaching your target market.

Even though someone is viewing your ad online, they still have a physical presence in the world where their life is dictated by offline factors and daily routine. Examine the life of your customer, and the targeting options can become apparent.

For instance, let's assume that your company has just developed a product that allows stockbrokers to get real-time U.S. news results based on their portfolio. And let's also assume that you are doing a limited test to view the response rate and have chosen Minneapolis as your target market. In addition, you do not have a limitless budget, so you want to refine your targeting as much as possible.

Therefore, the question is how do you reach stockbrokers who live in Minneapolis? Let's begin by building a profile of how they receive their current news, since that is what your product addresses.

Because your company wants to reach only users in Minneapolis, the first setting is quite easy: show the ad only in Minneapolis.

Next, a stockbroker has to be ready for the New York Stock Exchange to open at 9:30 a.m. EST. However, Minneapolis is on Central time; therefore, the stockbroker has to be ready for work at 8:30 a.m. Some will read the news at home, others at work, so let's run the ad from only 5:00 a.m. until 10:30 a.m.

Most people behave differently on weekends than on weekdays. The weekends are for relaxing; the weekdays are about work. Therefore, we'll only run the ad from Monday to Friday.

Where do stockbrokers read their morning financial news? Use the Display Planner to research financial news sites. For our purposes, choose a starting place of

- Bloomberg.com, only one placement available
- *New York Times*, business pages placement
- *Business Week*, all placements except Asia and Europe

These three websites have a tremendous amount of daily page views, even when only that handful of sections is chosen. Therefore, also choose some keywords such as *stock market*, *NASDAQ*, *Dow Jones*, and *NYSE*.

Now, when you add all those components together, the ad will be shown only to those who meet all these criteria at once:

- Located in Minneapolis
- Viewing the *New York Times*, Bloomberg.com, or *Business Week* in one of the chosen placement sections
- During a weekday
- In the morning from 5:00 a.m. until 10:30 a.m.
- When the article matches your keyword list

It is important to note that the more you segment your audience, the smaller the potential audience is, because they have to meet all the criteria.

If you have ads that are already running, when you start to refine your ad's exposure, always track total conversions and conversion rate to make sure you did not prevent your ads from being seen by converting customers.

If you feel overwhelmed by the possibilities of the Display Network and all the options, step away from Google's options and start thinking about the user:

- Who is your ideal customer?
- How do they live their life?
- When during their daily routine are they more open to reading your ad and viewing your offer?

By examining those three simple questions, you can learn how to reach your customers.

Writing Effective Display Ads

Writing ads for the Display Network is different than writing search ads. With search ads, someone has conducted an actual search, which shows they are aware of the product and service. The fact that a searcher has conducted a search means they are somewhere in the buying funnel.

When you are reaching individuals with the Display Network, many users may not be in the buying funnel at all. Your ads are shown based on the article's contents or other targeting methods, but in most cases (in-market buyers for interest targeting being the exception) the ads are not just targeted to the user's intent of actively seeking information. Therefore, you should be writing display ads to reach users who are not in the buying funnel so that they will enter your buying funnel.

Although some people who are in the buying funnel will see your display ads, they are often not your primary audience for such ads. You will reach those individuals when they are searching for your products. Your display ads will help reinforce your message for those who are in the buying funnel, and you may see conversions from these individuals. However, since those already in the buying funnel usually make up a

small percentage of those who see your display ads, they should rarely be your primary audience (with placement targeting and remarketing being the common exceptions).

When examining these ad copy writing rules, we are making the assumption that you are using the Display Network to introduce your existing product or service to consumers to start them down the buying funnel. There are many other reasons to use the Display Network, such as CPM image ad buys to create awareness for a new product. If you are using the Display Network for some of these specific reasons, borrow what makes sense from the ad-writing sections here and in Chapter 8, “Beyond Text: Employing Image, Video, and Mobile Ads,” to create your own ads that meet your company’s goals.

Showcase Relevancy The more relevant an ad is to the consumer, the more interest it will attract. Relevancy is attained by your keyword, placement, topic, or interest selection. Make sure your ad is relevant to the website it is being shown on. This point is as much about choosing the proper placements and keywords as it is about the ad’s design or chosen text. Ads that seem to underperform might be very effective ads but are underperforming because they are being seen by the wrong audience. Always check to make sure your ads are being placed on the proper pages.

Showcase Benefits The reason people move further into the buying funnel is that the product or service has made some promise about how it will make their life better. We become interested in products because of benefits. Since consumers who are reading related articles might be aware of similar products or services—and in someone else’s buying funnel—if your product or similar products are well known, you should test adding a feature or two in the ad along with your primary benefit.

What Will They Learn after the Click? This is not necessary in every ad, but it is worthwhile testing. Tell consumers what they will receive when they click on your ad. By letting them know what they will learn, you might give those who have entered the consideration funnel the incentive they need to click on the ad to view your landing page.

Call to Action All ads should have a call to action. Tell a customer why they should click on your ad and what they should do on the landing page. Phrases like “begin your free trial” are calls to action that let customers know the next page will be a free trial sign-up.

Use General Offers Too specific an offer can confuse a visitor who is not yet in the buying funnel and does not know about your products. General offers, such as “download a whitepaper,” “free trial,” and “calculate your savings,” create a compelling message for a general audience.

While these rules generally apply to all Display Network ads, you can be more specific with managed placement ads. For instance, if you sell server-monitoring software and your ad is being placed on a site that caters to advanced IT individuals, you are reaching an audience that understands the benefits of server monitoring. In this case, your general consumer benefit may not be that compelling to an audience who already understands the entire monitoring process and knows they need it. They are interested

in new features that will make their lives easier that are not typical in other software. Therefore, you might need more specific benefits in your ad copy, such as why this monitoring software is easier to use, that it is less resource intensive, or that it can send text messages when servers go down whereas most software just sends email notifications.

As a general rule, the more you know about your audience and the more specific the audience, the more your ads can be tailored to meet their needs. Conversely, the more general the audience, the more you should test specific versus general ads. Often specific ads will still outperform general ones even when broadly targeted, but it is not always true. Therefore, when targeting large audiences, your first round of tests should be specific versus general messaging.

Best Practices for Advanced Display Network Advertising

The Display Network has multiple layers of complexity you can use to display your ads, from using keywords to placements to keywords plus placements to complex flexible targeting options. In addition, all of your typical campaign settings such as geography, time of day, and budget also apply to display campaigns. With so many options available, it is often simpler to create scenarios for reaching your target audience and then examine the list of possible targeting options to best reach that audience.

- If you add multiple targeting methods to an ad group and want the user to meet every condition before seeing your ad, use the option Bid And Target for each of your targeting options.
- If you add multiple targeting methods to an ad group, such as placements and topics, and then you want to use bid adjustments for another targeting method, such as gender, then you would use Bid Only as the targeting option for gender.
- If you are placing your ads on either very large sites or a large number of small sites, refine your ad exposure by adding keywords or topics in the same ad group as your managed placements. This way, your ad will show only on the sites you want when the article also matches your keywords or topics.
- If you are new to display targeting, start with just managed placements (or managed placements and keywords or topics together). This gives you the most control over your ad serving to test your offers before expanding your reach.
- Run the placement performance report. If a site is not performing for you, either take action to improve performance or block your ad from being shown on that site. If a website is performing for you, block it from the discovery campaign and add it to a placements-only campaign.
- Remarketing will help you bring back potential customers so you can try to sell to them again.
- When writing ads for interest targeting or very general display advertising on the Display Network, test general versus specific offers that are laden with benefits.

The Display Network is about reach. There are more possible impressions and clicks on the Display Network than on search. Therefore, understanding your audience and writing ads to reach that audience will help you get not just clicks from the Display Network but conversions as well.

In the next chapter, we will discuss another way of reaching your target audience based on their location. With location targeting, you can make sure that only users in specific locations can view your search or display ads.

11

Utilizing Advanced Geographic Targeting Techniques

Location targeting allows you to show your ads to consumers in specific geographic regions, whether it is multiple countries or five miles around a single zip code. The first part of this chapter focuses on how to show your ads to specific locations and some pitfalls that you should understand.

The second half of the chapter focuses on writing ads for different geographies and on using methods to engage users based on their knowledge of your target area and what they consider credible.

The chapter closes with a geographic report where you can find opportunities to optimize your account based on your performance in specific geographies.

Chapter Contents

- What is geographic targeting?
- Reaching users in specific locations
- Location targeting considerations
- Treating locals and nonlocals differently in your ad copy
- Viewing geographic results
- Geographic performance reports
- Best practices for geographic targeting

What Is Geographic Targeting?

AdWords allows you to choose where your ads will be displayed. This is useful if you want to show a different message in different locations, set different budgets or bids by location, or optimize your spending based on returns from different geographies.

The benefit for a location-based business, such as a New York dentist or a Best Buy in Fargo, is fairly obvious: You reach only consumers who will travel to your business location. Therefore, a plumber in San Francisco or a pizza delivery company in Dallas needs to show their ads only to those who are in their business area.

However, e-commerce and national companies often overlook the advantages of using location-specific online ads. If you examine the marketing of a company like Coca-Cola, you will notice different billboards and commercials in San Francisco as opposed to those that appear in New York or London. This is because consumers react differently to various messages based on their location norms.

All campaigns must choose in which geographies the ads in each campaign will appear. The default option is usually a country or bundle of countries. However, regardless of the reach you want your ads to have, it is a setting you should be aware of so that you know exactly where Google is displaying your ads.

Before exploring the location targeting options and how local, national, and multinational companies can take advantage of them, you must understand how the technology that is used to identify a user's location works.

The Technology behind Location Targeting

Google identifies a user's location in five main ways:

- By looking at the Google property used for the query
- By examining the explicit geographic keywords used in a search query
- By inspecting the previous geographic keywords used in searches
- By determining the searcher's location based on their IP address
- GPS device data

For our purposes, I will simplify these as much as possible and leave out some of the technology so these concepts are easy to grasp in the framework of a single chapter.

The first factor used to determine a user's location is based on the top-level domain extension of the Google search engine being used. For instance, users in France go to Google.fr and users in Canada go to Google.ca. The country extension tells Google from which country a searcher wishes to see information.

The second is when a searcher uses an explicit geographic qualifier in their search query, such as *Austin plumber*. When a geographic qualifier is used, Google must feel confident that they understand the area for which the searcher is seeking information before they will decide which local ads to show for that query.

In the Austin plumber example, there are a few locations in the United States that use the word *Austin*. However, the vast majority of them are looking for Austin, Texas, information; therefore, Google may be fairly confident that the user is looking for that information and might therefore serve ads for Austin, Texas.

If you consider a query such as *Washington plumber*, the query could refer to Washington, D.C.; Washington state; Washington, Utah; or any of the other Washington-named cities or counties. In another example, there are two large cities named Kansas City. In both of these cases, Google will show fewer (or no) ads because they are not highly confident that they understand the user's location unless the account uses a keyword that contains the geographic term. Google isn't serving the ad because the targeting is set to that location; they are serving the ad because the search query matches the account's keywords.

The third method that Google uses to show ads is based on a person's previous search history. If you use explicit geographic qualifiers in the search query, which is the second method, Google has an idea of the location where you want to find information and may use that information to target ads for other queries. If you do a search for *Washington DC plumber* and then follow that query with *Washington kitchen remodeling*, you may see geographic ads, because Google now has some idea that you have defined Washington, D.C., as your target location. In addition, if you search for *Washington DC plumber* and follow that query with *kitchen remodeling*, you might also see location-based ads even without a geographic qualifier in the search query, since Google remembers previous searches.

The fourth way Google shows location-based ads is based on your IP address. When a computer logs on to the Web, it is assigned an IP address. This could be considered your computer's location on the Web. Many IP addresses are mapped to physical locations so that Google understands where you are located.

However, the IP address for your computer is not always your computer's actual location: it's your ISP's location, otherwise known as your host provider. Therefore, the fourth method looks at ISP locations and IP maps and attempts to discern your location.

This leads to the following scenario: When you do any form of location targeting, whether it's for a country or a city, three things are going to happen:

- A searcher inside your target location will see your ad.
- A searcher outside your target location will see your ad.
- A searcher inside your target location will not see your ad.

If you want to show your ads only in Chicago, these are the three scenarios (Figure 11.1) that will occur:

- Searcher 1 is inside your target area. The host mapping is in your target area. This is a perfect match.

- Searcher 2 is outside your target area. The host mapping is in your target area. Though this searcher is outside your target location, they will still see your geographic ad.
- Searcher 3 is inside your target area. The host mapping is outside your target area. Though this searcher is in your target area, they will still not see your geographic ad.

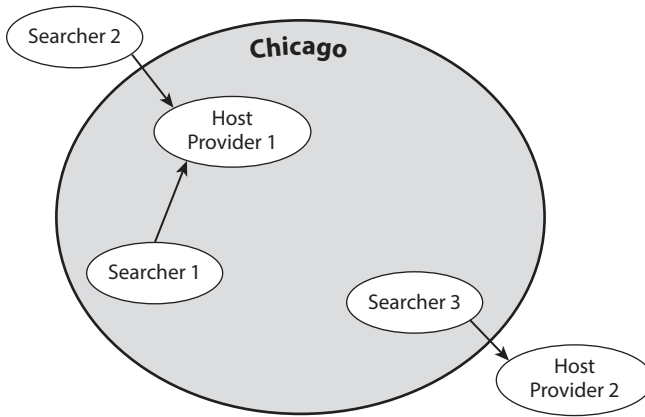


Figure 11.1 Location targeting examines host provider locations.

Location targeting will help you reach an audience with a unique message, give you the ability to raise your CTR and conversion rates in different locations, and make better use of your budget. Understanding the basics of how location targeting works will help you troubleshoot why certain groups of people are or are not seeing your ads.

How Accurate Is Location Targeting?

The first step in location targeting is to choose a location. This is a required setting for every campaign. Even if you used a geographic keyword, such as *Chicago dentist*, you must still set the United States, Illinois, or Chicago as the location targeting option in that same campaign.

Since you are often not targeting a consumer's location but their host provider map, how accurate is location targeting? Before we get into the numbers, let's look at a few exceptions that adversely affect location targeting:

The AOL Conundrum AOL dial-up users all appear to come from Reston, Virginia. This means that Google cannot always show ads to AOL users based on their IP addresses; they must use other forms of technology or dissect geographic search queries to discern AOL dial-up users' locations. As of August 2013, AOL dial-up has more than 2.6 million subscribers in the United States and still has European customers as well. To reach AOL dial-up users, it is best to use geographic keywords in a campaign targeted at the country level, which will be fully explained in the section "Reaching Users in an Area

Smaller than a Country.” While this is AOL specific, other dial-up and satellite providers have the same issue.

Corporate VPNs When a user logs into their corporate virtual private network (VPN) and then accesses the Web, their location is often shown as their VPN’s location, which is commonly the corporate headquarters, not their actual location.

Data Cards These are often called air cards or cell cards. They are connection devices you can attach to your computer so that your computer can access the Web via a cell connection. Often these cards show completely different locations than your cell phone on the same network. Although cell phones can use cell tower triangulation to determine location (and a few other methods, such as GPS), these additional data points are not always used in determining a computer’s location when accessing the Web from a data card. The search engine may not realize you are using a data card to access the Web. Therefore, a data card user may be assigned an IP address from the cell company, which might be in the exact same location or in a completely different state.

Cities That Cross State Lines The Chicago metro area is primarily in Illinois, but it also encompasses areas in Indiana and Wisconsin. The Washington, D.C., metro area crosses into Maryland and Virginia. In these cases, you may see IP addresses assigned from an incorrect state. It is not a common occurrence, but it does happen.

The following unofficial estimates of location detection accuracy were calculated by talking with people at the search engine companies and by my own testing. The accuracy of these numbers is thrown off by the previous factors, as well as some other technological idiosyncrasies. Therefore, this is a rough compilation of all geographic areas; some areas will have higher degrees of accuracy and others lower. Here are my best but unofficial estimates for the United States:

99.9999 Percent for Determining a Country The country of origin is easy for a search engine to determine. More than just IP data is used to establishing country of origin, and the search engines are highly accurate at determining country information. The most common issue that throws off country-level targeting is corporate VPNs.

90 to 95 Percent at the State or Region Level That is an overall U.S. average. There are some states, such as California, where most of the population does not border another state. Therefore, most of the ISPs are in that state and the accuracy of state-based targeting is exceptionally high. Illinois has cities that border and spill over into other states: There’s Chicago in the north, which flows into both Indiana and Wisconsin, and in the southern tip of the state, there’s the St. Louis, Missouri, metro area. These two areas cause some users in both the north and the south to potentially see ads from other states. However, the users in the middle of Illinois will mostly see Illinois-based ads. Each country has widely different accuracy levels at the state or regional level. Canada’s numbers are fairly similar to those of the United States. However, the accuracy of regional targeting in the United Kingdom is quite poor.

85 to 90 Percent at the Metropolitan Level A metropolis is a city that influences adjacent neighborhoods or cities. For instance, San Francisco is a city with a population of around 800,000 people. San Francisco influences San Jose and Oakland. Therefore, the San Francisco metropolitan (often called metro) area is considered the entire region around San Francisco, Oakland, and San Jose with a population over 7 million people.

Throughout the United States, I estimate the metropolitan accuracy at about 85 to 90 percent. There are some cities where user location is easy to determine due to lack of ISP competition and rural areas outside of the city. Fargo, North Dakota, borders Morehead, Minnesota. The same metro area has two different names based on which state you live in. The areas outside Fargo are very rural. If you want to reach users in the Fargo metro area (users in Fargo and Morehead), your accuracy will be fairly high. However, if you want to reach users only in Fargo and not Morehead, your accuracy will be lower because some of the same ISPs service both areas.

75 to 80 Percent at the City Level Reaching only users in a city can be challenging at times because although a city is a predefined geographic area, most ISPs create their infrastructure based on the wider metropolitan area.

If you are targeting a city that is not in a metro area and is surrounded by rural areas, the accuracy increases. If you are trying to target a city in a metro area, the accuracy decreases.

For instance, if you are attempting to reach only users in Chicago city proper, your accuracy is high for the middle of the city, because the middle of the city does not border any other cities. Many users on the north side of the city of Chicago see ads from Evanston, a city just north of Chicago. Therefore, your accuracy when targeting the city of Chicago is high in the middle of the city and declines for users in the north. Since Evanston is still in the Chicago metro area, if you are targeting the entire metro of Chicago, the north-side residents will see your ads. This is why metro targeting is often more accurate than city targeting.

Please note that these are desktop averages or averages for users on phones that do not have GPS turned on. When GPS is active on a device, the accuracy rate is extremely high.

Google has tried to make location targeting more accurate by showing the location within search results and allowing users to adjust their location to show more accurate results. These numbers reflect only Google search data. For Google Maps, searchers must use some location identifier and, therefore, the maps properties are highly accurate.

These estimates are rough guidelines, since there are many exceptions where the numbers could be higher or lower. None of these numbers should scare you away from

trying geographic targeting. Targeting a specific location with ads written for that location is one of the more powerful combinations you will find in AdWords, regardless of whether you are a national company or a local company that serves only a single region.

Marketing is about connecting with users. People love and defend their local areas. Reaching consumers based on their geography allows you to connect with searchers not just by their search query but by their location as well.

Reaching Users in Specific Locations

Location targeting is set at the campaign level. To access these settings, navigate to the campaign Settings tab. In the Locations section you will see your current settings (Figure 11.2). To change your location settings, click the Edit link near your current location list to choose where you want your ad to be displayed.

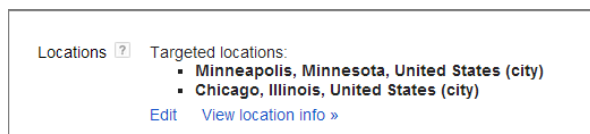


Figure 11.2 Viewing and changing your location settings

Once you choose to edit your locations you will be presented with a list of your currently targeted locations and a search box where you can search for locations (Figure 11.3), and if you click either Nearby or Advanced Search, you can view a map. To ensure that you are targeting the correct locations, the map view is useful. For the purposes of limiting the number of images, we will only look at the map listings; just note that you can do these same searches directly from the campaign Settings tab.

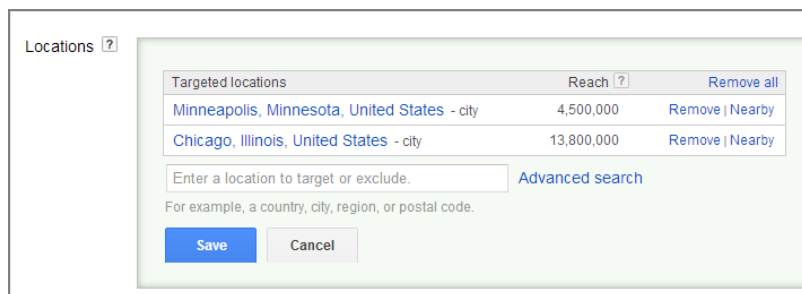


Figure 11.3 Editing your location options

When you click the Advanced Search option, the map will be displayed and you can start to search for any geographic areas.

Finding Locations to Target

Once you have navigated to the maps section, you can search for locations that you wish to include. As you type, Google will present a list of locations that match your search result (Figure 11.4).

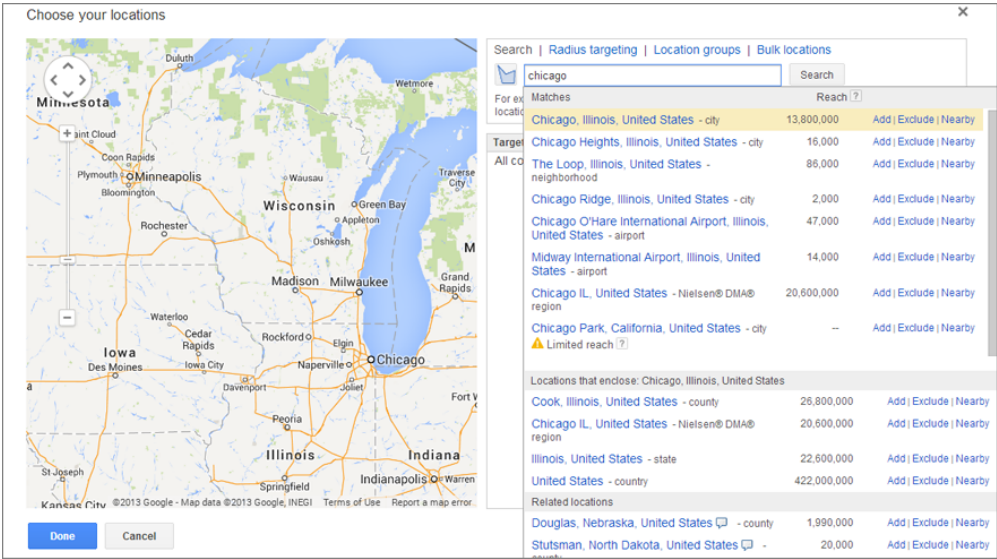


Figure 11.4 Searching for locations

The first locations to consider are the ones listed as matches for your location query. Depending on the search query, you may see matches that include your terms, matches that include your location, or related locations. For each match you have several options. Next to each location you will also see the geographic area: country, state, province, metro, city, and so forth.

You will not see every possible geographic area. While Google shows some neighborhoods, most are not in their system. The most common results you will see are these:

- Country
- State/province
- Nielsen® DMA®
- Metro
- City
- County
- Airports
- Postal codes
- Congressional districts

For each geographic area, you will also see an estimated reach. This may differ significantly from the actual population because this is the unique cookie estimate for any region. This estimate can also be skewed by multiple cookies for the same user. For instance, if the same person has a desktop, laptop, tablet, and phone, Google sees this as four unique cookies even though it is one person. Within the search results you have several options that we will examine individually.

Add the Location

If you click on the location or click the Add link, that location will be added to your list of targeted locations, and a map will be displayed highlighting your target area. You can add multiple locations to a single campaign in this fashion (Figure 11.5).

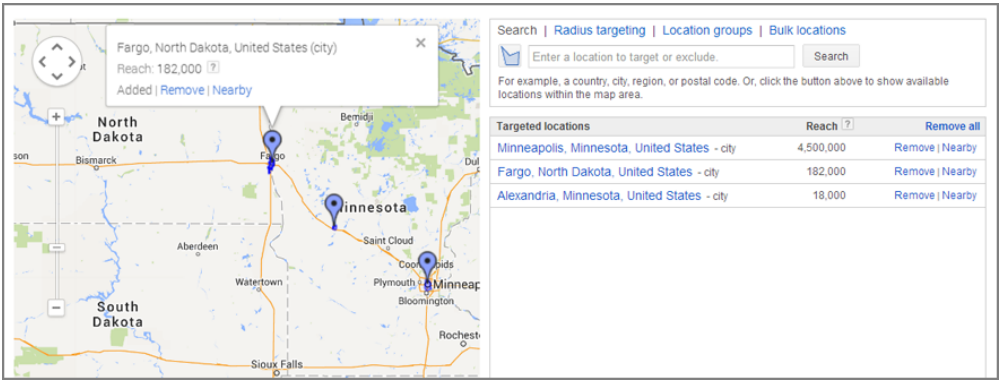


Figure 11.5 Choosing locations

Exclude the Location

There are times you do not want to show an ad to a geographic area. This is common if you do not serve an area, do not ship to a location, or have underperformance within a region.

If you click the Exclude link, your ad will not be displayed to a region and that region will be called out within the interface.

This is useful when you want to select an entire country, but there may be a few states you wish to exclude either because you are not licensed there, those areas do not perform well, or maybe you are an e-commerce site that ships to everyone in the continental United States, but you don't ship to Hawaii and Alaska. In the e-commerce example, you could include the entire United States and exclude Alaska and Hawaii (Figure 11.6).



Figure 11.6 Excluding Hawaii and Alaska from seeing your U.S.-targeted ads

Your Geographic Ads Will Purposely Be Served to Searchers outside Your Region

While you can choose to show ads only to users in a region, Google tries to show ads to users based on the area where they want to find information. Therefore, when selecting regions you want to target, you are not telling Google you only want to show ads in a region—you are actually informing them that you want to display ads to individuals who are searching for information in your target locations. When a searcher uses an explicit geographic keyword in their search query that falls into the region where you want your ads to serve, that searcher can still see your ad. For instance, if you use the keyword *plumber* in a campaign that is targeted to only Chicago and a searcher in California searches for *Chicago plumber*, your ad can be displayed.

There are times when a geographic query is ambiguous, such as the Washington example in the earlier section, “The Technology behind Location Targeting,” where Google is not confident enough to show geographic ads based on the user’s query. However, if Google is confident that the user is looking for information in your geographic targeted areas, your ad can be seen by searchers outside your target region who are explicitly searching for information about your keywords and target region. There are ways to control this behavior, which will be addressed in the “Advanced Location Targeting Options” section.

There are times when you may want to use this feature for organizational purposes so you can showcase different ads based on a user location. For instance, if you sell renter’s insurance, you might want to have three different campaigns based on the

benefits in the ad copy and the landing page you want to send visitors to on your website. Let's assume these are the goals of your benefit messages in ad copy:

- Showcase fire insurance benefits in San Diego
- Showcase earthquake benefits in San Francisco and Los Angeles
- Showcase a general benefit to the rest of California

In this instance, you would have one campaign that was targeted to California and excluded San Diego, Los Angeles, and San Francisco. Then you would create a campaign that was shown to just users in San Diego and another one that targeted San Francisco and Los Angeles.

By utilizing a combination of location targeting and excluded regions, you can narrow down exactly who will see your ad copy. This strategy is also useful for showing different offers, messages, and benefits in different sections of the same country.

However, one of the most important aspects of writing ads for specific locations is to determine if the user is local or nonlocal. Each of those groups has different concerns and knowledge about your area, and therefore you need to engage them in different manners.

Search Nearby

Sometimes you will be targeting locations when you are unfamiliar with the geographic regions near your location. When you want to find other locations near your target area, click the Nearby link and you will see additional locations near the location you are searching (Figure 11.7).

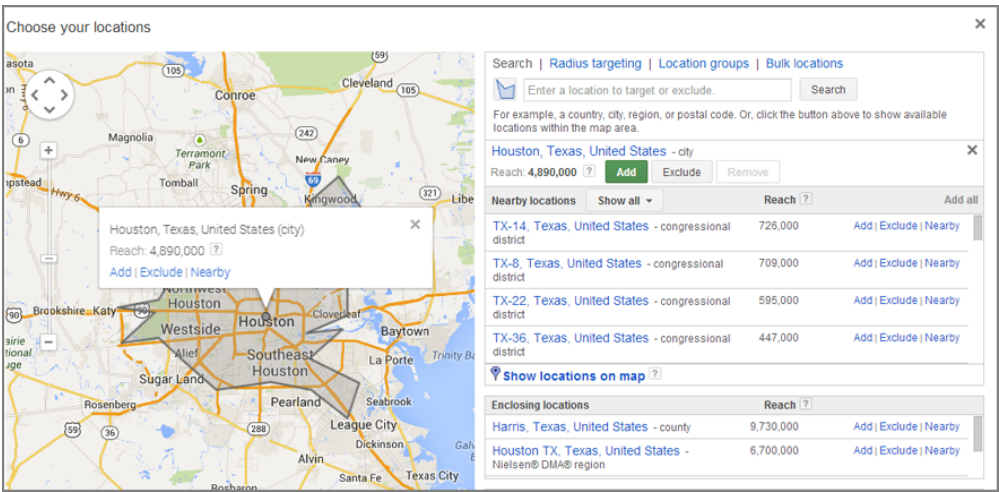


Figure 11.7 Locations nearby Houston

From this interface, you have the typical options to include, exclude, or find even more nearby location data.

Bulk Targeting

If you wish to search for several locations at once, you can use the Bulk Locations option. With the bulk targeting feature, you can search for up to 1,000 locations at once, and then from the search screen go through the options of adding, excluding, or finding nearby locations.

If you are targeting the specific locations of hundreds of stores, or you wish to target a large number of zip codes, the bulk targeting option will save you time in searching and adding all of those locations.

Radius Targeting

If you would rather reach users around a central point instead of targeting specific locations, you can use radius targeting. With radius targeting you can enter an address, zip code, or other map point and then choose how far you wish to target around that location. To specify a radius, click the link Radius Targeting, and you'll see the screen shown in Figure 11.8.

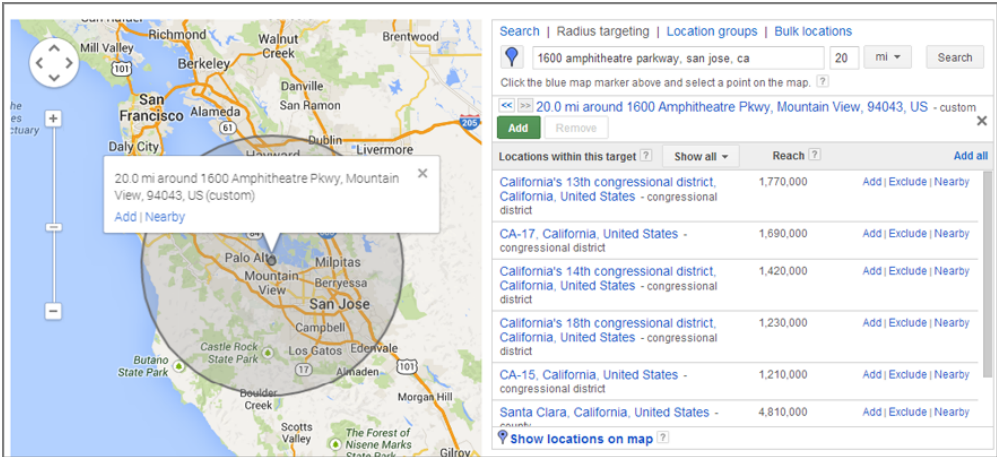


Figure 11.8 Radius targeting an address

By default, the radius is set to 20 miles. Keep two factors in mind as you choose a radius:

- How far will people travel to visit your business?
- How far are you willing to travel?

In State College, Pennsylvania, for example, it is not uncommon for searchers to drive over an hour to one of the major cities from the rural center of Pennsylvania to

go shopping or conduct other activities. Choosing a large radius could be a good choice for your business if you were targeting a rural area. However, even a five-mile radius could be over an hour drive during rush hour in Washington, D.C. Therefore, examine how far you travel to your customers or how far your customers travel to you when selecting your target radius.

The second factor to keep in mind is that you are often targeting ISP mappings and not always someone's physical location. For instance, Rogers Park is a neighborhood in Chicago consisting of over 60,000 residents. Yet, almost everyone in Rogers Park sees ads from Skokie, Evanston, or downtown Chicago. If you were to target your ads to only Rogers Park, your ad impressions would be much smaller than actual searches for your company from people who live in Rogers Park.

Radius targeting is rarely accurate when you are targeting only one or two miles, unless the searcher is on a maps property where they have to enter a specific address or they are on a GPS-enabled device. In those cases, radius targeting is highly accurate.

Location Groups and Bid Modifiers

Location groups allow you to target locations with specific properties or characteristics to them. For instance, you can target airports, central commercial areas, or universities (Figure 11.9).

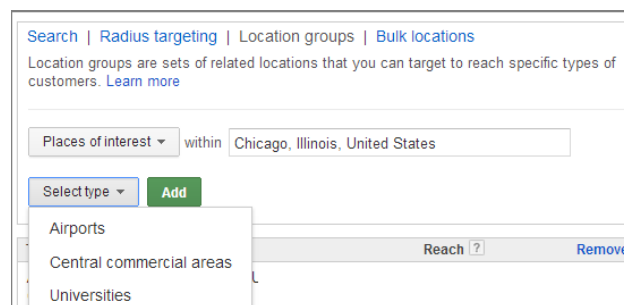


Figure 11.9 Choosing places of interest

You can also target by demographics. At the moment, only household income is an option, but it's likely that Google will add demographic targeting options in the coming year.

Finally, you can add or adjust the radius for your location extensions in the Location Groups options.

These settings are not meant to be the only location targeting you set for a campaign; their true usage comes in the form of bid modifiers, which will be fully addressed in Chapter 13, "Devising Profitable Bid Strategies." Bid modifiers allow you to automatically adjust your bid up or down for any chosen location.

For instance, you might have a bid set at \$1. However, your product sells mostly to people in higher income brackets. Therefore, you can add each income bracket as a location and then set your bid 300 percent higher if someone is in the top income bracket, 250 percent higher if they are in the top 20 percent income bracket, and so on.

In addition, if you find that the closer someone is to your restaurant, the more likely they are to become a customer, you could add your location extension as a 5-mile target, a 3-mile target, and a 1-mile target. Then you could adjust your bid to be higher the closer someone is to your restaurant.

To set a bid modifier, you must first add a location to your location settings. If you only added the United States as a target, then you cannot set a modifier for Maryland. If you added each state as a location target, then you can set a modifier for each region.

Because bid modifiers can become quite complex, we will address bid modifiers in Chapter 13 and account organization in Chapter 14, “Organizing Accounts Successfully.” It is through understanding first how location targeting works (this chapter), how modifiers are used (Chapter 13), and how to organize your account (Chapter 14) that you can construct the proper account and use locations and bid modifiers properly.

Advanced Location Targeting Options

The restaurant Chicago Pizza is my favorite place to order Chicago-style pizza. While their pizza is great, they suffer from a large problem when trying to advertise with AdWords. Google sees someone from Seattle searching for *Chicago Pizza* and assumes the user wants to see pizza restaurants in Chicago. In fact, that user probably wants to learn how to make Chicago-style pizzas or what that pizza type even is; however, *Chicago Pizza* ads appear by default because the geography is part of the company name.

The advanced location targeting options can solve these issues. By default Google examines location by these two factors:

- Physical location (IP address and other signals)
- Search query intent (Chicago pizza)

The advanced options allow you to adjust these default settings. To adjust the default options, open the Advanced Location Options (Figure 11.10) and change the default settings.

The option “People in, searching for, or viewing pages about my targeted location (recommended)” will target your ads based on the user being in your targeted area or searching for your location in their query.

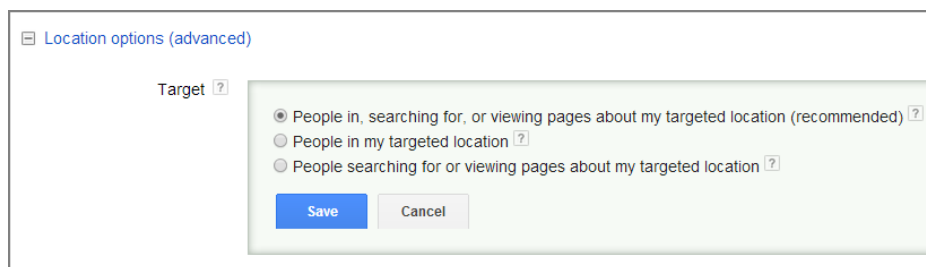


Figure 11.10 Changing the location targeting method

The option “People in my targeted location” will show your ads only to those who Google believes are in your targeted area regardless of geographies used in the search query.

The last option, “People searching for or viewing pages about my targeted location,” will show your ad to those who use your geography in their search query.

In our example for Chicago Pizza, they would want to utilize the option “People in my targeted location” so that their ads are only shown to people in Chicago who search for Chicago pizza and not to people in other areas of the country who search for Chicago pizza.

If you are a hotel in Seattle, you might not want someone in Seattle who types in *hotel* to see your ad—you want nonlocals to see your ads. Therefore, you can exclude users based on physical location or search intent as well (Figure 11.11).

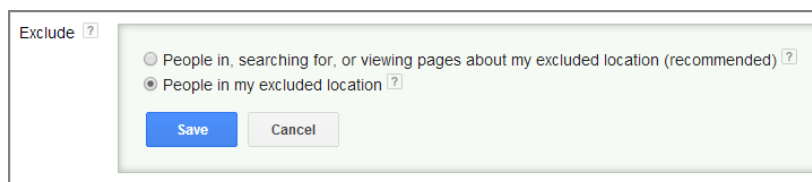


Figure 11.11 Excluding users based on location or search intent

In the case of a hotel, what you might do is create two campaigns. One campaign excludes users based on search intent so that your ads will be seen only by people in your local region. Since these ads are targeting locals, you can run ads that are targeted to locals looking for a getaway, hosting a meeting, or wanting to rent the ballroom for a prom. The second campaign will exclude based on physical location and target only travelers looking to book a room in your hotel.

If you are having problems reaching the correct people based on location or search query signals, the advanced options can help you ensure that only the correct audience is seeing your ads.

So far, you have learned how to target or exclude users. Beyond just targeting users, there are some specific items you should think about when targeting various regions.

Location Targeting Considerations

Although you can reach users from an area as small as one mile around an address to almost every country in the world, there are some things you should consider before choosing your location targeting options.

Targeting Multiple Countries

You can easily add multiple countries at once with the search and add functionality of the location targeting tool. However, it is rarely a good choice to show the same ad to multiple countries at the same time for a variety of reasons, which I will explain in some detail.

It is common to see advertisers choose United Kingdom, New Zealand, Australia, Canada, and United States in a single campaign because all these countries speak English. However, that thinking can lead to problems down the road.

For example, if you choose these five countries, how do you spell a word such as *color*? It is spelled *colour* in some countries and *color* in others. While the basics of English are the same in most English-speaking countries, there are many colloquialisms, slang, and local customs that can cause a breakdown in communication even though the “correct” words are being used.

There are many words that not only have different spellings by country but have different meanings as well. For instance, the word *currar* is a Spanish word that means “to work” when used in Spain. However, in Argentina that same word means “defraud.”

Country-Based Optimization

If you group all your countries into a single campaign, what is the next step to optimization? If you learn that the stats for your countries look like those in Table 11.1, what would you do next?

► **Table 11.1** Statistics for multiple countries

Country	Click-Through Rate	Conversion Rate
United States	10%	1%
United Kingdom	1%	10%
Australia	3%	5%

In this case, you are receiving traffic in the United States, but the ad and landing page are not converting; therefore, you would want to choose a different combination to show to your visitors. However, in the United Kingdom you are converting quite well but your ad is not being clicked on very often, so you might want to test different ad copy to increase the click-through rate.

Since you have chosen all of your ads to be shown in these different countries in the same campaign, you would not be able to accomplish these changes in the same campaign. Therefore, the first step would be to duplicate the entire campaign and change the location targeting options for each campaign to show to the appropriate countries. If you advertise in only a handful of countries, it is useful to limit yourself to one country per campaign.

When to Ignore the One Country per Campaign Rule

Multinational companies may want to disregard this rule due to the number of countries they have to run ads for with limited staff or time to manage the campaigns. You always have to balance best practices with time and staff management.

In these cases, it can be useful to include many countries at once and then organize your campaigns around the languages that you are targeting. For instance, several African countries list French, English, Arabic, and Portuguese as official languages. Therefore, if you wanted to target all of Africa the same due to time constraints, you could create one campaign per language with each campaign targeting the entire continent. This is not a bad idea, but sometimes you have to make compromises based on resource constraints.

Even if you are a multinational company that can serve multiple countries at once, if you do not have a large budget to effectively penetrate every single country you serve, it can be better to concentrate your budget on a small list of countries.

If your multinational company's goal is to advertise to searchers who have a high chance of converting, choose a handful of countries you do well in and limit your ads to show only in those few countries. Once you have effectively penetrated the marketplace and are seeing returns on your ad spend, expand your list of countries.

If your multinational company's goal is to penetrate new markets, selectively choose those new markets, reach your goals in those markets, and then move on to the next set of countries you want to learn more about your products.

For multinational companies, if you have a small budget and try to reach every single country, you will often fail at your objectives—you cannot be everything to everybody. Therefore, choose your country list wisely based on your marketing goals. Once you reach those goals, you should have higher revenues and can increase your budget as you expand your reach to new countries.

For most accounts, limiting yourself to one country per campaign will help you write better ad copy and allow you to send your visitors to country-specific pages in your website. This combination will lead to a better user experiences, and in turn, better user experiences result in higher conversion rates.

Reaching Users in an Area Smaller than a Country

If you choose to advertise in an area smaller than a country, there are a few considerations for both your keywords and your campaign setup.

Using Geographic Keywords

First, if you use geographic keywords (such as *San Jose plumber*) in a campaign that is targeting a small area, you will often receive very little traffic because the user will have to be in the area and use those geographic keywords in their search query.

Please note, if you have a very small budget, this can actually be useful since users who use geographic words in their queries often convert better than those who do not use such words. However, for most accounts, using geographic words in a campaign targeted to a small region will often receive very few impressions.

When you use geographic keywords, you have two options for how you want to set your targeting. The first option is to target the country. This will ensure that anyone in the country who uses those keywords will see your ad. However, for companies trying to reach only local traffic, since there are often city names that occur in multiple states as well as some users who will not be near your business that will trigger your ads, conversion rates will often be a little lower than for someone who selected a smaller area. This is the balance between total conversions and conversion rate; often the more conversions you want, the lower the conversion rate becomes in some instances.

For national companies that are using geographic targeting as a means of showing localized ads and landing pages, it is okay to select the entire country. The reasons for choosing smaller areas are for when you want only local traffic.

For local businesses, if you want less traffic but higher conversion rates, then the second option is to choose a geographic area that is one or two levels larger than the geographic keywords you are using. For instance, if your keyword was a city, such as *Miami plumber*, then you could target the entire state of Florida. If you were using the keyword *Evanston plumber* (Evanston being a city inside the Chicago metro), then you could choose either the metro of Chicago or the state of Illinois.

For state-based keywords, such as *Illinois insurance*, it is usually best to target a country because there are not predefined geographic areas that sit between the state and country level.

Based on how budgets usually occur for businesses by size, in general it is best for local companies that employ geographic keywords to use either a metro or a state as their regional targets. For national companies, it is usually best to choose the entire country.

Geographic search queries usually have lower volume than their generic counterparts in the same region. For instance, there are more people in Miami who search

for *plumber* than there are in Miami who search for *Miami plumber*. Therefore, geographic keyword campaigns are great for national companies that are localizing their traffic or for local businesses that want to ensure their traffic is highly qualified, but if you want to reach the most users, then you can use keywords that do not have geographic qualifiers on them.

Using Non-Geographic-Based Keywords

If you are a local business and you want a simple setup, then you can just pick your keywords without any geographic modifiers and set your location targeting at the level that makes sense for your company (often city, metro, or state).

If you are a national business and you do not wish to localize your traffic, then you can pick your keywords as normal and set your targeting to the entire country.

There are times you will want to use both campaign types at once to ensure that everyone can see your ad.

Using Multiple Campaigns to Reach All Searchers

Google is excellent at detecting the searcher's country of origin. However, there are many times when a searcher's location cannot be discerned, such as those listed in the earlier section "How Accurate Is Location Targeting?" In these cases, your geographic ads will not be displayed to these users. Therefore, if you want to make sure every searcher looking for your services sees your ad, use two campaigns.

The benefits of using a second campaign vary by location. When you are reaching a large area where there is less ISP mapping confusion by location, the benefits may be minimal. If you are reaching areas where IP targeting is not very accurate—which is much more common outside of the United States—using two campaigns can be quite useful. To reach everyone possible, you will want both an IP campaign and a GEO campaign:

IP Campaign This campaign is named after the IP detection technology used to detect a user's location. In this campaign, choose the location targeting of the area where you want to show your ads and do not use geographic keywords.

GEO Campaign This campaign will contain all geographically qualified keywords. In this campaign, choose your ads to be shown to an area larger than your target market, as discussed in the "Using Geographic Keywords" section, and then every keyword you use will have a geographic qualifier attached to it.

For instance, if you were an accounting service that was trying to reach searchers in Dallas, you would use the campaign structure shown in Table 11.2 to make sure the maximum number of searchers could find your ad.

► **Table 11.2** Campaign structure to maximize geographic reach

Campaign Name	IP Campaign	GEO Campaign
Target Geography	Dallas	United States or Texas
Example Keywords	Accounting services	Dallas accounting services
Example Keywords	Tax preparation	Dallas tax preparation
Example Keywords	Bookkeeping services	Dallas bookkeeping services

If you are constrained by time or budget and want to use only one campaign, keep in mind that most accounts will have more total impressions from an IP campaign than from a GEO campaign. However, many accounts find that their conversion rates are higher in their GEO campaign. Therefore, if you can have only one campaign to reach your target geography, choose based on your goals: more total searches or a higher conversion rate. When you want to reach all the searchers possible, using a combination of both GEO and IP campaigns will maximize your exposure.

Are Your Visitors Traveling Long Distances to Reach Your Business?

If your customers search with geographically qualified queries to find your business, do not rely on IP campaigns to reach your customers. For instance, searchers looking for hotels are rarely in the local area. Most searchers looking for hotels are searching for a city name and a hotel-based keyword, such as *San Francisco hotel*. While Google attempts to discern if there is a local intent in the search query to show IP targeted ads, you should take greater control of your ad serving by using geographically qualified queries as keywords in your account.

You can still run two different campaigns to reach all the users searching for your hotel; however, in this case if you wanted to run only a single campaign, you would reach more qualified users by using a GEO campaign instead of an IP campaign.

The Most Popular Geographic Keywords

In GEO campaigns, you will want to use geographic qualified keywords. Most accounts will not use every possible geographic keyword. Based on the area you want to reach, choose the ones most applicable to your campaign's geo-targeting goals.

State Names When reaching all users in a state, use the state name as a keyword qualifier. Some common examples are *California car insurance* and *Alabama BMW dealership*.

State Abbreviations The longer the state name, the more common it is to see searchers use the state abbreviation instead of the full state name. Keywords such as *NJ car insurance quote* or *AZ golf courses* are common searches. However, be careful when automating these abbreviations. Oregon's abbreviation is OR, which is such a

common word that Google often ignores it and often does not consider it a state-based search. It is common to see ads for *plumber MD*. While plumber doctors are not common businesses, MD is the abbreviation for Maryland. Maine is such a short state name that the residents rarely search for *plumber ME*, which is a good thing, because their abbreviation ME could be mistaken as the common use of the word and not as a state abbreviation.

Geographic Keyword Tools

While the sheer amount of names can seem overwhelming, you do not have to do this manually. There are tools where you can input a zip code, radius, state, country, and so forth and receive geographic reference points that correspond to your inputs. My favorite geographic keyword tool is the Geographic Keyword Finder Tool from CertifiedKnowledge.org. Find it here: <http://certifiedknowledge.org/membership-information/ppc-tools/geographic-keyword-finder-tool/>.

County Names Some states, such as Ohio, identify greatly with their local counties. Other states see very little search volume for county names. If you are licensed in a county or see a decent search volume for your local county, then use it as a keyword, such as *Orange County contractor*.

There are times when a geographic name is used in many locations. For instance, Orange County, California, is near Los Angeles and home to Disneyland. Visitors to Disney World have passed through Orange County, Florida. There are several Orange Counties in the United States. When your geographic area's name, whether it is a county, city, or other area, is the same in multiple locations, then use your ad copy to identify which location you serve.

While the electrician in Orange County, California, and the electrician in Orange County, Texas, are competing for impressions on the keyword *Orange Country electrician*, they are not competing for the clicks. The electrician in California does not want the users from Texas clicking on his ad. By adding the state abbreviation or some other geographic qualified keyword, such as the city name, the ad will inform the users of the actual area you serve. Santa Ana is the county seat of Orange Country, California. In this example, the ad copy "Orange County TX plumber" or "Santa Ana plumber" will help differentiate your ad from the other ads targeting Orange Counties in other states. The other option is to target only the state and not the country in your location settings, and therefore the searchers who use those confusing geographic keywords should not see your ads.

City or Metro Names Some of the most common geographic keywords are city and metro names. *Los Angeles museums*, *Orlando resorts*, and *Seattle travel agents* are good

examples of using a city name as a keyword. There are also a handful of cities where the city abbreviations are worth considering; NYC for New York City and LA for Los Angeles are the most common U.S. examples.

Zip Codes and Area Codes 72113 *plumber* is searched for by those looking for a plumber in Maumelle, Arkansas. Zip codes are hyper-local queries that generally have low search volume but highly targeted consumers. Area codes can also be used to designate a very specific local search.

When using area codes or zip codes as keyword qualifiers, do not utilize broad match. Google does not always realize that 60606 is different than 60406, yet anyone who lives in Chicago will tell you that one is in south Chicago and the other in north Chicago. Plumbers rarely serve both of those areas because it can take well over an hour, depending on traffic, to go from one zip code to the other.

Neighborhoods Some larger cities, such as Chicago, have many residents who identify with their neighborhood and use their neighborhood names as geographic qualifiers in their search results. The search *Rogers Park apartments* and other closely related keywords was conducted roughly 1,100 times a month throughout 2013. While that is not a high search volume, these search queries have an explicit geographic intent. If you rent apartments in Rogers Park, it is a keyword you should use. Searching by neighborhood names is not common in smaller cities; however, it is always worth examining the areas you are reaching to see if the consumers in your target market search with their neighborhood terms.

Airport Codes Many frequent travelers have been stuck in a city overnight due to the weather. Their first search is usually for the airport code and the word *hotel* followed by the airport code or *restaurant*. For instance, LAX is the abbreviation for the Los Angeles Airport. The search query *LAX hotel* is often searched more than 74,000 times a month.

There are instances where searchers have used SFO iPod headphones and gone shopping during a long layover. If you are near an airport, test using the airport codes as qualifiers. For example, if you were at the Hilton hotel located in the Chicago O'Hare airport, *ORD Hilton* and *ORD hotel* would be excellent keywords. In the LAX example, the query *LAX sushi* is searched a few hundred times each month. While the search volume is small, that is an explicit query. The more explicit the query, the greater the likelihood that conversion rates will be high.

If you serve the airport in some unique fashion, such as a taxi or limousine company, for instance, you should use airport codes as geo-qualifiers to your usual keywords.

Regional Lingo Every area has ways its residents describe themselves that are not official designations. Some of these words have high search volume, because that is how the locals think about their geographic area.

For instance, downtown Chicago is called the Loop. The query *loop restaurant* frequently breaks 10,000 searches a month, while *loop hotel* often breaks 27,000 monthly

However, a nonlocal will be confused by much of that language. A nonlocal wants to know if you can even serve their needs. A traveler wants to know general information such as how far you are from shopping, if you are near the airport, or if you are close to downtown.

Rush Street and Michigan Avenue are both in the heart of the Chicago shopping district. A local knows that fact. Therefore, “On Rush Street” tells a local more precise information than “In the Shopping District.” However, a nonlocal may not know that fact about Rush Street; therefore, the more general ad copy “Located in the Shopping District” is better nonlocal ad copy.

Engaging the Searcher Once someone has clicked on your ad, your landing page needs to continue to engage the searcher based on their knowledge of the local area. A local will look for driving directions, phone numbers, maps, and detailed business information on your website. If you are a delivery company, show a map that highlights the areas you deliver to so the person can quickly see if you serve their area.

Conversely, if you are a hotel catering to nonlocals, showing a map of the area with your location, the airport, the shopping district, or the nearest amusement park will let them understand how far you are from those various items that maybe related to the purpose of their trip.

Conversion Activities Since locals know precise information about your area, they often jump to items such as driving directions, online delivery ordering, or in-store pickup once they realize you can serve their needs.

However, nonlocals rarely have enough information to make that quick a decision. It is common for a nonlocal to make a phone call or send an email looking for a specific piece of information before finishing any conversion processes you have. Take note of the most common questions you receive so you can put those as pieces of information on your landing page to help a nonlocal make a quicker decision.

Rarely are locals and nonlocals looking for the same information. Think through what someone who knows your local area would want to find. If you are an actual store, it’s most likely driving directions or a phone number. If you are a pizza delivery company, it is most likely delivery area and online ordering or a phone number to order over the phone.

For nonlocals, you may need to give out as much information about the local area, such as shopping opportunities or the local amusement park, as you do about your actual business. By thinking through the differences between these two groups of individuals, you can write better ads and send the searcher to appropriate landing pages that can answer their questions so they can take the next step of doing business with your company.

If you use regional targeting, your ad could show a fifth line of ad text denoting the region your ads are targeted to. This is good for locals and excellent for nonlocals.

However, there is a way to put an actual address below your ad copy using location extensions.

Automatically Inserting Your Address into the Ad Copy

The location extension allows you to add additional information about your business location to your ad copy. This is another ad extension similar to those discussed in Chapter 4, “Writing Compelling Ads,” except this extension is available only if you want to showcase your business location to a user.

To access the location extension, navigate to the Ad Extensions tab and choose the Location Extensions options (Figure 11.12).

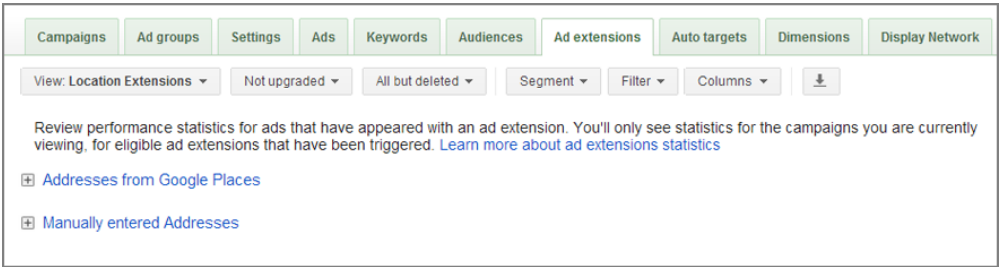


Figure 11.12 Location Extensions options

From this interface, you can view all your location extensions or add new ones. There are two ways of adding location extensions. The easiest way to accomplish this is to link your AdWords account with your Places for Business account. Expand the section under Addresses From Places for Business and enter your account credentials. This will automatically link your AdWords account to your Places for Business account so that your locations can show in your ad copy (Figure 11.13).

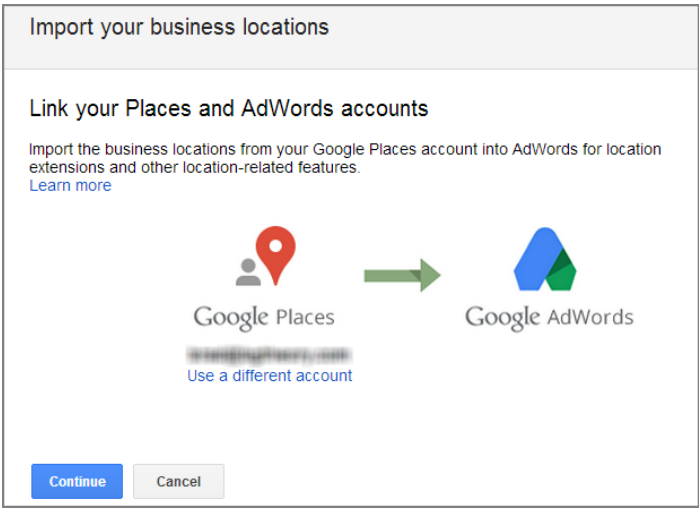


Figure 11.13 Connecting your Places for Business account

Location extensions can be enabled at the account, campaign, or ad group level. If you want to use the same extension across your entire account, you can make the extension at the account level and you are finished. If you have multiple businesses and want to show different business locations for each campaign or ad group, then you will need to create multiple extensions.

Places for Business Accounts

All businesses should claim their Places for Business account. This lets you control your business information that is displayed on Google maps and ensures the information is accurate. Navigate to www.google.com/local/add/ and walk through Google's wizard to create your account and enter or edit your business information. If you have several locations, use the bulk upload feature to add all your businesses at once. After you have created an account, you will be able to see statistics on how often your information was viewed and the number of actions that occurred with your listings. Please note, this has been called the Local Business Center and Places for Business in the past, so if you have created either of those accounts, you already have a Places for Business account.

At the moment, there are two types of location extensions that are left over from the Enhanced Campaign upgrade from the summer of 2013. The first is upgraded location extensions. With the upgraded extension, you must connect your AdWords account to a Places for Business account before the locations will show in your ads. The advantage of this extension is that you can choose for it to be displayed on mobile, desktop, or all devices. The second advantage is that you can create the extension at the account or ad group level.

The second location extension is the non-upgraded extension. With this extension, it can be enabled only at the campaign level; however, it has one advantage over the upgraded extension in that you can manually enter your business address (Figure 11.14) since it does not have to be connected to a Places for Business account. This is very useful when you are advertising for a location you do not own. For instance, if you are holding an event at a conference center or hotel, you may not own the venue but you still want to advertise the location. Therefore, adding addresses manually can be useful to promote the location of the event.

Once you have saved addresses in your campaign settings, Google will display your address in the text ads on Google.com (Figure 11.15) when Google determines that your address will help the searcher find the information they are seeking. Your address will almost always show on Google Local properties like maps.google.com.

Manually entered Addresses

Edit location

Extend my ads with manually-entered addresses ?

Country or territory: United States

Company name: Certified Knowledge

Phone number: (Optional)

Address line 1:

Address line 2:

City/Town: Chicago

State: Illinois

Zip: 60657

Map icon: Choose another | Upload new

Business image: Choose another | Upload new (Optional)

Figure 11.14 Manually adding addresses

Ads related to new york dry cleaners ?

Fast Dry Cleaning in NYC - VIP Dry Cleaning & Tailor
maps.google.com/VIPDryCleaning 1 (877) 860 0322
 Same Day Service
 329 Amsterdam Avenue, New York, NY

Dry Cleaning & Tailoring - drycleanny.com
www.drycleanny.com/
 save up to 25% Your Cleaning Needs
 89 WASHINGTON STREET, NEW YORK, NY - (212) 487-9127

Figure 11.15 Address shown in text ads on Google.com

If you have multiple addresses in the same campaign, each ad could be shown with any of your addresses. Generally, Google will display the address that is nearest the searcher. If you want to limit an ad to display only one address with an ad, you need to use the filtering option for the location extension (Figure 11.16) and use only one address per campaign.

Filter your account locations (optional)

If you'd like to use all locations from your Places account, skip this step.

When you add a filter, only locations that meet its conditions will be imported into AdWords. For example, you can import only locations with a certain business name or within a particular category. [Learn more](#)

Business name is

Business name

Category

Figure 11.16 Location extension filtering options

Using location extensions will help your business connect with searchers on Google.com by showing the additional address and giving the consumer more information about your business. However, location extensions really shine when your ads are shown on Google Maps. Creating a robust Google Places page will help your business stand out from the competition and can dramatically increase your presence on local properties.

A Case Study into Local Belief Systems

Local residents usually respect and defend their cities. One does not walk on stage in Boston and disparage the legacy of the Boston Celtics. Each area also has different beliefs and uses different criteria to determine whether information is credible.

These beliefs carry over into response rates for advertising. It is not uncommon to show the same ad in two different geographies and find two very different click-through rates or conversion rates. I’m going to walk through a study I did with a company that serves ads in the northeast United States.

This company has several locations throughout multiple states. Since they were trying to drive awareness of their new locations and attempting to drive foot traffic into their buildings, the main goal was to bring qualified visitors to their website so they could showcase how easy it was for anyone in the northeast to find one of their locations. They wanted to show that same ease in the ad copy as well as create a synergy between the ad copy and the landing page.

The headline, description line 1, and display URL of these ads were identical. The only difference was description line 2. The two lines were

- Locations throughout the state
- Convenient locations near you

Both of those lines of ad copy talk about multiple locations, but the difference in response rates between Pennsylvania and New Jersey (two states that border each other) was stunning (Table 11.3).

► **Table 11.3** Click-through rate by ad copy and geography

	Convenient Locations near You	Locations throughout the State
New Jersey	13.6%	2.1%
Pennsylvania (all)	5.6%	11.3%
Philadelphia	8%	5.5%
Rest of state	2.3%	16.4%

New Jersey is a state where most people, except for commuters, do not drive from the north side of the state to the south side of the state on a regular basis, even though it takes less than three hours to do so. Therefore, the ad copy “Locations throughout the

state” did not do well. New Jersey is a state of convenience. The adage “If it’s more than 15 minutes away, it doesn’t exist” can be used to explain much of the state’s behavior. Hence, the ad copy that used the word *convenient* did well in the state.

The middle of Pennsylvania is rural. Consumers often drive an hour or more to shop at the outlet malls. It is not uncommon to see someone from State College, which is in the middle of the state, drive to Philadelphia, Pittsburgh, or the Poconos to do their shopping. All of those options take more than an hour of driving time. Overall, people in the middle of the state do not believe the word *convenient* applies to them. Therefore, outside of Philadelphia, the ad copy using the word *convenient* did poorly. However, telling people in Pennsylvania the truth—we’re not close, but we are all over the state—increased response rates.

Philadelphia, one of the largest cities in the United States, was the exception in Pennsylvania. It is common to see residents of large cities behave differently from people who live in rural areas. The CTR difference between Philadelphia and the rest of Pennsylvania highlights these differences.

If this were your account, you would want to divide your targeting into four campaigns:

- The first campaign would target only New Jersey with the “convenient” ad copy.
- The second campaign would target Pennsylvania and use the excluded regions feature so consumers in Philadelphia do not see the ad. This campaign would use the “Locations throughout the state” ad copy.
- The third campaign would target only Philadelphia with the “convenient” ad copy and test a few other variations of ads to see what else resonated in this city.
- The fourth campaign would utilize geographic keywords. This campaign would have a large number of ad groups that all use the geographic modifiers, such as New Jersey, Pittsburgh, Pennsylvania, Allentown, Trenton, and Philadelphia.

The difference in belief systems by geography is one of the reasons you see different billboards and TV commercials from national companies in different locations. Each area has different cultural norms. If no one believes your ads, the ads will not get clicked and you will not receive conversions from those searchers.

Viewing Geographic Results

When you start adding multiple addresses or showing your ads in a variety of geographies, it can be difficult to see your ads and the local competition because you might not live in all of your target markets. Google provides a nice tool that allows you to see ads in various locations.

Navigate to <https://adwords.google.com/d/AdPreview/>. At the top of the page you can enter specific criteria to preview ads (as shown in Figure 11.17) if you are logged into your AdWords account:

Ad Preview and Diagnosis

With the Ad Preview and Diagnosis tool, you can search for your ad just like you would on a regular Google search results page, without accruing any impressions. Use the drop-down menus below to configure additional options for your search. [Learn more](#)

☐ Additional options

Domain

Language

Location **Chicago, Illinois, United States** [Edit](#)

Device ☐ Desktop or laptop computer
☒ Mobile device with full browser (e.g., iPhone)

Operating system Version

Carrier or Wi-Fi

☐ Tablet with full browser (e.g., iPad)

Figure 11.17 Ad Preview and Diagnosis tool

This tool has several options that you can utilize to preview ads:

- Keyword
- Google domain (Google.com, Google.co.uk)
- Language
- Location
- Device
- Operating system (for mobile and tablets only)
- Carrier or Wi-Fi (for mobile and tablets only)

Once you fill out the information, you can preview what a user who is conducting a search at that moment in time would see in that target geography. This is an important caveat: *at that moment in time*. If your daily budget is exhausted for the day, your ad will not show up on Google.com, and therefore it will also not show up in the Ad Preview and Diagnosis tool.

If you want to see what someone who lives in Alpine, Arizona, would see when conducting a search for *electrician* on Google.com in English, using an Android phone, then enter the information into the tool. The bottom of the preview page will reload with your search results (Figure 11.18).

You should always use this tool when searching for your own ads, because if you conduct searches on Google for your ad and then never click on them, it appears to Google that your ads are not relevant to you as a searcher. When this happens, Google may stop showing your ads to you when you conduct searches, or you may see the ad in different positions than one-time searchers would see. When your ad is displayed on the ad preview page, it does not count as an impression or affect the statistics in your account in any manner.

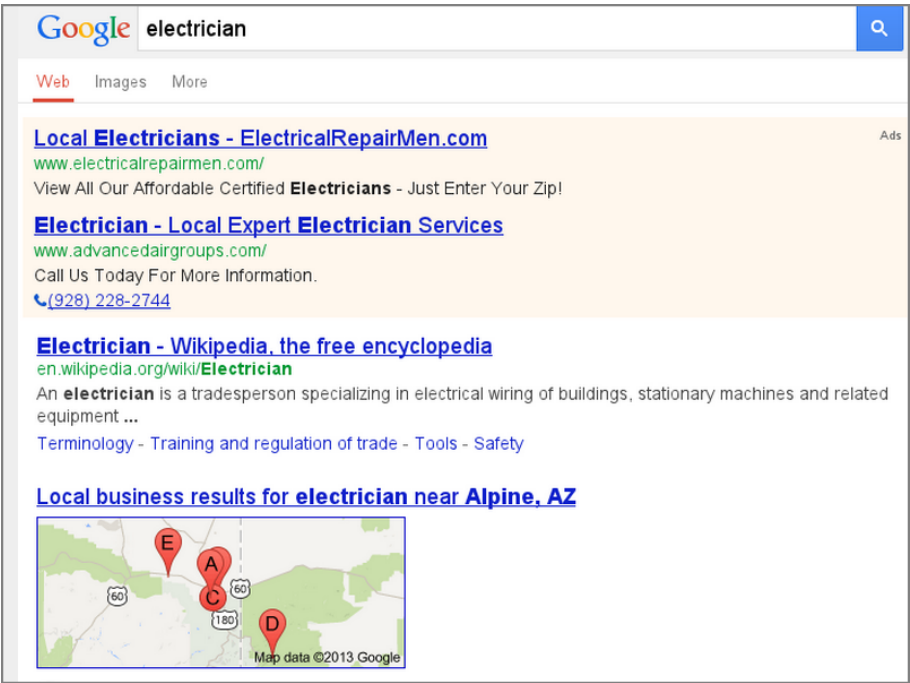


Figure 11.18 Electrician preview results for Alpine, AZ

Geographic Performance Reports

AdWords offers geographic performance data, which will give you statistics broken down by geographic region. For instance, you can see the cost per click, click-through rate, conversion rate, and cost per conversion by geographic region (Figure 11.19).

Campaigns Ad groups Settings Ads Keywords Audiences Ad extensions Dimensions Display Network													
View: Geographic Filter Columns													
Country/Territory	Region	Metro area	City	Most specific location	Location type	Clicks	Impr.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (1-per-click)	Cost / conv. (1-per-click)
United States	California	Los Angeles CA	Los Angeles	Los Angeles	Physical location	88,437	10,271,233	0.86%	\$4.50	\$397,552.85	2.5	55	\$217.80
United States	California		Unspecified	California	Physical location	4,678	4,781,447	0.10%	\$1.64	\$7,657.12	3.0	83	\$13.41
United States	California	San Diego CA	San Diego	San Diego	Physical location	29,956	3,115,402	0.96%	\$4.54	\$135,930.84	2.7	10	\$298.47
United States	California	Los Angeles CA	Unspecified	Los Angeles CA	Physical location	17,930	1,425,817	1.26%	\$3.52	\$63,058.43	1.6	82	\$35.31

Figure 11.19 Geographic performance data

In Chapter 16, “AdWords Reports: Extracting Actionable Information,” I will take a detailed look at reports and extracting data out of AdWords in order to optimize accounts. Please note that with the geographic data, you can customize this data by country, region (state or province), metro area, and city (Figure 11.20).

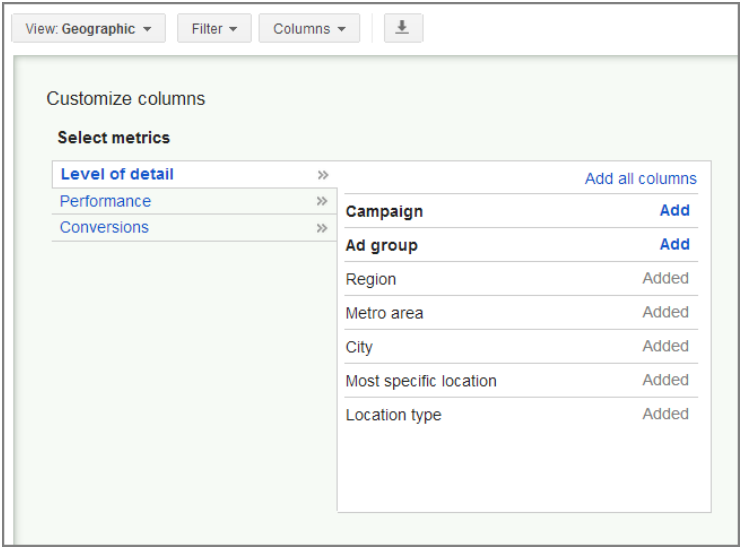


Figure 11.20 Customizing geographic data

One good use of this report is to find areas where you are not performing well. If you are targeting the entire United States and find that only 1 percent of your conversions are coming from New York City, yet that metro area is roughly 15.6 percent of the entire U.S. population, then you are not fully taking advantage of the region.

You may find there is more competition in New York City for your services and that your ads are on page 2 or 3, and to receive more exposure you need to raise your bids in just that area. Or you may find that you are receiving the visitors, but your conversion rate there is much lower than in other areas.

In this case, you might want to create a new campaign that is targeted to just New York City, where you can showcase a different offer and bid separately from the rest of the United States. You should also exclude New York City from showing ads in your original campaign that is targeted to the entire country.

An easy way of working with this report is to use Excel pivot tables, as discussed in Chapter 7, “Demystifying Quality Score.” If you examine your data by geographic region, you can see conversions, conversion rate, and other data points by individual region (Figure 11.21).

One of the quality score factors for search is your click-through rate in a geographic region. If your ads have a high CTR in Seattle and a low CTR in Phoenix, your ads will be shown more in Seattle due to a higher CTR in that region. The geographic performance report will allow you to see CTR by geographic area (Figure 11.22).

Row Labels	Total Conversions	Conversion Rate
(all other regions)	3826	4.89%
Aguascalientes	103	11.96%
Alabama	66	5.07%
Alaska	23	4.50%
Alava	12	15.94%
Alberta	283	3.95%
Andalucía	217	6.36%
Aquitaine	15	3.85%
Arizona	209	6.67%
Arkansas	24	3.28%
Attiki	688	6.92%
Auckland	119	6.14%
Australian Capital Territory	37	28.00%
Baja California	508	8.01%
Barcelona	318	7.41%
British Columbia	291	3.95%
California	1311	6.51%

Figure 11.21 Geographic data in a pivot table

Row Labels	Average	Total Cost
Alabama	28.39%	138.78
Alaska	30.12%	67.02
Alberta	6.03%	448.96
Andalucía	9.36%	198.36
Arizona	19.80%	296.25
Arkadia	46.19%	0.48
Arkansas	31.36%	87.98
Arta	26.86%	0.6
Asturias	10.66%	36.08
Attiki	1.54%	339.01
Auckland	2.67%	59.87
Australian Capital Territory	31.75%	20.78
Baja California	3.11%	133.28
Baja California Sur	8.09%	18.84
Barcelona	5.22%	156.54
British Columbia	12.55%	482.75
Cadiz	11.71%	22.67
California	26.36%	2285.21

Figure 11.22 Examining CTR and spend by region

It is useful to layer other statistics with CTR to see where you want to spend your time optimizing an account. For instance, this account has only spent \$0.60 in Arta. Regardless of CTR, this probably is not a place to spend your time, especially when combined with the knowledge that Arta is a city in Greece with a population of 23,000. This account's overall CTR is 14.62 percent. However, in Baja, California, the CTR is 3.11 percent. In Attiki, Greece, the CTR is only 1.54 percent. Since both of those locations have more than 3 million residents and have higher spends than many other locations, optimizing the ads for those locations would be a more appropriate place to spend your time.

When optimizing local ads, the first step is to use Google’s Ad Preview and Diagnosis tool and see if the ad is blending into the others in that region. If the ad does stand out, it could be that the locals just do not respond to your current ad copy. If you wanted to reach Attiki differently than the other regions where the ad is shown, you could create a different campaign for just Attiki.

The geographic performance report allows you to examine your statistics for each region where your ad has been shown. When combined with location targeting, you can optimize your account by geographies to make sure searchers are responding to your ads in every area where you want to reach consumers.

This data is also used for bid modifiers, which will be discussed in Chapter 13. In addition, this data is based on your targeting options, not the actual user’s location. To determine the actual user’s location and statistics, you need to examine another report in the dimensions tab, called user locations (Figure 11.23).

View: User locations														
Filter		Columns												
Country/Territory	Region	Metro area	City	Most specific location	Clicks	Impr.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (1-per-click)	Cost / conv. (1-per-click)	Conv. rate (1-per-click)	
United States	California	Los Angeles CA	Los Angeles	Los Angeles	88,439	10,272,166	0.86%	\$4.50	\$397,559.18	2.5	55	\$217.80	2.32%	
United States	California	San Diego CA	San Diego	San Diego	29,956	3,115,855	0.96%	\$4.54	\$135,930.84	2.7	10	\$298.47	1.81%	
United States	California		Los Angeles	Los Angeles	13,634	1,352,776	1.01%	\$5.73	\$78,056.14	2.2	76	\$105.23	4.70%	
United States	Unspecified		Unspecified	United States	19,874	2,240,448	0.89%	\$3.73	\$74,197.73	2.6	55	\$38.19	7.79%	
United States	California	Los Angeles CA	Unspecified	Los Angeles CA	17,930	1,425,833	1.26%	\$3.52	\$63,058.43	1.6	82	\$35.31	8.96%	
United States	California	San Francisco-Oakland-San Jose CA	San Francisco	San Francisco	9,383	1,027,234	0.91%	\$4.80	\$45,036.19	2.8	33	\$96.21	5.81%	

Figure 11.23 User locations

This report is useful in determining if you want to change your advanced location settings to show ads only to a certain region. For instance, if you are a hotel in New York City, and users from Paris are converting, then you want to make sure that you do not limit your ads not to be shown to these users.

However, if you are a local business and you find that users from faraway places are searching for your business and are not converting, then you should change your advanced location settings to ensure that your ads are not shown to those users.

Best Practices for Geographic Targeting

The first step in location targeting is to understand where your target market lives and then make sure you are targeting those users appropriately. The second step is to ensure that your ads are being received properly in the various geographic regions and to then

adjust your ads and location targeting properly. By following the best practices in this chapter, you should be able to accomplish those two concepts in an effective manner.

- Define where your users are located. Then ensure that your ads are being shown only to the appropriate users.
- You should try to limit your exposure to a maximum of one country per campaign. This will allow you to create more targeted ads and send users to more specific landing pages.
- Use a combination of location targeting and excluded regions to organize your campaigns and to make sure you are reaching your target locations.
- Since much of the technology behind geo-targeting is based on a user's host provider's address, the smaller the area you target, the more people you will miss. It can be useful to target a larger area than you serve to reach more potential prospects and then use ad copy descriptors to let searchers know exactly the areas you serve.
- Geo-qualifiers are useful as both keywords and in ad copy. Here are a few guidelines:
 - Be careful when using state abbreviations as keywords. Some state's abbreviations, such as Maine (ME), Oregon (OR), and Maryland (MD), have alternate meanings.
 - When two areas share the same name, use a metro, state, or regional qualifier in the ad copy to let the searchers know which area you serve.
 - When using zip codes, do not use broad match; always use phrase or exact match.
 - Using regional lingo both as keywords and in ad copy will help you connect with local searchers.
- Understand whether your target market comprises locals or nonlocals so you can write ads and use landing pages based on their knowledge of your area.
 - Nonlocals need to be reassured that you can serve their needs and that you are in the area where they are searching for information.
 - Locals want precise information such as address and driving directions.
 - Examine the local belief systems to make sure consumers consider your offers credible.
- If you have a physical business or are advertising a specific location, the location extension will let customers know exactly where you are located.
- Always use the Google Ad Preview and Diagnosis tool when searching for your own ads so it will not count in your account's statistics. The tool should be your first step when researching local competition for your ads.
- Geographic data will give you performance insights in the various locations where your ads were shown. Use these metrics to optimize your account.

By following these best practices, you should be able to target your ads to the locations that house your target market. Then write ad copy that engages users based on their knowledge of the area. Finally, run reports that will show you if you are being successful and reveal areas where you can improve.

These past few chapters have been about reaching your audience through location targeting and the display network. Many of these best practices can be time consuming when you use the AdWords online interface. In the next chapter, I will introduce the AdWords Editor, which will speed up how quickly you can make account changes. I will also walk through methods to scale your account in a quick yet efficient manner.

Saving Time and Scaling Accounts with AdWords Editor

AdWords Editor is a free downloadable desktop program offered by Google that allows you to manage your AdWords account on your computer instead of using Google's online interface. Learning how to use AdWords Editor can save you tremendous amounts of time.

AdWords Editor also supports the bulk importing of ad copy and keywords. Combining the editor with Microsoft Excel can help you scale your account to house thousands of pieces of ad copy with tens of thousands of keywords.

In this chapter you will learn how to define and organize your ad groups offline so that you can still use best practice management even with extremely large accounts.

12

Chapter Contents

AdWords Editor overview

Scaling your account

Optimizing display with AdWords Editor

Best practices for using AdWords Editor

AdWords Editor Overview

Google's AdWords Editor makes it easy to manage your account. You can add, remove, or pause keywords, ad copy, ad groups, or campaigns from a single interface. You can see your statistics, Quality Score, first page bids, and other metrics within this program. You can make the vast majority of changes to your account within this editor. This should be the program you use to optimize your account. Since the editor sits on your computer and not on the Web, you can work on your account quickly instead of waiting for the AdWords interface to load.

Once you download your account into the editor and start making changes, those changes do not go live immediately—they remain offline until you decide to upload them. You can make any number of changes to your campaigns and then post them online when you are satisfied with the adjustments. Once you post the changes, they will go live within your AdWords account instantly.

Although most of the options available through the AdWords online interface are also in the editor, a handful of more advanced options are not available there. However, AdWords Editor does have capabilities such as import and export that are not available in the online interface. Whenever you need to make bulk changes to your account, you can save yourself a significant amount of time by using the editor instead of the online interface.

I will walk through the interface and basic functionalities of the editor and then look at some tricks to save you time and headaches.

To download the editor, you can go to www.google.com/intl/en/adwordseditor/. Or choose the Tools menu in your AdWords account and click the AdWords Editor link, which will take you to this web page.

When new features are added to the interface that can easily be added to the editor, they usually appear in the next release of the editor. When you open AdWords Editor, it will automatically check for new versions and prompt you to download a newer version if one exists. The editor is available for both Windows and Mac computers.

Choosing Your Viewpoint

The layout of AdWords Editor is similar to the interface that Google launched in the summer of 2012, which is the last major change to the interface as of this writing. You can choose how much data and the type of data you want to view and have access to several tools. Figure 12.1 shows what the editor looks like in its entirety.

Please note that the editor shows so much data about an account that I cannot use a client's account to show the information due to privacy reasons. The information being displayed is from my demo account, so examine the screenshots from a functionality view and not from the data or organization standpoint.

In the left column (Figure 12.2), you select how much data you want to view. You can see all data points in your account, a campaign, or an individual ad group.

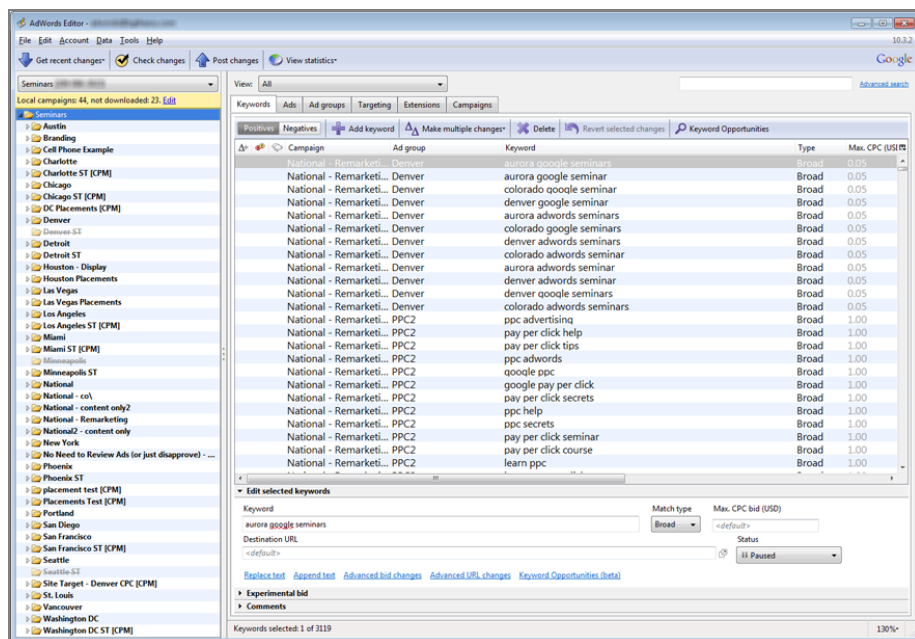


Figure 12.1 The AdWords Editor interface

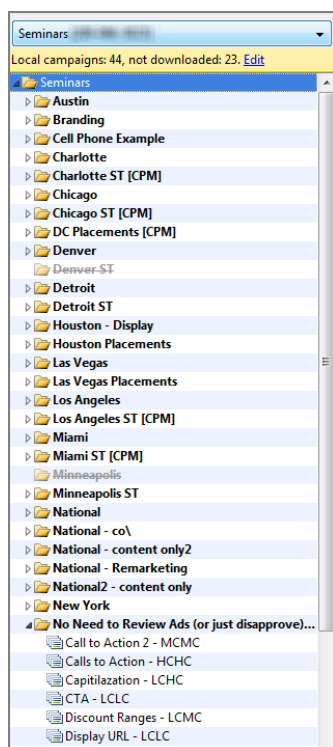


Figure 12.2 Account navigation column

Along the middle horizontal bar, you can choose what data points you want to see: keywords, placements, audiences, ads, ad groups, extensions, or campaigns (Figure 12.3). In addition, you can filter the data by unposted changes, errors, warnings, or all the data available. Some tabs, such as Keywords, have multiple view options, including positives and negatives for keywords.

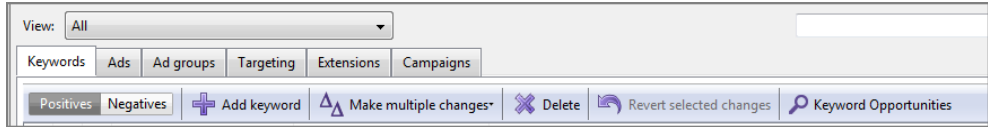


Figure 12.3 Choosing the data you want to view

In the top navigation column, you can right-click to choose exactly what types of data you want to view (Figure 12.4). Depending on the data you are viewing, you will see different customization options. For instance, on the Ads tab you will see items such as Headline, Description Line 1, and so on, whereas on the Keywords tab you will see items such as Match Type and Bids.

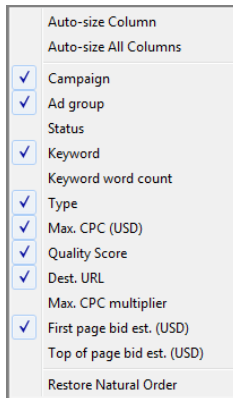


Figure 12.4 Customizing the Keywords column

The combination of the navigation and data columns allows you to work with any type and amount of data you wish to view. You can see all ads in your account or just negative keywords in a single ad group. How you want to view the data is entirely up to you.

AdWords Editor Shortcuts

Since this is a desktop application, the standard desktop shortcuts also work. For instance, for Windows users, Ctrl+C lets you copy the data point you are working on and Ctrl+V lets you paste that same data point into another area. For Mac users, the keyword shortcuts Cmd+C and Cmd+V do the same. Becoming familiar with the

available shortcuts will allow you to quickly navigate through the interface and make bulk changes. Table 12.1 lists the shortcuts you've probably been using for years in various Windows and Mac applications. Table 12.2 deserves special attention, because it provides the special AdWords Editor shortcuts for Windows.

► **Table 12.1** Common keyboard shortcuts

Command	Windows shortcut	Mac shortcut
Open account	Ctrl+O	Cmd+O
Search	Ctrl+F	Cmd+F
Replace text in selected items	Ctrl+H	Cmd+Shift+R
Copy selected items	Ctrl+C	Cmd+C
Cut selected items	Ctrl+X	Cmd+X
Paste items	Ctrl+V	Cmd+V
Delete selected items	Delete key	
Post changes (the standard Save command)	Ctrl+S	Cmd+S
Exit AdWords Editor	Ctrl+W	

► **Table 12.2** AdWords Editor Windows keyboard shortcuts

Command	Shortcut
Get recent account changes	Ctrl+R
Check changes	Ctrl+P
Check changes in selected campaigns	Ctrl+Alt+P
Post changes in selected campaigns	Ctrl+Alt+S
Open advanced search	Ctrl+Shift+F
Select all items in data view	Ctrl+A
Revert selected changes	Ctrl+Z

Besides the common shortcuts, these are a few that everyone should know even if you decide not to become a shortcut wizard with AdWords Editor.

Many more shortcuts are supported by AdWords Editor ranging from complex ones such as adding or deleting multiple campaign keywords to creating a new ad group. Additional shortcuts for Windows and Mac users are available on Google's AdWords Editor website here:

Windows:

<http://support.google.com/adwords/editor/bin/answer.py?hl=en&answer=54654>

Mac:

<http://support.google.com/adwords/editor/bin/answer.py?hl=en&answer=57767>

Using Visual Cues

As you add and remove data from the editor, visual symbols appear:

- Plus (+): Added item.
- Delta (Δ): Edited item.
- Minus (-): Deleted item.
- Red-colored circle: Item may violate AdWords policies, and an exception request will need to be filed before you can make the change. Or, there is a reason the change cannot be posted, such as an active campaign having an end date in the past.
- Yellow-colored circle: Item may violate AdWords policies, but you can still upload the changes. This commonly occurs when you have ad groups without keywords or ads.
- Green-colored circle: Item passed AdWords policy checks.
- Comment icon: A comment is associated with that data point (Figure 12.5).

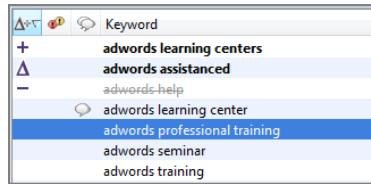


Figure 12.5 There is a comment associated with the keyword *AdWords learning center*.

The comments feature in AdWords Editor is extremely useful for keeping notes on why you made a change or why you added or removed a data item. It's also nice for keeping track of something you need to check on in the future.

These are the basics of how the editor functions. You will discover many more options when using the editor. It's an intuitive interface, so you'll easily learn its functionality once you understand the basics.

Viewing Your Account in AdWords Editor

When you first install the editor, it will not be associated with any AdWords accounts. The first step is to open your AdWords account in the editor. Either use the shortcut Ctrl+O or navigate to the File menu and click Open Account (Figure 12.6).

A dialog box opens where you can enter your AdWords login email address and the password. Once you enter the information, your account is downloaded into the editor.

You can enter the credentials of several different accounts in AdWords Editor for quick access to all those accounts. If you enter a My Client Center (MCC) email address, you will be able to see every account that is linked to that MCC.

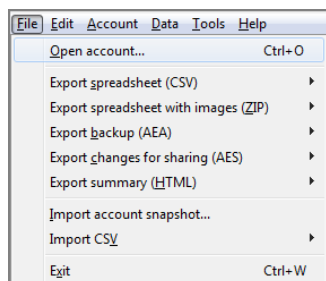


Figure 12.6 Opening your AdWords account in the editor

In the editor, you can perform typical account management actions such as the following:

- Change bids
- Add or remove keywords and negative keywords
- Add or remove Display Network targets
- Add or remove text ads
- Create or delete ad groups
- Create or delete campaigns
- Change campaign settings

When you first start using AdWords Editor, your AdWords Editor file and your AdWords online interface will contain the same data. As you make changes within AdWords Editor, those changes are not automatically made to your online account. To post changes online, click the Post Changes (or Post Selected Campaigns) button (Ctrl+Alt+S), and you will be presented with a box listing your changes (Figure 12.7). If your current view is not the entire account but either an ad group or a campaign, then you will have the option to post changes either for the entire account or for just a single campaign.

If you are posting a handful of changes, you can post them for your entire account at once. If you are posting more than 25,000 keywords or more than 3,000 ads, you may run into problems. It is not uncommon for AdWords Editor to appear to be working but actually to have timed out on the back-end. Therefore, if you are making large bulk changes, upload only changes to a single campaign at once. If you are making a few keyword changes or adding a dozen text ads, it will take the editor seconds to make the changes. It could take a few hours to do large bulk changes, such as uploading 100,000 new keywords.

While AdWords Editor is posting changes, do not change those same campaigns in the online interface. The AdWords system could become confused as to which changes should be in effect.

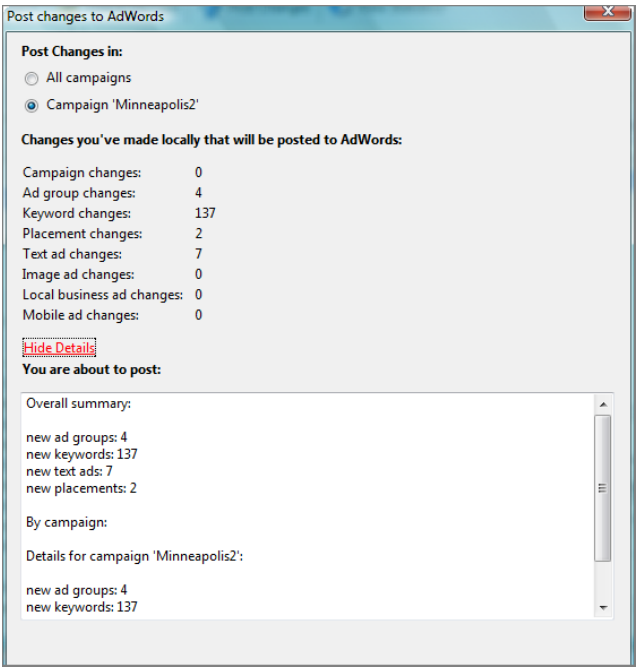


Figure 12.7 Reviewing and then posting your changes

It is a good idea to make sure that no one else on your team is working on the same account, or the same campaigns within an account, while you are making changes offline in AdWords Editor. If you or anyone else on your team makes changes online, your AdWords Editor file will not be synced with your AdWords account. Additionally, if someone else has downloaded the same account into the editor and then posts their own sets of changes to the same items while you are still working on your edits, you will overwrite their changes when you post yours. It is a good idea to sync your AdWords Editor file with your Google AdWords account before you begin a new round of edits offline in AdWords Editor. To do that, use the Get Recent Account Changes option to download your account. If you want to download your entire account and overwrite any local changes you made in the editor, use the Get Full Account option (Figure 12.8).

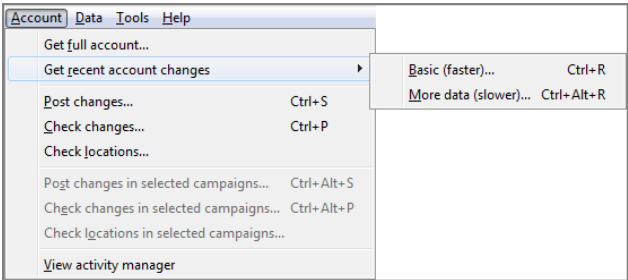


Figure 12.8 Downloading new changes to your AdWords Editor file

Giving Multiple People Access to Your AdWords Account

In either your AdWords account or your MCC, you can create a user login for each person who has access to your account (Figure 12.9).

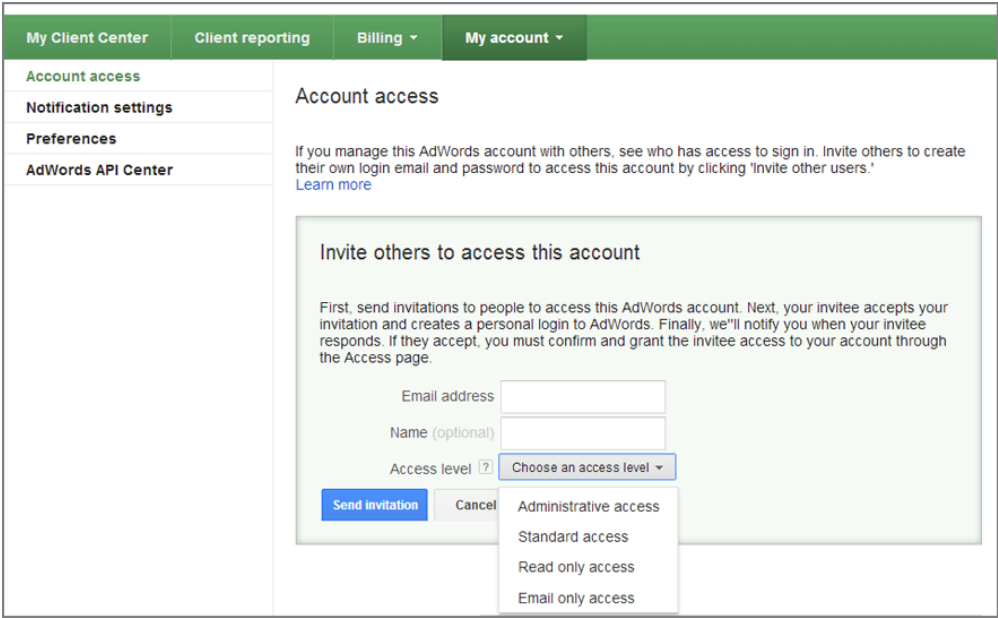


Figure 12.9 Giving account access to additional people

This ability is useful from both security and tracking standpoints. If someone leaves your company, you can disable a single login and not worry about having to change all of your access passwords. When someone makes changes in your account, the change shows up in the My Change History tool with the associated login that made each change.

When someone first opens your account in AdWords Editor, they can download your account with their login credentials. When that person posts changes to your account from AdWords Editor, the account used to post those changes will show up in the My Change History tool as well, so you can track which login is making changes to your account. The Change History report can help you fix things when one person inadvertently overwrites another person's changes. However, it is never any fun to make the same changes twice, so the best option is to make sure that only one person is working on a campaign at a time.

However, if you would like even more control over who can make changes to your account, AdWords Editor has an additional feature called Export Changes for Sharing (AES) (Figure 12.10). The AdWords Editor file extension is .aes.

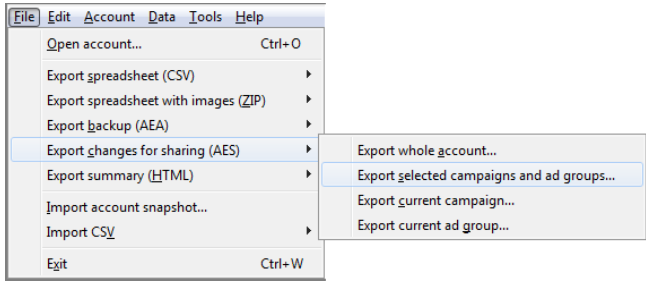


Figure 12.10 Exporting your editor changes for sharing

You can export your editor file and send it to another person who can open your account in their AdWords Editor program. That person can then make changes to your account, and instead of uploading the changes, they can send the file back to you. Then you can see what their proposed changes are and have the capability to accept or reject changes (Figure 12.11).

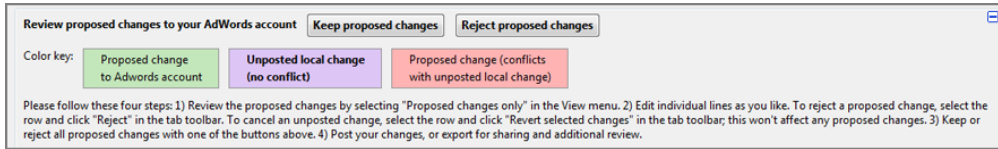


Figure 12.11 Accepting or rejecting changes

Once you have accepted the changes you would like to go live in your account, you can post those changes. If you have several people who work on your account, having a central gatekeeper who understands all of the changes and their implications can be useful in maintaining control over what is happening inside your AdWords account.

Scaling Your Account

Most of the best practices for PPC account management you read about recommend creating small ad groups of tightly themed keywords and handwriting ad copy that can be tested for those keywords.

While these are best practices for small and medium-size accounts, it is not always practical when you are managing thousands of ad groups, tens of thousands of keywords, and thousands of ads. However, there are ways of mass-creating keywords and ad copy inside a spreadsheet program and then using AdWords Editor to import that information into your account.

First you will learn how to import anywhere from a single keyword to thousands of keywords into your account. Then you will examine how to import ad copy for those keywords.

Importing Keywords

AdWords Editor lets you copy and paste data from other programs into the editor. This allows you to use a spreadsheet program, such as Excel, to create and organize your keywords and then copy that data and paste it into AdWords Editor. Just follow these steps:

1. Navigate to the Keywords tab, click Make Multiple Changes, and choose Add/Update Multiple Keywords (Figure 12.12).

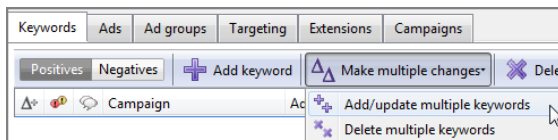


Figure 12.12 Mass importing keywords into AdWords Editor

This will bring you to a screen where you can paste large amounts of data. There are a few ways that you can import the data; for now, we are going to focus on importing everything so that you can automatically create new campaigns, ad groups, and add keywords all at once.

2. Create an Excel file where the columns, in this order, contain these data points (Figure 12.13):

	A	B	C	D	E	F	G
1	Required (or Strongly Suggested)				Optional		
2	Campaign	Ad Group	Keyword	Keyword Type	Max CPC	Destination URL	Keyword Status
3	Austin	Seminars	advanced marketing seminar	Exact			
4	Charlotte	Seminars	advanced marketing seminar	Exact			
5	Austin	Seminars	advanced marketing seminars	Exact			
6	Charlotte	Seminars	advanced marketing seminars	Exact			
7	Austin	AdWords	adwords class	Exact			
8	Charlotte	AdWords	adwords class	Exact			
9	Austin	AdWords	adwords classes	Exact			

Figure 12.13 Excel file with the proper headers

- Campaign name
- Ad group name
- Keyword
- Keyword type (same as match type; this is optional, but strongly recommended)
- Max CPC (optional)
- Destination URL (optional)
- Keyword status (optional)
- Comment (optional)

3. In Excel, you can then create all the data you want to add to your AdWords account. If you conducted research with the AdWords Keyword Planner (from Chapter 3, “Keyword Tools: Extracting Valuable Data from Google”) and have hundreds or thousands of keywords, you would not want to go through the AdWords online interface to add all of those keywords to various ad groups. Instead, put your keywords in column 3, and then add the campaign name, ad group name, and so on for the data you want to import.
When you import the data, if there is no campaign or ad group name within a campaign that you are adding, AdWords Editor will automatically create those campaigns and ad groups for you.
4. Once you have organized the data, copy and paste it into AdWords Editor. At the top of the screen, check the option “My keyword information below includes columns for campaigns and ad group names.”
5. Click the Preview button. This will bring you to a wizard that asks you to define the columns. Define the columns based on the Excel organization and then choose “Remember the order of my column headings for future imports” (Figure 12.14). This will ensure you can skip this step in the future.

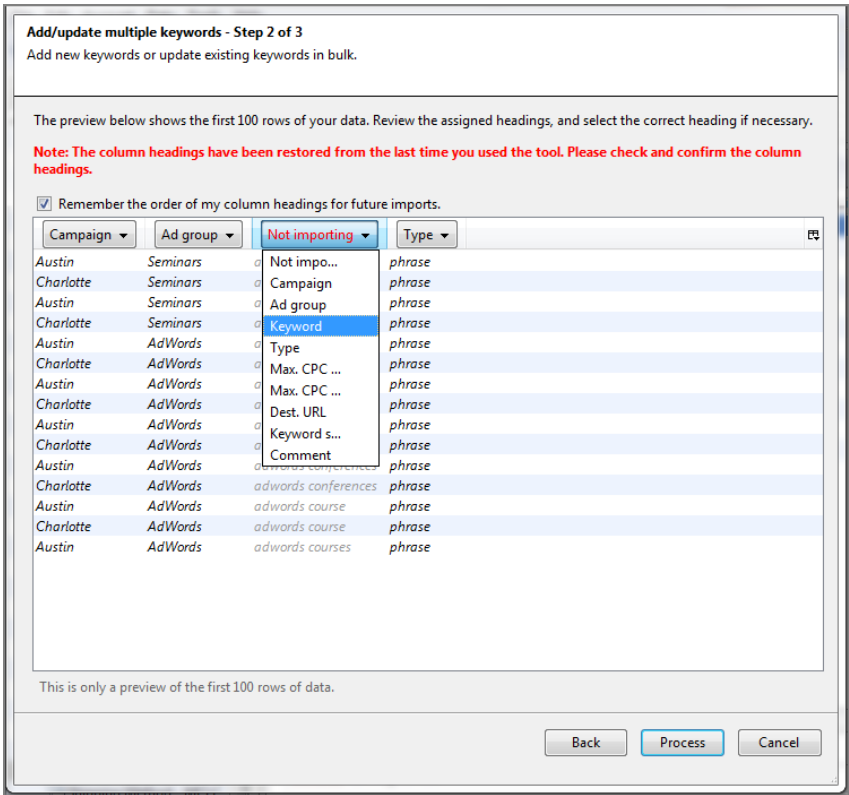


Figure 12.14 Defining the import columns

6. Click the Process button and the editor will add your new keywords to your account.

If you created new ad groups or campaigns, navigate to those items in the editor to set your bids, daily budget, and other campaign or ad group settings.

Creating Thousands of Keywords and Ad Groups

You can also use Excel to create hundreds of thousands of keywords, although when doing so, it is suggested that you just create one campaign at a time.

Let's reexamine the keyword methodology chart from Chapter 2, "Performing Keyword Research." In the keyword listing methodology, you will create several lists of several keywords. Table 12.3 is the maternity shirt example from Chapter 2.

► **Table 12.3** Maternity shirt example keywords

Category adjectives	Product types	Product attributes 1	Product attributes 2	Example keywords
Pregnant	Shirt	Long sleeve	Cotton	Pregnancy shirt
Pregnancy	T-shirt	Short sleeve	Rayon	Pregnancy shirt long sleeve
Maternity	Dress blouse	Sleeveless	Silk	Pregnancy shirt cotton
	Tops		Stretchable	Pregnancy shirt long sleeve cotton
	Polo shirt		Natural fibers	
	Sweatshirt		Wool	

The first thing to do when scaling your accounts is to determine your campaigns and ad groups. For ease of explanation, in this example we are going to assume it is a national retailer who is just getting started, and therefore they need only national search campaigns.

In addition, make the assumption that the lists in Table 12.3 are much longer. For instance, there are many more product types, attributes, brands, and so forth that could be included in the lists in Table 12.3.

Since for this example you are using a single campaign, the next step is to decide on the ad groups. In the earlier list, the words are not yet defined as ad groups or keywords. For instance, you could have the ad group Maternity Cotton Shirts with keywords such as *xl maternity cotton shirts*. Or you could have the ad group Maternity Shirts with the keyword *cotton maternity shirts*. There are many possibilities. Therefore, determine how many ad groups you want to devote to your current list. If this company sold men's, women's, children's, and other clothing, you might not want to use thousands of ad groups for just maternity clothing. Since you would also have hundreds or thousands of ad groups for each of men's, women's, and children's clothing

categories, it would not make sense to start with thousands of ad groups for a specific clothing type, such as maternity, shoes, or outerwear. An account might get there after learning what is converting and optimizing the account, but let's start more simply.

If the company sold only maternity clothing, and therefore all your ad groups were going to be related to maternity, you could be more liberal in your ad group selection and have thousands of maternity ad groups.

Organizing Your Account

Account organization is so important to long-term success that it can be useful to create a document that covers how you are going to reach your audience, how that audience searches, and how you are going to break down your ad groups and campaigns into a manageable account structure before even opening your AdWords account. Chapter 14, "Organizing Accounts Successfully," takes an in-depth look at successful account organization.

Let's assume that after you did research you found out these points (and these are made up, so please do not use them for your organization):

- The words *maternity* and *pregnancy* are used interchangeably, and user intent did not vary based on the word being searched.
- *Cotton* and *stretchable* are the most common attributes searched, and the search volume for the other materials is much smaller.
- There is a large search volume for branded terms, and you are allowed to use the branded terms in your ads and in compliance with the AdWords trademark policies and applicable laws.
- It is summertime, and while the search volume for *swimsuits* and *sundresses* is high, those words do not combine well with the list in Table 12.3, and you will need a second list for sundresses and swimsuits.

This is a short list of points for illustration purposes only. Your research should uncover more information about the searchers.

Armed with this information, it is now time to create the ad groups. The information leads you to making these assumptions about your organization:

- The words *maternity* and *pregnancy* are used interchangeably, and user intent did not vary based on the word being searched.
You are going to use the words *maternity* and *pregnancy* as keyword modifiers and not as different ad groups. Therefore, whenever a keyword is added, it will be added twice, once with the *pregnancy* modifier and once with the *maternity* modifier. For instance, your keywords would be *maternity cotton shirt* and *pregnancy cotton shirt*.
- *Cotton* and *stretchable* are the most common attributes searched; the search volume for the other materials is much smaller.

For each product type, there will be three ad groups: Cotton, Stretchable, and Other. Therefore, you will have Cotton Suits, Stretchable Suits, and Other Suits as ad groups.

In the Other Suits ad group, you will use all of the additional product attribute modifiers as keyword modifiers. For instance, *pregnancy wool suit*, *maternity wool suit*, *pregnancy rayon suit*, and *maternity rayon suit* would be some of the keywords in that ad group.

- There is a large search volume for branded terms, and the branded terms can be used in the ad copy since they will be compliant with the trademark policies and laws.

Since there is such high brand search volume, and you want to use the branded terms in the ad copy, you need to create brand-specific ad groups.

Therefore, you will make a list of all the brands and what ad groups contain keywords that each brand sells. For instance, if Chiarakruza sold only shirts, pants, and sundresses, then you would clone the non-branded ad groups that contain those items and make new, brand-specific ad groups from them by adding Chiarakruza as another product attribute to those ad groups.

However, if you have one ad group that is Chiarakruza Maternity Shirts and another one that is Maternity Shirts with some broad match keywords, Google could choose which keyword to trigger and which ad to serve. Therefore, in the non-branded ad group, Maternity Shirts, you would add the negative keyword *Chiarakruza*.

- It is summertime, and while the search volume for *swimsuits* and *sundresses* is high, those words do not combine well with the list from Table 12.3, and you will need a second list for sundresses and swimsuits.

This information will start our next action list. You will have to do more research on sundresses and bathing suits and create new lists before adding these ad groups.

With this information, you would then re-create your lists to first create ad groups, as shown in Table 12.4.

► **Table 12.4** Maternity clothing ad groups

Brand	Attributes	Product type	Ad groups
Chiarakruza	Cotton	Shirts	Cotton shirts
Belabumbum	Stretchable		
Other	Pants		
Suits	Stretchable shirts		
Other shirts			
Belabumbum shirts			
Chiarakruza shirts			

Once you have listed all of your ad groups, you can use your keyword list information to create the keywords that fit into each of these ad groups. By going through this exercise in a spreadsheet, you can use formulas to create thousands of ad groups and tens of thousands of keywords fairly easily.

If you do not have all of this research, then instead, what you need to consider when creating your ad groups is the ads. What attributes from the list do you want to put into the ads? For instance, if you determine that size does not matter and that brand, product type, and product attributes are the main factors that need to be in the ads, those items would determine your ad groups. The other items, such as color or size, would be keyword modifiers to those ad group names to create the keywords within those ad groups.

The hard part to creating thousands of ad groups is the initial research into the keyword lists, determining what needs to be in the ads, and laying out your account structure. For larger accounts, the actual keyword creation can be easier than the planning stages.

Importing Keywords and Ad Groups into AdWords Editor

Once you have this information organized, it is a simple copy and paste from your spreadsheet into the bulk import function of AdWords Editor to get the data into your editor file. If you have created new ad groups or campaigns, make sure you set the appropriate bids, budget, and other settings.

If you are creating a campaign that will have more than 25,000 keywords or 3,000 ads, upload the keyword data to your AdWords account before creating your ads. These ad groups will show a warning because they contain no ads. However, when you are selectively uploading from an AdWords Editor file, the smallest amount of data you can upload is a single campaign. AdWords Editor can time out when uploading huge amounts of data; therefore, by selectively uploading the keywords first, you are uploading less total data at once and mitigating the chances of the data not being uploaded into your account. After you have created the ads from the next section, upload just the ads as the second step to create whole ad groups.

Now that you have created potentially hundreds or thousands of ad groups with tens of thousands of keywords, it is time to create ad copy for those ad groups.

Easily Creating Thousands of Ads

A search ad group is not complete until it contains both keywords and ads. After determining your ad groups and populating those ad groups with keywords, the next step is to write associated ads.

AdWords Editor also supports the bulk importing of ad copy. In the editor, perform these steps:

1. Navigate to the Ads tab and click Make Multiple Changes.

2. Select Add/Update Multiple Text Ads (Figure 12.15).

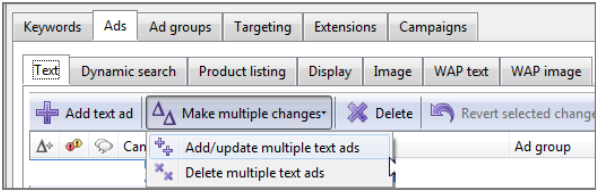


Figure 12.15 Finding the text ad import tool

This will bring you to a screen similar to when you were importing text ads (Figure 12.16).

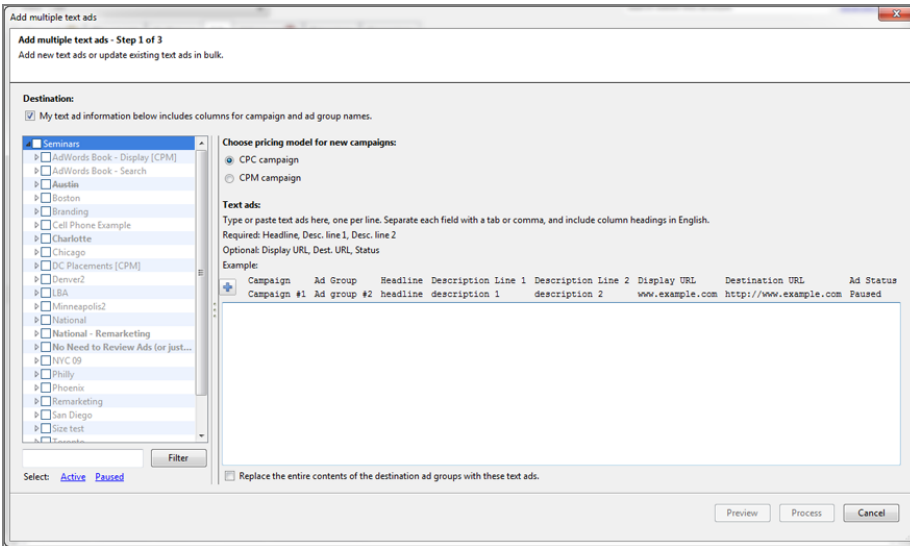


Figure 12.16 Importing multiple ads

3. In your spreadsheet program, create a sheet with these column headers (Figure 12.17):

- Campaign
- Ad Group
- Headline
- Description 1
- Description 2
- Display URL
- Destination URL
- Ad Status (optional)

	A	B	C	D	E	F	G	H
1					Required			Optional
2	Campaign	Ad Group	Headline	Description 1	Description 2	Display URL	Destination URL	Ad Status
3	Austin	Marketing	AdWords Cla	AdWords Succes	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
4	Charlotte	Marketing	AdWords Cla	AdWords Succes	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
5	Austin	AdWords	In Person Ad	Two Days Only -	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
6	Austin	Seminars	In Person Ad	Coming to Austi	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
7	Charlotte	AdWords	In Person Ad	Two Days Only -	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
8	Charlotte	Seminars	In Person Ad	Limited Seats. R	AdWords Seminars fr	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
9	Austin	AdWords	Learn AdWor	Two Day, In-Per	Learn AdWords Succ	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
10	Austin	AdWords	Learn AdWor	Two Day, In-Per	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
11	Austin	AdWords	Learn AdWor	Learn AdWords	! Max your AdWords R	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
12	Austin	PPC	Learn AdWor	AdWords Succes	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
13	Charlotte	AdWords	Learn AdWor	Two Day, In-Per	AdWords Seminars fr	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
14	Charlotte	AdWords	Learn AdWor	Two Day, In-Per	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
15	Charlotte	AdWords	Learn AdWor	Learn AdWords	! Max your AdWords R	bgTheory.com/AdWord	http://www.bgtheory.com/ad	
16	Charlotte	PPC	Learn AdWor	AdWords Succes	Limited Seats. Resen	bgTheory.com/AdWord	http://www.bgtheory.com/ad	

Figure 12.17 Creating ads in a spreadsheet



Note: The ad group name is for your purposes only. It does not affect items like Quality Score; however, it can be useful to name ad groups with names that reflect the keywords so you understand what the ad group is about and also so you can use Excel formulas to help to help create ads.

When creating the ad groups and campaign names for your ads, make sure that you use the exact same names from your keyword import sheet. If you use different campaign names, you will have one campaign with only ads and a different campaign with only keywords. There are simple tricks you can use that will help you write multiple ads at once to save you precious time.

Writing Multiple Ads

If you are writing only a handful of ads, customize them by hand with the best practices from Chapter 4, “Writing Compelling Ads.” However, if you are creating thousands of ads for hundreds or thousands of ad groups, you will need to write formulas to create this many ads.

The first step in writing multiple ads with formulas is to break down your ad groups into similar product lines where formulaic ads will still be relevant to the searcher. For instance, if you sell maternity and men’s clothing, a tagline such as “Maternity Wear for Fashionable Moms” would not resonate with the men searching for clothes.

Once these are broken down into various ad groups, write some calls to action, headlines, and taglines for those ad groups.

For instance, let’s say these are some of the initial ad copy lines you want to try:

- Headlines:
 - Ad Group Name (in this case, you are assuming the ad group name is closely associated to the keywords in the ad group and that it would make a good headline)
 - Fashionable Maternity Clothing
 - Shop at Company Name

- Taglines:
 - Shop today, wear it tomorrow.
 - Free shipping on all orders!
- Display URL:
 - Company URL
 - Company URL/AdGroupName
 - Company URL/Shop

Next, you will write a set of formulas where you will insert this information (see Table 12.5). The more traffic you are going to buy, the more ads you can write. Because you are writing formulas that will be used across multiple ad groups, you can also run reports where you are looking at which formulaic writing is leading to clicks and conversions, so you do not have to rely on testing at the ad group level.

► **Table 12.5** Example ad copy formulas

Headline	Description 1	Description 2	Display URL
Ad Group Name	Headline1	Tagline1	Display URL 1
{Keyword:Ad Group name}	Shop at Company Name	Tagline2	Display URL 2
Headline1	Buy {Keyword:Ad Group Name}	Tagline1	Display URL 3
Headline2	Tagline1	Tagline2	Display URL 2

Mass Ad Copy-Writing Tools

While this section will give you an idea of how large companies create thousands of ads, it can be time consuming and difficult to create different benefit lines by both ad group and across a campaign. You can use a tool like the Mass Ad Copy Creator from CertifiedKnowledge.org (<http://certified-knowledge.org/membership-information/ppc-tools/mass-ad-copy-creator-tool/>) to create thousands of ads quite easily.

Ad Groups
Variable: <ADGROUP>

Alternate Ad Group Text 1
Variable: <ADGROUP1>

Alternate Ad Group Text 2
Variable: <ADGROUP2>

Destination URL
Variable: <ADGROUP3>

Maternity Shirt
Maternity Pants
Maternity Clothes
Maternity Suits
Belly Bands
Maternity Dresses
Beta Band
Bellabumum
Best of Chums
Bravado

Maternity Shirts on Sale
Buy Citizens of Humanity Belly Bands
Always Look Your Best
Browse our Beta Band Collection
Bravado Brands on Sale

Cool shirts for Hot Summers
View Linen, Cotton, and Silk Pants
Maternity Suits for All Occasions
Bellabumum Clothes are 25% Off

example.com/MaternityShirt
example.com/MaternityPants

example.com/BetaBand

Step 2: Create Your Ad Copy Variables.
This text can be used within any group or any ad copy.

Variable	Ad Copy	Count
<VAR1>	Spend \$100 and Save 15%	23
<VAR2>	All Orders - Free One Day Shipping	34
<VAR3>	No Questions Asked Return Policy	32

Add New Variable
☒ Optional: Enter Campaign Name: Maternity Wear
☒ Use advanced URL builder. (See Tutorial)

Once you have the formulas written, plug in the ad copy variables. You can easily do this in Excel by calling information from different cells within the spreadsheet. For instance, if your headline is Ad Group Name and the ad group is located in column B of your spreadsheet, you could enter =B3 and the cell would be replaced by the content of cell B3. Since Excel automatically adjusts formulas as you copy, paste, and drag them, it is simple to write the formulas for one ad group and then copy and paste the selection multiple times or drag the cells down across multiple ad groups. If your ad group was Chiarakruza Maternity Shirts, then your final ad copy would look like Table 12.6.

► **Table 12.6** Maternity clothing ads

Headline	Description 1	Description 2	Display URL
Chiarakruza Maternity Shirts	Fashionable Maternity Clothing	Shop today, wear it tomorrow.	<i>CompanyName.com</i>
{Keyword: Chiarakruza Maternity Shirts }	Shop at Company Name	Free shipping on all orders!	<i>CompanyName.com/ ChiarakruzaMaternityShirts</i>
Fashionable Maternity Clothing	Buy {Keyword: Chiarakruza Maternity Shirts }	Shop today, wear it tomorrow.	<i>CompanyName.com/ Shop</i>
Shop at Company Name	Shop today, wear it tomorrow.	Free shipping on all orders!	<i>CompanyName.com/ ChiarakruzaMaternityShirts</i>
Chiarakruza Maternity Shirts	Our friendly return policy means	Guilt Free Shopping	<i>CompanyName.com/ Chiarakruza</i>

The last ad is just one we added to test what a multiple-line ad copy would do. Feel free to add additional ad copy as it makes sense to your goals. In this example, you would replace *CompanyName* with your actual company, and the same with the display URL.

In addition, you will have a destination URL based on where you are sending traffic to on your website, but you would not use a formula to create the destination URL. You want to make sure the destination URL resolves to the correct page on your website. However, you can use this method to create any tracking codes for your destination URLs as long as your URL still resolves to the correct page once additional parameters have been added.

The exception to this rule is when you have excellent search result pages and wish to send the traffic to those pages instead of your typical product or category pages. If you do want to send traffic to search results on your site, then you can also write formulas for the destination URL to send the traffic to a search result page of your website for each keyword or ad group.

Character Limits and Naming Conventions

When you write formula-based ads, some of them will be outside of character limit policies. If you are writing these ads in Excel, use the conditional formatting to highlight instances where you have gone over character limits. Then you will need to adjust the ads appropriately.

For instance, in the previous example, the word *Chiarakruza* contains so many characters that a few of the ad copy lines have exceeded their character limits, such as the display URL *CompanyName.com/ChiarakruzaMaternityShirts*. In this instance, you would remove the *MaternityShirts* aspect, leaving the *CompanyName.com/Chiarakruza*, which might be within the 35 allocated display URL characters depending on how long the company's URL is.

When you create the ad copy to match your existing keyword ad groups, make sure the naming conventions for your campaigns and ad groups are identical. If they are not the same, you will have one ad group with keywords and another ad group with just ad copy.

AdWords Editor Find and Replace

The editor has global find and replace capabilities. Under the Edit menu, you can do a find and replace across the entire account or a subset of the account depending on the data you are viewing. This feature is very useful if you are changing just one aspect of an ad, such as a discount code. Also, if you accidentally use the wrong spelling or URL in a bulk import, you can then just find the mistake and replace it with the correct information.

Once you have finished writing your ad copy, copy the new ads and paste them into AdWords Editor. AdWords Editor will inform you of how many ads you are adding and if any new ad groups or campaigns will be created. If you have already imported the keywords, you should not be creating new ad groups or campaigns. Hence, if the editor informs you that new campaigns or ad groups will be created, check your naming conventions.

Advantages of Using Excel with AdWords Editor

Using a spreadsheet and AdWords Editor together allows you to easily import large amounts of information into your AdWords account in a quick and scalable manner. The hard work of scaling your accounts should no longer be the AdWords front-end interface. The hard work should be in mapping your ad groups, keywords, and ad copy together so that you can still use many of the best practices from those who create ad groups by hand, yet in a scalable manner.

Once you have larger accounts, especially ones written through formulas, you can use the best practice optimization techniques discussed in Chapter 17, “Step by

Step: Creating and Monitoring Your AdWords Account,” to find your strengths and weaknesses and be able to find ad groups that need to be further broken down based on returns. Even if you have smaller accounts, the exact same optimization techniques apply, only you will have a smaller number of ad groups to analyze.

Optimizing Display with AdWords Editor

In two previous chapters, you saw examples of why it is best to have your campaigns set only to search or to display. If your campaigns are currently set to both, do not fret—with AdWords Editor, it will take you only a minute to duplicate your campaigns and change the appropriate settings.

First, navigate to the campaign that you want to duplicate. Then use the copy (Ctrl+C) and paste (Ctrl+V) functions to duplicate that campaign. With those two simple key combinations, you now have two identical campaigns.

The campaign you just created will have an error associated with it because it has the same name as another campaign (Figure 12.18). Rename the first campaign as **Current Campaign Name - Search**. Then rename the second campaign as **Current Campaign Name - Display**. This will not only fix the error but let you quickly tell if you are working on a display or a search campaign.

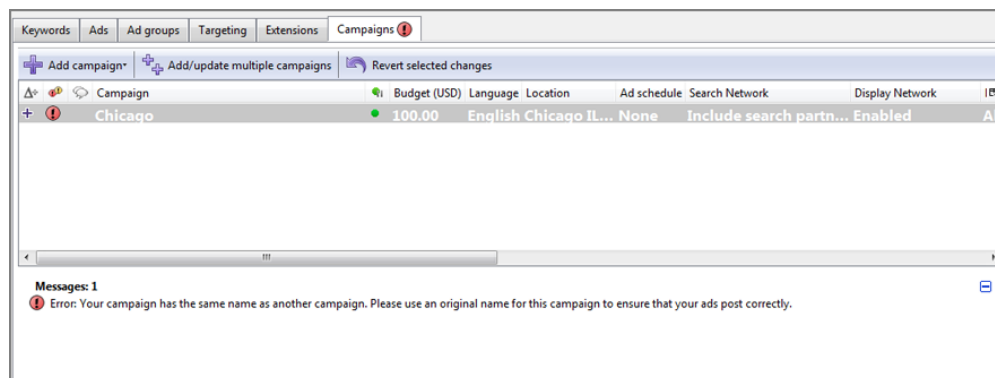


Figure 12.18 Campaign name error in AdWords Editor

Once the campaigns are renamed, it is time to change the settings so that the first campaign is only displayed on search and the second campaign is only shown on the Display Network (Figure 12.19).

Next, you will want to go through the typical display organization techniques discussed to choose your display keywords and placements. However, because your new campaign is targeted only to the Display Network, you can use more general keywords to help create a theme for your ad group and not have to worry about those keywords triggering your search ads.

Edit selected campaigns

Campaign name: Chicago - Display

Status: Enabled

Search Network: Disabled

Display Network: Enabled

Devices: All Edit Paste

Enhanced CPC: Disabled

Delivery method: Standard: Show ads evenly over time

Exact and phrase matching: Include plurals, misspellings, and other clo...

Budget (USD): 100.00 per day

Start date (M/D/Y): 12/5/2013

End date (M/D/Y) (None): None

Ad rotation: Optimize for clicks: Show ads expected to provide more clicks

Ad schedule: None

Language: English

Location: Chicago IL, United States

Targeting method: People in, searching for, or viewing pages about my targeted location (recommended)

Exclusion method: People in my excluded location

Figure 12.19 Choosing either search only or display only for your campaigns

Best Practices for Using AdWords Editor

Whenever you are hesitant to start working on your AdWords account because of the online interface, it is time to use AdWords Editor.

While there are a few features that are available within the AdWords online interface that are not in the editor, they are generally settings that are not commonly used. In addition, they are usually features that are not changed often; hence, they are not always necessary to have in the editor.

- Your view in the editor is determined by settings. To get started, use the left navigation column to select the amount of data you want to view (account, campaign, or specific ad group), and the middle horizontal bar to select the data points (ads, keywords, ad groups, or campaigns).
- Look for visual cues in the editor. The red or yellow warning labels let you find problems. The plus sign or minus sign shows what is being added or deleted.
- Use the comments feature in AdWords Editor, designated by a conversation icon. This will allow you to keep track of why you made certain changes for future analysis.
- At a minimum, you should give everyone who has access to your account their own login. If you have a large team, make sure that only one person at a time is editing the same account elements to avoid overwriting someone else's changes. One way to ensure that is to use the Export Your Account For Sharing feature and then have all changes come through one person.
- AdWords Editor allows the bulk creation of keywords, ad copy, campaigns, and ad groups. When you bulk create items, always check and adjust your bids,

geographic targets, and other ad group and campaign settings before you push the changes live.

- When creating large numbers of keywords, follow these steps:
 1. Determine your ad groups.
 2. Populate those ad groups with the proper keywords.
- When creating large amounts of ads, use formulaic ad-creation writing, but ensure that the ads are still relevant to the user and fall within the editorial requirements before posting the ads.
- Learn the keyboard shortcuts. Although it is easy to duplicate a campaign for display and search targeting purposes, you can also use shortcut keys to select all ad copy that requires an exception request and fill out a single exception request at a time.

AdWords Editor is a powerful tool to help you quickly add data, remove data, or change existing data, such as bids. Using AdWords Editor import functions along with Excel can not only save you time but also allow you to use best practice account management in both small and large accounts.

However, it is not enough to create thousands of ads or tens of thousands of keywords if they do not fit within the goals of your business. In the next chapter, you will learn various bid strategies so you can set bids that increase your company's profits.

Devising Profitable Bid Strategies

13

Is your AdWords account making money or costing money? The only way to know is to first understand the goals that your marketing initiatives must accomplish for your company to be profitable. Once you have determined your goals, you then need to find a way to measure them. Only after these two steps have been completed can you begin to decide how much you should bid.

Various bidding techniques are available that you can use to set bids, control costs, and reach searchers by time of day and day of the week. Learn how to extract the proper data from AdWords so you can take the necessary actions to develop a successful AdWords account.

Chapter Contents

- Setting your marketing goals
- Measuring results with Google's conversion-tracking code
- Exploring AdWords bidding options
- Profitable bidding strategies
- Calculating your max CPC
- Bid modifiers: automatically changing bids by time, geography, devices, and more
- Understanding attribution management
- Examining AdWords reports to make ROAS bid decisions
- Best practices for utilizing profitable bid strategies

Setting Your Marketing Goals

The first thing you should do in any advertising campaign, before you spend a single penny, is to set the goals your advertising campaign needs to accomplish. It does not matter if your advertising outlet is Google AdWords, yellow pages ads, newspaper ads, radio, TV, or any other medium. If you do not have goals set for the campaign, you cannot define success and optimize the campaigns to increase performance.

Many companies will have multiple goals. You may also need to refine your goals over time. Let's examine the steps a plumber may take in setting and refining goals.

Before the advertising campaign starts, the plumber examines his phone records and realizes that he receives 50 calls per month. Of those calls, he closes five jobs a month. Therefore, his conversion rate is 10 percent. His average job nets him \$1,000, and it takes about 20 hours to accomplish each job. Since he works only 160 hours per month, he figures out he needs to close eight jobs per month. Because he has a 10 percent conversion rate, he needs to receive 80 calls per month. However, each job is worth \$1,000, so he does some math and realizes that when he pays \$100 per phone call his advertising costs are equal to his revenue and he has nothing left over after completing the jobs. Therefore, he wants make double what a call costs him to get and is willing to pay \$50 per phone call.

In the first month of advertising, he manages to receive 50 additional calls to a dedicated phone number exclusively for this campaign. However, all of these calls come from keywords for fixing pipes and broken showers. His conversion rate is much higher, 20 percent, but these smaller pipe repair jobs take only 3 hours each. Even though he exceeded his goal of 30 additional phone calls, he ended up working 30 additional hours that month. Therefore, he needs to refine his goals.

His close rate for large jobs such as kitchen remodeling is only 1 in 20, or 5 percent. After doing some math, he decides he wants to do three kitchen remodeling jobs each month and then fill in the rest of his time with small jobs. Therefore, his final goals are 60 phone calls for kitchen remodeling each month and 134 calls for small jobs. In addition, he is willing to pay \$50 for the kitchen remodeling calls but only \$25 for the smaller job phone calls.

An e-commerce company might take a different approach. The company might look at their finances and realize that based on their margins, they need a 200 percent ROAS for all products sold. However, they also have a newsletter, and on average, each subscriber makes at least two \$50 purchases per year. Therefore, after doing some calculations on the returns they want from their email marketing, they are willing to pay \$10 per newsletter subscriber. But since they need to pay overhead and monthly bills each month, and the newsletters are long-term investments, they must have at least 1,000 e-commerce sales per month.

Many times a company will need to dig back into its business model to understand how the business makes money and what is required to not just hit payroll each

week but to also grow as a company. This is often harder than setting bids for ad groups or keywords. Consider a drop-shipper that realized that if they could sell 7 percent more goods, they could switch suppliers and receive a 10 percent discount on the wholesale price of the goods they purchase. If this is the case, that drop-shipper could run an additional campaign at a breakeven number just to hit the new sales numbers so they could save on the total cost of goods they buy—which would put more dollars back into their bank account without changing a single bid price.

Many companies do not know their internal numbers well enough to set goals that improve their supply chain. However, setting goals is essential.

Some of the more common goals are as follows:

- Set percentage ROAS on goods sold.
- List a minimum number of sales per month.
- Determine your minimum revenue per month.
- Achieve a certain number of phone calls per month per product.
- Define your average cost per phone call by product.
- Set a cost per acquisition of a new customer, newsletter subscription, or RSS feed subscription.
- Choose how many new visitors you want per day.
- List the number of total visitors per day (this is a common goal for publishers who make money by selling CPM ads on their website).
- Determine your target number of leads per month.
- Set a cost per lead.

Once the company examines itself and understands how it makes money, it must set the goals for what the marketing campaigns need to accomplish. Once these goals are set, they need to be measured.

Measuring Results with Google's Conversion-Tracking Code

Optimizing Google AdWords campaigns can only be done with proper metrics. If you do not have the numbers to examine, there is no way to know if you are hitting your goals or even what keywords and ad copy are helping you reach those goals.

Therefore, for every goal you set, you need to find a way to measure it. This may lead you to institute phone call tracking, FeedBurner for RSS tracking, Google Analytics for page views per visits, or other software as necessary.

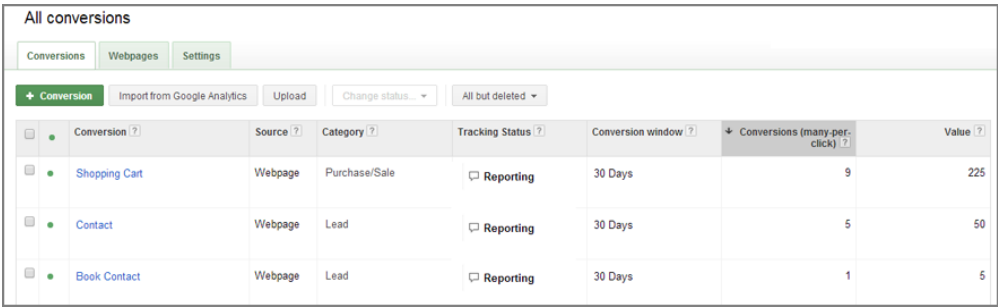
Google offers a conversion-tracking script you can implement that will add conversion metrics to your AdWords account. Once you install the conversion-tracking code, you will be able to see cost per action (CPA), total conversions, and ROAS (return on ad spend) numbers by keyword, ad, and landing page in both the AdWords interface and your AdWords reports.

Clarifying the CPA vs. CPC Confusion

CPC, or cost per click, is a standard acronym across AdWords; generally when you see CPC, you assume cost per click. However, many reports show cost per conversion as CPC as well, which leads to confusion. When CPC refers to conversions, often the acronym is changed to CPA, or cost per action, even though the reported metric is conversions and not actions. Whenever you see the term CPA, it could mean cost per action or cost per conversion—both of which are how much you pay for a conversion or action to occur on your site.

AdWords Conversion-Tracking Code

The AdWords conversion-tracking code is powerful and easy to install. The first step is to navigate to the Conversions page under the Tools tab within your account (Figure 13.1). This screen will show you all the currently defined conversion actions.



The screenshot shows the 'All conversions' page in the AdWords interface. It includes tabs for 'Conversions', 'Webpages', and 'Settings'. Below the tabs are buttons for '+ Conversion', 'Import from Google Analytics', 'Upload', 'Change status...', and 'All but deleted'. A table lists the following conversion actions:

	Conversion ?	Source ?	Category ?	Tracking Status ?	Conversion window ?	+ Conversions (many per-click) ?	Value ?
<input type="checkbox"/>	Shopping Cart	Webpage	Purchase/Sale	Reporting	30 Days	9	225
<input type="checkbox"/>	Contact	Webpage	Lead	Reporting	30 Days	5	50
<input type="checkbox"/>	Book Contact	Webpage	Lead	Reporting	30 Days	1	5

Figure 13.1 AdWords conversion-tracking overview

Click + Conversion and you will be presented with a screen where you can set up tracking from a few different sources:

- Tracking For Webpages: The code will be placed on a web page. This is the most common level of tracking.
- Call On-site: Select this option if you are tracking phone calls.
- App Download: This is used to track app downloads from Google Play or iTunes.
- Import: This allows you to import conversions into AdWords.

Choose a name for the conversion type that describes the type of conversion you want to track. Next, you will see a screen where you define information about the conversion type you are tracking (see Figure 13.2).

The screenshot shows the 'Settings' tab of the 'New Conversion' wizard. At the top, there are three tabs: 'New Conversion' (selected), 'Settings', and 'Next steps'. Below the tabs, the 'Conversion category' is set to 'Other'. The 'Conversion window' is set to '30 Days', with a link to 'See your conversion time lag report'. A yellow banner states: 'You will need to update the code on your webpage if you change these settings.' Below this, 'Markup Language' is set to 'HTML'. The 'Conversion value' field is empty, with the label 'Optional'. The 'Tracking indicator' section has two radio buttons: 'Add a "Google Site Stats" notification to the code generated for my page' (selected) and 'Don't add a notification to the code generated for my page'. The first option includes a sub-section for 'Notification layout' with 'Single line' and 'Two lines' (selected), a 'Page background color' set to '#FFFFFF', and a 'Notification Language' set to 'English'. A 'Preview' box shows a 'Google Site Stats' notification with a 'learn more' link. Below the radio buttons, a note states: 'Google recommends letting users know which pages you're tracking, either with a "Google Site Stats" notification or in your site's privacy policy.' At the bottom, there is a link for 'Advanced options' and a 'View-through conversion window' set to '30 Days'.

Figure 13.2 Conversion-tracking script wizard

The items are as follows:

Conversion Category Choose the type of conversion you wish to track such as a lead, sale, signup, page view, or other. This will allow you to create reports that segment your reports by a select set of categories.

Conversion Window This is how long you want the cookie active that will count the action as a conversion. If you have been advertising for a while, then you can examine the Time Lag report (Figure 13.3) to determine how long it takes a user to convert from the click to the conversion. If you do not have this information yet, then examine your buying funnel to determine the time lag between click and conversion.

Markup Language Choose the coding language of your website. Please note that extensions such as .php or .aspx are still HTML pages. The other options are for mobile extensions such as .xhtml. If this is your standard website, choose HTML. If you are placing the code on a mobile site, examine the options to make sure you are calling the appropriate language code.

Conversion Value This field will populate your AdWords reports with the actual revenue you gained from an action. In your AdWords reports, you will be able to see that keyword 1 led to \$15 in revenue, and keyword 2 led to \$25 in revenue. There are three ways of defining this field.

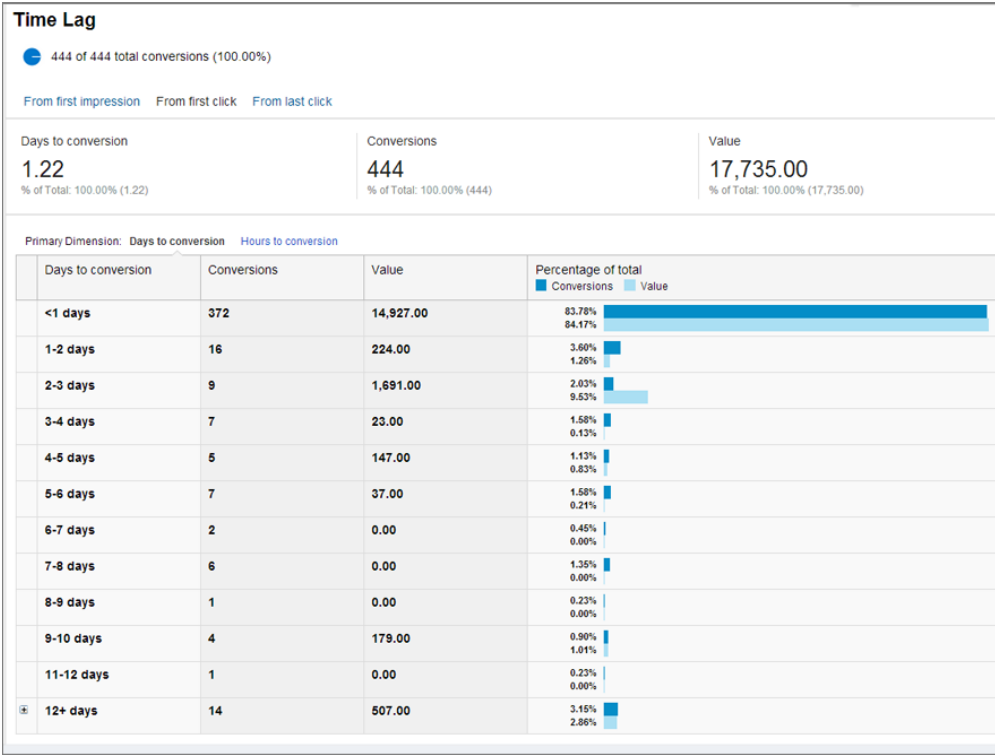


Figure 13.3 Time Lag report

The first is to leave it blank or use the number 1 as the field number. In this case, you will not see revenue in your AdWords reports; you will see only the total number of conversions.

The second is to do some math and then put in the estimated revenue for that action. For instance, if the e-commerce company from the previous example were using this method to track their newsletter subscriptions, they would enter 50, since that is what they calculated a newsletter subscription was worth to their company.

The third way to use this field is to enter a variable from your shopping cart. Most shopping carts have three variables on the checkout page: total cost of goods, cost of shipping, and total cost to consumer. Most companies do not make money on shipping, so by entering the variable for total cost of goods, you will be able to see the actual revenue that each keyword or ad copy led to on your website. To find the variable, ask your shopping cart provider or web developer. They should be able to assist you.

Tracking Indicator When a user clicks on your AdWords ad, a cookie is placed on their browser. If that cookie is on a user's browser when they get to a page where you are using this conversion code, Google will display a piece of text to the user. You can customize this text to fit the look and feel of your website, or you can update your privacy

policy to inform users that you are using a tracking script and not display any text to the user.

View-Through Conversion Window When someone sees an image or rich media ad on the Display Network and does not click on the ad, but they come back to your site directly and convert at a later time, they are considered a view-through conversion. The view-through conversion window can be set for up to 30 days.

How Browsers Load Web Pages

A browser loads a web page in the order in which it receives the web page code. If after the open body tag (`<body>`) your website has several scripts, the browser must load all the scripts before the text of your website can be loaded. If a script is slow to load—or worse, it times out—the user will stare at a blank page for a while until the scripts finish loading or time out. Therefore, it is best to add all scripts at the bottom of your web pages before the close body tag (`</body>`). When you add scripts to the bottom of a page, the user may still leave the page before the script loads, which will cause you to lose some tracking data; however, all users will be able to see the text of your site first and not think there is a problem if the page loads slowly. It is better to lose some tracking and keep the user's trust than to track everything and lose consumer confidence.

If you have many scripts on a page, such as a Facebook Like, Tweet This, and a conversion code, place the scripts in the order of importance—any single slow script can prevent the others from ever loading. To check your page load times, you can use PageSpeed Insights, a free tool from Google: <http://developers.google.com/speed/pagespeed/insights>.

The one exception is asynchronous scripts. These scripts do not stop the page from loading while they load, so you can put asynchronous scripts at the top of your pages and they should not affect your page load speed.

Once you have filled out all the options, click the Save button on the page. On the next page, you can either email the conversion code to someone who makes changes to your website, or you can copy the code yourself and put it in your website (Figure 13.4).

Copy this code and paste it in the thank-you page or other type of page that signifies a conversion on your website, such as the view of a store locator results page. This code goes only on the page that the user sees after they have completed an action, such as the “Thank you for shopping” or “Thank you for contacting us” page. If you accidentally install this code in a global footer, you will be tracking page views for every page on your site.

If you have multiple conversion actions, such as a newsletter and e-commerce conversion, use a different tracking code for each action. If you use the same code for all actions, you will not be able to see which keywords, ad copy, or landing pages lead

to the different types of actions on your website. Run the conversion-tracking wizard for each conversion action you want to track, and then install that code on the appropriate completion pages associated with those actions.

Who makes changes to the code on your website?

☐ Someone else makes changes to the code
Choose this option to send an email with the code to your webmaster or someone else

☒ I make changes to the code
Choose this option to copy and paste the code we generate into your webpage's HTML

Copy the code in the box below. Then, paste the code between the `<body></body>` tags of the page you'd like to track.
[Learn more](#)

For example, paste this code into the webpage the user sees after signing up for your newsletter

```
<!-- Google Code for asdfsadf Conversion Page -->
<script type="text/javascript">
/*  */
var google_conversion_id = 9054147027;
var google_conversion_language = "en";
var google_conversion_format = "2";
var google_conversion_color = "ffffff";
var google_conversion_label = "I+...";
var google_conversion_value = 0;
var google_remarketing_only = false;
/*  */
</script>
<script type="text/javascript" src="//www.googleadservices.com/pagead/conversion.js">
</script>
<noscript>
<div style="display:inline;">

</div>
</noscript>
```

Once you've added the Conversion Tracking code to your site, it can take up to 24 hours before conversions appear in your AdWords account.

Figure 13.4 AdWords conversion-tracking code

Google Analytics Tracking

If you are using Google Analytics, then you can also define your goals in Google Analytics and import those goals into AdWords. Before you will see the import feature in AdWords, you must first link Google Analytics and AdWords together, which you can accomplish in the Linked Accounts section under the My Account navigation (Figure 13.5).

Once Google Analytics is linked to AdWords, you can click the button labeled Import From Google Analytics, and you will be able to choose and import goals from Google Analytics (Figure 13.6).

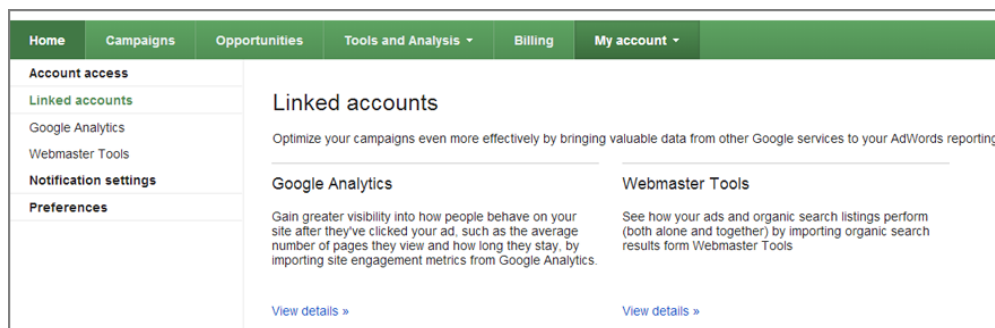


Figure 13.5 Linking Google Analytics with AdWords

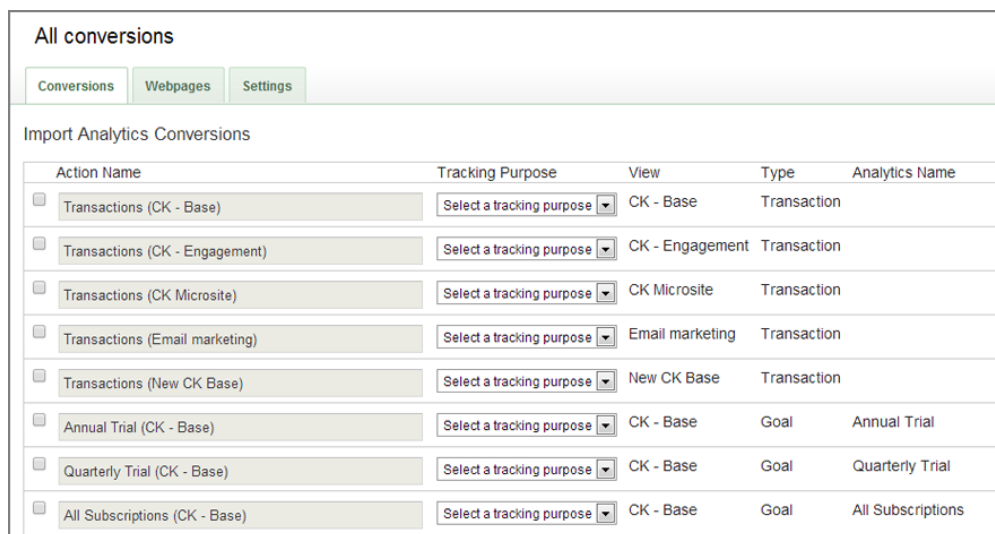


Figure 13.6 Google Analytics conversions import

Google Analytics vs. Google AdWords Script Tracking

There is a difference in how the AdWords conversion script and the Google Analytics goals count conversions. The AdWords script counts a conversion only if the user clicked on your AdWords ad and converted before the cookie expired. When a visitor converts, AdWords attributes the conversion to the last ad clicked and adds the conversion to the day of the click on your AdWords ad.

For instance, if someone clicked on your ad last week and then returns to your site today through some other means than by clicking on an ad, AdWords will report that conversion as having happened last week. However, if they returned to your site today by clicking on an ad and bought something today, then AdWords will attribute that conversion to today's ad click—the last click before the conversion. Google Analytics, on the other hand, attributes the conversions to the last entrance to the site and to the actual day the conversion occurred. The exception to this rule is direct

traffic since Google Analytics does not overwrite referring data if the user typed your website in the address bar of their browser.

This can lead to the two systems not tracking conversions in the same way. Let's say that this is how the conversion occurred:

- User clicks on your AdWords ad on day 1.
- Users clicks on your organic listing on day 3.
- User converts on your website.

In this scenario, the AdWords script will attribute the conversion to day 1 and show what keyword, ad, and so on received the conversion. Google Analytics will attribute the conversion to day 3 and show that an organic click received the conversion.

If you are focused purely on AdWords and want to see more total conversion data in AdWords, then the AdWords script is the best way to track conversions. If you are focused on attribution management, which means giving some attribution to a conversion to multiple channels, then Google Analytics is the better tracking system.

There are some cases where you must use Google Analytics because third-party providers have integrated their software into Google Analytics. This is common to see when you are using call tracking. In those cases, you will have to import Google Analytics goals into AdWords to see phone calls conversions by keywords, ads, and other data points.

It is useful to verify your conversion tracking before you go live by viewing the page source to see if the code is on the proper pages. If you are using Google Analytics, then you can do the conversion action on your website to make sure the conversion data shows in Google Analytics.

It is harder to verify the AdWords script because you need to make an ad active, click on your ad to set the cookie on your machine, pause your account, and then convert on your site and make sure that your conversion is displayed within AdWords. It is useful to verify the conversion before you go live, but doing so will mean that you are not losing valuable data the first day you start marketing.

Accessing Valuable Conversion Data in AdWords Reports

Once you have implemented conversion-tracking codes, you will have access to valuable conversion data. In most of the interface screens, you can customize the columns. Under the Conversions section, you can add conversion data to your view (Figure 13.7).

After you have selected the conversion columns, you can see your conversion rates (see Figure 13.8). You can view conversions, revenue, cost per conversion, and conversion rate by many data points, including (but not limited to) the following:

- Keyword
- Ad
- Ad landing page
- Ad group
- Campaign

- Placement
- Geography
- Search query
- Interest
- Topic

Campaigns

Ad groups

Settings

Ads

Keywords

Audiences

Ad extensions

Auto targets

Dimensions

Display Network

All enabled campaigns

Segment

Filter

Columns

Search

Customize columns

Select metrics

Attributes

Performance

Conversions

Call details

Competitive metrics

Google Analytics

Search Funnels

Performance (Active View)

Conv. (1-per-click)

Cost / conv. (1-per-click)

Conv. rate (1-per-click)

View-through conv.

Est. total conv.

Cost / est. total conv.

Est. total conv. rate

Est. total conv. value

Est. total conv. value / cost

Add all columns

Added

Added

Added

Add

Add

Add

Add

Add

Drag and drop to reorder

Campaign

Budget

Status

Clicks

Impr.

CTR

Avg. CPC

Cost

Conv. (1-per-click)

Cost / conv. (1-per-click)

Remove

Remove

Remove

Remove

Remove

Remove

Remove

Figure 13.7 Customizing columns to include conversion data

Campaigns

Ad groups

Settings

Ads

Keywords

Audiences

Ad extensions

Auto targets

Dimensions

All enabled campaigns

Segment

Filter

Columns

Search

+ CAMPAIGN

Edit

Details

Bid strategy

Automate

Labels

		Campaign	Status ?	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Conv. (1-per-click) ?	Cost / conv. (1-per-click) ?	Conv. rate (1-per-click) ?
		Search / Features (not advertising assets)	Limited by budget ?	325,418	4,501,896	7.23%	\$0.87	\$282,171.07	11,506	\$24.49	3.54%
		Play / Innovations	Eligible	9,018	2,081,865	0.43%	\$0.47	\$4,278.22	1,022	\$4.19	11.33%
		The Product Catalog Hub	Eligible	15,531	479,361	3.24%	\$2.37	\$36,761.78	920	\$39.78	5.99%
		Search / Tools / UI	Eligible	27,998	924,783	3.03%	\$2.29	\$64,070.86	848	\$75.56	3.03%
		Search / Features (not advertising assets)	Eligible	39,231	1,075,044	3.65%	\$1.08	\$42,548.14	821	\$51.82	2.09%
		Web / Experiment - Research / Technical / Labels	Limited by budget ?	15,885	257,085	6.18%	\$2.46	\$39,022.07	642	\$60.78	4.04%
		Search / Features (not advertising assets)	Limited by budget ?	20,288	821,865	2.47%	\$1.99	\$40,298.52	561	\$71.83	2.77%

Figure 13.8 Conversion data by keyword

As you explore bidding techniques in this chapter and examine reports in future chapters, I will assume you have installed the AdWords conversion-tracking script. If you are using another tool to track revenue, you can still use all these techniques, but you will have to combine the AdWords reports with your own metrics system.

Tracking Phone Calls

You can use the AdWords call extension to track phone calls from your ads. Often you will want to track calls that originate from your site as well.

There are several ways to track phone calls, including using AdWords's conversion-tracking code. Many vendors will let you buy one or more tracking phone numbers. Some vendors will help you track phone calls by keyword, ad copy, or landing page. The more phone numbers you want, the more expensive the solutions become. There are a few ways that you can track calls that occur on your website:

Unique Phone Number per Data Point This solution tracks search engine, ad group, keyword, and so on. It's the most accurate but the most expensive.

Unique Extension per Data Point This solution can be cheaper to institute with a sophisticated in-house call system. However, you will need to correlate extensions with data points.

Code Identifiers You can generate a code underneath the phone number on your site that is associated with AdWords data points. Then have the sales reps collect the identifiers from callers and correlate sales to data points. This is not a hard method to implement, but it does require retraining sales reps.

Estimate Using Confidence Factors If you have a high call volume, instead of having unique phone numbers or extensions by data points, you can create confidence factors so that when a certain keyword is clicked, on average the phone rings 2 percent of the time.

Session Tracking Session tracking is the most common way that third-party vendors attribute conversions to individual keywords and ads. When a user clicks on your ad, a unique phone number is used for that user session. When the session ends, the phone number goes back into the pool of numbers for the site. This is often the cheapest and easiest way to track phone calls for a large AdWords account; however, due to users writing down numbers, multiple sessions occurring, and other reasons, there will be some error rate (usually less than 10%–15%) of misreported calls.

AdWords Conversion-Tracking Code If you can get someone back to your website after the call, you can use the AdWords conversion-tracking code. You may have to be creative—generating online receipts, for example—to consistently get people back to your website to trigger the code. This method is the cheapest to implement and will allow you to see phone call conversion data inside your AdWords account.

Exploring AdWords Bidding Options

AdWords supports several methods of setting bids. Setting max CPCs, also known as manual bidding for clicks, is the default method, but depending on your goals, the other methods may work better for you.

These options are at the campaign level in your account. Hence, you can have one campaign that uses one method and another campaign that uses a different method. However, all ad groups in the same campaign will utilize the same bidding methodology. The one exception to this rule is flexible bidding, which we will cover separately. So for the purposes of initially explaining all of the bidding options, we will ignore flexible bidding and cover that as its own section.

Navigate to the Campaign Settings tab. Under the Bidding And Budget options (Figure 13.9), you will see up to five bid methods.

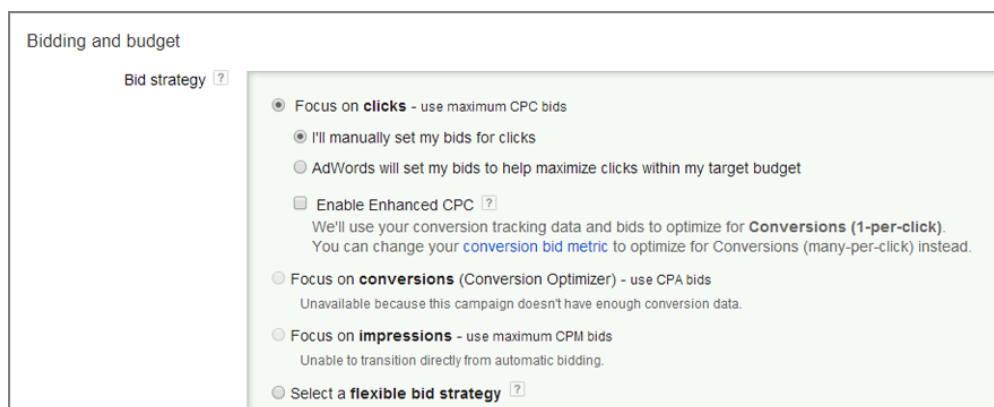


Figure 13.9 Campaign bidding methods

Focus on Clicks, Option 1

The first option under Focus On Clicks is “I’ll manually set my bids for clicks.” This is the default method of bidding. You will set a maximum (max) CPC, and you will pay up to that max CPC. The advantage of this option is that it is compatible with all the advanced options in AdWords. For instance, if you want to use advanced ad scheduling where you change your maximum bid by time of day, you must use this bidding method.

Focus on Clicks, Option 2

The second option under Focus On Clicks is “AdWords will set my bids to help maximize clicks within my target budget,” also known as the Budget Optimizer. With the Budget Optimizer, Google will attempt to maximize the number of clicks your campaign receives. You can choose to set a maximum bid cap or let AdWords take

full control of the bidding. I recommend that you set a bid cap; otherwise, you could end up paying a significant amount per click, since Google will attempt to spend your budget.

If you consider your keywords to have different values for your company, you should not use the Budget Optimizer. For instance, if you are willing to pay \$4 per click for the keyword *Samsung 63 Plasma TV* but only \$2 for the keyword *Plasma TV*, you should not use the Budget Optimizer. If you are looking to maximize traffic, however, it can be useful.

There's another reason to use the Budget Optimizer. Suppose you have keywords that are good words for your industry and you want to have some exposure on searches that use them. However, those words are so early in the buying funnel that you do not see returns on searches that use them. In this case, you can put the early buying funnel keywords in a Budget Optimizer campaign with a branding budget and then let AdWords maximize your traffic. For the other keywords for which you are receiving conversions and want to control the bids, leave them in a max CPC or Conversion Optimizer campaign.

If you use both a Budget Optimizer and a max CPC campaign to separate keywords based on where they are in the buying funnel, make sure that the max CPC set for the Budget Optimizer campaign is lower than the max CPCs you are setting in your max CPC-based campaign. If your Budget Optimizer campaign uses broad match keywords and has higher bids than your ROAS-based campaign, a Budget Optimizer ad could be shown instead of your ROAS-based ad. Since the Budget Optimizer ad is meant to get someone to enter your funnel, its value is less for someone who is already in the buying funnel who searches for a keyword in your max CPC campaign. Hence, you should never pay more for a Budget Optimizer keyword to show instead of a max CPC keyword where you are bidding on an ROI or profit basis.

In addition, when you use Budget Optimizer, your goal should not just be to get the most clicks possible; it should be to get the best clicks possible. To measure a good versus a bad click in this sense, it is useful to connect Google Analytics to AdWords so that you can measure bounce rates and time on site for each of these keywords. If you have keywords that lead to 100 percent bounce rates, they are not helping you to spread your brand and awareness. If your words have 25 percent bounce rates, then you are receiving clicks that are leading to good interaction on your website.

Enhanced CPC

Enhanced CPC bidding is not a standalone bid type. It is an optional setting when you are using either of the Focus On Clicks bid methods. With Enhanced CPC, Google will adjust your bids based on the likelihood of a conversion. Google may raise your CPC by 30 percent above your max CPC or lower your CPC by up to 100 percent. Because Google can raise your CPC by up to 30 percent above your max CPC, it is possible that your average CPC will be higher than your max CPC.

If your overall goal is conversions and you wish to bid manually, this setting should help you increase your overall conversion rates. I have seen Enhanced CPC do very good things for accounts, and I've also see it fail on occasion. Do not just blindly turn on this setting and walk away. If you wish to try it out, turn it on for a couple weeks and see if your overall profits are increasing. If they are, leave the setting on. If your profits are not increasing, turn this setting off.

Conversion Optimizer

Focus On Conversions is known as the Conversion Optimizer. To enable the Conversion Optimizer, the campaign must be using the AdWords conversion-tracking script or importing goals through Google Analytics and must have at least 15 conversions in the past 30 days.

If you meet the criteria and want to use the Conversion Optimizer, you will enter a cost per action (CPA) for each ad group. AdWords will adjust the bids for your keywords in an attempt to meet your cost per action. You will still be charged on a cost-per-click basis. You will not just pay for actions. However, AdWords has access to many data points that you don't, and they will use this information, along with other information gathered, to manipulate your bids to try to maximize the conversions you receive for your target CPA. Unfortunately, you cannot enter different CPAs for different conversions you have defined. For instance, in the earlier plumber example, the plumber was willing to pay different prices for a phone call that led to a small job versus a kitchen remodeling job. However, with the Conversion Optimizer, you can define only a single CPA. Therefore, you might have to separate keywords into different campaigns based on your goals. For instance, the plumber could put the kitchen remodeling keywords in one campaign with a CPA of \$100 and the pipe repair keywords in another campaign with a CPA of \$25.

Google used to offer two options for CPA bidding: target CPA and max CPA. Google retired the max CPA setting in Q1 2014. At the moment, Google has the option to use target CPA or max CPA. Target CPA is a blended average of all your costs per conversion. For instance, if your target CPA is \$20, then your actual CPAs might be \$15 for one conversion and \$25 for another one. These two conversions average to your target CPA of \$20.

Max CPA is the most you should pay for any conversions. In this example, if your max CPA was \$20, then you should receive the conversion that cost \$15 since that is under the maximum amount you want to pay for a conversion, but you should not receive the \$25 conversion since that is above your max CPA target.

Google is planning on sunseting max CPA bidding by the end of Q1 2014, so odds are that you will no longer see this feature and all CPA bidding will be based on target CPAs in the future.

1-per-Click vs. Many-per-Click CPA Bidding

When you use conversion tracking with AdWords, you have two types of conversion metrics to work from, 1-per-click and many-per-click.

1-per-click conversions are unique conversions per user. If someone comes to your site and converts four times, on either the same goal or different goals, they will be considered just one 1-per-click conversion.

Many-per-click conversions are the total number of conversions for the site. If a user comes to your site and converts four times, then they will be four many-per-click conversions. Many-per-click conversions are useful when you have many repeat purchases in a small time frame or one of your goals is page views per visit, which is common for publishers to measure.

The downside of many-per-click is that in some cases, a single user can dramatically inflate this number. For instance, take a scenario where a user fills out a form to get access to a whitepaper that you wrote. After the form is filled out, you trigger the AdWords conversion script and the user can download the whitepaper. What sometimes happens is the user downloads the whitepaper and starts to read it, but then they get distracted at work and close the whitepaper and their browser. Later, they want to continue reading the whitepaper, so they reopen their browser, and the browser fetches your conversion page again as it reloads the last tabs that were open when the browser was closed, which in turn triggers another conversion to be recorded. This can happen many times, so there are times when you could see a single 1-per-click conversion and 20 many-per-click conversions. If you see these large discrepancies, it is worth investigating, but there might not be a data issue; it could be based on user behavior.

By default, CPA bidding is based on 1-per-click conversions. However, if you edit the settings of your conversion script, you can choose to have CPA bidding work off of your many-per-click data (Figure 13.10).



Figure 13.10 Choosing the type of conversions for CPA bidding

Testing CPA Bidding

Many companies have found great success with the Conversion Optimizer; however, the biggest drawback some companies find is that while the Conversion Optimizer

hits their target CPA, their total conversions drop. Therefore, if you want to test the Conversion Optimizer but do not want to turn over your entire budget to it, follow these steps:

1. Use the AdWords Editor to duplicate the campaign you want to test.
2. Split your budget between the two campaigns. If you are an aggressive tester, give the new campaign half your budget. If you are a conservative tester, give it a quarter or less of your budget.
3. In the new campaign, set max CPC bids and try to maximize your conversions.
4. In the old campaign, turn on the Conversion Optimizer and let Google take over your bidding.
5. After a few weeks, see which has better results.

If you have a campaign that is doing very well right now, instead of turning on the Conversion Optimizer in your established campaign, wait for the new campaign to reach at least 15 conversions and then test the optimizer in the new campaign. This strategy will help mitigate the risk of putting your current profits in jeopardy if the Conversion Optimizer does not perform well for your campaigns.

This is one of the few times when it is OK to compete with yourself. Rarely do you want to let Google choose which keyword they should show from your account. Much of optimizing AdWords is taking control from Google so you know that when someone does a search they will see the exact combination of a keyword, ad, and destination URL you choose. In this case, you are testing bidding methods that can be set only at the campaign level. Therefore, it is okay to compete with yourself for a few weeks until you can determine which bidding methodology will work best.

CPA Bidding Case Study

When Google first launched CPA bidding, you needed at least 300 conversions to turn it on. That number was lowered several times to where you need only 15 conversions in the previous month to enable it today. However, over the past few years, it has very rarely worked for small accounts that were generating under 30–50 conversions per month. That has changed in the past year, and I want to show a case study of how even small accounts can take advantage of CPA bidding.

I was working on an account where most campaigns were averaging 15–20 conversions per month. The data was sporadic and inconsistent. One month, certain words would get a conversion, and the next month, a completely different set of words would get a conversion.

There were very few words that would receive a conversion every single month, and the words that did have these consistent conversions were often higher than the target CPA for the account. Figure 13.11 shows the account's typical month.

<input type="checkbox"/>	<input checked="" type="checkbox"/>	Campaign	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Avg. Pos. ?	↓	Conv. (1- per-click) ?	Cost / conv. (1- per-click) ?	Conv. rate (1- per-click) ?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search/Regimen: Oral antifungal agents	1,411	32,321	4.37%	\$2.05	\$2,889.60	1.7		19	\$152.08	1.35%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search/Topic: FDI	597	19,202	3.11%	\$2.07	\$1,235.72	2.8		13	\$95.06	2.18%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Display/Associative	76	4,774	1.59%	\$0.51	\$38.61	4.3		9	\$4.29	11.84%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search/Regimen: HIV, 75 and 80, 80-75	488	23,914	2.04%	\$1.90	\$925.07	2		9	\$102.79	1.84%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search/Regimen: Oral antifungal agents	0	0	0.00%	\$0.00	\$0.00	0		0	\$0.00	0.00%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Product Catalog Web	0	0	0.00%	\$0.00	\$0.00	0		0	\$0.00	0.00%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Remarketing	0	0	0.00%	\$0.00	\$0.00	0		0	\$0.00	0.00%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Site: Government Health Information	0	0	0.00%	\$0.00	\$0.00	0		0	\$0.00	0.00%
		Total - all enabled campaigns	2,572	80,211	3.21%	\$1.98	\$5,089.00	2.2		50	\$101.78	1.94%

Figure 13.11 Typical small account data

The target CPA was \$65 per conversion. Only one campaign exceeded this CPA. Every single other campaign was significantly higher than this goal.

To optimize the account, the first step was to take all the data and create a very granular organized campaign that used the best features of the data from the past several years. This was to be a benchmark campaign of what was possible. This is the type of organization that is mentioned throughout this book and concentrated on in Chapter 7, “Demystifying Quality Score.”

Some of the other campaigns had high CPCs but were working well enough, so some minor tweaks were made in other campaigns, but most of the work was done in this new experimental campaign. Just by creating well-organized ad groups, the total conversions increased from 50 to 112 (Figure 13.12) in the first month of managing the account.

In the second month, some minor tweaks were made; but the biggest change was turning on CPA bidding for a few campaigns. Once CPA bidding was enabled, the conversion rates went up by 0.7 percent, which is a nice but not huge increase. The CTR dropped a touch, which is not uncommon to see since some bids are decreased if Google does not think that click will convert. However, the total conversions increased by 40 with a \$10 reduction in CPA.

That’s what CPA bidding can often do for smaller accounts. No longer are the conversions hovering at the 15–20 range where you might not be able to use CPA bidding, but they have increased enough to where Google does have more data to work with in making bid decisions (Figure 13.13).

<input type="checkbox"/>	<input checked="" type="checkbox"/>	Campaign	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Avg. Pos. ?	↓ Conv. (1- per-click) ?	Cost / conv. (1- per-click) ?	Conv. rate (1- per-click) ?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC)	1,295	46,452	2.79%	\$2.46	\$3,181.86	2.6	33	\$96.42	2.55%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC) - [REDACTED]	1,207	39,427	3.06%	\$1.64	\$1,975.99	3	23	\$85.91	1.91%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The New Campaign	680	16,339	4.16%	\$1.61	\$1,097.02	3.6	18	\$60.95	2.65%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC) - [REDACTED]	865	27,096	3.19%	\$1.58	\$1,365.19	3.4	17	\$80.31	1.97%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Product Listing Ads	319	6,244	5.11%	\$2.54	\$808.93	2	16	\$50.56	5.02%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Plans, Innovations	91	4,592	1.98%	\$0.41	\$36.94	4.4	13	\$2.84	14.29%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC) - [REDACTED]	111	2,280	4.87%	\$1.65	\$183.34	4.7	2	\$91.67	1.80%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Remarketing	4	3,733	0.11%	\$1.40	\$5.62	2	0	\$0.00	0.00%
		Total - all enabled campaigns	4,572	146,163	3.13%	\$1.89	\$8,654.89	3	122	\$70.94	2.67%

Figure 13.12 The campaigns after some basic organization was fixed

<input type="checkbox"/>	<input checked="" type="checkbox"/>	Campaign	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Avg. Pos. ?	↓ Conv. (1- per-click) ?	Cost / conv. (1- per-click) ?	Conv. rate (1- per-click) ?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC) - [REDACTED]	1,231	48,869	2.52%	\$1.68	\$2,066.63	3.1	38	\$54.38	3.09%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	My Government Search (Marketing Table)	1,110	19,683	5.64%	\$1.92	\$2,129.82	3	33	\$64.54	2.97%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC)	1,277	49,615	2.57%	\$2.44	\$3,116.76	2.4	29	\$107.47	2.27%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC) - [REDACTED]	834	27,512	3.03%	\$1.71	\$1,429.15	3.5	24	\$59.55	2.88%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Product Listing Ads	364	9,699	3.75%	\$2.45	\$890.99	1.9	21	\$42.43	5.77%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Plans, Innovations	126	5,607	2.25%	\$0.61	\$76.39	4.1	15	\$5.09	11.90%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Search (Super PPC) - [REDACTED]	64	2,429	2.63%	\$1.76	\$112.40	4.7	2	\$56.20	3.12%
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Remarketing	0	538	0.00%	\$0.00	\$0.00	1.8	0	\$0.00	0.00%
		Total - all enabled campaigns	5,006	163,952	3.05%	\$1.96	\$9,822.14	2.9	162	\$60.63	3.24%

Figure 13.13 The campaigns after CPA bidding was enabled

In the third month, the major change was enabling the ad-serving option Optimize For Conversions, which is detailed in Chapter 15, “Implementing Testing Techniques That Will Increase Profits.” This setting tells Google that if you have multiple ads in an ad group to serve the ad that has the highest conversion rate the most. There were some other changes, such as adding negatives, removing some poor-performing words, testing extensions, and so forth; but the largest change was the ad serving.

The ad-delivery setting Optimize For Conversions had an unexpected result—it not only increased the conversion rates; it increased the CTR in a few campaigns (Figure 13.14).

	Campaign	Clicks	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	Avg. Pos. ?	Conv. (1-per-click) ?	Cost / conv. (1-per-click) ?	Conv. rate (1-per-click) ?
	PLA Campaign	460	13,080	3.52%	\$2.30	\$1,059.88	0.8	52	\$20.38	11.30%
	The New Campaign	981	9,808	10.00%	\$2.58	\$2,531.41	1.6	49	\$51.66	4.99%
	Search Engine PPC	1,026	32,758	3.13%	\$2.58	\$2,642.20	2.6	43	\$61.45	4.19%
	Search Engine PPC - [Ad Group]	917	32,490	2.82%	\$2.11	\$1,937.50	3	30	\$64.58	3.27%
	Search Engine PPC - [Ad Group]	701	25,886	2.71%	\$1.91	\$1,336.96	3.6	26	\$51.42	3.71%
	Search Engine PPC - [Ad Group]	99	4,525	2.19%	\$0.66	\$65.62	4.1	13	\$5.05	13.13%
	Search Engine PPC - [Ad Group]	55	1,655	3.32%	\$1.82	\$100.25	4.7	2	\$50.12	3.64%
	Retargeting	4	2,272	0.18%	\$1.09	\$4.35	1.8	1	\$4.35	25.00%
	Total - all enabled campaigns	4,243	122,474	3.46%	\$2.28	\$9,678.17	2.7	216	\$44.81	5.09%

Figure 13.14 Ad-delivery setting Optimize For Conversions increased CTR.

The well-organized campaign amazingly went from a 5.64 percent CTR to a 10 percent CTR with Optimize For Conversions. Other campaigns increased in CTRs as well, but not to quite the same levels. While this might seem counterintuitive that Optimize For Conversions would raise CTRs, what happens is that CPA bidding raises the bids when it expects certain words to get the clicks so that the average position also increases, which increases the CTRs with it. When CPA bidding does not think a click can lead to a conversion, it might not bid for the click at all, which means that it cannot lower your CTR since there is no impression recorded. It is not uncommon to see CPA bidding in conjunction with the Optimize For Conversion setting to raise the overall CTRs of an account. However, it does not always happen and should not be an expected outcome; it is a nice-to-see side effect.

In addition, the overall conversion rates went from 3.24 percent to 5.09 percent with the well-organized campaign, or New Campaign, going from a 2.97 percent to a 4.99 percent conversion rate. That's a very nice increase since it takes only 30 seconds to change the ad-rotation setting from one option to another.

The other dramatic change was that the PLA campaign went from a 5.77 percent conversion rate to an 11.30 percent conversion rate. That's an amazing difference in a PLA campaign where very little work is being done on the management side.

These are the overall results of one good campaign (the other campaigns weren't touched outside of some basic items such as adding negative keywords and manipulating the budgets) and using the Conversion Optimizer during a 90-day period:

- Conversion rates: Increased from 1.94 percent to 5.09 percent
- CPA: Decreased from \$101 to \$44
- CTR: Increased from 3.21 percent to 3.46 percent
- Total budget: Increased \$4,600
- Total conversions: Increased from 50 to 216 per month

The next steps would be to reorganize the other campaigns as well to follow the same logic as the well-organized campaign and to continue to work on the account. However, this is what CPA bidding can do for campaigns, large or small, when you have good organization and a well-managed account.

Automated Rules

AdWords supports some automated bid rules so that you do not have to keep making the same changes over and over again. For instance, you can set up a rule to change your bid by +10 percent if your CPA is below \$20 and to change your bid downward by –10 percent if your CPA is above \$30.

You can change ad group or keywords bids; pause or enable campaigns, keywords, or ads; and even change daily budgets with the automated rules.

Focus on Impressions

The first three bidding methodologies can be used on both the search and the Display Networks. However, this option will be available only if your campaign is set to the Display Network. When you choose Focus On Impressions, you are setting cost per thousand impressions (CPM) bids. Please refer to the “Choosing CPM or CPC Bidding” section in Chapter 9, “Understanding the Display Network,” to learn more about CPM bidding methods.

With these first few bid strategies, every ad group in the campaign will use that particular strategy. However, there is an option to allow you to set a different strategy for each ad group known as Flexible Bidding.

Flexible Bidding

Flexible Bidding allows you to use different bid strategies for campaigns, ad groups, and keywords. Before you can enable this bid system, you must first create a bid strategy in the Shared Library, Bid Strategy section (Figure 13.15), that is the default for the campaign.

Once you have created at least one strategy, then you can enable Flexible Bidding. The reason you must first create one before you can enable this bid type is you will choose one that is the default for the campaign. This default strategy will be used for your ad groups if you do not enable a different strategy for an ad group.

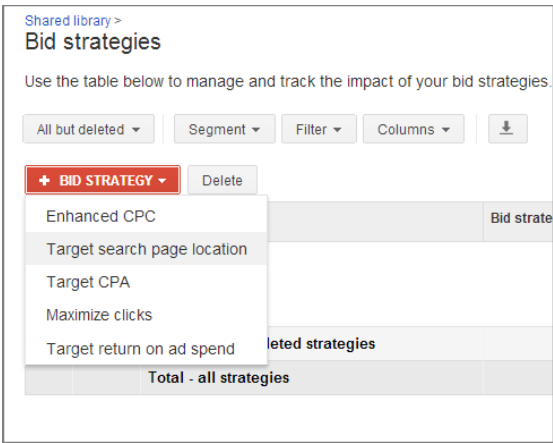


Figure 13.15 Creating a bid strategy

Two of the bid strategies, Enhanced CPC and Maximize Clicks (which used to be known as the Budget Optimizer), work as a flexible strategy the same way for ad groups and campaigns. The only difference is that with Flexible Bidding you can have one ad group that uses Maximize Clicks and another ad group that uses manual CPC bidding with Enhanced CPC enabled.

With the other strategies, you will first define them. Second, you can apply them to one or more ad groups. If you change the settings within the strategy, then every ad group that uses that strategy will also use the new settings.

For instance, you can create multiple Target CPA strategies. When you define each strategy you will set your Target CPA for that particular strategy (Figure 13.16).

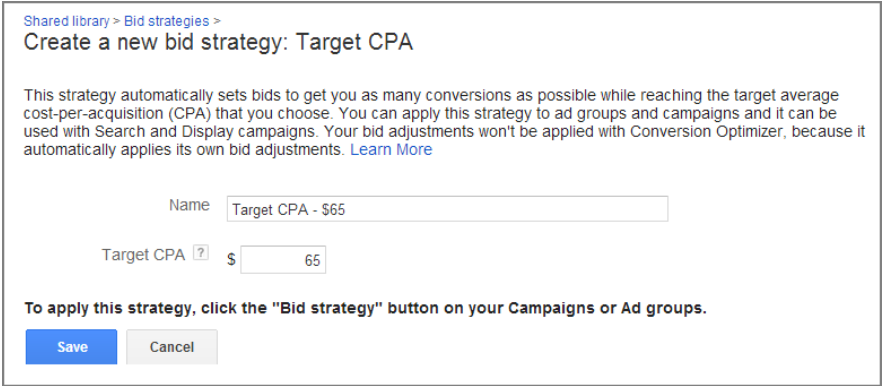


Figure 13.16 Creating a Target CPA strategy

First, select the ad groups that you want to apply that bid strategy to and click the Bid Strategies button. Next, select the bid strategy for those ad groups (Figure 13.17).

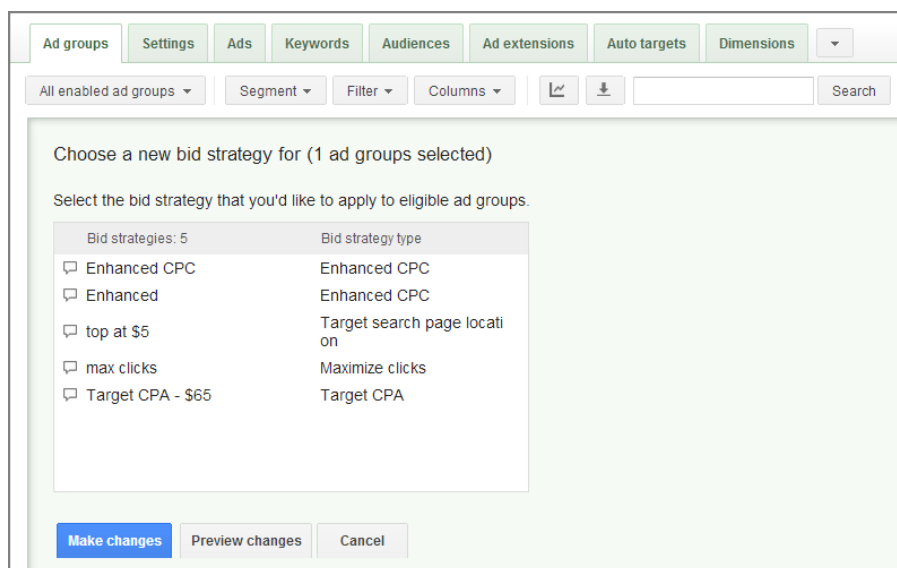


Figure 13.17 Applying a bid strategy to an ad group

Now, if you were to go back to the strategy and change the CPA within the settings, every ad group that uses that strategy would now target the new CPA. This makes it easy to switch the goals of many ad groups at once; however, it also makes it easy to mistakenly change an ad group's targets if you are not fully aware of the bid strategy that an ad group is using. While Target CPA was used in this example, whenever a strategy is applied to an ad group, if the strategy's settings are changed, every ad group that uses that strategy will also use the new settings.

Target Search Page Location

Another flexible bid type you can use helps you target a specific search page location (Figure 13.18).

With this bidding strategy, you can have the bids automatically adjusted to target the top of a search page or have the bids adjusted so that your ad appears on the first page of search results.

There are several settings you can choose when using this strategy.

Location The first choice is whether you want the bids changed so that your ad appears at the top of the page (above the organic results) or have the bids changed so that the ad appears anywhere on page 1 of the search results.

Bid Automation The second choice determines if all the bids will be managed automatically by the AdWords system or if you want to set the bids yourself, but AdWords will manipulate them to hit your desired page location.


Shared library > Bid strategies >

Create a new bid strategy: Target search page location

Bid to show your ad on the first page or top of the first page of search results. This bid strategy works with keywords, ad groups, and campaigns targeting the Search Network only.

Name

Location ☒ Top of the first search results page
☐ Anywhere on the first search results page



Bid automation ☒ Automatically raise and lower bids to match the estimated top of page bid
☐ Set bids myself, but automatically adjust bids so they are at least as high as the estimated top of page bid

Bid adjustment Adjust the estimated top of page bids by a percentage

Increase by %

Max CPC bid limit \$

Figure 13.18 Target Search Page Location

Bid Adjustment This option allows you to raise or lower your bid by a percentage after the system has set your bid. For instance, if you are targeting the first page of results, you might not want your ad to be at the bottom of the page where it has little visibility. In this case, you could have AdWords set the first page bid for you and then raise your bid by another 20 percent so that your ad will most likely appear in the middle of the right rail. Another option is to target the top of the page, but you might not want to pay for the top position all the time, so you could then lower the bid by 10 percent after the top bid is set.

Max CPC Bid Limit This is the highest bid that AdWords will set for your keywords. While this is an optional setting, it should always be utilized so that you do not have sudden surprises in how much you paid for a few clicks. On occasion, there will be advertisers who set very high bids, and if the automated system is trying to jump over those bids to meet your rules, you could end up paying a lot more per click than you are comfortable with, so always set a max bid cap.

Limited Budgets If a campaign cannot show all day long because its budget is too low, the campaign is marked as Limited By Budget, which means that if you raised your budget you would get more traffic. This setting allows you to not have the bid rules run when your campaign is limited by budget since by increasing your bids you will just receive less traffic. Your CPC will increase, but since your budget is already being depleted, you will end up with fewer clicks for the same budget.

Low Quality Keywords This option allows you to not have bid rules run on low-quality keywords. While this option is on by default, there are many times when you will want to run these rules on low-quality keywords, such as when you are in an industry that typically has low-quality keywords.

Target Search Page Location is a good strategy when you are looking to control your overall exposure and you are more concerned with your ad's visibility than with conversions. If conversions are important to you, then you should use a different bid method that examines conversion data or uses ROAS bidding.

ROAS Bid Strategy

ROAS bidding, also known as return on ad spend, is a bid option where AdWords will try to set bids based on your overall ROAS goals. Before you can use this system, you will want to ensure that your revenue data is being imported into AdWords either through a Google Analytics implementation or using the advanced options in the AdWords conversion-tracking script, or you at least have a conversion value defined in your conversion settings.

If you have values associated with your conversions, then you can create a ROAS bid strategy (Figure 13.19).

With ROAS bidding, you first need to name the bid type and define your target ROAS. We will cover ROAS calculations in this chapter in the section “ROAS vs. Profit.”

Create a new bid strategy: Target return on ad spend

This strategy automatically sets bids to get you as much conversion value (e.g. revenue) as possible while achieving the target, average return on ad spend (ROAS) that you choose. You can apply this strategy to keywords, ad groups, and campaigns and it can be used with Search and Display campaigns.

Name

Target return on ad spend (ROAS) %
To start, get "Conv. value/cost" column data for the last 14 days and multiply that number by 100.

☐ Advanced options

Max. bid limit ☒ Don't set max. bid limit (recommended)
☐ Set max. bid limit

Min. bid limit ☒ Don't set min. bid limit (recommended)
☐ Set min. bid limit

To apply this strategy, click the "Bid strategy" button on your Campaigns, Ad groups, or Keywords tabs.

Figure 13.19 ROAS bidding options

You then have the option to set max and min bids for your keywords. While these are both optional, it is a good idea to set both of these items. For instance, if you have a word that gets one click at a \$1 cost and then sells an item for \$100, you might suddenly see the bid for that keyword skyrocket because that keyword has 10,000 percent ROAS; odds are that the next click will not also sell another item for \$100.

Conversely, it is often a good idea to set a minimum bid. If you do not set a minimum bid, then it is easy for a bid system to start setting bids to \$0 for keywords that do not convert over time. If you are selling expensive luxury items, you might be happy with a 0.25 percent conversion rate. However, at that conversion rate it takes 400 clicks on average to receive one conversion. Often a bid system will set the bids to \$0 before you receive your first conversion for that keyword so that the system can bid appropriately.

It is generally better for you to examine the keywords that do not convert and remove them from the system manually than to rely on a bid system to just bid nonconverting keywords to \$0, unless you have some rules in place for how many clicks a keyword should receive before it gives up on a keyword. Those types of additional controls do not exist within flexible bidding.

In most cases, a brand-new account will start with manual CPC bidding so that you can gather data about your keywords and conversion rates before you can enable other bid strategies such as CPA bidding that have some minimum requirements. So, next we will examine how to set manual bids and some formulas that you should be familiar with when advertising.

Profitable Bidding Strategies

If you are using max CPC bidding, you need to set your own bids. We will walk through some strategies for setting bids. There are a few different places in your account where you can set bids:

- Ad group
- Ad group for display
- Keyword
- Auto targets (for shopping and PLAs)
- Placement interests and remarketing
- Topic age
- Gender

The ad group-level bids are the default bids. You can override these bids by also bidding by keyword for search or by interest, topic, or placement for display. Google will use the most specific bid.

For instance, if you have both a keyword-level bid and an ad group-level bid, the keyword is more specific, so Google will use that one. If you have an ad group bid and a placement bid, Google will use the placement bid if someone is on that placement because it is more specific. If you have placements but you have not set bids for each placement, Google will use the default ad group bid when there is no placement bid.

To maximize your bidding control, use specific bids at the keyword and placement levels. If you have a number of ad groups, you can just set ad group-level bids and not keyword-level bids. However, you might find that similar keywords in the same ad group lead to different returns for your ad spend. While you can take the shortcut of setting ad group bids instead of keyword bids, if you want to maximize your bidding strategies, you should use keyword-level bids.

Often on the Display Network you will have an ad group for each topic or interest you are targeting. If the ad group has only a single way of showing your ads (that is, the ad group has only a single topic or single interest in it), then there is no need to set both ad group- and targeting-level bids.

Regardless of where you decide to set bids, these strategies apply to any of the places you want to set bids.

ROAS vs. Profit

In several of your bidding strategies, to set bids you will use a return on investment calculation specific to the advertising industry called return on ad spend (ROAS). However, keep in mind that maximizing your ROAS does not always maximize your profits.

ROAS vs. ROI

Return on investment (ROI) has been long misused in search. The true formula for ROI is $\text{ROI} = (\text{revenue} - \text{cost}) / \text{cost}$.

This formula has been warped by many marketers into $\text{ROI} = \text{revenue} / \text{cost}$. They choose to use this incorrect formula because ROI can be a negative number, and negative numbers make bid calculations more complex. A 100 percent ROI in the incorrect formula is your breakeven point, so calculations become easy. The simple explanation for this is that since you are calculating marketing costs, you just removed those same costs from the formula to calculate ROI.

When search marketing was primarily conducted by non-marketing people in the early years when the web designer or IT department often ran paid search, this slight change in definition often did not matter to the company. But since search has grown into a multibillion-dollar business and is being taught in college marketing classes, an effort must be made to correct the use of these terms so that it is consistent between company departments.

The ROAS formula is $\text{ROAS} = \text{revenue} / \text{advertising cost}$. The ROAS formula is the same as the warped or incorrect ROI formula used in search. Therefore, in this chapter you will use ROAS in your calculations to determine bids.

ROAS is easy to calculate. The formula is $ROAS = \text{revenue} / \text{cost}$.

A 100 percent ROAS is breaking even if you have 100 percent margins, which is common when you do not have physical goods. If you are selling products, then a 100 percent ROAS means that you are losing the cost of the product, and potentially shipping, on each sale. A 200 percent ROAS means for every dollar you spend, you bring in two dollars of revenue. A 50 percent ROAS means for every dollar you spend, you bring in only 50 cents. In other words, a 50 percent ROAS means you are losing money.

For example, let's examine a company that sells both chocolates and flowers. Chocolates are less competitive than flowers, and therefore the CPC is lower. However, flowers have a higher average order value than chocolates, and therefore the potential for more profits exists. As Table 13.1 illustrates, higher ROAS does not always mean more profits. In this example, let us assume that both of the products cost the same, so we will ignore the additional calculation of the cost of goods in order to easily show the concept without getting buried in math and additional equations. In most cases, you would also want to factor in the cost of goods, shipping, and other hard-cost expenses before determining profit.

► **Table 13.1** Profit vs. ROAS

Campaign	Average CPC	Conversion rate	Cost per conversion (average CPC / conversion rate)	Revenue per conversion	ROAS (Revenue / spend)	Profit per sale (profit – cost per conversion)
Chocolate	\$1	10%	\$10	\$20	200%	\$10
Flowers	\$3	10%	\$30	\$50	166%	\$20

In this example, the chocolate campaign has a higher ROAS than flowers. Many companies would consider this the more successful campaign. However, the flowers campaign brings in more total profits each time it makes a sale. Other companies would consider this to be the more successful campaign. The success metrics can be correlated with your original goals, which can be modified whenever you learn more about your business or change your business direction.

ROAS is an easy number to work with, and you will use it in several of your calculations in this chapter. However, never forget to calculate profit. I will show you a bidding strategy that focuses purely on profit.

Revenue per Click

Each time you attain a final business goal, there is revenue associated with the goal. With AdWords, you also pay each time someone clicks on your ad. Each click usually does not lead to revenue. It is a bundle of clicks that finally results in a conversion that

leads to company revenues. When thinking about how much you should bid on a click, first calculate your breakeven point, which you can easily determine by the metric revenue per click.

Determining Revenue per Click

To calculate revenue per click, simply divide the revenue that a keyword, placement, or ad group brought to your company by the number of clicks that same ad group, keyword, or placement received.

If a keyword received 100 clicks that led to \$1,000 of revenue, then the revenue per click is \$10 ($\$1,000 / 100 = \10).

If you are using AdWords conversion tracking and have associated revenue numbers with conversions, you can easily gather this data from AdWords. When you customize columns, add the column Conv. Value / Click (Figure 13.20).

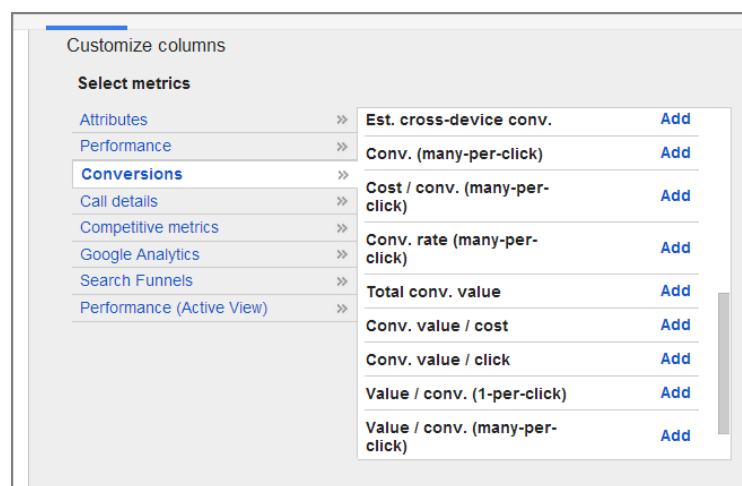


Figure 13.20 Include Conv. Value / Click when running AdWords reports.

Google will then divide how much revenue a data point received (for AdWords, this could be ad, ad group, keyword, campaign, placements, and so on) by the number of clicks that same data point received. Understanding your value per click will help you gain insight into your marketing effectiveness. It is one of the best metrics to work with inside your account.

To simplify the explanations, you will look only at keywords throughout the next several reports and mathematical calculations. However, please note that instead of keywords, these reports could be showing you data at the placement, ad group, landing page, and other levels.

In addition, we will not consider the cost of goods, shipping, and other calculations that can be added to determine these numbers. We will work with 100 percent margins to make the illustration of the match and thought process easier. However,

if you are selling goods, adding a step to these processes to calculate margins and the prices of goods is a useful exercise when possible.

Once you download the keyword report including the value-per-click information, you should have an Excel file that shows your keywords, the number of clicks, conversions, total value, and value per click for those items (Figure 13.21).

	C	H	M	N	R	U	W
1	Keyword	Max CPC	Avg CPC	Clicks	Conversions	Total Value	Value / Click
2	Keyword 1	\$0.35	\$0.32	8716	195	\$14,625.00	\$1.68
3	Keyword 2	\$0.75	\$0.65	8270	194	\$14,550.00	\$1.76
4	Keyword 3	\$0.29	\$0.27	6955	131	\$9,825.00	\$1.41
5	Keyword 4	\$1.12	\$0.95	3852	111	\$8,325.00	\$2.16
6	Keyword 5	\$0.35	\$0.27	3522	75	\$5,625.00	\$1.60
7	Keyword 6	\$0.50	\$0.53	1658	49	\$156.00	\$0.09
8	Keyword 7	\$0.20	\$0.08	4589	39	\$2,925.00	\$0.64
9	Keyword 8	\$3.00	\$1.05	676	36	\$1,903.00	\$2.82
10	Keyword 9	\$0.30	\$0.22	4222	35	\$1,001.00	\$0.24
11	Keyword 10	\$0.35	\$0.21	2098	34	\$2,550.00	\$1.22
12	Keyword 11	\$0.25	\$0.16	2957	34	\$335.00	\$0.11
13	Keyword 12	\$0.68	\$0.57	1852	33	\$2,475.00	\$1.34
14	Keyword 13	\$0.68	\$0.59	1628	32	\$2,400.00	\$1.47

Figure 13.21 Excel report showing keyword value-per-click data

Clarifying Data with Conditional Formatting

If you have a large account, this is the point where you can easily become overwhelmed by data. There is another Excel function, called conditional formatting, that can turn large spreadsheets into visual references.

The basic use of conditional formatting allows you to highlight cells if they meet certain conditions. To use conditional formatting in Excel 2007 or later versions, on the Home tab of the ribbon, click Conditional Formatting and choose the type of rule you want to create (Figure 13.22). Then select the cells and the formatting you want to apply to those cells.

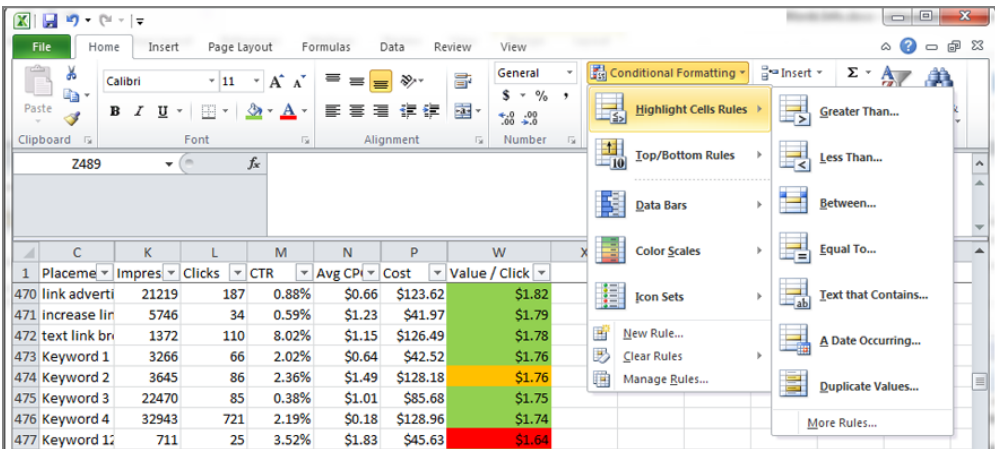


Figure 13.22 Creating conditional formatting rules

Use these conditional formatting rules to create a visual reference to see how various keywords, ad groups, and placements are performing:

Red *The value per click is lower than the average CPC.* The first rule you should create is to determine where you are losing money. Since value per click is your breakeven point, if your average cost per click is higher than your value per click, every time you receive a click, you lose money.

Orange *The estimated first page bid is higher than the value per click.* To receive first-page exposure across all geographies where you are advertising, your maximum cost per click needs to be higher than the first-page bid. When the value per click is lower than your first-page bid estimate, these keywords can never be on page 1 profitably. This is a good place to do some testing to see if you can raise the value of those keywords, or if you are examining geographic data, to take a look at the areas where you are not doing well so you can find new ways of marketing in that region.

Yellow *The value per click is higher than the average CPC but lower than the max CPC.* When your value per click is higher than your average CPC, you make money on each click. However, if your value per click is also lower than your max CPC, you could start to lose money on this keyword without changing the bid. These keywords need to be watched to see if they start losing you money. They are also good keywords to test to see if you can raise the value per click by testing different ad copy and landing pages.

Brown *The value per click is higher than the average CPC and first page bid estimate, but the max CPC is below the first page bid estimate.* These are words that are profitable because the value per click is higher than the average CPC. These words would also be profitable on page 1 since the value per click is higher than the first page bid. However, because the max CPC is below the first-page bid, these words are not receiving first-page exposure. These are good words on which to bid so that they receive page 1 exposure since they will be profitable at those positions.

Green *The value per click is higher than the max CPC, and the max CPC is higher than the first page bid.* These keywords are on page 1 and are making you money. You might adjust the bids so they receive more exposure or set bids based on ROAS.

By using these conditional formatting rules, you can transform large spreadsheets into visual reference charts that allow you to understand how your keywords, ads, landing pages, ad groups, or placements are performing.

Taking Margins into Account

Value per click takes only total revenue into account. This metric does not take margins into account. If you have hard costs, such as an e-commerce company that has to buy the products they are selling, you need to move beyond value per click to look at profit per click.

If you run a lead-generation company without hard costs of goods, your value per click is usually your profit per click. That means you do not need to perform any additional calculations.

There are a few ways to take margins into account so that you are setting bids based on actual profits. The most accurate method is to use Google's API or a third-party vendor to incorporate your back-end system with AdWords so that you can see exactly which keywords are selling which products and then determine the margins automatically. This is the most accurate solution, although it can be a costly solution. Let's take a look at a lower-tech approach that any company, regardless of budget, can incorporate.

First, make sure that your ad groups consist of closely related keywords. Create ad groups that promote only a specific product or closely related products with similar margins. For instance, let's assume you sell the products shown in Table 13.2.

► **Table 13.2** Calculating margins

Keyword	Margin
iPod nano	25%
iPod touch	35%
Coby Video Player	30%
SanDisk Sansa	20%
Sony Walkman	20%

Your best organization would be to group each of these keywords and their closely related variations (such as *pink iPod nano*, *8GB iPod nano*) together to form ad groups. However, if you have a tremendous number of items, that organization is not always possible. In that case, the only two items you should combine into a single ad group would be the SanDisk Sansa and the Sony Walkman because they have the same margins.

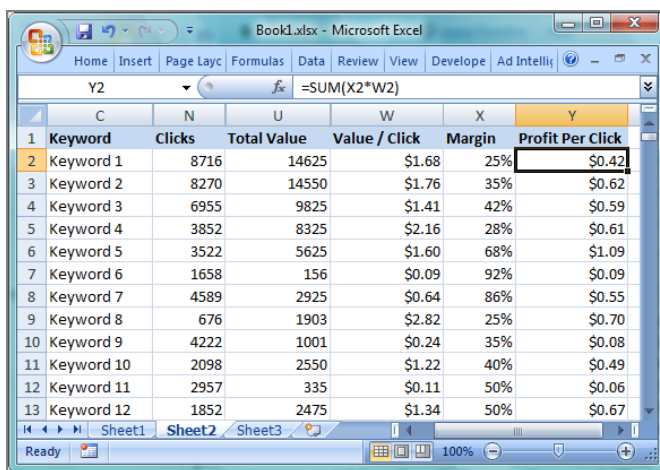


Note: From a conversion rate standpoint, this is not a good organization; you would want different ad copy and landing pages for these products. This example is for illustration purposes only, so you can see how to incorporate margins into your reports.

To create reports that include margin data, follow these steps:

1. Make a list of all your ad groups in Excel. The easiest way to get such a list is to run an ad group report or export your account from the AdWords Editor.
2. In another column, list your margins for the product that the ad group should sell, just like in Table 13.2.

3. When you run a report from AdWords, add a new column for margins. Then incorporate your margin data into the AdWords report using the VLookUp function.
4. Create an additional column called Profit Per Click, and populate this column by multiplying your value per click by your margin (Figure 13.23).



	C	N	U	W	X	Y
1	Keyword	Clicks	Total Value	Value / Click	Margin	Profit Per Click
2	Keyword 1	8716	14625	\$1.68	25%	\$0.42
3	Keyword 2	8270	14550	\$1.76	35%	\$0.62
4	Keyword 3	6955	9825	\$1.41	42%	\$0.59
5	Keyword 4	3852	8325	\$2.16	28%	\$0.61
6	Keyword 5	3522	5625	\$1.60	68%	\$1.09
7	Keyword 6	1658	156	\$0.09	92%	\$0.09
8	Keyword 7	4589	2925	\$0.64	86%	\$0.55
9	Keyword 8	676	1903	\$2.82	25%	\$0.70
10	Keyword 9	4222	1001	\$0.24	35%	\$0.08
11	Keyword 10	2098	2550	\$1.22	40%	\$0.49
12	Keyword 11	2957	335	\$0.11	50%	\$0.06
13	Keyword 12	1852	2475	\$1.34	50%	\$0.67

Figure 13.23 Taking margins into account when examining performance

5. Finally, use the conditional formatting rules on the Profit Per Click column instead of the Value / Click column. This will give you a visual reference of your actual profits.

Instead of applying margins at the ad group level, you could incorporate margins at the keyword level. However, determining your margins for each keyword could consume so many hours of work that it might be cheaper to incorporate your back-end system into a third-party vendor or use the AdWords API.

This low-tech approach should be directionally accurate. However, what you will find is that some of your sales are for completely unrelated items. You will find that someone searches for an iPod and buys a plasma TV—or someone searches for a plasma TV and buys a 10-cent pencil. Using this margin approach is better than not understanding how your profits are derived whatsoever, but the results will be inaccurate at times.

How Can Publishers Determine Revenue per Click?

The metric that publishers, such as newspapers, should track is revenue per visitor (RPV). Sometimes RPV is calculated by individual user, and other times by 1,000 visitors, similar to CPM.

Most publishers have two main revenue opportunities. One is to sell ads on their site and the second is to sell subscriptions. To calculate your revenue per visitor, you first need to find how much you make on any page view.

For instance, if a publisher sells \$50 CPM ads (meaning an advertiser is willing to pay \$50 for 1,000 page views), then each individual page view is worth \$0.05 ($\$50 / 1,000$). If a publisher has three ad display units on a page, the page view is actually worth \$0.15.

Once you understand how much you make on any single page view, the second step is to calculate average page views per visit. For our analysis, let's assume the average visitor sees three pages. By multiplying the average page views (3) by the RPV (\$0.15), you can see that by getting a visitor to the site, the publisher makes \$0.45. Average page views will vary by traffic source and by keyword.

The second metric publishers track is subscriptions. For ease of analysis, let's assume that one out of every 100 visitors buys a subscription for \$10 per month. A subscription is not a one-time purchase. A publisher should then track how long someone is paying for a subscription. Our example newspaper finds that when someone buys a subscription, that user pays the newspaper for 10 months. Therefore, a one-time sale is actually a \$100 lifetime value. At a 1 percent conversion rate, that means the publisher makes \$1 per visitor ($\$100 \text{ purchase} \times 1 \text{ percent conversion rate}$) when tracking subscription revenue.

Combining RPV and Subscription Revenue

You can take this approach even further and look at the number of page views per subscriber per month. For ease of calculation, let's say our newspaper finds that subscribers see 100 page views per month. When you calculate RPV (\$0.15) times page views per month (100) times the number of months someone is a subscriber (10), you find that the actual subscriber is worth \$150 over their lifetime. This is the *lifetime RPV*.

Adding the lifetime RPV (\$150) to the lifetime subscription value (\$100), you end up with a \$250 product. Since only 1 percent of searchers buy a subscription, the actual value per click for subscription conversions is \$2.50: $\$250 (\text{product value}) \times 1 \text{ percent (conversion rate)} = \2.50 .

When you add the original RPV (\$0.45) and the lifetime subscription price value per click (\$2.50) of each visitor, you see that the newspaper on average makes \$2.95 per visitor. Therefore, \$2.95 is their actual lifetime value per click of a nonsubscriber. The value per click of a current subscriber is only the RPV (\$0.45) since you cannot sell them a product they already own (the subscription). Within AdWords you cannot target nonsubscribers, so the best the publisher can do is to use a blended average for their profit per click.

That value-per-click number represents all keywords and traffic sources combined. A publisher might find that one keyword leads to 10 page views per visit but no

subscriptions. Another keyword might lead to a 10 percent subscription rate but only three page views. To set bids at the ad group, keyword, display, and placement level, you will want to be able to calculate those values for each data point.

Tracking Page View Conversions in AdWords

The easiest ways to view this data in AdWords so that you can see value per click by keyword, landing page, and ad is to use the AdWords conversion tracker or Google Analytics. If you do this with the AdWords script, set up one script that tracks page views. In the Value column, enter **\$0.15** (the value per page view). Put this script on each page of your website. Then set up a second script that goes on the “Thank you for subscribing” page. In the subscription script, for the total value enter **\$250**, the lifetime value of a subscriber.

Technically, the most accurate number would come from tracking average subscription length and page views per subscriber by traffic source to adjust that \$250 lifetime value appropriately based on actual data. To get to that level of tracking, you will need to incorporate your own tracking system—that information cannot be gathered from AdWords or Google Analytics alone. However, this is a good place to start to examine how profitable each keyword or placement is to your bottom line.

Once you have incorporated these tracking scripts, when you run an AdWords report you can see the revenue associated with each keyword as a publisher. In the section “Calculating Your Max CPC,” later in this chapter, you will use this revenue per click number to set appropriate bids for each keyword, ad group, or placement based on actual revenue.

Tracking Long Sales Cycles with Conversion Funnels

Many companies do not make a final sale off their first conversion activity. If you are in a business-to-business environment or selling high-end products, you may find that it takes several contacts with a user before you finally sell a product. In cases of multiple touch points, you need to build a conversion funnel to understand what each keyword and lead is worth to your company.

Let’s look at a fictional company called RSI, which integrates Android mobile devices with Microsoft Exchange and a company’s internal instant messaging desktop applications. This is a complex procedure, and their service is expensive; their average enterprise customer spends \$100,000 per integration. RSI finds that they never make a sale from a single phone call. They need multiple touch points to move a corporation through the buying funnel before the customer finally signs a contract and writes them a check.

After some analysis, RSI builds a conversion funnel with five steps:

1. Buy clicks to their website from AdWords.

2. Offer those searchers a free whitepaper download. To receive the download, users must enter their contact information.
3. Invite everyone who downloads their whitepaper to a free webinar that showcases their product.
4. Call each person who attended their webinar to attempt to sell them a product.
5. Make a final sale for \$100,000.

RSI exists for illustration purposes only; you may find that you need to add more steps to your own conversion funnel, such as in-person demos.

RSI tracks the conversion rates from clicks to whitepaper downloads. Since that action occurs on the Web, they can easily use the AdWords conversion tracking to see the percentage of downloads by keyword or placement to determine how much they are paying for a download. However, a download does not lead to revenues for the company; it just introduces a searcher to their buying funnel. Therefore, RSI needs to do some math and offline tracking to determine what an actual click is worth.

Buy clicks to their website from AdWords. RSI finds that they are currently paying an average of \$10 a click from AdWords. They can do this entire analysis at the keyword, landing page, or placement level. For now, let's keep it simple to illustrate how to analyze a conversion funnel. RSI buys 1,000 clicks at \$10 a click, so their initial investment is \$10,000.

Offer those searchers a free whitepaper download. RSI's whitepaper download conversion rate is a fantastic 25 percent. Of those 1,000 clicks, they have received 250 downloads. Therefore, they have paid \$40 per download ($\$10,000 / 250 = \40).

Invite everyone who downloads their whitepaper to a free webinar. It seems that those who like a free download also like free webinars. Forty percent of those who download the whitepaper attend RSI's webinar. They receive 100 viewers of their webinar (250 downloads \times 40 percent conversion rate). They have essentially paid \$100 to have someone attend their webinar ($\$10,000$ in clicks / 100 attendees).

Call each person who attended their webinar to attempt to sell them a product. The sales team manages to get 10 percent of the webinar attendees on the phone. The cost per phone call contact is \$1,000 ($\$10,000$ in clicks / 10 phone calls = \$1,000).

Make a final sale for \$100,000. Of those 10 phone calls, the sales team makes one sale for \$100,000. Now that they have a sale, they can finally calculate the ROI of that sale and the value per click. ROI is profit / spend; in this case, $\$100,000$ profit / $\$10,000$ spend = 1,000 percent ROI. Although most e-commerce companies would love a 1,000 percent ROI, often in a B2B environment that ROI is necessary, because you have a large team making a single sale based on the customer touch points.

RSI is a savvy company, so they do not automatically assume that their ROAS is actually 1,000 percent. They do some math and realize that, based on the time invested

in paying sales reps, emailing customers, and conducting webinars, as well as building, installing, and supporting the RSI system, the fully loaded cost of the sale was \$50,000. Therefore, their net profit is \$40,000: \$100,000 (revenue) – \$10,000 (ad spend) – \$50,000 (all other product, sales, and overhead) = \$40,000.

By dividing the net profit (\$40,000) by the number of clicks (1,000), they calculate that their value per click is \$40. Therefore, if the company wants to be profitable and not just break even, then their bids need to be under \$40.

It can be useful to put these steps into a visual reference chart (Figure 13.24) so you can see the chain of events.

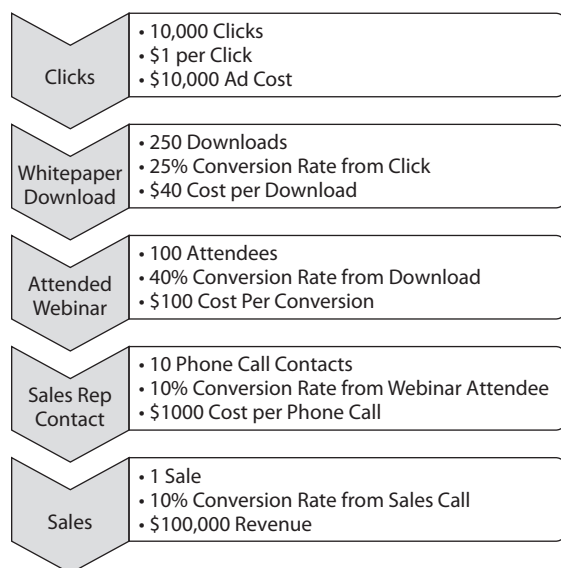


Figure 13.24 RSI conversion funnel

If RSI wanted to optimize their ability to sell their product, their first step should not be examining their AdWords account. Before a salesperson attempts to contact a business, the business has opted into two steps (whitepaper download and webinar attendance) with RSI. A 10 percent phone call contact rate to a company that has gone through only two steps of engagement is quite low.

RSI should observe how their sales reps are contacting companies and also study the sales scripts. If their contact rate went to 20 percent, the company would have made another sale, leading to much higher profits than testing ad copy that led to another 5 percent of visitors. That does not mean RSI should not test ad copy—it just means if you have a full picture of your conversion funnel, you can spend your time making the biggest impact for your company. Once the phone call contact rate has been fixed, RSI should work on optimizing their AdWords account.

Calculating Your Max CPC

There are two main ways to perform calculations to determine your bids. One is to bid based on your ROAS. Setting ROAS bids is preferred by many companies because it lets them build in a buffer of a higher ROAS so they do not have to calculate such items as payroll, rent, and so forth.

The second method is to set bids by profits. When I show you this bid method, I will simplify the calculations, so I won't take into account your lighting bill. You are going to try to maximize the profit that your account generates as if it operated in a vacuum apart from your typical operating costs. Once you see how the simple calculations are done, you can and should develop your own profit calculations that account for all appropriate product and sales costs.

Setting Bids Based on ROAS

The difficult part of bidding is not setting bids. The difficult part in determining bids is understanding your revenue. Once you have determined the revenue for each keyword, ad group, or placement, setting a bid based on ROAS is quite easy. There are a few formulas you can use based on the information you have available to you.

In this section, you will use value per click, revenue per click, and profit per conversion, which is information you can glean from your AdWords reports (as discussed in the earlier section "Revenue per Click").

If you know your profit and conversion rates, you can use this method. For the keyword *chocolate*, here are the metrics:

- Profit per conversion: \$25
- Desired ROAS: 200%
- Conversion rate: 10%

The basic formula for setting bids based on profits is as follows:

$$(\text{Profit per conversion} / \text{desired ROAS}) \times (\text{conversion rate}) = \text{max CPC}$$

$$(\$25 / 200\%) \times 10\% = \$1.25$$

This can also be expressed by $(\$25 / 2) \times 0.1 = \1.25 .

If you know your value or revenue per click and do not have a margin, you can use this information to set a bid:

- Value or revenue per click: \$2.50
- Desired ROAS: 200%

In this case, you can use the following formula:

$$\text{Value per click} / \text{desired ROAS} = \text{max CPC}$$

$$2.50 / 200\% = \$1.25 \text{ is the max CPC.}$$

If you know your value or revenue per click but you have a margin, you need to go through two steps to calculate your max CPC. In this example, the metrics are

- Value per click: \$2
- Margin: 50%
- Desired ROAS: 200%

The first step is to calculate the breakeven point:

Value per click \times margin = breakeven CPC

$\$2.00 \times 50\% = \1.00

The second step is to calculate the bid from the breakeven CPC:

Breakeven CPC / desired ROAS = max CPC

$\$1 / 200\% = \0.50

Easily Make Multiple Bid Changes

Since setting bids by ROAS is a simple calculation, you can build the formula in an Excel spreadsheet and calculate a bid by placement, keyword, or ad group. Once you have a spreadsheet that contains your bids, use the bulk import feature in the AdWords Editor to quickly make all your bid changes. After you import your existing keywords, ad groups, or placements with your new CPCs, post those changes to your AdWords account. Making bulk bid changes with Excel and the AdWords Editor will save you a tremendous amount of time.

The preceding formulas work for setting keyword bids, placement bids, and ad group bids. If you want to bid by ROAS, regardless of where you want to set those bids, the same formulas apply. ROAS is a very simple metric to use for setting bids and one of the powerful bid methods available if you are going to manually bid. If you are looking to gain more exposure, you can see bid suggestions directly from AdWords.

Bidding for Exposure

You can receive recommended bids from Google for your ad to be placed on the first page of results or at the top of the results. Just remember, this is the bid to be on the first or top of the page most often—it does not guarantee you will get clicks or that those clicks will convert.

Bidding just to receive exposure and clicks with no other goal in mind is often called *ego bidding*, because it satisfies the CEO's ego to be at the top of Google. However, if you do not make any money, you might not be at the top very long.

You can customize the columns on the Keywords tab to see the estimated first-page and top-page bids (Figure 13.25).

Avg. CPC ?	Est. first page bid	Est. top page bid ?
\$89.25	--	--
\$137.74	\$56.00	\$100.00
\$135.41	\$100.00	\$100.00
\$121.28	\$46.00	\$100.00
\$121.26	\$17.00	\$61.00
\$120.02	\$25.00	\$100.00
\$119.90	\$60.00	\$100.00
\$117.60	\$12.00	\$100.00
\$117.41	\$13.00	\$100.00
\$116.00	\$11.00	\$39.00
\$114.05	\$54.00	\$100.00
\$113.76	\$17.00	\$75.00

Figure 13.25 First-page and top-page bids

Most industries do not have click prices this high; however, if you ever delve into the realm of class-action lawsuits, expect to see many bids in the \$75–100 range or even higher. The first-page bid estimate is the approximate cost to be on page 1 for that keyword when the query is the same as your keyword. There are three main reasons why your CPC may be below the first-page bid and your ads are still making it onto the first-page search results.

The first is the most common: geographic reach. The first-page bid takes into account all the geographies where you are advertising. It is common to see hyper-competitive areas, where bids are much higher than average. In this case, you might be on page 1 for the majority of your region with a bid below the first-page bid estimate—you just aren't on page 1 in every region.

The second most common reason is that this bid is based on when the search query is the same as your keyword. If you are using any match type except for exact match, other queries can trigger your ads to show. Your CPC could be below the first-page bid, but for certain queries you still show on page 1.

The third reason is related to budgets. Many advertisers do not have the budget to be displayed the entire day for an entire month. It is common to see budgets deplete near the end of the month or later in the day. When competitors' budgets get depleted, your ads may show since there is less competition.

The estimated top-page bid is the estimate required to be above the organic results. Often you will see many more impressions and clicks if your ads are above the organic results as opposed to being displayed in the right rail. To see the difference in side versus top impressions, you can use the AdWords Bid Simulator.

Bid Simulator

The Bid Simulator shows you a projection of the number of impressions you would see if you raised or lowered your bid for a particular keyword.

To access the Bid Simulator, navigate to the keywords in your account and look for the graph icon next to Max. CPC (Figure 13.26).

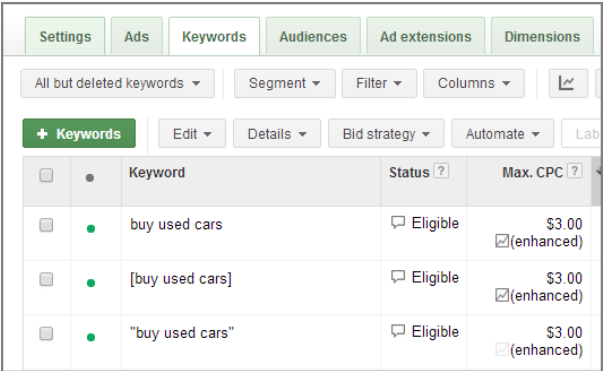


Figure 13.26 Accessing the Bid Simulator

Not all keywords will show the graph icon. If Google does not have enough data to project how many impressions and clicks you will receive at different max CPCs, you will not see a graph. If you have a campaign that constantly hits its daily budget, you may not see the icon. Raising the CPC of one keyword might not get more impressions since other words are also using a percentage of your daily budget. You may not see it inside Conversion Optimizer, Budget Optimizer, or display-only campaigns because you cannot bid by keyword in these instances.

Once you find a keyword where the graph exists, click the graph icon and you will be able to see projected clicks, cost, and impressions by different max CPCs (Figure 13.27).

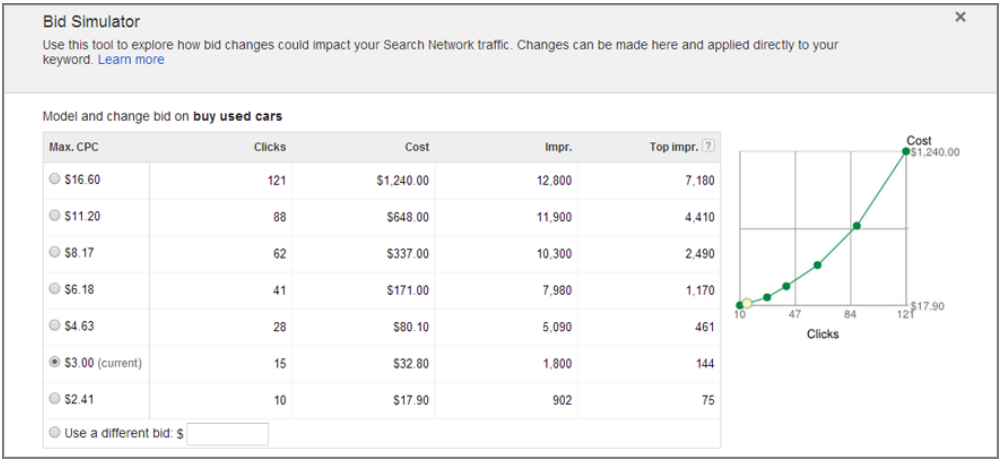


Figure 13.27 Projected changes by max CPC

Google refreshes this data daily, but changes in Quality Score, competitors' bids, or search behavior can cause these numbers to become inaccurate. In addition, this information is only based on the last seven days of data. Therefore, it is inaccurate around seasonal peaks since the bids are volatile during those periods.

You should use them for guidance purposes only and not rely on the information as absolute. However, these numbers can help you get an idea of the available impressions as you raise and lower your bids.

Bid Modifiers: Automatically Changing Bids by Time, Geography, Devices, and More

In the summer of 2013, Google made one of the largest changes to how AdWords bidding can be accomplished with the introduction of enhanced campaigns. Enhanced campaigns introduced many new features, some which have been detailed in the Ad Extension information in Chapter 4, "Writing Compelling Ads." The other major change was the expansion of bid modifiers.

With bid modifiers, you can automatically change your bids based on many factors, such as geography, time of day, day of the week, mobile devices, age, gender, and more.

Bid modifiers are percentage multipliers used to adjust your bid. The ranges for most of the modifiers are –100 percent to 900 percent, although some, such as the mobile bid modifier, only range from –100 percent to 300 percent.

If any modifier is –100%, that means your ad will not be displayed since your final bid will be set to \$0.00.

When you use just one modifier, the math is very simple. For example, if you wanted to lower your bid on a mobile device by 20 percent and your bid was \$1, then your final bid becomes 0.8 ($\$1 * 0.8 = 0.8$).

However, when you use multiple modifiers together, the math is not as straightforward because each modifier is used in the final calculations of your bid.

For example, if you have a bid of \$1 and want to use a –50 percent modifier for a certain city and a +50 percent modifier when the user is on a mobile device, and the user happens to be in the particular city and on a mobile device, the final modifier is not 0 percent ($+50\% - 50\% = 0\%$). The way the actual formula works, your final bid would be 0.75.

First adjustment: $\$1$ (starting bid) * (–50% location bid adjustment) = \$0.50

Second adjustment: $\$0.50$ (bid from first adjustment) * (1.50 mobile bid adjustment) = \$0.75

This can also be expressed sequentially as

$$\text{1st Adjusted Bid} = \text{Bid} + (\text{Bid} * \text{Bid Adjustment})$$

$$= \$1.00 + (\$1.00 * -.5)$$

$$= \$1.00 + (-\$0.50)$$

$$\text{1st Adj. Bid} = \$0.50 \text{ bid}$$

$$\text{2nd Adj. Bid} = (\text{1st Adjustment}) + (\text{1st Adjustment Bid} * \text{2nd Adjustment})$$

$$= \$0.50 + (\$0.50 * .5)$$

$$= \$0.50 + (\$0.25)$$

$$\text{2nd Adj. Bid} = \$0.75 \text{ final bid}$$

While these formulas can be written out into long, complex equations, it is often easier to sequence them to see how the math works. As a marketer, you should understand how the math works, but you do not need to know every formula. In the end, you need to set the proper bid adjustments based on your returns.

One of the reasons the formula is written this way is that if any modifier used in an auction is -100 percent, then the final bid always becomes \$0.00 regardless of any other modifiers. This makes it very easy to keep your ads from showing on a device or in a specific geography or time of day; however, it can make the math quite complex.

For example, if you have a positive modifier of 800 percent for a location and a -100 percent modifier for a mobile device, the math would look like this:

$$\text{1st Adjusted Bid} = \text{Bid} + (\text{Bid} * \text{Bid Adjustment})$$

$$= \$1.00 + (\$1.00 * 8)$$

$$= \$1.00 + \$8.00$$

$$\text{1st Adj. Bid} = \$9.00 \text{ bid}$$

$$\text{2nd Adj. Bid} = (\text{1st Adjustment}) + (\text{1st Adjustment Bid} * \text{2nd Adjustment})$$

$$= \$9.00 + (\$9.00 * -1)$$

$$= \$9.00 + -\$9.00$$

$$\text{2nd Adj. Bid} = \$0.00 \text{ final bid}$$

One item to remember about bid modifier math is that your final bid is capped at $10 \times$ (or 900 percent higher than) your starting bid. So, if you had a bid of \$1 and you used a +900 percent bid modifier for a particular city and a +300 percent modifier for a mobile device, the final bid used in the auction would not be \$40 (which the bid modifier math would equate to), but instead it would be capped at \$10.

While the modifiers seem quite complex, once you start to break them down into their respective areas, their usefulness becomes quite clear. You can download a spreadsheet to work through the math at <http://goo.gl/IMZgs8>.

To see your modifiers, you can navigate to the Settings tab in your account and click Location, Ad Schedule, or Devices to see your campaign bid modifiers (Figure 13.28).

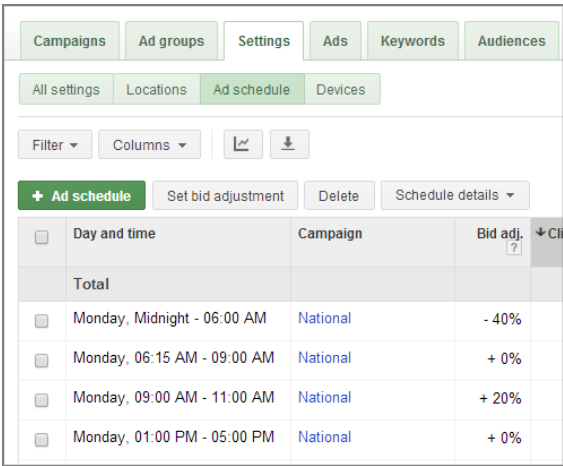


Figure 13.28 Campaign bid modifiers

When you are on the modifier screen, you can click the small calculator icon to see Google's Bid Adjustment Calculator (Figure 13.29).

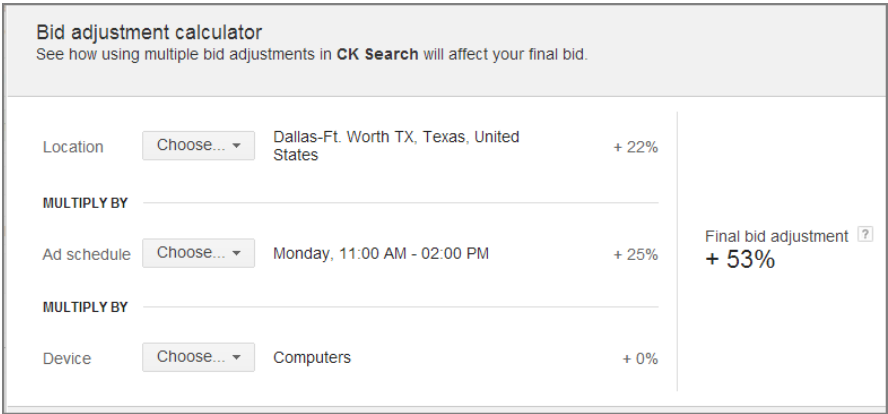


Figure 13.29 Bid Adjustment Calculator

Some modifiers are used only in display campaigns and others are used in search or display. Some modifiers can be managed at the campaign level and others at ad group levels. Table 13.3 shows all of the modifiers and their respective information.

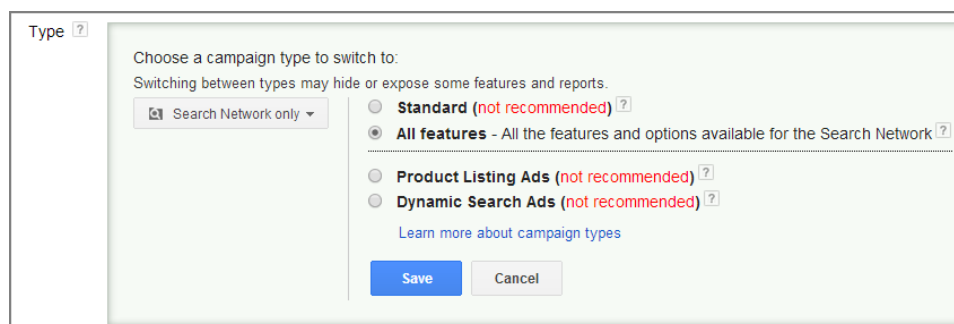
► **Table 13.3** Bid modifier reference

Bid Modifier	Bid Range	Search	Display	Managed
Location	–90%–900%	Yes	Yes	Campaign
Device	–100%–300%	Yes	Yes	Campaign or Ad Group
Ad Scheduling	–90%–900%	Yes	Yes	Campaign
Placement	–90%–900%	No	Yes	Ad Group
Interest/Remarketing	–90%–900%	No	Yes	Ad Group
Gender	–90%–900%	No	Yes	Ad Group
Age	–90%–900%	No	Yes	Ad Group

Lastly, since modifiers manipulate the max CPC used in the auction, they are incompatible with bid types that also manipulate the max CPC, such as CPA bidding. Bid modifiers are useful only when you are using max CPC bidding.

The exception to that rule is that the mobile bid modifier can be set to –100%, which means do not show the ad regardless of the bid method being used. If you are using CPA bidding and want your ads shown only on desktops and tablets, then you can add a –100% mobile device modifier and your ads will not show on mobile devices, yet you can continue to use CPA bidding.

To access all the bid modifiers, you must have a campaign set to All Features (Figure 13.30) regardless of whether it's a search or a display campaign.

**Figure 13.30** Campaign types

The most common modifiers used are location, device, and ad scheduling, so we will concentrate on how those particular modifiers can be used to increase the returns from your campaigns.

Location Bid Modifiers

Location bid modifiers allow you to adjust your bids up or down for a location. This is very useful if you see some areas with high performance or other areas with low performance.

There are two ways of seeing your performance data by geography within AdWords. The first is within the Location bid modifier section of your campaign settings (Figure 13.31).

Ad groups Settings Ads Keywords Audiences Ad extensions Auto targets Dimensions											
All settings Locations Ad schedule Devices											
Filter Columns											
+ LOCATIONS Set bid adjustment Delete View location reports											
<input type="checkbox"/>	Location	Bid adj.	Clicks	Impr.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (1-per-click)	Cost / conv. (1-per-click)	Conv. rate (1-per-click)
<input type="checkbox"/>	Alabama, United States	--	716	9,631	7.43%	\$2.30	\$1,645.78	2.0	11	\$93.54	2.59%
<input type="checkbox"/>	California, United States	--	1,789	33,730	5.30%	\$2.45	\$4,376.10	2.5	35	\$77.47	3.63%
<input type="checkbox"/>	Connecticut, United States	--	367	5,280	6.95%	\$2.62	\$961.02	2.0	15	\$43.05	6.47%
<input type="checkbox"/>	Florida, United States	--	2,048	29,113	7.03%	\$2.39	\$4,899.04	2.2	49	\$60.82	4.21%
<input type="checkbox"/>	Georgia, United States	--	1,390	23,870	5.82%	\$2.34	\$3,247.12	2.4	31	\$58.16	4.41%
<input type="checkbox"/>	Illinois, United States	--	947	17,287	5.48%	\$2.35	\$2,223.47	2.5	15	\$81.61	3.19%
<input type="checkbox"/>	Massachusetts, United States	--	717	10,127	7.08%	\$2.50	\$1,790.41	2.1	28	\$41.96	6.45%

Figure 13.31 Location bid modifier information

This is where you can set your location bid modifiers. Before you can set a bid modifier for a location, you must add that location to your location targeting for that campaign (Figure 13.32).

Locations		
Targeted locations	Reach	Remove all
Alabama, United States - state	2,660,000	Remove Nearby
California, United States - state	50,700,000	Remove Nearby
Connecticut, United States - state	3,730,000	Remove Nearby
Florida, United States - state	21,000,000	Remove Nearby
Georgia, United States - state	15,500,000	Remove Nearby
Illinois, United States - state	19,900,000	Remove Nearby

Enter a location to target or exclude. Advanced search

For example, a country, city, region, or postal code.

Figure 13.32 Location targeting areas

In the past, before enhanced campaigns, you could not add a targeted location within another targeted area. For instance, if you were targeting the United States, then you could not also add Chicago as a target because Chicago is within the targeting of the United States. This was changed with the introduction of bid modifiers, so now you can add a region that is within another region that you are targeting. This makes it so that you can target the entire United States without a location bid modifier but also add Chicago as a targeted region and then set a bid modifier for just the Chicago area.

Within the location bid modifier settings, if you do not set an area, then you cannot see the stats for that area, so the best place to start examining your location data is within the Dimensions tab under the Geographic report (Figure 13.33).

Ad groups Settings Ads Keywords Audiences Ad extensions Auto targets Dimensions							
View: Geographic ▾		Filter ▾	Columns ▾	Download			
Country/Territory	Region	Cost / conv. (1-per-click) ?	Conv. (1-per-click) ?	Clicks ?	Impr. ?	CTR ?	
United States	Texas	\$47.00	3,855	93,314	2,167,317	4.31%	
United States	Florida	\$59.48	2,108	60,507	1,878,277	3.22%	
United States	California	\$68.34	2,087	57,678	1,303,640	4.42%	
United States	Georgia	\$60.19	1,347	39,322	753,673	5.22%	
United States	New York	\$74.74	915	25,538	462,376	5.52%	
United States	North Carolina	\$64.30	880	23,975	433,567	5.53%	
United States	Massachusetts	\$49.52	805	23,666	467,504	5.06%	
United States	Illinois	\$65.41	731	20,304	378,723	5.36%	
United States	Pennsylvania	\$82.37	714	22,744	516,029	4.41%	

Figure 13.33 Geographic report in Dimensions tab

In this report, the CPA for Pennsylvania is \$82.37 and the CPA for Texas is only \$47. Therefore, we would not want to use the same bid for both of these regions. If we wanted to, we could also drill down further into the data and see the stats for each metro and city within these regions, but for ease of explanation, we will stop at the region level.

For this account, our CPA goal is \$65 and we will set bids based on that CPA goal. That means that Pennsylvania is above our target and Texas is below that target. So, we would add both Texas and Pennsylvania to our location targets for that campaign and set bid modifiers for the campaign. Some simple math tells us that we need to reduce our bids by 21 percent in Pennsylvania.

$$\begin{aligned}
 \text{Location Bid Modifier} &= 1 - (\text{Actual CPA} / \text{Target CPA}) \\
 &= 1 - (\$82.37 / \$65.00) \\
 &= 1 - 1.27 \\
 &= -.27
 \end{aligned}$$

We are 27 percent over the target CPA, so we would want to reduce bids by that amount.

In Texas, we would want to raise our bids by 28 percent.

$$\begin{aligned}
 \text{Location Bid Modifier} &= 1 - (\text{Actual CPA} / \text{Target CPA}) \\
 &= 1 - (\$47.00 / \$65.00) \\
 &= 1 - .72 \\
 &= .28
 \end{aligned}$$

That means we are under our CPA target by 28 percent and would want to raise bids by 28 percent so that we can get higher position and more clicks so that we would end up with more conversions in Texas at our target CPA.

Location Modifier Case Study

Location modifiers can be useful beyond just changing your bids by location for your existing areas, but it can also help you try to reach new customers in areas where you have not done well before in an easily scalable manner.

For instance, I was working with a chain of theaters that found that the vast majority of their customers came from only a 10-mile radius around the business locations. Due to the complexities of trying to layer in radius targeting before bid modifiers, they had given up on reaching people from faraway locations and trying to convince them to drive into the city for a nice dinner and play in the evening.

With the introduction of bid modifiers, they could now add multiple radius targets, each with their own bid modifiers, in an attempt to receive new conversions from people who lived farther away from their locations than their primary customers. In their home area, where they were already manually bidding on a CPA basis, they could keep their bids the same. Next, they could add radius targets and lower the bid automatically with location bid modifiers based on how far someone was from their home area (Figure 13.34).

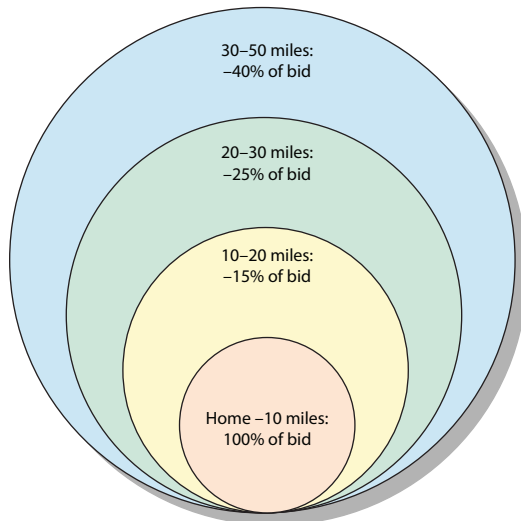


Figure 13.34 Bid modifiers by radius

The initial modifiers were just educated guesses because there was not any data to work from in determining the target bids for these new locations. However, after advertising to these new areas for a while and collecting data, they were able to set proper modifiers to each of these targets and increase their total bookings.

When your target CPAs change by location, using location modifiers can help you hit your target goals in multiple regions while using only a single campaign to reach all of your target customers.

Since the math for setting bid adjustments is straightforward once you do it a few times, for the other modifiers we will focus more on how to find and use the data than on the math itself.

Ad Scheduling: Automatically Changing Bids by Time Periods

Ad scheduling allows you to control what days of the week and times of the day your ads are shown. In addition, you can automatically change bids by a percentage higher or lower depending on the time of day or the day of the week. This feature is also called *day parting* in many circles.

Ad scheduling as a bid modifier is not new to AdWords; it was the original bid modifier introduced many years ago. However, with the introduction of the other modifiers, this modifier has been moved from the campaign settings to where the other modifiers can be found within the campaign settings area (Figure 13.35).

Ad groups	Settings	Ads	Keywords
All settings	Locations	Ad schedule	Devices
Filter	Columns		
+ Ad schedule	Set bid adjustment	Delete	
<input type="checkbox"/> Day and time		Bid adj.	
Total			
<input type="checkbox"/> Monday, Midnight - 06:00 AM		- 40%	
<input type="checkbox"/> Monday, 06:15 AM - 09:00 AM		+ 0%	
<input type="checkbox"/> Monday, 09:00 AM - 11:00 AM		+ 20%	
<input type="checkbox"/> Monday, 01:00 PM - 05:00 PM		+ 0%	
<input type="checkbox"/> Monday, 05:00 PM - 08:00 PM		- 20%	
<input type="checkbox"/> Monday, 08:00 PM - Midnight		- 40%	
<input type="checkbox"/> Tuesday, Midnight - 06:00 AM		- 40%	
<input type="checkbox"/> Tuesday, 06:15 AM - 09:00 AM		+ 0%	
<input type="checkbox"/> Tuesday, 09:00 AM - 11:00 AM		+ 20%	

Figure 13.35 Ad scheduling modifiers

To use ad scheduling, you first need to define your time periods. If you click the +Ad Schedule button, you will be presented with a screen where you can define the days of the week and times within each day where you can set modifiers (Figure 13.36).

Edit ad schedule

Monday	12 AM	00	to	6 AM	00	X
Monday	6 AM	15	to	9 AM	00	X
Monday	9 AM	00	to	11 AM	00	X
Tuesday	12 AM	00	to	6 AM	00	X
Tuesday	6 AM	15	to	9 AM	00	X
Tuesday	9 AM	00	to	11 AM	00	X
Wednesday	9 AM	00	to	11 AM	00	X
Thursday	5 PM	00	to	8 PM	00	X
Thursday	8 PM	00	to	12 AM	00	X
Friday	12 AM	00	to	6 AM	00	X
Friday	6 AM	15	to	9 AM	00	X
Friday	9 AM	00	to	11 AM	00	X
Friday	1 PM	00	to	5 PM	00	X

+ Add

Display clock ☒ 12-hour ☐ 24-hour

Time zone: America/Los_Angeles (cannot be changed)

Figure 13.36 Defining your ad scheduling times

Once you have defined the days of the week and times of the day and save the data, you can then set a bid adjustment for each of those time periods. Please note that you do not have to set a bid adjustment; defining a time period just gives you the option to set an adjustment.

The most important thing to note about ad scheduling is that the ads are shown based on your account's time zone—not the user's time zone. If you have an older account and have not adjusted the settings, your account is most likely in GMT–8 or Pacific Standard Time (PST). In the bottom of the edit ad schedule screen of Figure 13.36 you can see the time zone for your account.

If your account and target geography are not in the same time zone, you need to manually adjust the times when your ad is displayed. There is a three-hour time difference between PST and EST. If your account is in PST, and you want ads to be displayed from 8 a.m. to 5 p.m. in an EST location, such as New York City, you would change your ad display by three hours. In this case, you would turn your ads on at 5 a.m. and turn them back off at 2 p.m.

The advanced use of ad scheduling is to adjust your bids by a percentage by time of day or day of the week. If you were a catering company, you might find that

- Between midnight and 6:15 a.m., you receive few phone calls, yet some people are looking for your service; therefore, set your bids to 60 percent of normal, which means using a –40 percent bid modifier.
- Between 6:15 a.m. and 9:00 a.m., those who hire you for the day are starting to filter into the office, and therefore you want to run your bids at a normal rate.
- Between 9:00 a.m. and 11:00 a.m., your calls skyrocket for businesspeople who want their lunch catered. In this case, you set your bid adjustment to 20 percent higher than normal.
- Between 11:00 a.m. and 1:00 p.m., you are delivering orders and do not have time to answer the phone. Therefore, you turn off your account during these hours, and you do not include them in your ad schedule.
- Between 1:00 p.m. and 5:00 p.m., some companies order catering for the next day, and therefore you set your bids to 100 percent of normal. These are the standard bids you set for your account, so you will not set an adjustment during this time period.
- Between 5:00 p.m. to 8:00 p.m., you receive some orders, but the call volume is lower; therefore you set your bids to 80 percent of normal by using a –20 percent bid adjustment.
- Between 8:00 p.m. and midnight, call volume drops significantly, and therefore you only want to pay 60 percent of your normal click price, so you set a –40 percent bid adjustment.
- You do not work on Saturday or Sunday, so you do not include these two days in the ad scheduling.

If this is your scenario, the ad scheduling would look like Figure 13.35; with the exception that the data on the screen would be much larger and show all of the time periods.

If you have times of the day when you do not answer the phone, then you can simply enable ad scheduling and include only the times when your office is open. If you are trying to control costs, run your ads only when your conversion rates are highest. To maximize returns, examine when you receive conversions and change your bids based on that conversion activity.

Finding Conversion Information by Time Frames

There are two methods you can use to extract conversion information by day or hour from Google products; one is in Google Analytics and the other is in AdWords.

Finding Day-of-the-Week Conversion Information in AdWords Reports

Google AdWords allows you to see conversion information and most of your metrics by hour, day, day of the week (Figure 13.37), and more. In the Dimensions tab, examine the unit of time in the drop-down list.

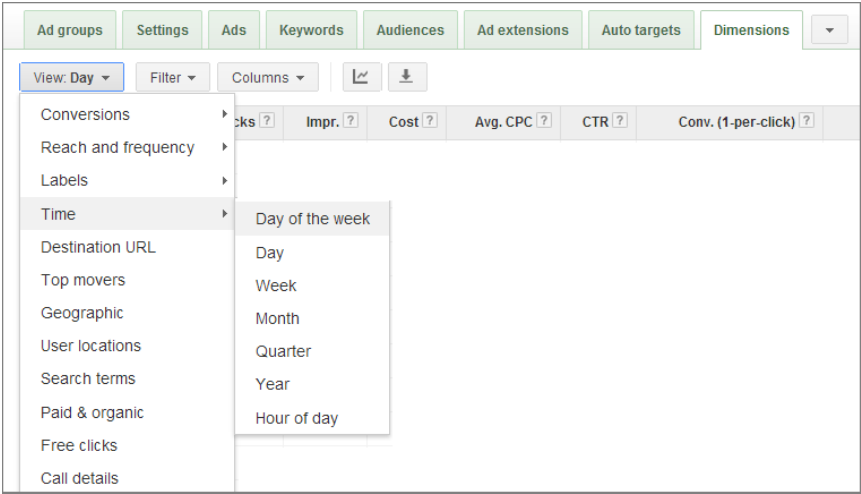


Figure 13.37 Time-based reports

A good report to start with is just examining your conversion rates and CPAs by day of the week (Figure 13.38).

Campaigns	Ad groups	Settings	Ads	Keywords	Audiences	Ad extensions	Auto targets	Dimensions	Display Network
View: Day of the week Filter Columns									
Day of the week	Conv. rate (1-per-click) ?	Cost / conv. (1-per-click) ?	Conv. (1-per-click) ?	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Cost ?	
Monday	3.72%	\$24.79	6,688	182,875	3,916,706	4.67%	\$0.91	\$166,560.03	
Tuesday	3.70%	\$24.91	6,506	178,735	3,856,532	4.63%	\$0.91	\$162,810.10	
Wednesday	3.60%	\$25.68	6,082	171,356	3,848,803	4.45%	\$0.92	\$156,855.21	
Thursday	3.51%	\$26.43	5,583	161,443	3,561,513	4.53%	\$0.92	\$148,199.68	
Friday	3.58%	\$26.31	4,883	138,392	3,228,315	4.29%	\$0.93	\$128,981.40	
Sunday	3.42%	\$26.79	4,739	140,897	3,158,367	4.46%	\$0.90	\$127,508.94	
Saturday	3.40%	\$27.43	3,993	119,286	2,729,779	4.37%	\$0.92	\$110,029.15	

Figure 13.38 Day Of The Week report

This account's conversion rate and cost per conversion are better on the week-days than the weekends. Therefore, they should set a negative bid adjustment for Saturday and Sunday.

Whenever you start changing bids by the time of day or the day of the week, or you turn off your account completely, you need to track total conversion changes. You may find that someone is looking for you on a Sunday but calling you on Monday morning.

You can also see hourly information in the AdWords reports (Figure 13.39), which can be useful to see how conversions change based on the course of days. It is common to see conversion rates higher for travel companies during lunch hour, dating sites after 10 p.m., and retail throughout the daylight hours.

<div> <div>Campaigns</div> <div>Ad groups</div> <div>Settings</div> <div>Ads</div> <div>Keywords</div> <div>Audiences</div> <div>Ad extensions</div> <div>Auto targets</div> <div>Dimensions</div> <div>Display Network</div> </div>									
<div> <div>View: Hour of day</div> <div>Filter</div> <div>Columns</div> <div>Download</div> </div>									
Hour of day	Clicks	Impr.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (1-per-click)	Cost / conv. (1-per-click)	
0	4,917	729,537	0.67%	\$1.34	\$6,602.98	2.9	42	\$93.07	
1	4,194	524,894	0.80%	\$1.10	\$4,627.41	2.9	36	\$65.07	
2	5,777	523,199	1.10%	\$0.97	\$5,578.36	3.0	48	\$59.70	
3	16,194	863,936	1.87%	\$0.85	\$13,808.84	3.1	200	\$39.25	
4	38,463	1,694,088	2.27%	\$0.83	\$32,034.77	3.2	472	\$38.80	
5	68,628	3,054,886	2.25%	\$0.87	\$59,843.66	3.4	802	\$41.58	
6	94,011	4,320,023	2.18%	\$0.90	\$85,015.71	3.4	1,108	\$43.23	
7	106,636	5,443,999	1.96%	\$0.92	\$98,442.39	3.3	1,208	\$45.75	
8	112,139	6,011,270	1.87%	\$0.95	\$106,441.62	3.3	1,293	\$47.91	
9	107,029	6,033,828	1.77%	\$0.96	\$102,381.16	3.2	1,217	\$48.58	
10	103,548	6,089,400	1.70%	\$0.95	\$98,490.80	3.1	1,167	\$48.13	

Figure 13.39 Viewing conversion rates by hour

When you start digging into all the nuances of how hours of the day and days of the week affect your conversion rates, what you really want to see is conversion rates and CPA by hour of day. This data is available but not within the interface. To see day by day and by hour, you will need to create a report and segment the information. For instance, if you are examining hour-of-day information, then you can create a report, and before you download it click the Segment link and segment by day of the week (Figure 13.40).

View: Hour of day

Filter

Columns

Download

Download and schedule report

Download the table statistics below as a report. You can also schedule the report to automatically download in the future, using the same filters, segments, columns, and relative date range. [Manage your downloads](#) »

Report name

Account report

Format

Excel .csv

Segment

Day of the week

Remove

+ Add segment

Email and schedule report

Create

Cancel

Figure 13.40 Segmenting data by day of the week

If you were downloading the data from the Day Of The Week report, then you would segment by hour of the day. Both reports will get you to the same data.

In addition, you can also download this data from Google Analytics by creating a custom report (Figure 13.41).

The screenshot displays the Google Analytics custom report configuration interface. It is divided into two main sections: 'General Information' and 'Report Content'.

General Information: The 'Title' field is set to 'Conversions by Time Frame'.

Report Content: This section is further divided into 'Visits', 'Events > Hour', and 'Conversions by Time Frame'. The 'Conversions by Time Frame' tab is selected. Below this, the 'Name' field is set to 'Conversions by Time Frame'. The 'Type' is set to 'Explorer'. The 'Metric Groups' section shows a 'Metric Group' dropdown, two 'Completed Sale (Goal 6 ...)' metrics, and a '+ add metric' button. The 'Dimension Drilldowns' section shows three dimensions: 'Campaign', 'Day of week', and 'Hour', each with a dropdown arrow and a '+ add dimension' button.

Figure 13.41 Google Analytics custom report

Once you have chosen the information you want to see, export it to Excel and create charts so you can view the information and see if there are clear trends. Some businesses will not see conversion rates change by time of day or by hour; others will see drastic changes.

Often the differences can be explained by typical user behavior. Marketing is about reaching people. People’s behaviors change based on the factors in their lives. Therefore, you need to ask the question: How do your customers go about their daily lives?

Examples of Ad Scheduling Success

Microsoft’s Atlas Solutions published an interesting paper on conversion rates by industry titled “Search Conversion Rates by Day Part,” by Esco Strong. In this paper, Atlas Solutions published several charts that showed conversion rates by time of day. Upon examining each of these charts, you can see conversion rates change based on

what is going on in someone's life. The first chart (Figure 13.42) shows conversion rates for consumer finance.

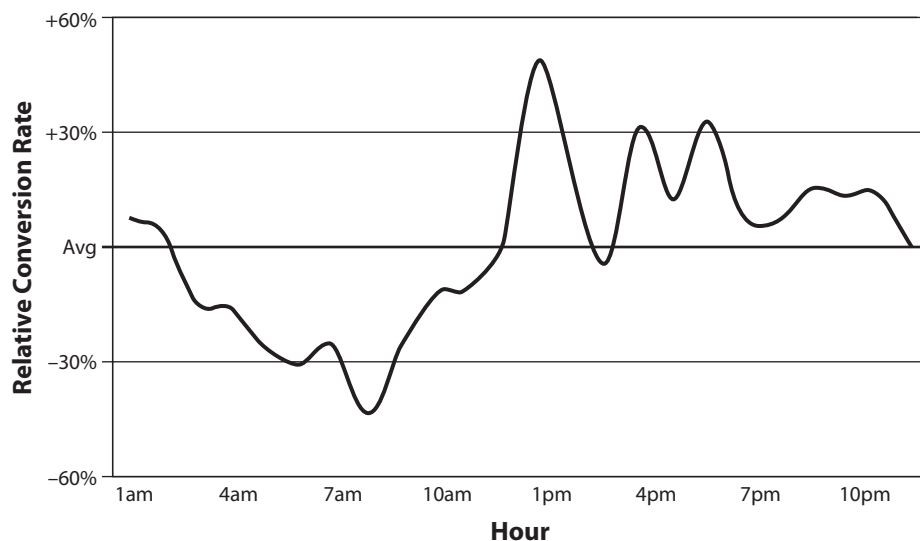


Figure 13.42 Atlas One Point conversion rates by hour for finance industry

Conversion rates are low in the morning; many people are sleeping, and those who are surfing the Web are often not buying. Once consumers awaken, they may be more concerned with getting to work and earning money than they are about their personal finances. However, lunch hour is their own time. The conversion rates spike over the lunch hour. After lunch, consumers go back to work and then commute home. This is no longer their personal time, and conversion rates go down. Just before and after dinner time, the conversion rates again increase. As the evening wanes on, conversion rates steadily decline as consumers go to sleep. The chart looks interesting. When paired with a consumer's daily routine, it tells you the best time to reach these consumers.

Examining your consumer's routine, and finding the times when the consumer is searching for you so you can adjust your targeting, applies to both consumer and business searchers.

Business-to-Business Case Study

When deciding to change bids by the day of the week or the time of day, it is essential that you have enough information to make solid decisions. This is a case study for a business-to-business company. Their goal was to offer an IT whitepaper download to bring consumers into their conversion funnel. The first step was to graph conversion rates by hour (Figure 13.43).

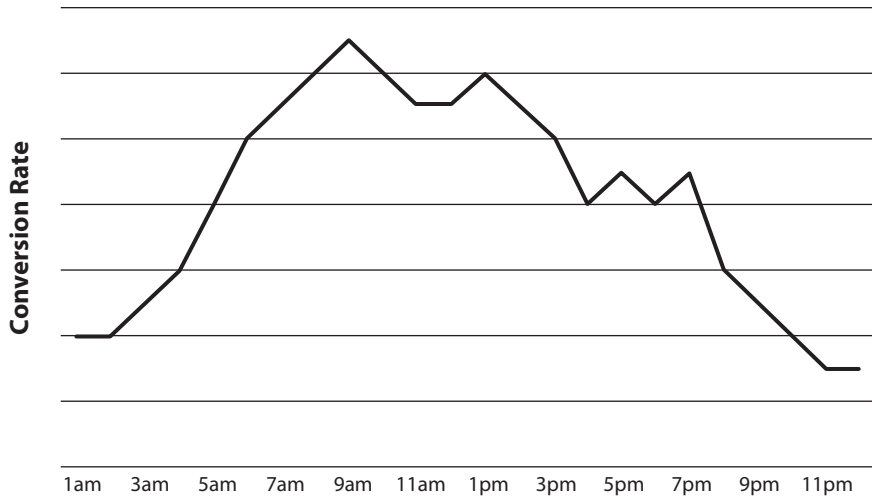


Figure 13.43 Conversion rates by hour for a whitepaper download

At first glance it appears that conversion rates are higher during work hours. The second step is to graph conversion rates by day of the week (Figure 13.44).

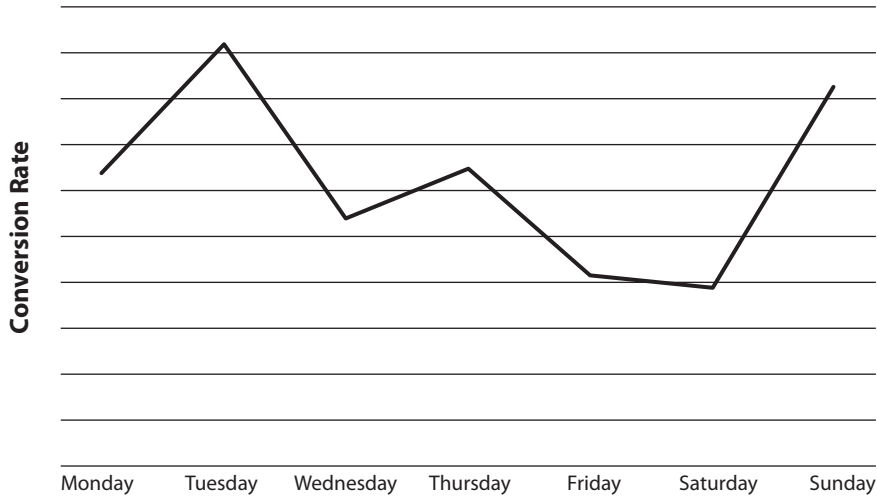


Figure 13.44 Conversion rates by day of the week for a whitepaper download

Now we have some interesting information. While the conversion rates seemed higher during working hours, it turns out that Sunday is their second-highest converting day. If you stopped here and decided to make bid decisions, you would be making a mistake. Because Tuesday and Sunday are their highest converting days, let's see the conversion rates by hour for those two days (Figure 13.45).

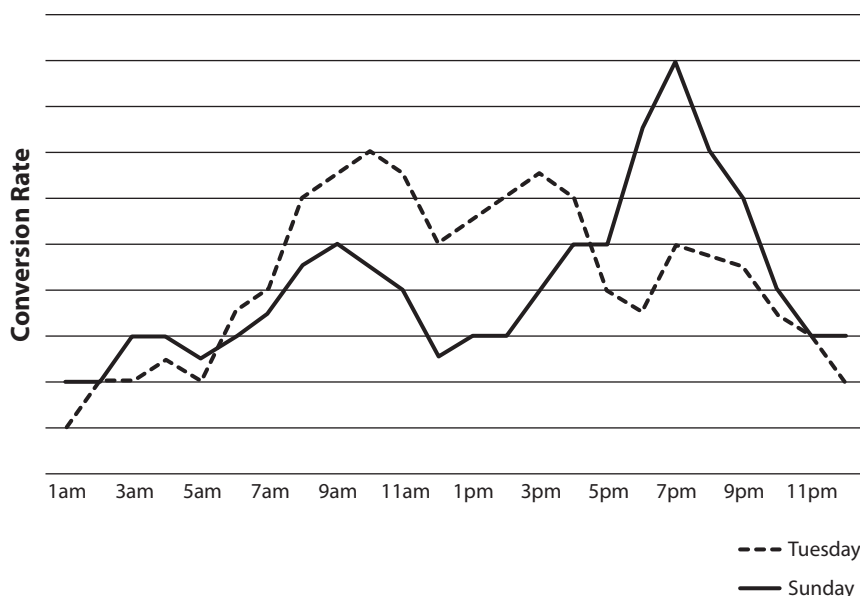


Figure 13.45 Conversion rates by hour for Tuesday and Sunday for a whitepaper download

Although on Tuesday conversion rates are higher during work hours, the opposite is true of Sunday. Sunday night is a common business-to-business search evening for people who left work early on Friday evening or did not finish all the work assigned to them the previous week. Only after this last chart is completed does this company have enough information to set bids by time of day and day of the week. Please note that these are the results for one company. You may not find the same results and should conduct your own research into your conversion rates by hour.

This company's goal was a whitepaper download, but there are many creative ways to utilize ad scheduling if you just think through what you are trying to accomplish.

Creating Time-Sensitive Offers

Marketing is about connecting with consumers. With AdWords, the first connection is based on keywords. The second connection is often location targeting. You could make the next connection to the Display Network by writing ads specific to a site or type of website where your ads appear. And finally, you can use day of the week or time of day in the ad copy.

Most restaurants have daily specials. You could create a campaign for every day of the week. In your ad copy, add the daily special (Figure 13.46). Your keywords will be the same for each campaign. The keywords will not compete with each other—one campaign will only run on Monday, another only on Tuesday, and so on.

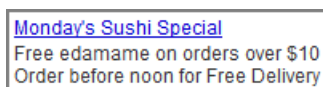


Figure 13.46 Time-sensitive offer for restaurant

Are there times when your business is slow? On Friday afternoons, most people in the office are more concerned with their evening plans than fixing a leaky pipe. However, you can write an ad that speaks to both the day of the week and the time of the day to help engage those who are searching (Figure 13.47).

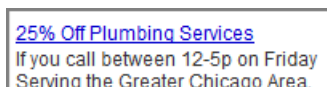


Figure 13.47 Time-sensitive offer using day of the week and time of day in the ad copy

In this example, there would be two campaigns. One campaign would run from noon until 5:00 p.m. on a Friday. The other campaign would run from 5:00 p.m. on a Friday until noon the following Friday.

Once you understand all the possibilities of how ads are displayed, you can be highly creative in engaging your audience in unique methods beyond just changing bids and conversion actions.

Device Modifiers

Another bid modifier is the device modifier. This modifier allows you to change the bids for mobile devices automatically. While the first two modifiers covered only work at the campaign level, the device modifier can be applied at a campaign or an ad group level.

This often leads to another level of segmentation for your ad groups. If you have some keywords in an ad group that do very well on mobile devices and others that do poorly on mobile devices, then you will have to split up these ad groups into multiple ad groups so that some can use positive bid modifiers and others can use negative bid modifiers for devices.

Since this type of ad group segmentation gets into account organization, we will cover this in depth in Chapter 14, “Organizing Accounts Successfully.”

At a high level, you can segment your data by device (Figure 13.48) to view your cost-per-conversion differences by device to set your mobile bid modifier at the campaign level.

In this account, the overall CPA for mobile and desktops is almost identical; however, for the one campaign displayed, mobile devices have a slightly higher CPA than desktops. So this account has some campaigns (such as the one displayed) that will want to use negative mobile bid modifiers and others that will want to use positive mobile bid modifiers.

<div> <div> <div>+</div> <div>Campaign</div> </div> <div> <div>Edit</div> <div>Details</div> </div> <div> <div>Bid strategy</div> <div>Automate</div> </div> <div> <div>Labels</div> </div> </div>													
	Campaign	Budget	Status	Clicks	Imp.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (many-per-click)	Cost / conv. (many-per-click)	Conv. rate (many-per-click)	Phone call conv.
	Search - Drug Rehab & Drug Treatment - US	\$375.00/day	Limited by budget	9,772	2,142,335	0.46%	\$13.35	\$130,501.66	4.4	635	\$202.64	6.58%	86
	Other			2	290	0.69%	\$3.56	\$7.12	1.6	0	\$0.00	0.00%	—
	Computers			7,017	1,528,577	0.46%	\$13.25	\$93,002.07	4.8	487	\$190.97	6.94%	—
	Mobile devices with full browsers			1,898	441,225	0.43%	\$13.86	\$26,303.43	3.2	105	\$233.18	5.92%	—
	Tablets with full browsers			855	172,243	0.50%	\$13.09	\$11,189.04	4.4	43	\$260.21	5.03%	—
	Total - all enabled campaigns			41,475	6,103,012	0.68%	\$10.03	\$415,930.19	4.5	2,644	\$155.58	6.44%	186
	Total - Search			97,791	15,452,077	0.63%	\$8.54	\$835,017.88	4.4	4,212	\$196.48	4.34%	207
	Other			5	795	0.63%	\$5.40	\$27.00	1.6	0	\$0.00	0.00%	—
	Computers			73,762	12,032,685	0.61%	\$8.47	\$625,086.33	4.7	3,242	\$192.81	4.40%	—
	Mobile devices with full browsers			15,597	2,340,086	0.67%	\$8.51	\$132,748.28	3.1	648	\$193.39	4.37%	—
	Tablets with full browsers			8,426	1,078,282	0.78%	\$9.15	\$77,138.23	4.0	322	\$239.56	3.82%	—

Figure 13.48 Campaign data segmented by device

You can set device modifiers only for mobile devices. You cannot set them for tablet or desktop devices. Tablet and desktop devices will use the default bid for that ad group or keyword (unless other modifiers such as geography or ad scheduling are also employed).

So far, we have examined ways of bidding based on ROAS and CPA metrics and then manipulating those bids with bid modifiers. However, the question that needs to be asked is “Should you always bid based on ROAS or CPA?” A look into attribution management may tell you there are times when you do not want to set bids based purely on ROAS.

Understanding Attribution Management

Each of the bidding techniques we examined set bids based on the conversion rate of a keyword or ad group. The AdWords conversion tracker applies a conversion value only to the last keyword, ad group, ad, and landing page clicked from your AdWords account.

For example, if someone clicked on your ad yesterday for the keyword *MP3 player*, looked at your website, but did not convert, and then that same user saw your ad today for the keyword *16GB iPod touch*, clicked it, and then converted on your website, what metrics would show in your AdWords account?

Both keywords would show that they received a click and incurred costs. However, only the last keyword clicked, *16GB iPod touch*, would show a conversion in your AdWords account. Each time a user clicks on your ad, Google overwrites the conversion-tracking code cookie. Therefore, the conversion tracker is known as a last-click attribution management system.

To make matters more complicated, Google Analytics associates goals with the last entrance to the website. Therefore, if someone clicks on your ad today and then comes back to your site directly tomorrow and converts, Google Analytics will show

that a direct traffic entrance received the conversion, and yet Google AdWords will show that the last keyword clicked in your account received the conversion.

It is common for searchers to start out with general phrases to learn more about a product. As they learn more, their search becomes more specific in their keyword selection. The search behavior mirrors the buying funnel. Let's assume that you sell MP3 players and that a searcher did the searches shown in Figure 13.49; each time they clicked on your ad before finally purchasing from your company.

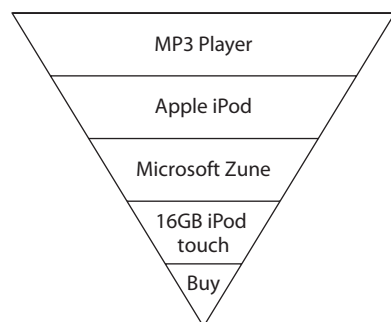


Figure 13.49 Search process before making a purchase

If you only bid by ROAS or by profits, technically only the last keyword, *16GB iPod touch*, would have a bid higher than zero. Because the other keywords did not have a conversion associated with them, they did not bring ROI to your account and therefore are wasting you money. However, are they *really* wasting you money? Or is it that the searcher first became engaged with your company after searching for *MP3 Player* and the only reason they kept clicking on your ads before finally purchasing was that you helped them learn more about MP3 players after their very first click?

In this scenario, if you deleted all of the words except for *16GB iPod touch* you might find that your total conversions drop significantly. Although your ROAS would probably go up—ROAS is only a percentage—your total revenue and profits would most likely drop. In these cases, what do you do? You have two options.

The first is to use an attribution management system. There are third-party vendors that will track each of these clicks and tell you which keywords did not convert but originally brought a searcher to your site who converted at a later time. You could also build such a system in-house, but if you do, be prepared to invest some time and money. Even using a sophisticated third-party system is not cheap. If you do not have the money to invest right now, there is a second solution you can employ: You can use Google's Assisted Conversions report.

When you navigate to Assisted Conversions under Multi Channel Funnels, you can see additional information about your conversions (Figure 13.50). The easiest way to navigate to this report is to go Tools > Conversions > Search Funnels, and then look for Multi Channel Funnels at the bottom of your screen.

Assisted Conversions

1,383

% of Total: 17.09%
(8,092)

Assisted Conversion Value

\$4,289.60

% of Total: 3.41%
(\$125,950.89)

Last Click or Direct Conversions

3,744

% of Total: 14.85% (25,208)

Last Click or Direct Conversion Value

\$7,135.00

% of Total: 1.28% (\$556,944.50)

Assisted / Last Click or Direct Conversions

0.37

Site Avg: 0.32 (15.07%)

Primary Dimension: Campaign Keyword Other Channel Groupings

Plot Rows

Secondary dimension

advanced

<input type="checkbox"/> Campaign ?		Assisted Conversions	Assisted Conversion Value	Last Click or Direct Conversions	Last Click or Direct Conversion Value	Assisted / Last Click or Direct Conversions
<input type="checkbox"/> 1. Standard Keyword (10%)		546	\$3,242.55	1,381	\$1,557.30	0.40
<input type="checkbox"/> 2. Standard Keyword (10%)		499	\$339.55	1,680	\$529.45	0.30
<input type="checkbox"/> 3. Search Campaign		151	\$474.65	200	\$262.80	0.76
<input type="checkbox"/> 4. Search Ad - Standard		145	\$386.70	223	\$4,550.50	0.65
<input type="checkbox"/> 5. Phone (10% and 10%)		39	\$0.00	99	\$0.00	0.39
<input type="checkbox"/> 6. Comparison		24	\$89.95	72	\$234.95	0.33
<input type="checkbox"/> 7. Standard Ad - Standard		11	\$0.00	16	\$0.00	0.69
<input type="checkbox"/> 8. 10% Keyword (10%)		11	\$0.00	40	\$0.00	0.28

Figure 13.50 Assisted Click report

From here you can examine how your various campaigns and keywords assisted in conversions and the value of those assists.

If you see keywords that are assisting in conversions but do not have many conversions themselves, you may not want to just remove them from your account. You can instead either set bids on them based on the additional value they are bringing to your company, or you can use them in a Maximize Clicks campaign, as discussed earlier in the section “Exploring AdWords Bidding Options.”

If you would like to use metrics to determine what keywords should be placed into a Maximize Clicks campaign, examine bounce rates, average page views, and goal conversions in Google Analytics for each keyword. If you see keywords that are leading to high interaction on your website but those keywords are not converting and are early buying funnel keywords, then add the words to the Maximize Clicks campaign. If those keywords start to convert and you wish to bid on them based on their value, move them into a max CPC or Conversion Optimizer campaign.

Google Analytics also has attribution models (Figure 13.51) built into the system so that you can start to see how the usage of different attribution models will affect your advertising.

“Attribution management” is a buzz phrase that will receive more exposure in the future. If you buy banner ads and they seem to not lead to conversions, your wallet will tell you that you should stop buying those ads. However, if you have data that shows you that when someone sees your banner ad your conversion rate for search increases for those individuals, you might have a different opinion on those banner ads.

Multiple marketing channels do affect each other. Cross-channel attribution management will only continue to increase in sophistication over the coming years.

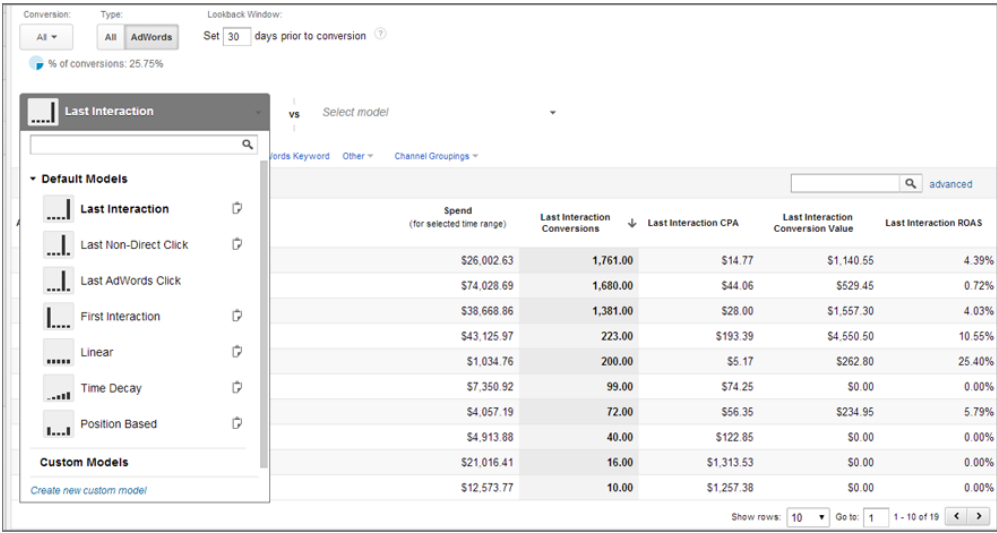


Figure 13.51 Attribution models

Examining AdWords Reports to Make ROAS Bid Decisions

When you download AdWords information, you are often buried in data. The first step to analyzing the information is to use conditional formatting to put the data into a visual reference, as discussed earlier in the section “Revenue per Click.” It can also be useful to put your ad groups into various buckets so that you can analyze similar ad groups together. Let’s examine an ad group report (Figure 13.52) and sort the ad groups into a meaningful organization.

A	B	C	D	E	F	G
Ad Groups	Revenue	Spend	Average CPC	Value / Click	ROAS	Profit (revenue - cost)
Ad Group #1	\$0.00	\$1.49	\$0.17	\$0.00	0%	-\$1.49
Ad Group #2	\$0.00	\$31.47	\$0.20	\$0.00	0%	-\$31.47
Ad Group #3	\$0.00	\$3.87	\$0.10	\$0.00	0%	-\$3.87
Ad Group #4	\$0.00	\$20.84	\$0.14	\$0.00	0%	-\$20.84
Ad Group #6	\$325.00	\$495.92	\$0.77	\$0.66	66%	-\$170.92
Ad Group #7	\$260.00	\$354.64	\$1.13	\$0.73	73%	-\$94.64
Ad Group #8	\$455.00	\$159.71	\$1.44	\$2.85	285%	\$295.29
Ad Group #9	\$8,775.00	\$4,719.88	\$1.11	\$1.86	186%	\$4,055.12
Ad Group #10	\$4,745.00	\$3,596.16	\$0.85	\$1.32	132%	\$1,148.84
Ad Group #11	\$5,980.00	\$5,140.16	\$0.20	\$1.16	116%	\$839.84
Ad Group #12	\$88,595.00	\$26,869.74	\$0.41	\$3.30	330%	\$61,725.26
Ad Group #13	\$22,165.00	\$11,292.96	\$0.25	\$1.96	196%	\$10,872.04
Ad Group #14	\$21,580.00	\$19,046.49	\$0.95	\$1.13	113%	\$2,533.51
Ad Group #15	\$5,005.00	\$885.81	\$0.45	\$5.65	565%	\$4,119.19
Ad Group #16	\$715.00	\$127.29	\$0.64	\$5.62	562%	\$587.71

Figure 13.52 Ad group report

You can do this analysis at the keyword, ad, landing page, or placement level. We will walk through it at an ad group level, but there are times you will want to go through this same exercise with different data points.

It is useful to add two columns to the AdWords reports. The first, Column F, is ROAS. It is a percentage of how high the returns are for any ad group regardless of total dollars spent. The second data column is Profit. Subtract cost from revenue to arrive at profit. This profit metric is profit for the account only; it does not take into account hard costs or other overhead. In this case, we are assuming there are no margins involved. If there are, first calculate margins and then profit. Once we have those data points calculated, let's group these ad groups.

Low-Cost, Low-Return Ad Groups Ad groups 1 to 4 have zero conversions associated with them. They also have not spent much money. If you set a bid based on profits or ROAS, these ad groups would have to be turned off, because the bids would be \$0.00. First, analyze if these ad groups have good keywords in them. Are they keywords that you tested and they failed? If so, delete them. Are they keywords that appear early in the buying cycle, and you like them, but they do not receive returns? If so, move them to a Maximize Clicks campaign.

Medium-Cost, Solid-Return Ad Groups Ad groups 6 to 11 have all spent some money and have decent revenue. A few of them have negative revenue numbers. For these ad groups, set bids based on profits or ROAS. You should do some testing and tweaking of these ad groups over time, but they are not going to be top-priority ad groups.

High-Spend, High-Return Ad Groups Ad groups 12 and 13 have high spends and excellent returns. While you might be tempted to significantly increase the bids on these ad groups based on profits, especially ad group 12, be careful about making dramatic changes in your profit centers. These two ad groups bring in more revenue than all of the other ad groups combined. It is not uncommon to find a handful of keywords or ad groups that are a large percentage of your overall revenue.

The AdWords system can be temperamental at times. In ad groups like these, change the bids by 10 percent or 20 percent and make sure your returns are the same at the higher bid prices. If the returns stay profitable, then raise the bids again by 10 or 20 percent. Do not make dramatic changes in these ad groups. In addition, on the home screen of your AdWords account you can set a watch list of items you want to keep a close eye on. Add these ad groups to the watch list. These are ad groups you should check on daily, because a slight change can cause a dramatic change in your profits.

High-Spend, High-Traffic, Medium- or Low-Return Ad Groups Sometimes the hardest part of AdWords is finding keywords with high search volume or keywords where you can drive a lot of traffic to your website. Ad group 14 has spent \$19,046 and has made only \$21,580. This ad group has a lot of traffic, but it barely makes money. However, it has potential to be a high-revenue ad group. This is an ad group that you want to keep

a close eye on because a slight change could cause you to start losing a lot of money instead of barely making money. Add this ad group to your watch list as well.

The best optimization you can take with an ad group like this is to start testing. In Chapter 15, “Implementing Testing Techniques That Will Increase Profits,” you will learn how to test ad copy and landing pages to increase conversion rates. This ad group is a perfect candidate for testing.

High ROI Ad Groups The ROI of the first 14 ad groups does not break 330 percent. However, ad groups 15 and 16 both have over a 560 percent ROI. That is a significant difference from all the other ad groups. While these ad groups are not at the top in spend or profits, there is some combination that is leading to a fantastic customer experience. When you see ad groups like these, learn from them. Examine the keywords, ad copy, and landing pages to see if there are aspects of this search combination that you can utilize in other ad groups. With these ad groups, you can set bids based on profits or ROAS; however, when you have outliers, examine and learn from the data.

Once you determine your ad group types, you can label them in AdWords for easy reference. The number of labels you use will vary by account size; however, here are some easy ones (Figure 13.53):

- HCHC: high conversions and high clicks
- HCLC: high conversions and low clicks
- MCMC: medium conversions and medium clicks
- LCHC: low conversions and high clicks

Repeat for your own segmentation.

<input type="checkbox"/>	Label	Description
<input type="checkbox"/>	MCMC	Medium Cost Medium Conversions
<input type="checkbox"/>	LCMC	Low Cost Medium Conversion
<input type="checkbox"/>	LCLC	Low Cost Low Volume
<input type="checkbox"/>	HCLC	High Cost Low Conversions
<input type="checkbox"/>	HCHC	High Cost High Volume

Figure 13.53 Ad group labels

Once you have labeled your ad groups, you can easily create filters in the interface to see only a certain type of ad group (Figure 13.54).

Working on long-tail ad groups, where you will bid at the ad group level is much different than working with ad groups, where the keywords have so much data you want to do keyword-level bidding. By filtering by various types of ad groups, you can easily group your ad group work so that you do not have to switch mind-sets as you progress through your day.

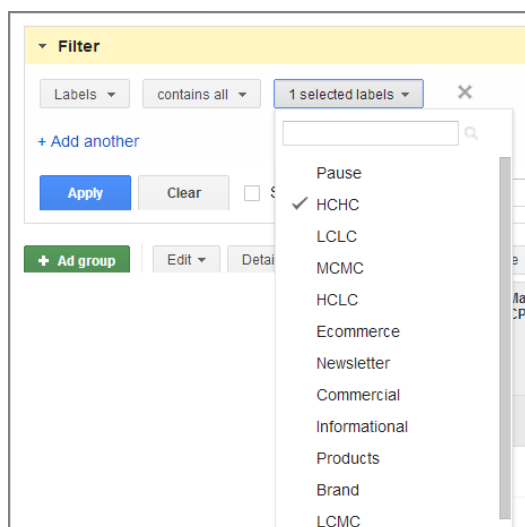


Figure 13.54 Ad group filters

Setting bids, controlling your marketing costs, and examining your profits are essential to making money with AdWords. However, it is equally important to understand how your customers buy from you so that you do not suddenly stop buying keywords that were indirectly leading to conversion or start making dramatic changes in your profit centers.

It is easy to end up in a paralysis-by-analysis scenario with AdWords because you have so much data available to you. Put your ad groups into meaningful groups so you can work on similar items together and continue to refine and improve your campaigns.

Best Practices for Utilizing Profitable Bid Strategies

Every ad group must have a bid associated with it. You can set bids at the keyword, ad group, ad group display, placement, and other levels. However, a bid must exist for your ad to be shown. What is important is not just bidding to the top position but bidding based on the profit your AdWords account is making your company. By following these best practices, you should be able to set bids based on conversion metrics:

- Do not spend a penny on marketing until you understand your company's goals.
- After you have written down your marketing goals, find a way to measure those goals. Use the AdWords conversion tracker to track goals that occur online. Use phone call tracking to track offline conversions.
- If you want to maximize conversions, test the Conversion Optimizer bid system.

- If you want to maximize traffic, put keywords into a Maximize Clicks campaign. If you have keywords you like that do not lead to conversions, put them in a Maximize Clicks campaign.
- Calculate the ROAS for each keyword, ad group, and placement in your account.
- Once you have determined the profit by taking margins and other factors into account when necessary, set bids based on profit or ROAS.
- When examining large spreadsheets, use conditional formatting to give yourself a visual reference of the data.
- Learn when your customers are most receptive to your marketing messages based on how they live their lives, and then use ad scheduling to set bids based on your returns at those various times.
- Use location modifiers to adjust your bids based on how each region performs.
- Use device modifiers to automatically change your bids for mobile devices.
- Put ad groups into like-minded buckets so that you can work on similar types of ad groups at once.
- Do not always set ROAS bids if they make dramatic changes in your most profitable ad groups. Be careful with your profit centers and make incremental changes.
- The more traffic an ad group receives, the higher the chance it has to bring profit to your company. If these ad groups are barely profitable, test both their ad copy and landing pages.
- Be creative; the more you learn about AdWords possibilities, the more creative you can become in reaching users in unique ways.

Setting the proper bids will move your account from just spending money to making money. Knowing where your dollars are being spent, watching the returns, and making adjustments as necessary are paramount to finding profit with AdWords.

However, a bid just tells Google how much you are willing to pay for a click. Your ads and keywords allow you to reach the consumer with the proper message. The ads and keywords are governed by the campaign's reach, be it by time of day, day of the week, geographic location, or display versus search reach. The organization of your account will have as much to do with your success as the bid will.

In the next chapter, you will learn various ways of organizing your account based on the goals of your account and how you want to reach customers.

Organizing Accounts Successfully

Successful account organization consists of three levels of decisions. The first decision is determining how many accounts you need. The second requires you to look within an account at the number of campaigns you need based on your targeting and budgets and determine how to properly organize the campaign settings. Finally, you need to decide how to organize your campaign's ad groups so you have tightly themed ad copy and keywords.

14

Account organization is not difficult if you understand your marketing goals and the AdWords settings we have discussed throughout the book so far. Proper account organization is essential if you want to gain the most benefit from your AdWords marketing dollars.

Chapter Contents

What is an AdWords account?

Developing a successful campaign structure

Organizing an ad group to increase CTR and conversion rates

Best practices for account organization strategies

What Is an AdWords Account?

An AdWords account represents a business. Each business should have only one AdWords account. Only one ad from an account will ever show in any given search result.

Since each AdWords account represents a business, items such as billing information, contact information, and access rights are stored at the account level. This is the basic information you need to open an AdWords account.

If you manage accounts on behalf of clients, such as a PPC (pay-per-click) agency, each client should have its own account. If you are an internal marketer, even if you have multiple websites, you should have a single Google account.

There are times when a business might be very large, or the business has subsidiaries with multiple websites that you feel are so separated that the business should be allowed to show two ads on a given search result page or have multiple AdWords accounts. In these cases, talk to a Google representative before enabling multiple accounts for the same business to make sure you are not violating the AdWords terms of service.



Note: If you need multiple accounts because you are an agency managing accounts on behalf of third parties, then you do not need to talk to a Google representative.

In the early days of AdWords, a search for many keywords might have led to a page of ads for the same company. Often, these additional ads were affiliate ads that all led to the same website. When multiple ads lead to the same page, searchers often become frustrated over lack of options. In January 2005, Google made a policy change: Only one ad per website would be shown on a search results page. This expanded consumer choice on a search result has meant a much better search experience.

The “one account per company” policies are also based on consumer choice. If you are creating multiple accounts to get around policies designed to enhance the search experience, you could run into terms of service issues. This is why it is a good practice to talk to Google about why you need multiple accounts and let them help you.

What Are the Limits of an AdWords Account?

A basic Google account has these maximum limits:

- 10,000 campaigns (includes active and paused campaigns)
- 20,000 ad groups per campaign
- 20,000 ad group targets per ad group (i.e., keywords, placements, audience lists, and product targets)
- 5 million ad group targets per account (i.e., keywords, placements, audience lists, and product targets)

- 300 display ads per ad group (includes image ads)
- 50 text ads per ad group
- 4 million active or paused ads per account
- 20 shared negative keyword lists per account
- 5,000 negative keywords per negative keyword list
- 100,000 active upgraded ad extensions per account

In the past, AdWords was much more restrictive in how many active campaigns and keywords could be in an account. The account size limits are now so large that only the largest of companies should run into account size limit issues. If you see the message “Your account is nearing an unmanageable size,” that usually indicates you are reaching the keyword limits for an account. If you need more active campaigns or active keywords, your Google representative can link accounts together on the back-end. It is possible to have over 10 million keywords active in Google at one time; however, doing so would require at least three accounts being linked together. Just remember that you should always contact Google before creating a second account to make sure you will stay within their terms of service.

Unfortunately, there are no fixed guidelines defining a large spend or when an account qualifies for a representative. Google assigns reps on a “need-analysis” basis. If you spend more than \$100,000 per year on AdWords, it can be worth your time to contact Google and ask them if you have a representative or any additional support options.

Not everyone will be allowed to link accounts together. Each keyword, campaign, ad group, and ad copy takes up space in Google’s database. Each time someone searches for a keyword, Google must examine their entire database and perform an auction to see which keywords and ad copy should be shown to the searcher. If you are spending a low amount per month, it is not cost effective for Google to store all that data and use the processing power required to continually look through all your keywords to see what should be shown. It can be useful to talk to your Google representative about your keyword and campaign needs to see if you can link multiple accounts together.

Managing Multiple Accounts the Easy Way

If you need multiple accounts—either because your account is so large that you need two or more linked accounts or because you are an agency and manage accounts on behalf of multiple companies—the My Client Center (MCC) will be extremely useful to you.

A My Client Center account (Figure 14.1) allows you to link multiple accounts together in a single interface. From within the interface, you can easily navigate

between the accounts, see account statistics in a single place, or run reports across all the accounts in the MCC.

Client	Alerts	Clicks	Impr.	Search CTR	Display Network CTR	Conversions (1-per-click)	Conv. rate (1-per-click)	Amount spent
Client 1		1,133,717	146,057,339	0.95%	0.23%	12,027	1.06%	\$4,628,692.01
Client 2		1,013,947	108,441,195	1.39%	0.12%	8,078	7.99%	\$4,329,058.48
Client 3		3,702,787	395,617,910	1.71%	0.18%	30,222	0.81%	\$3,469,235.12
Client 4		1,451,869	93,238,242	2.57%	0.17%	28,588	1.97%	\$1,365,299.11
Client 5		72,354	77,600,208	0.60%	0.08%	1,044	1.44%	\$1,082,898.23

Figure 14.1 My Client Center overview screen

To navigate between the accounts, you can use the drop-down box at the top of the screen, click on a client name from the MCC screen, or use the search box. If you have thousands of clients, I recommend that you name them appropriately so that you can easily use the search feature to find the account you want to view.

By default, one account in an MCC does not affect another. Therefore, items like Quality Score are not shared, and each account can show an ad on a search result (assuming they have different display and destination URLs).

If you are running a large account where Google linked the accounts together on the back-end, you can also add all of these accounts to the MCC so that you can enjoy the benefits of the MCC. In this case, the accounts can affect each other.

If you have a tremendous number of accounts, you can also nestle MCCs. For instance, if you manage clients, manage your own PPC spend, and have one large client that has five linked accounts, you would want to organize your MCCs accordingly:

- Top-level MCC to see everything
- Sub-MCC for your large client with five accounts
- Sub-MCC for your own spend
- Sub-MCC for the rest of your clients



Note: Although you can have multiple levels of sub-MCCs, unless you are managing more than 10,000 accounts, you will rarely need more than four or five levels of MCCs.

The three reasons to have multiple levels of MCCs are for organizational purposes, for permission purposes (so one analyst or client can view only their own accounts), or if you are on consolidated invoicing with Google. Manager Defined Spend (MDS) allows you to receive a single invoice for all clients either in all MCCs or for a specific MCC. Therefore, if you have one client paying their bill directly to Google and other clients who are paying you for their spend, you may also want to organize the clients based on billing options to make it easier for the accounting department.

My Client Center Benefits

The My Client Center comes with many benefits that will save you time and make it easier to manage multiple accounts:

Access Levels As with AdWords accounts, there are also different access levels you can give an individual. The first is administrative access. Someone with this access level can add and delete any user—and that can include you. Be careful when assigning this access level. The second level is standard access. This user cannot add or remove users but can make changes to any account. The third level is read-only access. These users can see the data but cannot make changes in an account. When you give someone access through the MCC, they can see that MCC and any sub-MCCs, plus any account contained within those MCCs. If you give someone access to a sub-MCC, they cannot see the MCCs or accounts above their level of access.

Linking Accounts If a user already has an existing AdWords account, you will need to send them an invitation to link their account to yours. Once you send them an invite, they will see a message in their AdWords account that they have to click on to give you permission to link to their account. Once the account is linked, you can enjoy the benefits of having an account linked to from the MCC.

Creating Accounts Linking accounts can be time consuming if you have hundreds or thousands of accounts. Instead of creating accounts outside of the MCC and then having to link them at a later date, you can create new accounts in the MCC so that they are already linked.

Budget Controls The Budget tab of the MCC allows you to see the spend of each account. In addition, if the accounts are on invoicing or other payment methods instead of credit card billing, you can change the monthly spends, see the percentage of their budget spent, and other options from this tab (Figure 14.2).

Alerts If there are issues with your account, Google will show alerts at the account level. In the MCC, you can view the alerts for all the accounts in the MCC on a single screen, making it easier to troubleshoot issues.

The screenshot shows the Google My Client Center (MCC) interface. At the top, there are tabs for 'Performance' and 'Budget'. Below the tabs, there is a search bar and a 'Find' button. A table lists various accounts with columns for Client, Labels, Billing account, Billing customer, Purchase order, Payment setting, Account budget, and Remaining account budget. The table contains several rows of data, including accounts for 'Hemisphere', 'Beyonce', 'Hemisphere', 'Hemisphere', 'Hemisphere', 'Hemisphere', 'Hemisphere', and 'Hemisphere'.

Client	Labels	Billing account	Billing customer	Purchase order	Payment setting	Account budget	Remaining account budget
Hemisphere		1111111111111111	Hemisphere		Manual payments	--	\$6,344.44
Beyonce		1111111111111111	Beyonce		Manual payments	--	CAS203.48
Hemisphere		1111111111111111			--	--	\$0.00
Hemisphere		1111111111111111			--	--	\$0.00
Hemisphere		1111111111111111	Hemisphere		Automatic payments	Unlimited	--
Hemisphere		1111111111111111	Hemisphere		Automatic payments	Unlimited	--
Hemisphere		1111111111111111	Hemisphere		Automatic payments	Unlimited	--
Hemisphere		1111111111111111	Hemisphere		Monthly invoicing	Unlimited	--

Figure 14.2 Viewing and managing budgets from the MCC

Cross-Account Reporting Finally, you can run reports across all accounts in an MCC at a single time. If you are a large advertiser and therefore need five different accounts, this will be a huge timesaver. Instead of having to log into each account to run a report, you can run reports that include data from all your accounts at once. You can select various reports to run and which accounts to include with these cross-account reports.

To create a My Client Center account, go to www.google.com/adwords/myclientcenter and use the wizard to create a new MCC. Once you have access to the MCC, you can also join the Google Advertising Professionals Program.

Becoming a Google Partner

Google has a professional certification program that offers certification for companies. For a company to be certified by Google, they need to meet the following requirements:

- Have at least one person who has passed two Google AdWords certification exams
- Have spent at least \$10,000 within their MCC in the past 90 days
- Have spent money on at least 60 of those 90 days
- Demonstrate that the company can follow best practices
- Set up and complete a company profile

Once you have met the requirements, your company can be considered a Google Certified Partner and gain the use of a logo that you can use in various means with your marketing materials (Figure 14.3).



Figure 14.3 AdWords Certified Partner logo

Note: To sign up for the Google Partner Program, go to <https://www.google.com/partners/> and sign in with your Google account. You will walk through a wizard to create your professional account. Once you have an account, you will be able to invite new professionals, take the AdWords certification tests, and gain access to helpful materials (Figure 14.4).

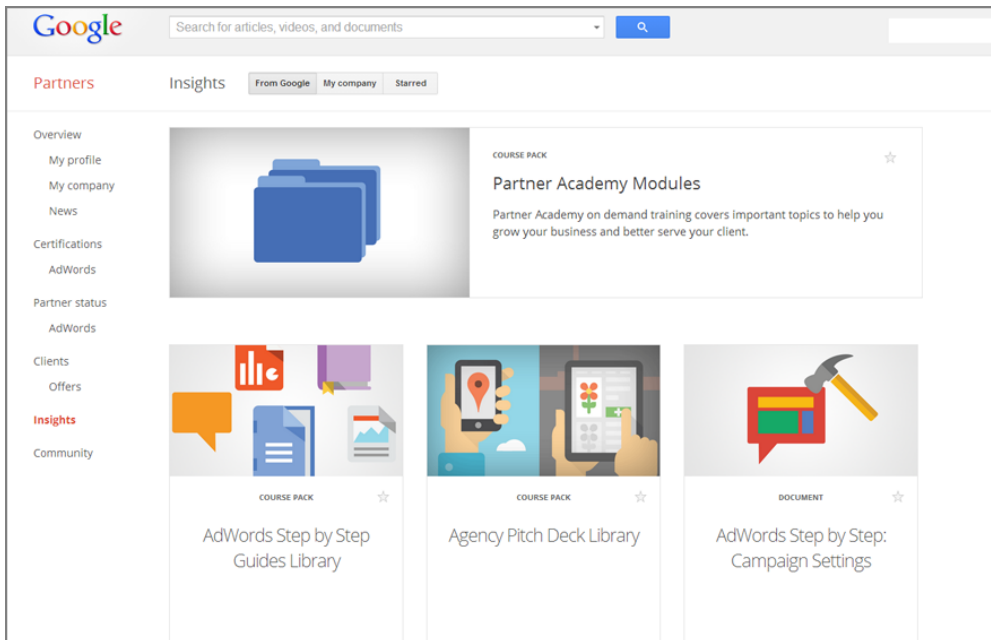


Figure 14.4 Google Partner materials

You do not have to sign up for the Google Partner program to gain access to an MCC account. It is an additional certification you can gain to help you sell your AdWords services to other companies or use as a nice bullet point on your résumé.

Developing a Successful Campaign Structure

A campaign is a collection of ad groups. Each ad group consists of keywords and ad copy. Google follows your campaign settings to determine where, when, and how you would like those ads displayed. If you would like keywords or ads displayed differently based on varying conditions, you need a different campaign for each of those conditions.

Every time you create a new campaign, you must set a budget for that campaign. If you spread your budget out across too many campaigns, your budget can become very thin and you could be limiting your ad display. In addition, every time you make a new campaign, you have more campaigns to manage. Therefore, the first question is, “Why should you create a second campaign?” This section first examines the reasons to separate campaigns, and then I will use sample company objectives to show you how a company should structure their campaigns based on their objectives.

Reasons to Create New Campaigns

The decision to create a new campaign is a big one. Most companies have finite budgets, and every campaign must have a budget. So if you try to spread that budget out across hundreds of campaigns, you could have an organizational nightmare on your hands. There are many reasons to have multiple campaigns; here is a list of the most common reasons to create new campaigns:

Daily Budget Every campaign must have a daily budget. As you add more campaigns, you have to decide how much you want to spend on each. One way of organizing campaigns is by business objectives or conversion types and then by deciding how much you want to spend to reach those objectives. If you have multiple products, and each product has its own marketing budget, separating the campaigns by products will help you reach those goals. There is a shared budget feature that can help mitigate the issues of having to split up your budget across multiple campaigns.

Targeting Methods This is the most common reason to separate campaigns. You should have separate campaigns for display and search. However, if you are also targeting through remarketing, interests, topics, and even more methods, it is common to see each targeting method have its own campaign for ease of understanding how the ads in a campaign are being displayed.

Location Targeting Geographic targeting is set at the campaign level, and the second most common reason to have multiple campaigns is wanting to use different keywords, ads, or landing pages in different geographies, as covered in Chapter 11, “Utilizing Advanced Geographic Targeting Techniques.”

Bidding Type In Chapter 13, “Devising Profitable Bid Strategies,” you saw the various bidding types: Budget Optimizer, Conversion Optimizer, and maximum CPC or CPM bidding. While you can use flexible bidding to set different bid methods per ad group,

many companies like to separate out the different bid types at the campaign level for ease of organization.

Ad Scheduling Ad scheduling is set at the campaign level, and by default, campaigns are set to show ads 24 hours a day, 7 days a week. As long as your budget is not limiting your ad delivery, your ad is eligible to be shown all the time. If you want one ad to be shown on a Monday and a different ad to be shown on Tuesday, you will need a different campaign for each time frame in which you want different ads, keywords, or landing pages to be eligible for the auction, as discussed in Chapter 13.

Whenever you want your keywords, ads, and landing pages to be governed by a different campaign setting, you need a new campaign. The items earlier in this list are the most common reasons to create new campaigns, but even items such as ad delivery method or ad serving methodology can be reasons to create new campaigns if you want different keywords or ads to follow different campaign rules.

Structuring Campaigns to Achieve Business Goals

There are thousands of ways to structure your campaign settings based on your business goals. If you do not know your business goals, you cannot set bids appropriately or understand the best way to structure your campaigns. This is why it is so important to know what you would like your marketing to accomplish.

This section examines some common business goals and then shows you how the campaigns in an account should be organized.

Basic Campaign Structure to Maximize Search Returns

For most small companies, you can often just use a single search campaign to manage all of your ad groups. However, as your account grows, often you will find that you have two types of keywords:

- Managed keywords: Exact match keywords that have proven revenue
- Discovery keywords: Modified broad match keywords that try to find new profitable keywords that can be added as exact match keywords

With this basic type of structure, you will end up with two campaigns. The first campaign will be the managed keyword campaign. These keywords have proven revenue and will be mostly exact match keywords and will spend as much as possible since all the keywords are proven to generate revenue.

The second campaign, known as a discovery campaign, has a goal of finding new exact match keywords to add to the managed campaign. Some days this campaign will make money and other days it will not. Its goal is not to make money; its goal is to find new revenue-generating keywords. Since these words are usually modified broad match, it is very possible for a search query to trigger a keyword from either campaign.

Therefore, this campaign will have all the keywords listed in the managed campaign as exact match negatives so that you are fully controlling the ad serving.

With this type of structure, as an account grows, you will often end up with multiple managed campaigns based on the reasons why you want to create campaigns, such as different budgets by product lines. For larger accounts, those that need many campaigns, this type of structure does not always work because the management of finding queries, adding new keywords, and managing negative keyword lists often becomes overly burdensome. In those cases, you will most likely create a campaign by product line and then use bid management and query mining to manage the bids, new keywords, and negative keywords.

Basic Campaign Structure to Maximize Display Returns

When you want to maximize returns for all your display targeting methods, there is a straightforward place to start that will use three campaigns:

Display Discovery Campaigns For each targeting method, such as keywords, interests, and topics, create a campaign. The goal of these campaigns is to find good placements. Some days these campaigns will do quite well, and on other days they will not fare so well. Their overall goal is to find great placements.

Since you will still want to manage bids for these targeting types, it is best for each ad group to have only a single target, such as one topic, one interest, or a close-knit set of keywords.

When you find a placement that has proven revenue value, then you will want to make it a negative placement in the campaign and add it to a managed placement campaign.

Managed Placement Campaign The managed placement campaign is made up only of placements that are helping you reach your advertising goals. Because this campaign consists only of sites where you want your ads to be shown as much as possible, this campaign will usually have your highest display budget.

Remarketing Campaign While remarketing ads show across the Display Network, these ads are triggered based on interaction with your website. Since this is a much different target than the other display targeting methods, you should separate out your remarketing efforts into their own campaign. In most cases, if you have multiple remarketing lists, each list will have its own ad group.

These first two basic account organizations should get any account started. These organizations combine the basic principles of using the search network and the Display Network appropriately. However, they do assume that you are choosing only one geographic reach for all your campaigns. If you want to show different ads to different users, you may want to restructure your campaigns.

Meeting Location-Based Goals

There are times when you will want to create campaigns that showcase different ads or landing pages to users based on the user's location. In some cases, your offer may change by location, or you find that when you include the user's location in the ad and on the landing page, your conversion rates increase. This example looks at a company that should start with multiple location-based campaigns.

Our fictional company, Illinois Insurance, is licensed in the state of Illinois to sell insurance; therefore, they want only users in Illinois to see their ads. After conducting some research, they find that people located in Chicago have different insurance concerns than the rest of the state. Chicago is one of the largest cities in the world, and the residents want more information about car theft and home break-ins than the rest of the state. Illinois Insurance is headquartered in Rockford. They want to stress that customers in that city can come into their office and meet face to face with an insurance agent.

This company has three different goals for three different locations (Illinois, Chicago, and Rockford); therefore, they will need three search-based campaigns (Figure 14.5).

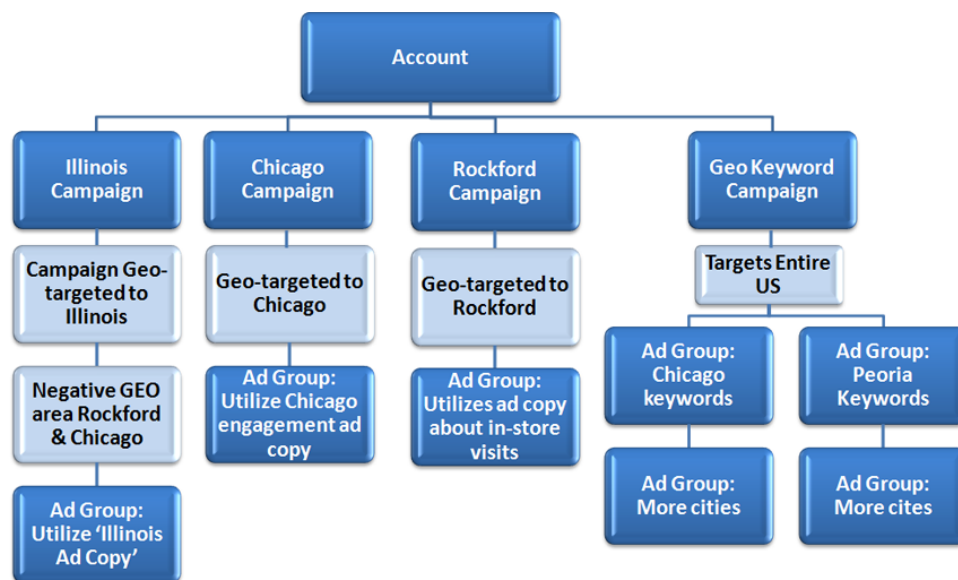


Figure 14.5 Search-based campaigns for Illinois Insurance

Illinois Campaign This campaign will be shown throughout the state of Illinois, so it should use the location setting of Illinois only. However, because Illinois Insurance wants different ads to show in Rockford and Chicago, the Excluded Regions feature (discussed in Chapter 11) should also be utilized to keep their ads from showing in those two cities. Since this campaign is shown only to users in the state of Illinois, the

keywords will not need geo-qualifiers such as *Peoria home insurance* or *Illinois home insurance*. These ads will go to a landing page that corresponds to the keywords being searched.

Chicago Campaign This campaign is for searchers who live in the city of Chicago; therefore, in the location settings this campaign should be displayed only in Chicago. Since the company found that Chicago users had different insurance concerns, those findings should be echoed in the ad copy. As with the Illinois campaign, the keywords should not use geographic modifiers. Finally, the searcher should be sent to a page on the website that reinforces both the Chicago location and the keywords that were searched.

Rockford Campaign The Rockford campaign should also use the location feature so its ads are just shown in Rockford. The keywords should not use geographic modifiers. Ads and landing pages should be focused on the benefit of sitting down face to face with an agent.

Geo-Keyword Campaign If you want to reach everyone regardless of Google's ability to understand a searcher's location, you will want to add a fourth campaign that utilizes geographically modified keywords.

In this campaign, your target area will be the entire country. Then, within each ad group, you will use geographic keywords, such as *Chicago home insurance* or *Peoria car insurance*.

Each ad group should be a different city and insurance type combination. For the keywords that use the Chicago modifier, the searcher should be sent to the same landing page that is being used in the Chicago campaign. The same goes for Rockford-based keywords.

For other geographic keywords, such as *Peoria home insurance* or *Illinois home insurance*, you would want to send someone to an appropriate landing page that reinforces the geography and insurance type.



Note: If your budget is being stretched by the first three campaigns, you could skip the geo-keyword campaign.

Display and Discovery Placement Campaigns The big question this company needs to ask is how they want to treat the Display Network. There are a few options:

Option 1 Showcase the same ads to all of Illinois. If your budget is being stretched, creating multiple campaigns for each location can be an accounting nightmare. Use display and text ads to showcase your general offer to anyone on insurance content pages and send them to a page that showcases the rest of your offers. You could test a general benefit page against a segmentation page (discussed in Chapter 15, "Implementing Testing Techniques That Will Increase

Profits”). In this case, turn on display only, use Illinois as your location target, and then refine your exposure by using a placement campaign for successful placements.

Option 2 Create three display campaigns using automatic placement type targets. Each display campaign will be shown to a different location: Rockford, Chicago, and Illinois (minus Rockford and Chicago). Then use managed placement campaigns as you refine your exposure. The benefit of this method is targeted display exposure that sends a user to the most appropriate geographic landing page on the company’s website. However, it is a tremendous amount of work, and the results might not be worth the effort. In addition, you need to keep adding new daily budgets, which can start to reduce how much any one campaign is allowed to spend, essentially handicapping your best keywords and placements.

Option 3 Create a managed placement campaign only. Use the placement tool to find appropriate websites where your target audience spends time, and then put ads on those pages. Because you are guessing at placements, some of your ads will work and others will not. Use the placement performance report to remove websites or set appropriate bids. This method will not let you find random sites around the Web that would have been good placements for your ads, but it will let you test sites you feel are appropriate and keep greater control of your Display Network campaign budget.

Remarketing Campaign Regardless of your choice of display targeting, this company could also create a remarketing campaign. If they do so, this campaign should be separate from the other campaigns.

In this particular campaign, the offers changed for each location, hence the need to create multiple campaigns. However, there are times when your offer does not change by location, but you want the users to feel that that your offer is local and you want to connect with the user on a location basis.

Multi-Location Campaigns

In this example, let us say that you are a national plumbing company. You have plumbers in one hundred metro areas throughout the United States. In addition, every business, including plumbers, can have hundreds of services, such as kitchen remodeling, bathroom remodeling, pipe repair, water heater installation, and frozen pipes, and the list goes on.

When you consider your geographies and services with respect to your ads and landing pages, you have a few options to think through:

- Create one landing page per service.
- Create one landing page per region.
- Create one landing page per region and service.

- Create ads per region.
- Create ads per service.
- Create ads for each region and service combination.

This leads to several combinations of ads and landing pages that you could utilize. The absolute best combination would be to use geographic and service-based ads and landing pages. However, that is also by far the most work.

So in a case like this you first need to examine your resources to see if you can create and manage that many ads and landing pages. If you have those resources, fantastic, feel free to build an account that way; however, many companies will not have those types of resources.

If you do not have those resources, then it is best to employ a few tests before choosing a structure:

- Create a few campaigns that utilize geographic ads and landing pages.
- Create a few campaigns that utilize service- and geographic-based ads with just service-based landing pages.
- Create a few campaigns that utilize service-based ads and landing pages.
- Create a few campaigns that utilize both service and location ads and landing pages.

Now, since these are all just tests, you probably will not create hundreds of ad groups for all of these campaigns. You will most likely just create a few of the higher search volume items because what you need to determine is how much the geography affects the CTR and conversion rates.

Once you run these tests for a while, closely examine the data. How much does it matter that the geography is in the ad or on the landing page? How much does it matter that the service is in the ad or on the landing page? How much of an increase in CTR and conversion rates did you receive from utilizing both services and geographies in the ads and landing pages?

To answer these questions, you will need to export the data and run the numbers to see the differences. However, once you do so, you can pick the combination that does the best for you, or you will have the data to put together a pitch to the company of why they should invest a certain amount of money to create the best combination based on the data.

In this example, it is not just about laying out the best possibility. It is also about examining how to think about testing the structures and putting together numbers to make the case for your organization and resources. You might have 100 cities and 50 services, which would be a potential 5000 landing pages, a large undertaking. In this example, since the geographies are at the metro level, all of the ad groups will have some search volume. However, if this company was not national but instead just serving a single metro area, you can take the basics of this structure but create a hyper local campaign setup, which is not quite as complex as national companies have to employ.

Hyper Local Campaigns

A hyper local campaign is one where you are serving a small region, such as a state or single metro area, but you want still want to make the users feel as if you are talking to their specific area. For instance, the metro area of Chicago comprises 233 cities. Some of these cities contain more than 100,000 people and others have fewer than 10,000.

When you examine the search volume for these smaller cities, what you usually find is that the generic words, such as *Naperville plumber*, have some search volume, but the very specific words, such as *Kitchen Remodeling in Naperville, IL*, have very little search volume.

Therefore, if you wanted to be as specific as possible in your ads, yet not do additional work due to the low search volume, you could create two search campaigns:

Services Campaign The services campaign will serve ads to the entire Chicago metro region. The ads will use *Chicago* in them, and the ad groups will be very specific (for example, kitchen remodeling, clogged drain, and the like), and each ad group should ideally have its own landing page that mentions the service. Since this campaign is targeting only Chicago, the keywords do not need geographic modifiers (such as *Chicago kitchen remodeling*).

Geo Campaign The second campaign will also target the Chicago metro; however, each ad group will represent a single city within the metro area. In addition, there will be only one ad group for each city, and these ad groups will use the higher-volume generic terms, such as *Naperville plumber* or *Joliet plumber*. Ideally, these ads would lead to landing pages that mention the specific geography, but in a worst-case scenario, they can go to a page that mentions the service area as well as the overall services.

Many of these ad groups will not receive impressions, and that is okay. The goal here is to ensure that if someone is doing a hyper local search, you can show hyper local ads. If any ad group does start to receive a significant amount of impressions, then you can create a services campaign for that city.

For instance, in Figure 14.6, each ad group represents a city within the Houston metro area. The city of Sugar Land has received a significant amount of impressions, especially compared to the other small cities in that region, and therefore would warrant its own services campaign.

This is a nice setup for a local business that wants to follow best practices around having highly localized ads but may not have the resources to create hundreds of pages and is working with a geography where many of the cities might not even have search volume. This type of structure is easy to set up, and then you can let the search volume dictate where you might create additional campaigns for specific geographies.

While these campaigns have been focused on locations for the purposes of showing ads, there will also be times when you might localize your campaigns for other reasons.

+ Ad group		Edit ▾	Details ▾	Bid strategy ▾	Automate ▾	Labels ▾				
<input type="checkbox"/>	●	Ad group	Status ?	Default Max. CPC ?	↓	Clicks ?	Impr. ?	CTR ?		
		Total - all ad groups				1,452	209,165	0.69%		
<input type="checkbox"/>	●	Houston	Eligible	\$6.00	<input checked="" type="checkbox"/>	904	139,501	0.65%		
<input type="checkbox"/>	●	Sugar Land	Eligible	\$8.00	<input checked="" type="checkbox"/>	342	59,638	0.57%		
<input type="checkbox"/>	●	Heights	Eligible	\$6.00	<input checked="" type="checkbox"/>	52	350	14.86%		
<input type="checkbox"/>	●	Katy	Eligible	\$6.00	<input checked="" type="checkbox"/>	43	1,793	2.40%		
<input type="checkbox"/>	●	Pearland	Eligible	\$6.00	<input checked="" type="checkbox"/>	34	787	4.32%		
<input type="checkbox"/>	●	Bellaire	Eligible	\$6.00	<input checked="" type="checkbox"/>	14	2,077	0.67%		
<input type="checkbox"/>	●	West University	Eligible	\$6.00	<input checked="" type="checkbox"/>	13	1,016	1.28%		
<input type="checkbox"/>	●	Rice Village	Eligible	\$6.00	<input checked="" type="checkbox"/>	9	392	2.30%		
<input type="checkbox"/>	●	Cypress	Eligible	\$6.00	<input checked="" type="checkbox"/>	8	208	3.85%		
<input type="checkbox"/>	●	Missouri City	Eligible	\$6.00	<input checked="" type="checkbox"/>	6	53	11.32%		

Figure 14.6 Hyper Local Campaign for the Houston Metro

Case Study into Geographic Organization for CPA Purposes

Before bid modifiers were introduced, we would sometimes organize national campaigns around geographies for bidding purposes. The ads and landing pages would be the same for each geography, such as those often found in e-commerce sites, but they were broken down based on the performance in each region (Figure 14.7).

The reason our target CPA is different for the various campaigns is that in the low-performing areas if we try to use our blended CPA average, our position falls so much that we lose a lot of conversions and visibility. We do not want to ignore these areas completely, so we are willing to have slightly higher CPAs in these regions to maintain some conversions and visibility in those areas.

In these tests, in some cases CPC bidding was used, and in other cases CPA bidding was used. With the introduction of bid modifiers, I wanted to test what would happen if we consolidated these campaigns into a single campaign and used bid modifiers for the CPC campaigns. Because bid modifiers, other than –100 percent for mobile devices, do not work for CPA campaigns, this was a test to see how this bid method would work for consolidated campaigns. This case study involved several lead-generation and e-commerce sites.

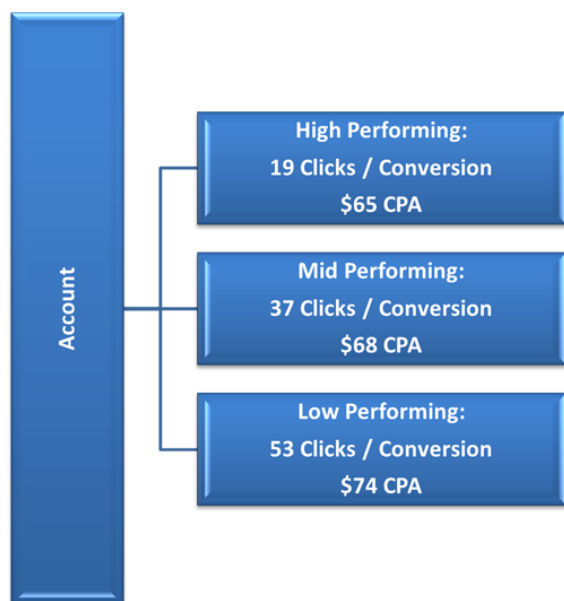


Figure 14.7 Geographic CPA organization

When we consolidated the CPC-based campaigns into a single campaign and used bid modifiers to manipulate the bid based on the CPA for each region, we ended up with very positive results:

- Lead generation: 7.9 percent reduction in CPAs
- E-commerce: 7.1 percent reduction in CPAs

The reason for the performance gain was that it was very easy with bid modifiers to set custom bids for every single region, whereas with the campaigns, creating a new campaign for every region was resource prohibitive.

For the campaign that was utilizing CPA bidding, the results were not as great:

- Lead generation: 13.9 percent increase in CPAs
- E-commerce: 11.4 percent increase in CPAs

Since you cannot set bid modifiers for CPA campaigns, you are at the mercy of how AdWords is setting your bids. While I find that CPA bidding is a very useful bid method and like to employ it on many occasions, I do find it is often not aggressive enough in changing bids based on location conversion-rate differences, and I do like to often separate out campaigns into different geographies based on the conversion rates and target CPAs for each geography.

This leads to the other point you should think about with organization: what bid method do you want to use? If you want to use CPA bidding and you do not have a high budget, then you will often want fewer campaigns so you can consolidate your

conversions into a single campaign. If you are going to bid manually, then you do not have to worry about consolidating your conversions as much because you can set bids and use bid modifiers at will in campaigns that do not have many conversions.

The campaign organizations just discussed have been focused on having the ability to set bids based on ROAS or profit. However, there are times when you want to expand consumers' awareness of your website.

Creating Awareness or Branding Search Campaigns

There will be times when you like certain keywords, and those keywords accurately describe your products or services. If those keywords also lead to brand interaction—such as page views, low bounce rates, or video watches—yet by themselves do not convert for your primary conversion actions, you have three options.

The first option is to delete the keywords. If you are running a campaign strictly around profits and ROAS and these keywords are not performing, get rid of them.



Note: Please note that just because a keyword does not lead directly to good ROAS does not mean it is not profitable. Keep in mind the keyword attribution funnel discussed in Chapter 13.

The first option is not great if you have a long sales cycle or want to introduce new people to your buying funnel. Searches from people in the early stages of the buying funnel have lower conversion rates. Therefore, the second option is to create some monetary value for a page view or video view, and then bid by returns for those alternate conversions.

The last option is to create a branding campaign. This can also be called an awareness campaign because that is one of the first steps in the buying funnel. Your best option is to also track if these individuals convert at a later date so that you can see the full keyword attribution funnel. However, before you can see if they convert, you need the searchers to find your website. For these keywords, you should not care which ones get clicks. Your goal is to introduce people to your website.

To create this branding campaign, follow these steps:

1. Move all the keywords that you want to gain exposure into a separate campaign with the appropriate ad group organization.
2. Set a daily budget for how much you are willing to pay for people to find your website and learn more about your company.
3. Use the Maximize Clicks bidding strategy:
 - The Maximize Clicks selection attempts to maximize the number of clicks that a campaign receives. It does not care which keyword received the click—which is why you should not move keywords into this campaign if you know the returns for any of them.

- In addition, the budget optimizer's maximum CPC should be set lower than any of the keywords in your search campaigns. If you know the returns for a keyword, you want your search campaign's keywords to be triggered. Maximize Clicks campaigns are for words that do not convert but for which you want exposure, and they are usually less valuable than your search keywords.

When you have finished creating the branding campaign, you will still have your typical search and display campaigns as mentioned in the basic campaign structures for both search and display; this will just be an additional search campaign.

All of the organizations so far have been focused on showing the ads every day of the week and at all hours of the day. If you want your ads to show on different days of the week or at different times of the day, you need to utilize ad scheduling campaigns.

Showing Different Ads by Day of the Week

Marketing is about connecting with customers. With AdWords, the first connection point is with keywords. A second one can occur if you use the day of the week, or even the time of day, in an ad.

Most restaurants and bars have different specials each day of the week. If a restaurant wanted to put their daily special into their ads for the weekdays and then highlight one weekend special, there is an easy way to accomplish this with ad scheduling (discussed in Chapter 13) by using a different campaign for each day of the week (Figure 14.8), as follows:

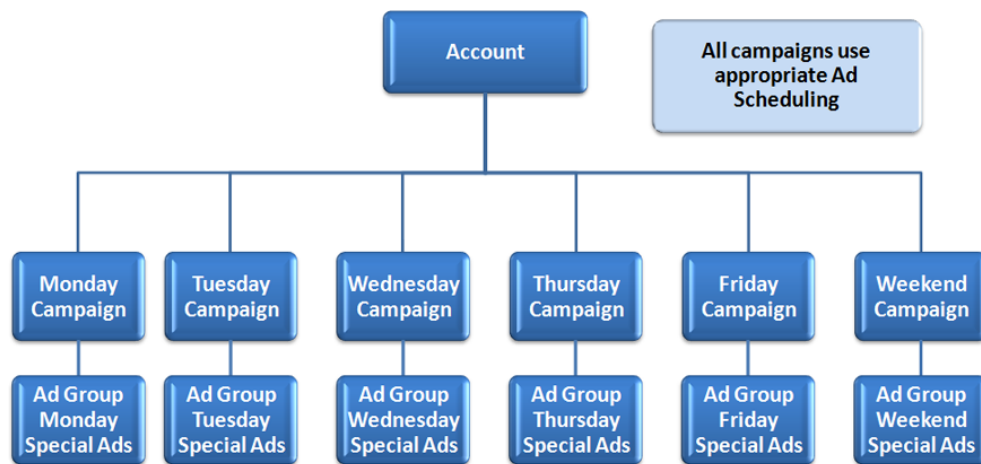


Figure 14.8 Ad scheduling campaign organization

1. Build your ad groups within a single campaign. If you are a restaurant, also set the location targeting based on the city in which you are located.

2. Duplicate your campaign six times using the AdWords Editor (featured in Chapter 12, “Saving Time and Scaling Accounts with the AdWords Editor”). Name each campaign for a day of the week or weekend. The naming convention is for your organizational purposes; a campaign’s name does not affect any of its data points.
3. Choose what day of the week you want that campaign to be active. When using ad scheduling, always look at the time zone for your account. You can view your account’s time zone on the ad-scheduling interface. Assuming that the time zone for the account is in the same time zone as your target area, the first campaign would be set to run only on Mondays, the Tuesday campaign would run only on Tuesdays, and so on.
4. Go back into the AdWords Editor and download your account. In each campaign, change the ads so that they showcase both the day of the week that the campaign is active and the specials for that day. Upload the changes, check those changes in the interface, and then you will have custom ads for each day of the week.

You can also use ad scheduling to change your bids automatically throughout the day. If you run a restaurant, and you find that most people are looking for driving directions and the ability to reserve tables in the late afternoon, you may want to raise your bids at those times and then leave them the same or lower at other times of the day. Using ad scheduling to reach consumers with time-sensitive ads, or changing bids by conversion rates, is a good method to help increase your profits.

Organizing Campaigns Based on Goals or Budgets

If you have different budgets for different goals on your website, organizing your campaigns based on how much you want to spend for each goal is a good way of controlling costs. In addition, you can use campaign negative keywords to help segment traffic so the searcher sees the proper ad.

For this example, we are going to examine a timeshare company. TS Inc. is our fictional company, which has a website based on buying and selling timeshares.

TS Inc. makes money only when they sell an ad to someone who is looking to sell their timeshare. If you want to sell your timeshare, you can connect with one of their sales reps, and they will walk you through the advertising options so you can get your timeshare listed on their site and hopefully sell it.

However, TS Inc. has found that they need to drive traffic to the listings sections of their timeshares for those who are looking to buy. The sales reps like to tell prospective advertisers how much traffic each section of their site receives, because it helps increase conversion rates of their ad sales. But when TS Inc. drives traffic to the timeshare listings, they do not make any money. Although they need to drive traffic to

their listings sections to help make sales, it's a loss leader; they have to pay for traffic but they do not directly make any money on these clicks.

TS Inc. wants to spend a lot of money when someone is looking to sell a timeshare and is bidding based on their sales close rates. They have a lower budget when someone is looking to buy a timeshare. They also have a budget for those who are not decisive in their search query and just use a keyword such as *Aruba timeshare*; TS Inc. and TS Inc. does not know whether that user wants to buy or sell a listing.

To accomplish their goals, and to send a user to the correct place on their website, they have devised three campaigns based on their budgets (Figure 14.9):

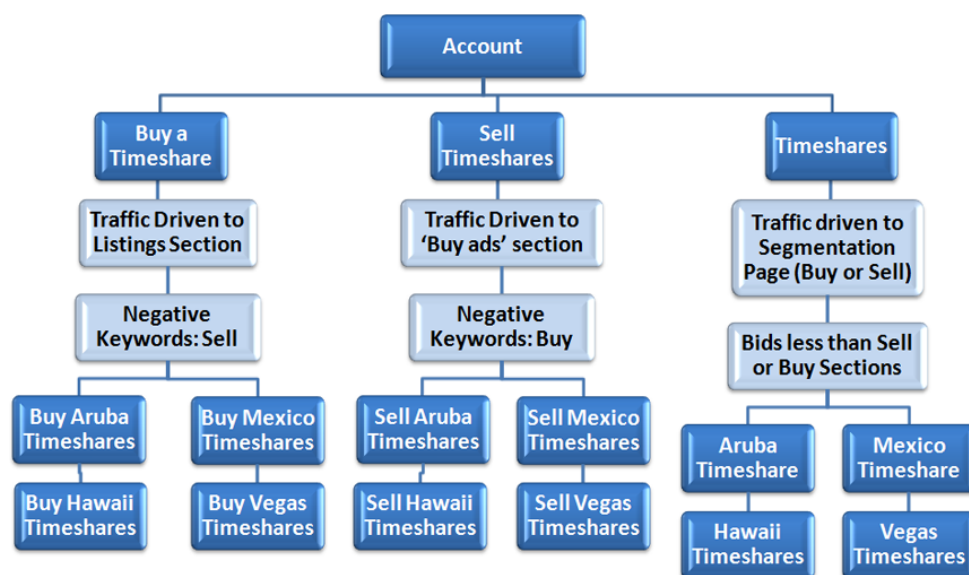


Figure 14.9 TS Inc. campaign strategy to separate campaigns by marketing objectives

Buy a Timeshare The first campaign is reaching consumers who want to buy a timeshare. Since TS Inc. does not make money on these keywords, they have the lowest of their daily budgets in this campaign. Each ad group is a combination of a city name with the word *timeshare* and the word *buy* (Buy Aruba Timeshares). The keywords inside the ad group all have buying descriptors such as “buy,” “buying,” “purchase,” and so on.

TS Inc. has found that they need to use broad match to reach all their prospects. However, since they do not make money on the keywords in this campaign, they want to make sure that the consumer searching is using the word *buy* and does not use the word *sell* because they can monetize someone looking to sell a timeshare by selling them an ad. At the campaign level, they use all the variations of the word *sell* in their negative keyword list (discussed in Chapter 2, “Performing Keyword Research”). By using negative keywords, they segment traffic based on their marketing goals.

Sell Timeshares This is the campaign that makes TS Inc. the most money. When someone wants to sell their timeshare, TS Inc. wants to sell that person an ad on their website. The ad groups in this campaign are very similar to the first campaign, except the *buy*-based keyword qualifiers are changed to *sell* qualifiers. For instance, the keyword *Buy Aruba Timeshare* from the buy campaign would be *Sell Aruba Timeshare* in this campaign.

Since the goal for this campaign is conversions through selling ads, all of the traffic is sent to a page that shows how TS Inc. can help you sell your timeshare and provides a quick form for you to fill out to get in contact with a sales representative. For higher conversion rates, each landing page features the location in the headline, such as “Contact Us to Sell Your Aruba Timeshare” along with a picture of the location.

Finally, to help segment traffic into selling versus buying intent, TS Inc. uses negative keywords such as *buy* and *buying* at the campaign level. This helps keep their lead quality higher and gives their listings sections more page views for those with a buying intent.

Timeshares The third campaign is for those searchers who do not use either buying or selling qualifiers. These searchers just type in *Aruba timeshare*. Since TS Inc. does not know if these searchers are looking to buy or sell a timeshare, the users are sent to a segmentation page where they are presented with two options of where to go next. If someone clicks on the “Sell your timeshare” link, they are sent to the contact form used in the Sell a Timeshare campaign. If someone clicks on the “Buy a timeshare” link, they are sent to the listings page from the Buy a Timeshare campaign.

TS Inc. finds they receive quite a bit of traffic from these listings, and since some of the traffic is monetizable from selling these consumers ads, this campaign has the second-highest daily budget, after the Sell Timeshares campaign.

Since the intent is ambiguous, and some users leave the segmentation page immediately, these searches are worthless to TS Inc. Therefore, all the keywords in this campaign have lower maximum CPCs than the keywords in either of the first two campaigns.

TS Inc. wants to make sure that users end up at the correct section of their website, so they use all of the campaign negatives from the first two campaigns for this campaign. It is worth noting that with this structure, they would not have any ads that would show for a keyword query such as *buy and sell timeshares* due to their negative campaign keyword usage.

In this example, we used a website that is both the seller and the distributor of their own ads. There should be two takeaways from this section. The first is that if you have various objectives for your website, and you want the various objectives to have different marketing dollars, you need to use your campaign organization to help you reach those goals. The second concerns user intent. Often you will find that you are willing to pay more if a user knows what they want or is more specific in their search

query. If you can define the various intents of those who use your keywords, you can design campaigns and ad groups based on what the searcher is looking to find.

Defining Your Goals

A complex campaign structure is not difficult if you can define your goals. For the final example, we will examine the goals of a national e-commerce company that focuses on selling computers. Because this is a large company, their goals are diverse:

- Showcase offers to all of the United States and bids by ROI for both search and display.
- Increase number of searchers finding their website for the first time.
- Create demand for their goods on nonsearch sites with highly targeted ads.

After examining their geographic performance reports (Chapter 11), they found they have low performance in Chicago. To increase performance in Chicago, they also want to test a B2B-focused ad on weekdays and a B2C-focused ad on weekends.

Showcase offers to all of the United States and bids by ROAS for both search and display. This goal speaks to the basic campaign structure covered earlier in the section “Basic Campaign Structure to Maximize Display Returns.” They start with search and managed placement campaigns. Since the second goal is to showcase a different offer to Chicago users, they will use the excluded regions feature in their search campaign so this campaign is not shown in Chicago.

Increase number of searchers finding their website for the first time. This company has found that the buying cycle for new computers can be quite long. However, if they can reach a searcher early in the buying funnel, often that consumer will stay focused with their company as they move down through the funnel to a purchase. Therefore, they have a large list of keywords that are relevant to their products but are in the interest or learning phase of the buying cycle; the company has had a difficult time determining bids because the words do not directly lead to sales. These keywords will be placed in an awareness campaign.

This awareness campaign will use the Maximize Clicks feature to maximize the clicks that the company receives for these keywords. The company will still try to get these consumers to subscribe to newsletters and learn more about their products; however, they are also measuring interaction with their website and will remove keywords that don’t contribute to it. They will also measure how many of these consumers buy at a later date. If any keyword starts to receive a significant number of conversions, that keyword will be moved to the search campaign that uses maximum CPC bidding.

Create demand for their goods on nonsearch sites with highly targeted ads. This company would like to place ads on highly desirable review-based websites so that more people become aware of their brand. To accomplish this, they will use a placement targeted campaign with only image and video ads. In addition, since their goal is the ad view, the

campaign will utilize CPM bidding (cost per thousand impressions) instead of CPC bidding.

The company will measure this campaign's success by examining the changes in branded queries, the number of people who watch a video, and changes to overall conversion rates on the website.

Test a B2B-focused ad on weekdays and a B2C-focused ad on weekends. To reach this goal, they are going to use both location targeting and ad scheduling. The company should create two new campaigns that target only Chicago.

The first campaign will use ad scheduling to show their ads only on weekdays. Because weekdays often contain more B2B-focused searches, they are going to write ads that use a B2B benefit message. They will send those searchers to a B2B-focused page on how the company helps other businesses that are buying multiple computers save time and money with their enterprise services.

The second campaign will use ad scheduling to show their ads only on weekends. Because they are trying to reach more consumers who want to purchase new computers, these ads will focus on the consumer benefits of buying a new computer. These ads will lead to a consumer-focused landing page.

After the company has gone through the exercise of determining their goals and how to structure their campaigns to meet those goals, they create a chart (Figure 14.10) so they can visually understand their campaign's organization.

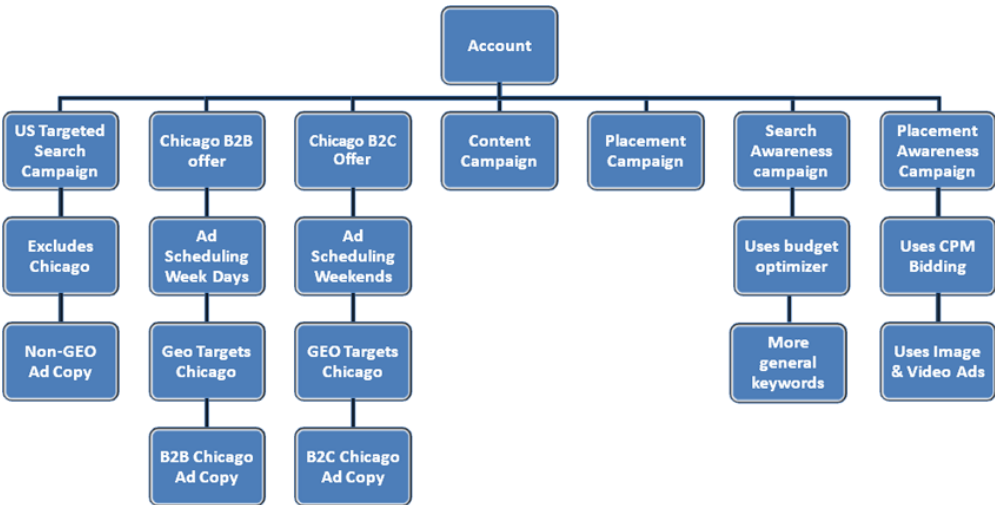


Figure 14.10 Complex campaign organization that meets the company's goals

Proper campaign organization can determine the success or failure of your marketing goals. List the goals you want your marketing to achieve. Then examine all the options that AdWords gives you to help you reach those goals. Once you understand

all the features in AdWords, you can create complex campaign structures that will help you reach your goals.

A campaign tells Google where, how, and when to show your ads. It does not inform Google which keyword, ad copy, and landing page should be used. The next step to a successful campaign is properly organizing your ad groups in a campaign.

Organizing an Ad Group to Increase CTR and Conversion Rates

An ad group is a collection of keywords and ads. Any ad can show for any keyword in an ad group. It is essential that all ad copy properly reflect each keyword. This topic is covered in depth in Chapter 7, “Demystifying Quality Score.”

You should always ask yourself a few questions for each keyword you use in a search campaign:

- Does the searcher think the page reached after clicking on your ad will answer their question?
- Can you write an ad that is more related to this keyword?
- If you look at the other ads, is there one that is more closely related to the keyword than yours?

A simple exercise to go through is to write a highly targeted ad, an ad so specific that if a searcher sees it, they assume you offer only one item. Then ask yourself, does that ad describe the keyword? If yes, the keyword is in the correct ad group. If no, the keyword needs to go to a new ad group.

Going through this exercise and applying it to your keywords should lead to higher Quality Scores, higher click-through rates, and higher conversion rates. The process is time consuming but essential.

Once you have created relevant ad groups and have accumulated some data, run the search query report. This report is indispensable if you use broad and phrase match. It will help you identify negative keywords, add new keywords, and even help organize your ad groups.

For instance, if a hosting company wants to advertise with AdWords, they will have a host of ad groups, such as these:

- Hosting
- Website hosting
- Cheap hosting
- VPS hosting
- Cheap VPS hosting

Assuming that the keywords within the ad group are highly related to the ad group names and that you are using modified broad match, you can easily run into ad-serving issues. For instance, if someone were to search for *cheap vps website hosting*,

every single ad group could be displayed. The query contains the word *hosting*, so the first ad group could be shown. The query contains *VPS hosting*, so the VPS hosting ad group could get triggered. The query contains *cheap hosting*, so the cheap hosting ad group could show, and so forth.

In most cases, Google does try to show the most specific keyword to the query; however, they will calculate ad rank for all your eligible matches and show the highest ad rank.

When you have scenarios like this, use negative keywords to ensure the correct ad is being shown (Figure 14.11).

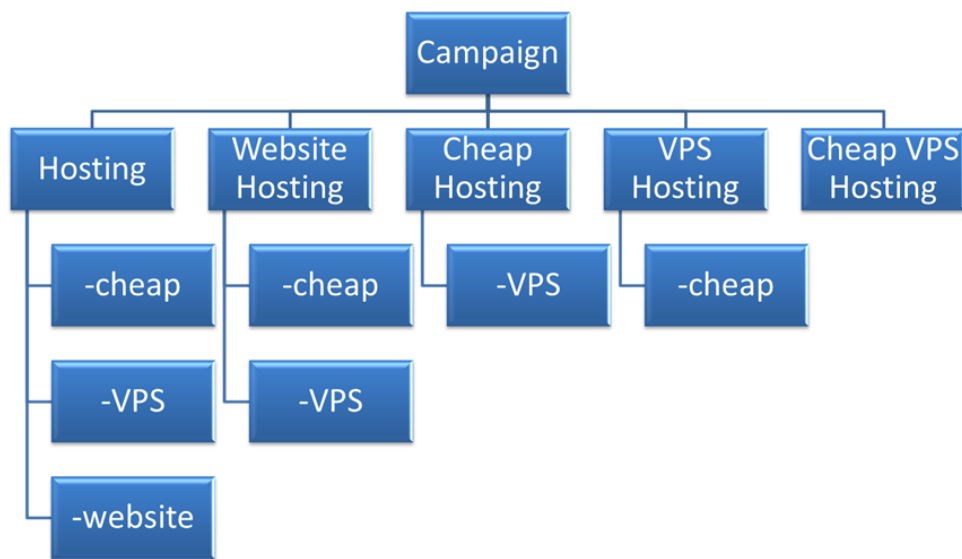


Figure 14.11 Using negative keywords to control ad display

When you layer in negative ad group keywords in this manner, you are forcing AdWords to show the most specific keyword for the query. If your ads and landing pages also contain information about that query, this should increase not only your ad serving control but your CTR and conversion rates as well.

By using a combination of positive and negative keywords, you can ensure that the correct ad copy and keyword are triggered in your account when someone conducts a search that matches one of your keywords.

For organizing ad groups for display campaigns, please refer to Chapter 9, “Understanding the Display Network,” in particular the section “Creating Keyword-Based Display Ad Groups.”

The ideal scenario is to create ad copy and a landing page for each search query where the ad and landing page are specific to every keyword query conducted. While

that might be ideal, there is no way to accomplish that organization with a medium-sized account, let alone a large account.

To create effective ad groups, always think back to the search intent of any given query. If your keyword, ad copy, and landing page work together to answer the searcher's question, your organization is on the correct path.

Ad Group Organization for Mobile Bid Modifiers

The only search bid modifier that can be applied at the ad group level is the mobile bid modifier. Because many keywords will have different conversion rates based on the device type, you may end up splitting your highly targeted ad groups into even more ad groups based on the mobile bid modifier that you want to use.

For instance, let us examine some example data (Table 14.1).

► **Table 14.1** Desktop versus mobile CPAs

Keyword	Desktop/Tablet CPA	Mobile CPA
Accounting services	\$46	\$44
Peachtree accountants	\$49	\$51
Accountant phone number	\$55	\$35
Local accountant	\$51	\$33
Tax accountants	\$31	\$50
Tax firm with lawyers on staff	\$32	\$53

First off, this is an example for illustration purposes; in reality, there would be more ad groups because we would want different ads for someone who is searching for a general accountant than for someone who is searching for specific software or legal tax help.

In this example, the first two keywords have similar CPAs on both devices. The next two keywords perform better on mobile devices than on desktops, and the last two keywords have better CPAs on desktops than on mobile devices.

In this scenario, we would not want to bid the last four keywords, the ones with drastically different mobile and desktop CPAs, the same way. We would want a positive bid modifier to raise our bids on the keywords that do better on mobile devices, and we would want to lower our mobile bids on keywords that are performing worse on mobile devices. For the words that are roughly the same for each device, we can leave them in the same ad group.

This leads us to having to split this ad group into three different ad groups based on the mobile bid modifiers we want to use. When you start advertising on both mobile and desktop devices, you will want to keep an eye out for any CPA and ROAS differences to see if you need to add another level of ad group segmentation to your overall organization in order to use mobile bid modifiers appropriately.

Best Practices for Account Organization Strategies

Google AdWords gives you a tremendous amount of control in determining the conditions in which your ad is eligible for the auction. You have control over many items, such as these:

- Keywords
- Negative keywords
- Match types
- Geography
- Time of day
- Day of the week
- Devices
- Google search
- Search partners
- Placement targeting
- Remarketing
- Specific placement if the article contains your keywords
- Bidding type (Budget Optimizer, maximum CPC, Conversion Optimizer, CPM)
- Budget

There are so many options that it can become overwhelming when you are trying to figure out all the combinations, where you would like your ad to be displayed, and how much you want to pay for each of those clicks or impressions. To ensure your account is organized properly, follow these best-practice techniques:

- First determine your business goals. You cannot be successful if you do not understand what your marketing needs to accomplish.
- Next, learn all of the targeting options available through AdWords.
- Once you have a grasp of the first two points, create a map of your campaigns, keeping in mind that each campaign must have a budget and that you do not want to make it too small so that it cannot get enough exposure.
- Also keep in mind your bidding options. If you want to use CPA bidding and you have a small budget, then you will often want to use fewer campaigns to consolidate your conversions so you can employ that bid method.
- For each campaign, create ad groups that meet the campaign's objective.
- For search campaigns, all keywords and ad copy need to be closely related.
- Run a search query report to learn when to break an ad group into multiple ad groups or add negative keywords and positive keywords.

- If you manage more than one account, create a My Client Center account to link all of your accounts together.
- If you want to sell AdWords or add a bullet point to your résumé, become a Google Partner.

Proper organization of your campaigns will help you reach the proper audience. Effective ad group organization will allow you to put the correct message in front of that audience.

However, creating ads and landing pages is just the first step in the process. You need to test different ads and landing pages to determine which message resonates best with searchers so you can continuously increase your account's profits.

In the next chapter, you will explore testing strategies for your ads and landing pages. First, we will look at different types of ad copy along with methodologies for testing those ads. Once you have obtained the click, you need the visitor to conduct an action on your website. We will then examine how to test where to send the traffic on your website along with how to test different landing pages so you can find ad copy and landing page combinations that lead to higher conversion rates.

Implementing Testing Techniques That Will Increase Profits

Testing is an essential component when optimizing any AdWords account. You should test both ads and landing pages to see what combinations improve the effectiveness of your account.

In this chapter, you will learn how to test ads, as well as how to test landing pages, where to send traffic, and how to lay out different types of landing pages to increase conversion rates.

Finally, this chapter will show you how to test ads and landing pages in conjunction with each other. Profit per impression is a metric that will let you find the most profitable combination of ads and landing pages that you should use in your AdWords account.

15

Chapter Contents

- Testing is essential to increasing profits
- Testing ad copy to increase conversions
- Ad copy themes to spark your creativity
- Testing landing pages to increase conversions
- Testing profit per click and profit per impression
- AdWords campaign experiments
- Best practices for testing techniques that will increase profits

Testing Is Essential to Increasing Profits

Throughout this book, you have seen best practices for researching keywords, writing ads, and designing landing pages. But what if you have two or more ideas that seem as if they could be successful? That is where testing comes into play. You can test your ideas to see which ones lead to higher profits.

Testing is a crucial part of account optimization. Once you have created your AdWords account, it will start to accumulate metrics that will show you how successful your account currently is. You can improve these metrics over time by testing various ads and landing pages.

It is easy to impose your own will and designs when writing ads and creating landing pages. However, *you are not your target market*. Your target market will usually know less than you do about your products and your business. Therefore, whenever you say, “I think we should do it this way,” when writing ads or designing your website, you need to test the ideas to see if consumers agree with you.

If marketing thinks a website should look one way, your IT department thinks it should look a different way, and the CEO wants to splatter the corporate logo all over the website, there is an easy solution. Create three landing pages and see which ones lead to higher profits. It is hard to argue with profits.

You should let consumers tell you what is best for them. The easiest way to do this is to test your ideas. The two major elements you can test are ads and landing pages. Let’s begin by examining the various types of ads you can test.

Testing Ad Copy to Increase Conversions

There are three main ways to test ads: the unique approach, multi-ad group testing, and the methodical approach.

Unique Approach With the unique approach, you will write a few different ad types. For example, you may write one ad with prices, another that uses testimonials, and a third that answers a question. When you use this method, each ad will have completely different components than the other ads you are testing. This is a good way to determine which type of ad resonates best with your customers.

With this approach, it is also useful to see what types of ads your competitors are using and then test both their ad type and a completely different one. This will let you see how consumers in your industry are responding to different messages.

Multi-Ad Group Testing Approach There are times you will not have enough impressions and clicks for each ad in an ad group to achieve statistical significance in a reasonable testing time frame. There will be other times when an account is so large that you cannot write ads for every ad group. In these scenarios, the multi-ad group testing approach is the best method to use. With this method, you will write ads across multiple ad groups that share components, such as multiple ad groups that will utilize the exact same

description in line 2 calls to action in two or more ads. Then you will aggregate the data at the ad copy line to see which call to action works best across your account.

Methodical Approach In this scenario, you will write two or three headlines, description line 1s, description line 2s, and then mix and match them. If you have three headlines, description line 1s, and description line 2s, once you mix and match those ad components you will have 27 combinations. This is not the place to start. You need a significant amount of traffic to test 27 combinations. You may move to this approach at a later date once you have determined what type of ads and messages work best for your consumers, but do not start with this approach.

Before you can run a test, you need at least two different ads. Next let's examine various ad copy messages so you can identify the ones that resonate with your audience.

Ad Copy Messages You Should Test

There are various types of ads that will help you connect with your consumer base. Not all of these will resonate with your customers, which is why you need to test your ideas to see which ones increase profits. Chapter 4, "Writing Compelling Ads," discussed these ad formats:

- Numbers, prices, and discounts
- Calls to action
- Informational
- Question
- Testimonials and reviews
- Negative messages
- Display URLs

In this section I will introduce you to some more ads types you can test. Understanding message types is essential, not just for testing but to know what your competitors are doing as well.

Ad Copy Themes to Spark Your Creativity

You can test ad copy themes to see which resonate best for people looking at your ads. You may find that certain types of ads perform differently depending on where someone is in the buying funnel.

Tip: Ad copy is the only part of your account that a searcher ever sees. Your ad has only seconds to grab the searcher's attention, connect with them, and direct them to click on your ad to visit your website. If your ad fails to deliver visitors to your website, designing exceptional landing pages is a waste of time since they will never be seen.



For instance, for those who are in the early stages of the buying funnel, informational ads often do better than review-based ads. However, someone who is comparison shopping may like review-based ads more than informational ads.

You can also mix different themes within a single ad. For instance, you can use an informational description on line 1 and a call to action description on line 2 in the same text ad.

Test Discounts Instead of Prices

In Chapter 4, we explored the psychology of numbers and how a new ad can influence consumers' perception of prices. However, if you are not price competitive for some reason, instead of adding prices to your ads, you could test discounts (Figure 15.1).

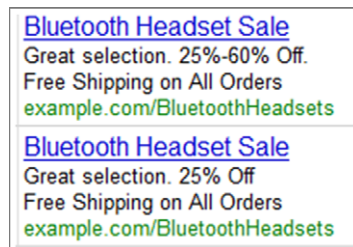


Figure 15.1 Ad copy using discounts

If your prices are constantly changing and requiring you to change your ads, you may want to use discounts instead of prices in the ad copy. The reason for this is that each time you modify an existing ad, you are actually deleting that ad and creating a new one; because all new ads must go through editorial approval before they are shown on search partners' or Display Network sites, this means that you are reducing your potential exposure.



Note: Although discounts will often increase conversion rates, they may not increase profits. You should examine the dollars lost from giving a discount compared to the additional revenue gained from selling more items to determine if you want to use discounts in your ads.

There are other items you can test, such as using geographic components or dynamic keyword insertion in your ads.

Geographic Ad Copy Are your customers locals or nonlocals? Always consider how much information someone has about an area when using that area in your ad copy (Figure 15.2):

- When someone moves to Chicago, the first decision they make is whether they want to live in North or South Chicago. The first ad does not help someone reach that decision. Therefore, if someone has just decided to move to Chicago, it is a bad ad. However, if someone has decided they want to live in North Chicago, then the ad copy has meaning for the searcher. Therefore, this is bad

ad copy when someone is in the informational phase of the buying funnel but good ad copy if they are farther down in the funnel.

- The second ad related to the hotel has good ad copy for a nonlocal. A nonlocal wants to be reassured you are in the correct location. Since most hotel bookings are for nonlocals, you can make some assumptions about your audience.
- The third ad uses good ad copy if you are a physical business trying to get people to walk into your store. A precise location, the Water Tower, is used in the copy. However, this is a bad nonlocal ad because most people outside of Chicago do not know where the Water Tower is located.

Wicker Park Real Estate Northern Chicago Specialists Find Your Dream Condo Today AdvancedAdWordsBook.com/RealEstate
Downtown Chicago Hotel Located in the Shopping District Easy Access to All of Downtown! AdvancedAdWordsBook.com/Hotel
Chicago Bluetooth Headset Touch the headsets before you buy Located in the Water Tower AdvancedAdWordsBook.com/Bluetooth

Figure 15.2 Geographic ad copy

The more a user knows, the more precise your ad can be. Always consider the knowledge of your audience when writing any ads, especially location-based ads.

Dynamic Keyword Insertion In Chapter 6, “Learning Advanced Optimization Techniques,” I discussed dynamic keyword insertion, which automatically changes your ad to include a keyword from your ad group based on the search query. Testing keyword insertion is simple. Write a couple of ads. In the first group, do not use dynamic insertion. Duplicate the ads and use dynamic insertion in the second set (Figure 15.3).

Need a New Headset? Compare all Bluetooth Headsets Find one that fits your lifestyle bgtheory.com/Bluetooth
{Keyword:Need a New Headset?} Compare all Bluetooth Headsets Find one that fits your lifestyle bgtheory.com/Bluetooth
Need a New Headset? Buy new (keyword:bluetooth headsets) Find one that fits your lifestyle bgtheory.com/Bluetooth
Need a New Headset? Buy new (keyword:bluetooth headsets) Find one that fits your lifestyle bgtheory.com/{Keyword:BluetoothHeadset}

Figure 15.3 Dynamic keyword insertion ads

The use of keyword insertion does not always increase both click-through rate and conversion rate. It commonly increases click-through rate but not always; it may not affect conversion rates at all, and in some cases, it can actually decrease them.

Be Creative in Writing Ad Copy

When choosing what type of messaging to use in your ad copy, you should always keep the landing page in mind since the ad copy sets the expectation for what will be found after the click. Creating synergies with the landing page is essential to writing successful ad copy. For instance, if you used a testimonial in your ad copy, you should echo that call to action on the landing page. By using the same elements in the ad and the landing page, you ensure that the ad copy and landing page will work together to increase conversion rates. This same principle applies to testimonial or review ads (Figure 15.4).

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Even with all of the new marketing channels that have opened up over the years, AdWords is still the core of many companies interactive campaigns. If your PPC campaigns are not running efficiently, it can have a drastic impact on your bottom line.

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Writing Compelling Ad Copy: You will learn how to sync your ad copy with both your keywords and buying cycle stages.

Ad Copy Testing: Testing ad copy is essential to any AdWords account's success. You will take away several ideas for ads to test by the time you leave the session.

Demystifying Quality Score: Quality Score has a larger effect on your account's visibility than any other setting inside of AdWords. Quality Score can be a challenge to increase. Receive step-by-step instructions in how to prioritize Quality Score improvement, and what actions to take to increase your Quality Scores.

Increase your Reach Through the Google Display Network: Consumers spend about 5% of their time with the search network. The rest of their time is spent on content sites. Learn how to effectively reach users beyond search with contextual ads, placements, and enhanced campaigns.

Testimonials:

First, I flew down to your conference in Houston not really having any expectations on what I was going to learn in a one day seminar over something that has paralyzed by analysis written all over it like AdWords. However, I feel afterwards, it was one of the most positive and understandable conferences that I have ever attended.

You did a great job in explaining and relating the information into a plan that even an amateur like myself can understand. I have taken a lot of the information and began to implement the ideas into actual measurable results.

I just wanted to send you a note in appreciation for your time and thank you for all the information that you provided. I hopefully will get to go to another seminar in the future.

Neal Freeman
 Catalog/Assistant eCommerce Manager
 Dallas Cowboys Merchandising

AdWords Seminar Leader: Brad Geddes

Figure 15.4 Reinforcing testimonials on the landing page

Because your ad copy initially connected with the searcher—it's why your ad was clicked—reinforcing that same message on the landing page will tell the consumer they are in the right place and the information presented is exactly what they were looking to find.

There are many additional items that you can test:

- Shipping method
- Customer benefits
- Unique selling propositions
- Product features
- Service features
- Title casing vs. sentence casing
- Guarantees
- Symbols: ©, ™, ®
- One-line vs. two-line ad copy

When working with AdWords, most of your time is spent in spreadsheets crunching numbers. Writing ad copy is a good time to use the right side of your brain. The left side of the brain is focused on logic and facts. The right side of the brain is much more creative and emotional. Ad copy should connect emotionally with individuals, so using the creative side of your brain to write ad copy can help you reach your target market.

Creating the Ad Copy Test

When starting with the unique ad approach, write a few different types of ads. For instance, write one informational ad, one with dynamic keyword insertion, and another that uses a discount. Do not forget to mix and match some of these concepts. For instance, you can use dynamic keyword insertion in an informational ad or a call to action in a geographic ad.

The next step in running a test is to specify how Google decides which ad from an ad group to display.

Ensure Your Ads Receive Equal Exposure

There are four ways that Google will display the ads in the ad groups for your campaigns: Optimize For Clicks, Optimize For Conversions, Rotate Evenly, and Rotate Indefinitely.

Optimize For Clicks When Optimize For Clicks is enabled, Google will determine which of your ads has the highest click-through rate. Over time, they will show the ad with the higher CTR more often than the other ads in that ad group. Eventually, you may see one ad receiving 95 percent of all impressions for an ad group.

Optimize For Conversions When Optimize For Conversions is enabled, Google will predict which of your ads will have highest conversion rate and show that ad more often. Although this might seem like a great setting, it does not care about your CTR.

Therefore, you might have an ad with a very high conversion rate show often, but if its CTR is too low, you might rarely receive visitors from the ad to your site.

Rotate Evenly With this setting enabled, Google will rotate the ads in an ad group evenly for 90 days. After 90 days, they will then show the ads with the highest CTR the most. If you ever change an ad in an ad group, it does reset the 90-day clock for how the ads will be rotated in that ad group. One of the major downsides of this setting is that you cannot tell which ad group is being rotated evenly and which is having the highest CTR ads shown the most often.

Rotate Indefinitely When you have the Rotate Indefinitely option enabled, Google will attempt to show your ads evenly and give your ads equal distribution.

When you enable either of the rotate options, you will find that the ads do not receive exactly equal impressions. This is due to the complexity of Google's system and how they serve ads across many geographies and time zones. It is not uncommon to see that ad 1 has 450 impressions, ad 2 has 350 impressions, and ad 3 has 475 impressions. The ads will have similar but not exact impression volume.

Ad-Serving Considerations

The bidding method you choose sets the bid; it does not serve the ad. If you are using Conversion Optimizer, it will try to determine what a keyword's conversion rate and average CPA are for setting the bid, but it does not choose to show the ad with the highest conversion rate. If you are focused on just conversions, using the bid option Conversion Optimizer and ad delivery setting of Optimize For Conversions is a good choice. If you are also taking into account average order value, profit per impression (discussed later in this chapter), or other metrics, you should still use Rotate Indefinitely or AdWords Campaign Experiments (also discussed later in this chapter) to serve your ads.

If your goal is to improve your conversion rate, increase your return on ad spend (ROAS), or find the ad with the highest profit, you do not want to use the Optimize For Clicks setting; doing so only maximizes CTR. In these cases, you want to enable the Rotate Indefinitely feature. To do so, navigate to your Campaign settings. Under Advanced Settings, open the Ad Delivery section and choose Rotate Indefinitely (Figure 15.5).

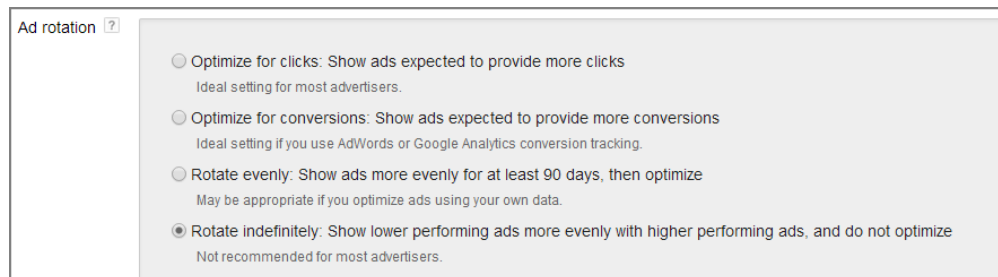


Figure 15.5 Choose Rotate Indefinitely in your Campaign settings.

Please note that since this is a Campaign setting, it will affect all the ad groups within that campaign. The next step of the testing process is entering the new ads in the test ad group.

Create the Test Ads

Navigate to the ad group where you would like to test your ads and enter them in the Ads tab of the ad group (Figure 15.6).

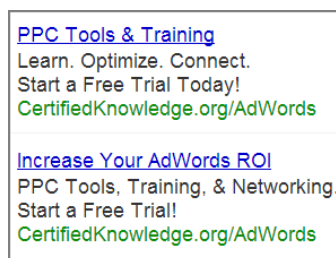


Figure 15.6 Multiple ads running in one ad group

If you are testing ads across many ad groups at once, you may want to use the AdWords Editor import function to add the new ads to your account or use the copy and edit function within the interface.

Now be patient as the ads run for a while so you can accumulate the necessary data to determine which of the test ads leads to the best results for your company.

General Guidelines for Statistical Significance

When testing, the most important concern is that you believe in the data before you make a decision. If a single person converting versus not converting makes a large difference in your conversion rate, you do not yet have statistical significance.

For example, if 100 people click on your ad and one converts, you have a 1 percent conversion rate. If the very next person, click 101, leads to a conversion, your conversion rate almost doubles. If your conversion rate doubles and you are using ROAS-based bidding rules, your bid doubles as well. However, in this case, you do not have statistical significance.

There are two ways that Excel will help you calculate when you have enough data. You can use either chi-square distribution or analysis of variance (ANOVA). Using either of these two methods will give you very accurate data of when you can end a test and make decisions on the data. However, both methods take some work to understand and implement in Excel. If you want to learn about these methods, Microsoft has online tutorials about using these two mathematical functions.

For our purposes, I'll lay out some basic rules for how much data you need before you can end a test and measure the results.

There Is No “Best” Ad

There is only a best ad as it relates to your marketing goals. If you are trying to bring more visitors to your website or raise your quality score, you will focus on click-through rate. If you are bidding to maximize your profits, you will examine how much profit you receive from each visitor. Testing ads without a goal in mind will leave you staring at a spreadsheet of data without any meaning.

How Long Should the Tests Run?

Search behavior is different on weekdays than on weekends and can even change over the course of a month. In these cases, you want to make sure that you capture search data over the life span of the entire buying funnel.

If your sales cycle is short, or searchers come to your site and either buy or do not return again, you should run a test for at least a week. This captures the differences between weekday and weekend buyers. If your sales cycle is longer or you want more data (which is always useful), let the test run for at least a month.

If you have a good idea of your sales cycle length, run the test over the course of three sales cycles. If you sell used books, a week is long enough; however, waiting for a month is never a bad idea if you are manually crunching all of the numbers. Never use December’s data or holiday peaks for your testing. The traffic that you receive during holidays generally converts much higher than the rest of the year. Feel free to use holiday traffic to test holiday ads that are enabled only during those peak times.

Even if you decide to use ANOVA or chi-square for your analysis, using these general guidelines for making sure you capture searchers over the course of your entire sales cycle is a good idea. Neither of those systems will tell you that search behavior changes at different time periods. They will only examine the differences in the traffic and conversion numbers.

How Much Traffic Should Your Ads Receive?

The minimum amount of traffic each ad should receive is 300 clicks. That ensures that one person clicking versus not clicking will not change your CTR by a large amount.

I prefer 500 to 1,000 clicks for each ad before making decisions based on conversion rates. This is where ANOVA and chi-square analysis can help significantly. If after the course of a month one ad has 200 clicks and one has 500 clicks and they both have similar impressions, you can make some assumptions about CTR, though you might not have enough data to make assumptions about conversion rate. In cases like this, utilizing higher-level Excel functions will let you know that you have enough data to end a test.

If these numbers seem too high for you—which is often the case with accounts that receive only 1,000 clicks a month and any one ad group might not receive more than 100 clicks—there is another way to test ad copy, the multi-ad group approach, which will be discussed later in this chapter.

How Many Conversions Should You Have?

If you are testing for conversion rate, ROAS, or profit metrics, you need conversions to tell you which ad is leading to those higher metrics. A good guideline is a minimum of 7 conversions per ad copy. A higher number, around 15, is better. If in doubt, let the test run longer.

AdAlysis: Automatic Ad Testing

Determining exactly where you have statistical winners can be highly time consuming and lead to frustration when you run the numbers and find out that after all the time in crunching the data, you only have winners in 40 out of 2,000 ad groups. I recently launched a software that will do all of the calculations for you. It also supports testing by device types, unique ad testing, and multi-ad group testing so that you can only work with the winners and ignore all the ad groups that have not reached statistical significance. You can learn more about this software at AdAlysis.com.

Meeting All the Requirements

Each test should meet a minimum number of days being run, clicks per ad, and conversions per ad. If you have enough data according to ANOVA or your chi-square analysis, but the test has run for only a single day, let the test run for a longer time frame. Each of the variables can affect your metrics, so you want to make sure that your ads run under all of the conditions possible.

Finally, you want to separate these metrics by search and display. Do not combine the data from the two different distribution methods. If on the search network you have accumulated enough data to finish running a test, you can complete the test for search, but your display test must run longer.

Once your tests have met all the conditions I have described, it is time to run an ad performance report to examine the test results.

Measuring the Results of Your Ad Test

The ad performance report is one of many reports available in AdWords. This report shows you all your ad copy and associated metrics. For ease of showing metrics, let's assume that you are using the AdWords conversion tracker (discussed in Chapter 13, "Devising Profitable Bid Strategies ") to show conversion information in your reports.

When you create the report, there are two important steps. First, choose the appropriate columns. Open the Customize Columns settings (Figure 15.7) and choose these inputs:

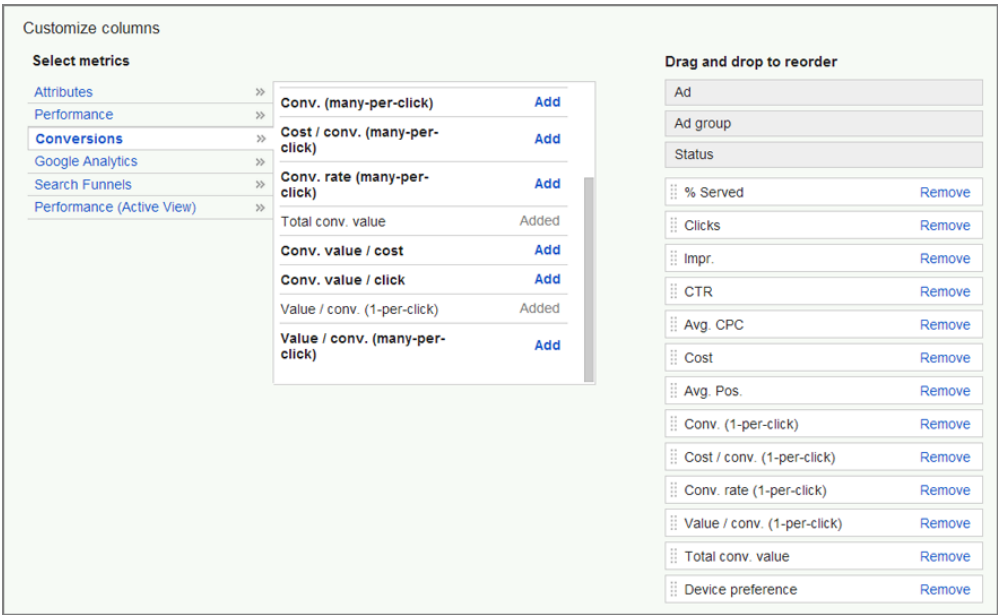


Figure 15.7 Advanced settings in ad performance reports

Attributes

- Device Preference

Performance statistics

- Impressions
- Clicks
- CTR
- Cost
- Avg. Position

Conversion columns

- Conversions (1-per-click)
- Conversion Rate (1-per-click)
- Cost / Conv (1-per-click)
- Value / Conv (1-per-click)
- Total Conv. Value

You Can Test Any Ad Type

In the Customize Columns data for the Ads tab, you can choose to view the type of ad such as text, image, mobile, or display ads so that you can segment your data to just view image ads or video ads. The principles for testing ads are the same. If you want to test image ads across the Display Network, create two to five images in an ad group. Wait for the images to collect enough data so you can make a decision. Then, run the exact same ad performance report as discussed earlier and decide which ad to keep based on your website's goals.

You may find that certain images do better or worse on various types of sites. When examining the reports, if you see patterns that suggest certain types of images or videos are doing better on one site than another, you may want to create placement targeted ad groups using your best images for that particular website.

If you are testing multiple conversion actions, you may want to choose additional conversion columns or segment the data by conversion action or type. Once you run the report, you will have a large Excel file that you can manipulate to view the data, which will help you make a decision.

Finally, when you choose to download the data you can also segment the information. Segment the data by network so that you can see the difference between search and display. Never mix these two distribution methods together.

For ease of illustration, Figure 15.8 shows an Excel report with only a few data points selected.

	A	B	C	D	E	G	H	J	K
1		Impressions	Clicks	CTR	Cost	Conversion Rate	Cost / Conversion	Value Per Click	ROI
2	Ad Copy 1	30529	899	2.94%	\$1,060.82	12.35%	\$9.56	\$6.17	523.18%
3	Ad Copy 2	30585	754	2.47%	\$889.72	11.41%	\$10.35	\$5.70	483.30%
4	Ad Copy 3	23942	751	3.14%	\$863.65	12.52%	\$9.19	\$6.26	544.20%
5	Ad Copy 4	31097	759	2.44%	\$903.21	11.20%	\$10.63	\$5.60	470.54%
6	Ad Copy 5	31184	1546	4.96%	\$1,793.36	5.69%	\$20.38	\$2.85	245.35%
7	Ad Copy 6	23953	696	2.91%	\$953.52	13.22%	\$10.36	\$6.61	482.42%
8	Ad Copy 7	35326	1018	2.88%	\$1,099.44	8.25%	\$13.09	\$4.13	382.01%

Figure 15.8 Ad performance report

Once you have this report, you need to make a decision about which is the best ad for your account:

- If you are looking to maximize customers, Ad Copy 6 with the highest conversion rate is your best ad.
- If you are looking to lower lead costs, Ad Copy 3 with the lowest cost per conversion is your best ad.
- If you are looking to get the most visitors to your website or to increase your Quality Score, Ad Copy 5 with the highest CTR is your best ad.

The first step is to save the ad that did the best for your company. Before you delete the losing ads, examine them to see what you can learn.

For instance, if your goal is to have the lowest cost per conversion, which is Ad Copy 3, but you want to increase total visitors to your website, your next goal is to increase CTR for a similar ad. Ad Copy 5 is by far the highest CTR of all the ads that were tested. Therefore, see if there are elements that you can combine from Ad Copy 3 and Ad Copy 5 to write some new test ads in the ad group and continue testing.

At this point, you could use the methodological approach. If you want to go this route, mix and match the elements of each ad. For instance, if you want to use the existing elements from Ad Copy 3 and 5, you can start to create new ads with these elements:

New Ad Copy 1

- Ad Copy 3 headline
- Ad Copy 5 description line 1
- Ad Copy 5 description line 2

New Ad Copy 2

- Ad Copy 5 headline
- Ad Copy 3 description line 1
- Ad Copy 5 description line 2

Keep repeating the process until you have created the new combinations. Then when you run an ad performance report, not only will you be examining each ad individually, but you can also break down the metrics of each copy element within that ad. For instance, you would examine the CTR of Ad Copy 3's headline against the CTR of Ad Copy 5's headline. By looking at the metrics for the headline, description line 1, description line 2, and the display URL individually, you will discern patterns that show which elements lead to higher conversion rates and higher CTRs.

Do not feel you need to use the methodical approach all the time, because it does take significantly more traffic than a unique ad approach before each ad will have enough data for you to choose a winner. In the earlier case, you could keep the winner, write a couple of new ads using variants from the two pieces of ad copy, and then test those new ads. In addition, if you do not have enough data, or your account is very large, you can use the multi-ad group testing approach.

Multi-Ad Group Testing

Multi-ad group testing is a good testing method to use when you do not have enough data to regularly test due to a lack of clicks and impressions or if your account is so large that you can never write ads for all your ad groups and you are forced to create ads through formulas.

With this method you first need to determine what you want to learn about your ads. For instance, you might want to know how two different calls to action perform or you may wish to know if including a geography in an ad does better than ads that do not include geographies.

Next, you will create your ads using the methods detailed in Chapter 12, “Saving Time and Scaling Accounts with the AdWords Editor,” in the section “Easily Creating Thousands of Ads.” If you want an even faster way of creating thousands of ads, take a look at the Mass Ad Creator software from Certified Knowledge at <http://certifiedknowledge.org/membership-information/ppc-tools/mass-ad-copy-creator-tool/>, which makes it easy to create thousands of customized ads.

By using these methods to create ads, you can ensure that the lines you are creating to test across these various ad groups are identical, which is important for the final analysis. Once you have these ads running in your account and collecting metrics, you will run the ad report to download all of your data in Excel.

In Excel, create a pivot table where you are examining your metrics by an individual ad line (Figure 15.9).

Row Labels	Average of CTR	Average of Cost per conversion	Average of Conversion Rate
DKI Headline	5.34%	\$15.21	7.23%
Static headline	5.10%	\$17.78	5.23%
D1 Test 1	4.65%	\$8.28	11.23%
D1 Test 2	2.12%	\$16.90	9.23%
D1 Test 3	3.43%	\$55.16	2.23%
D2 Test 1	1.54%	\$17.67	6.34%
D2 Test 2	4.45%	\$25.11	2.23%
D2 Test 3	8.23%	\$6.95	11.23%

Figure 15.9 Ad data in a pivot table

In the pivot table, do not do an average of derived metrics, such as CTR and CPA, to analyze because those averages can be highly misleading; instead, sum the data by the individual metrics, such as cost, clicks, and conversions, and then used calculated fields to determine the CTR and CPA. The reasons for this are listed in Chapter 7, “Demystifying Quality Score” in the section “Diagnosing Your Quality Scores,” along with other useful pivot table information to help create this analysis data.

In this case, you can see that the line that corresponds to D2 Test 3 is our lowest CPA, highest CTR, and highest converting ad. Therefore, we would want to keep the ads that utilize this line, pause or delete the other ads, and continue testing.

If you are using this type of testing technique in long-tail ad groups, then finding exceptions to the rule where that line might not be the winner across every ad group is generally not worth your time. However, if you are testing these types of ads in a highly valuable ad group, then it can be useful to also do an analysis of your top ad groups to see which ones are below average and then test different ads or messages in those ad groups (Figure 15.10).

Ad Group Group	Sum of Conv.	CPA	CR	CPI
Ad Group 5	2,657	\$14.94	20.05%	0.0747%
Ad Group 1	361	\$2.46	110.00%	0.0434%
Ad Group 8	5,248	\$22.68	11.91%	0.0305%
Ad Group 6	66	\$15.98	12.50%	0.0125%
Ad Group 4	3,050	\$24.29	7.98%	0.0124%
Ad Group 20	3,739	\$24.02	15.88%	0.0109%
Ad Group 21	8,725	\$20.93	21.03%	0.0100%
Ad Group 25	7,806	\$25.12	12.42%	0.0087%
Ad Group 11	984	\$30.29	6.71%	0.0084%
Ad Group 12	722	\$35.21	5.70%	0.0073%
Ad Group 17	138	\$13.60	17.50%	0.0062%
Ad Group 24	13,940	\$22.47	12.49%	0.0055%
Ad Group 13	754	\$41.74	4.35%	0.0053%
Ad Group 9	394	\$40.73	5.15%	0.0052%
Ad Group 10	426	\$39.45	5.42%	0.0052%
Ad Group 26	1,443	\$35.76	5.63%	0.0052%
Grand Total	65,830	\$40.59	5.42%	0.0033%
Ad Group 15	2,329	\$32.55	6.29%	0.0031%
Ad Group 18	2,919	\$38.09	5.60%	0.0028%
Ad Group 14	558	\$43.88	4.45%	0.0022%

Figure 15.10 Ad group data

In an AdWords report, the Grand Total is the total of all the data you downloaded, which means that it is also the average CTR and conversion rates for all your data. Therefore, if you sort by highest to lowest on any metric, any data that is below the Grand Total is below the account average.

Multi-ad group testing does not have to be done strictly off an ad line; it can be done off any key in the account that you can designate as the base information for your pivot table or even as a filter.

For instance, the labels feature can be very useful within AdWords. If you label your ads based on the type of tests you are conducting, then you can run your pivot table metrics based on the labels and not the ad lines. If you are testing multiple conversion actions across the account, you can label the ads based on their conversion action and then filter the data based on the ads containing that label.

When you combine pivot tables with labels, multi-ad group testing can become a very powerful way to test, especially in enterprise-size accounts.

Testing Mobile Ads

In AdWords, you can designate an ad as either an all-device ad or a mobile-preferred ad. If you have an ad group that contains only mobile-preferred ads, then that ad is actually being displayed on all devices. It is only through having at least two mobile and two desktop ads in an ad group that you can test appropriately for each device.

To find out how many ad types you have per ad group, and if you have ad groups that are not testing ads appropriately, you can once again use pivot tables to determine this information.

If you download your ad report while including the Device Preference column, you can put the information in a pivot table and then examine what ad groups do not have any ads in them for each device type (Figure 15.11).

Count of Ad	Column Labels	
Row Labels	All	Mobile
Ad Group 1	2	2
Ad Group 2	4	
Ad Group 3		2
Ad Group 4	2	
Ad Group 5	2	2
Ad Group 6	2	2
Ad Group 7	2	4
Ad Group 8	4	1
Ad Group 9	3	
Ad Group 10	9	

Figure 15.11 Device preference ads by ad group

In this case, I also added conditional formatting to the table to highlight any rows that were less than 1, meaning that ad group did not have a single ad of that device preference in it. If I wanted to know where I was not testing appropriately, then I could have run conditional formatting to see where I did not have at least two ads of each type in the ad group.

Please make note of ad group 3. This ad group has two mobile-preferred ads in it but zero all-device ads. This means that the mobile ads are also showing on desktops and tablets.

It is very common to see different response rates for the same message on various devices, so when you do your ad testing, examine the metrics by device and do not combine data for mobile and desktops.

By using these testing methodologies, you can continuously test new ads to see which ones are helping you reach your marketing goals for small to enterprise accounts and by both mobile and desktop devices.

Along with testing ads, you should also test landing pages. The ad transfers a visitor from a search page to your website and sets the expectations for what the searcher will find post-click. Once the ad has completed its job, the landing page must continue to move the visitor through your website so that you receive conversions. The first step in landing page testing is deciding where to send the traffic.

Testing Landing Pages to Increase Conversions

There are two aspects to landing page testing. The first is determining where you should send the traffic on your website. Once you have determined the best type of page to send your traffic, you need to test various layouts of the landing pages.

Testing Where to Send Traffic

In Chapter 5, “Creating Landing Pages That Convert Searchers into Buyers,” I discussed where you should send traffic on your website. The conventional wisdom says traffic should be sent to

- The farthest logical point in the buying cycle
- A page dedicated to the search query

Although conventional wisdom is typically correct, there are definitely times when it is wrong. You should test your own traffic to make sure that you are sending the traffic to the correct pages before performing the more difficult work of testing different layouts on your website.

Let’s examine some common queries to see where you should test sending traffic.

Informational Queries

Informational queries make up the majority of search queries on the Web. In Chapter 5, I illustrated the point that you must answer the searcher’s question before attempting to monetize the query. In that example, you looked at the search query *candle burning times* and how that should not be sent to a shopping cart but instead to a comparison page that shows all the candles and how long each burns.

However, each time you add a click to the final conversion process your conversion rates will decrease. Therefore, it is worthwhile testing what leads to higher profits: attempting to monetize an informational query or answering the searcher’s question with a comparison chart.

This is especially true for lead-generation websites. If your goal is to gather a lead so you can call someone back with their information, it can be more profitable to send someone to the lead-generation form or shopping-cart page, instead of the comparison page.

Ambiguous Queries

The search query *merchant accounts* is both an informational and ambiguous search query. You do not know if someone is looking to sign up for a merchant account or if they are looking for information on a merchant account.

Search queries such as *merchant account*, *Chicago mortgage*, or *auto insurance* often go to a landing page with a small amount of information and a form to be completed. This is not necessarily a bad search experience if someone knows enough to finish filling out the form.

A common search experience is that the searcher conducts a search for *Chicago mortgage*, sees the landing page, and then starts to fill out the form. Halfway through the form, there is a required field that asks, “What type of mortgage account do you

want?” If the searcher does not know the difference between an ARM, fixed, reverse, or interest-only mortgage, they cannot finish filling out the form.

What happens next? The searcher returns to Google, searches for the different mortgage types, and finds a page that explains all the different mortgage options. If that page also has a form on it, they are more likely to finish filling out the form on the page that helped them understand the options than return to the initial form page.

To see which is more profitable for you, create a chart that explains the different mortgage types and the advantages and disadvantages of each and that has a section where there is a call to action to apply for each specific mortgage type.

Test a form landing page against a comparison chart to see which one leads to higher total profits. Additionally, you can test a combination page that has both the comparison chart and a form embedded into the page.

Local Business Queries

If the search query is *Pittsburgh kitchen remodeling*, conventional wisdom says to send the user to a page that shows before and after pictures of a kitchen. However, hiring a contractor is difficult. Everyone has heard horror stories about how they hired a contractor to remodel their house and three months later the job is over budget and still not completed.

Use the In-Page Analytics tool from Google Analytics to examine your website. This tool will show you where someone is clicking on your website and conversion information based on the searcher visiting specific pages.

In the case of a contracting business, their “about us” page might showcase that they have been in business for 25 years, say that they belong to the Better Business Bureau, and contain customer testimonials. If they use the site overlay tool, they may realize that when someone sees their “about us” page, their conversion rates go up. Therefore they have two options:

- Move some of the “about us” information to the kitchen remodeling page.
- Send traffic to the kitchen remodeling page and the “about us” page and see which leads to more business.

Narrow Theme Sites

If you conduct a search for *Washington DC nanny services*, you expect to see a picture of the D.C. area, sample nanny résumés, and a form to sign up for access to their nanny résumés or schedule an appointment.

Hiring a nanny is a difficult decision. You are bringing a stranger into your house to care for your most prized possessions, your children. The question going through the searcher’s mind is not just “Should I trust this site?” but “Where do these nannies come from?”

In cases like this, you want to increase the visitor's trust of your website. Using a segmentation page that shows a visitor two options might result in higher conversions. Option 1 is the “for families” link that goes into the family sign-up process. Option 2 is for nannies to apply for a job. Option 2 also shows that the nanny must pass a background check and meet minimum qualifications before they will be accepted.

What a page like this does is demonstrate to the families that nannies must meet certain qualifications before they are accepted, which can increase the level of trust. However, what is interesting about this example is that if you test the first example of the Washington, D.C., sample résumés and a second segmentation page, you may see completely different conversion rates in search versus Display Networks for those two examples.

At this point, searchers are in the buying funnel, and therefore they have thought about hiring a nanny, background checks, and the issues of trust. But consumers clicking display ads might not have thought about those items yet. Therefore, in this example the segmentation page may mean higher conversions for search whereas the résumé page may mean higher conversions for the content network.

Testing segmentation pages is useful if your products have multiple uses (Figure 15.12) or if different types of searchers use the same keywords.

In these cases, choose one product and send some traffic that way; often this will be the higher searched-for product or the higher margin product. Then send some traffic to a segmentation page. Measure results over time to see which leads to higher total profits.

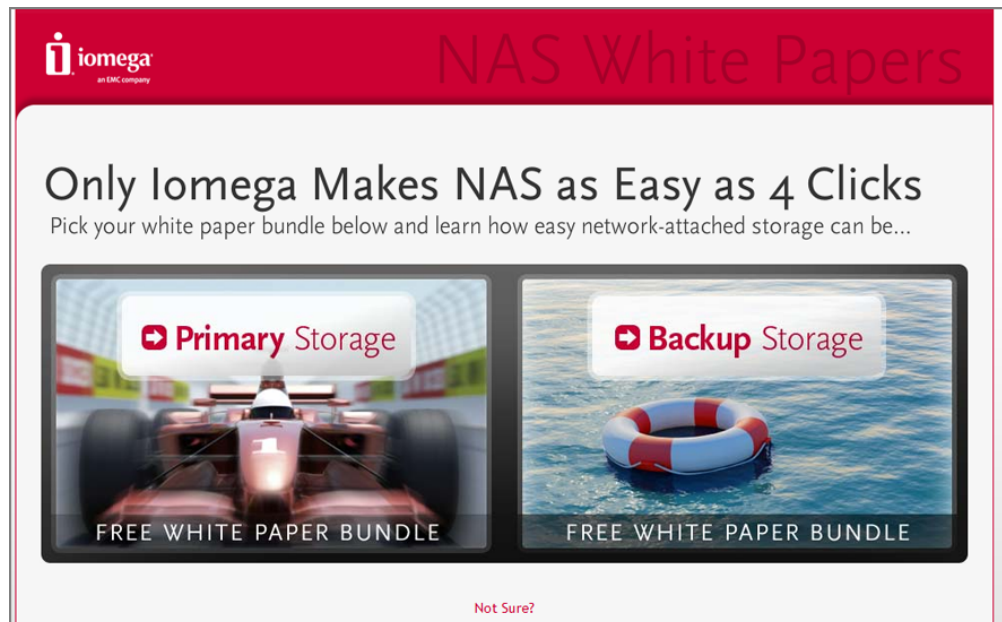


Figure 15.12 Iomega download segmentation page

Product Category Queries

If someone searches for *men's Seiko watches*, the searcher expects to see a page full of Seiko watches for men. However, too many options can be just as detrimental to conversion rates as too few options. Most people can only hold five to seven items in short-term memory. One item is why you conducted a search in the first place. A second item might be that you have a meeting you need to attend in 15 minutes. That leaves only three to five open slots left for processing.

If you have a category page of 20 watches, searchers can become overwhelmed and confused over what to do next. In cases like these, the searcher may feel there is too much to process and decide to come back later when they have more time.

Instead of sending someone to a category page, choose three to five of your top-selling Seiko watches for men and feature them on a landing page. Many consumers will choose from these few items since they can easily process the differences between the designs and features of these watches. At the bottom of the page have a link such as “See all of our Seiko watches.” You will have customers who want to look at every single watch, and this option allows them to see everything while keeping the total options limited.

Then test this limited product page against your typical category page. Does limiting options increase your conversion rates?

Brand Searches

Many companies use their own name as a keyword and then send the traffic to their homepage. While this is an example of a navigational query, it can also be a waste of money. The company should rank number one organically for their company name, and consumers can find the company via multiple means.

However, if competitors are also buying your name, it is a good idea to buy it yourself so you do not lose out on traffic. But you may not want to send the traffic to the homepage of your website.

It is difficult to launch new products on the Web. There is often little search volume for brand-new products, and you need to build awareness with your consumers that your new products exist. With branded terms, test by sending the traffic to a “what's new” page (Figure 15.13).

Then choose another action on your website, such as a newsletter subscription, and send some of the branded traffic in that direction. Measure whether creating awareness for your new products leads to more revenue than trying to increase your newsletter subscriber list.

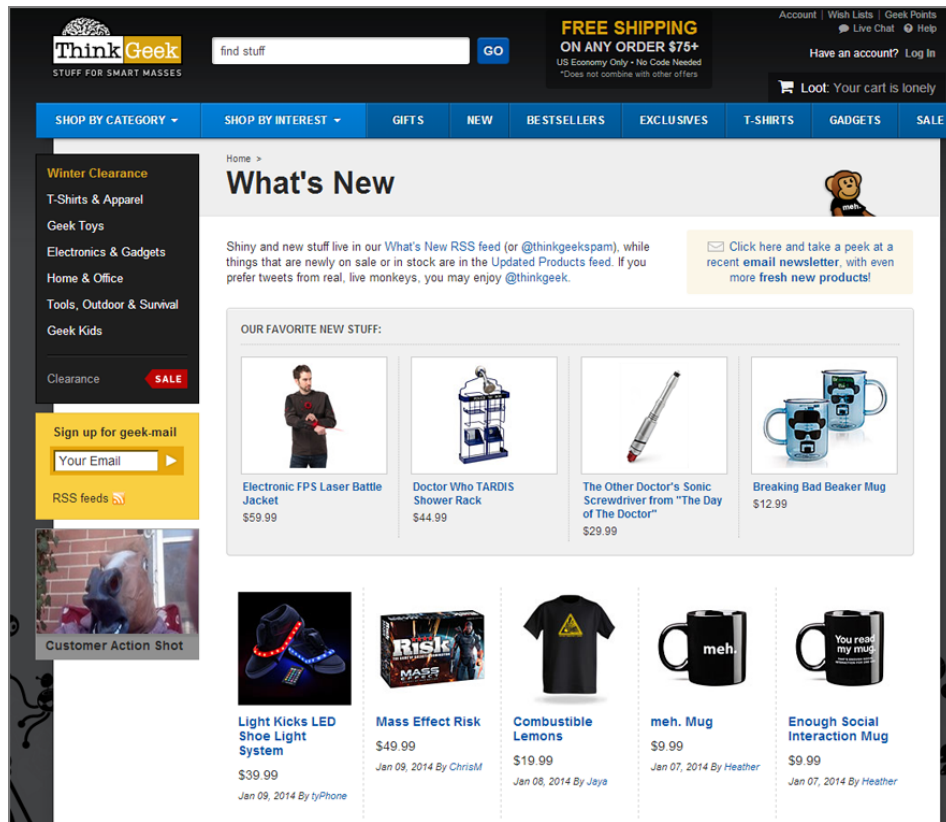


Figure 15.13 Think Geek's new products page

Thank-You Pages

Many thank-you pages say, “Thank you for your purchase. We will process your order within 2–3 business days,” which says to the customer, “Thank you for giving us your money. We will get to your order when it is convenient for us.” Most thank-you pages do not continue to engage the customer. The thank-you pages essentially tell the customer to close the browser because there is nothing left to do on your website.

If someone reached a thank-you page, they gave you a level of trust. Do not send these visitors away. Test different thank-you pages to see which one leads to a higher customer engagement.

Depending on your business model, there are different types of thank-you pages you can create. Here are some examples to get you started:

- Learn more about our company by downloading this whitepaper.
- Create an account to track your order.
- Subscribe to our newsletter.
- Suggested products.

- Send a 10 percent off coupon to a friend.
- Get 10 percent off your next purchase by referring a friend.

Once you have determined which page on your website is the best place to send traffic for each keyword or ad group, the next step is to test the layout of the individual pages.

Landing Page Testing Factors

Landing page testing is both a science and an art form. There are entire books dedicated to testing single pages that go into much more depth than I can allocate in a single section. I will examine the big factors you should test and items to be aware of while you are creating pages and marketing campaigns. This will get you started in the right direction for creating landing pages and tests to help you improve your profits.

Start with Dramatic Changes

Best Buy uses very different pages for their top-level categories (Figure 15.14) compared to their sublevel categories (Figure 15.15).



Figure 15.14 Best Buy category page

These pages are dramatically different. Best Buy rarely features products on their category pages and instead features buying guides and information. Some sites showcase products at both levels on their sites, but they often have very different layouts. When these layouts are dramatically different, it is worth testing how each layout changes your overall conversion rates.

You want to start your testing with dramatic changes. If you cannot see the difference within a few seconds, neither can your visitors. Once you have a handle on the larger items that affect conversion rates, you can move to smaller changes.

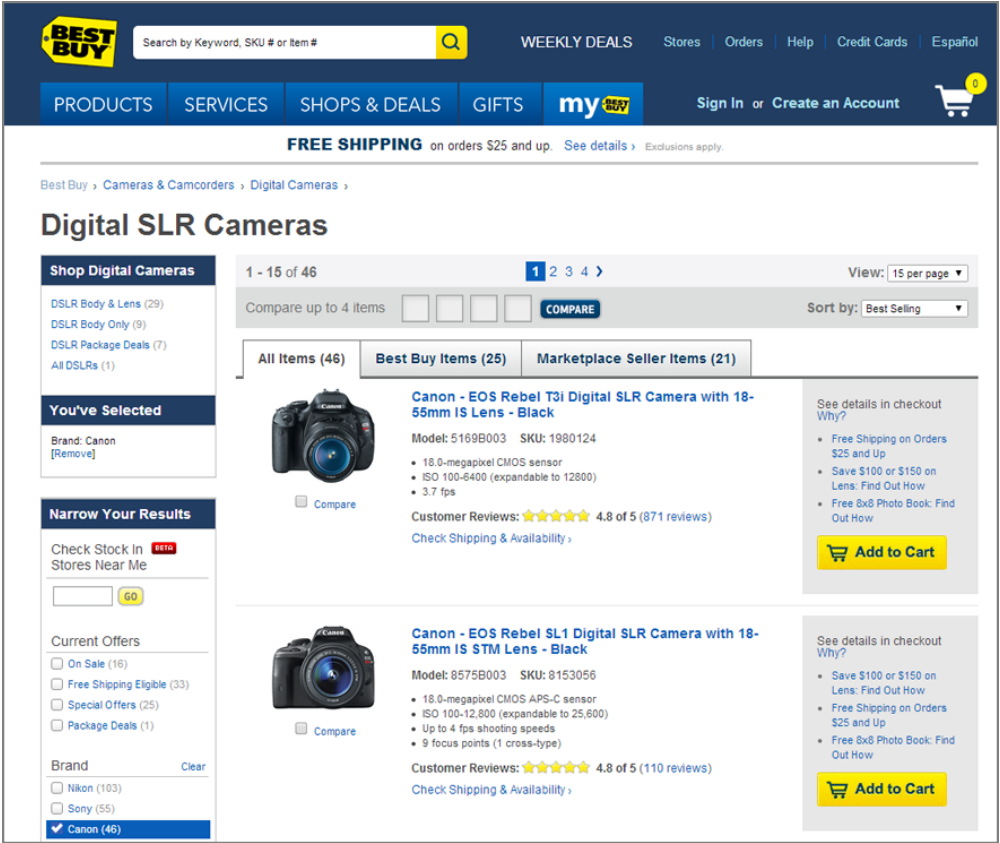


Figure 15.15 Best Buy subcategory page

Should You Add Navigation?

The more choices you give someone, the more likely they are to become confused over what to do next. Navigation options are additional choices. That does not mean you should always restrict navigation. There are different types of shoppers. Some shoppers want to make quick decisions, and limited choice is good. Other shoppers want to research the details and see all the options; limited choice can isolate these shoppers.

In addition, one of the factors that makes a landing page relevant for Quality Score factors is navigation. Too little navigation can adversely affect whether your page is deemed relevant by Google.

There are often nice compromises you can use to engage both of these shoppers, as shown on the Certified Knowledge website (Figure 15.16).



Figure 15.16 Certified Knowledge landing page that restricts navigation

The main call to action above the fold is Take The AdWords Challenge. The secondary items on the page are benefits, testimonials, and a video tour for the research-oriented audience. At the bottom of the page are secondary conversions, newsletter signup, consulting requests, and in-person training.

Amazon takes a different approach to navigation. When you are in their main site, there are more navigational options than most people can comprehend. As soon as you enter the shopping cart, your choices become limited (Figure 15.17). You can change your shipping address, use a different payment method, and update quantities. What you cannot do is leave the shopping cart unless you click the Back button.

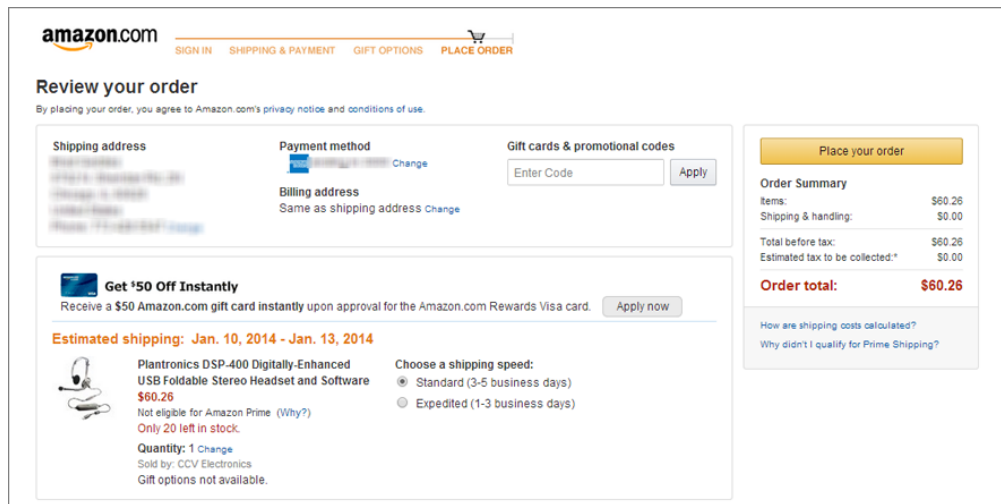


Figure 15.17 Amazon limits shopping cart navigation.

You most likely have a product or service page you are sending traffic to now that includes navigation. Create a second page with limited navigation and clear calls to action. Then test to see which of those pages increases conversion rates.

Are You Using Faces?

We are drawn to human faces. When a face appears on a page, the first thing most searchers do is look at it. Next, they follow the eyes to see where they are looking. If the face on your page is looking away from your content, so will the searcher.

Make sure that any face you have on a page is looking toward the main items on your page you want the user to see. For some sites, this will be the service benefits. For others, it will be the Submit button or the Add To Cart button.

Create two pages, one where the eyes are looking into your product benefits and another where the eyes are looking toward your submit action. See which version raises your conversion rates the most.

English Speakers Read Left to Right

If there is not a face on the page, the next item that draws the consumer's attention is an image. Once our eyes are drawn to an image, we then start reading left to right. If your images are on the far-right side of a page, there is nothing left for the consumer to read and they can become distracted.

In Figure 15.18, the page on the right will perform worse in most cases. Since the page on the left also places the image on the left, as someone views the image their eyes will naturally be drawn back into the content of the page.

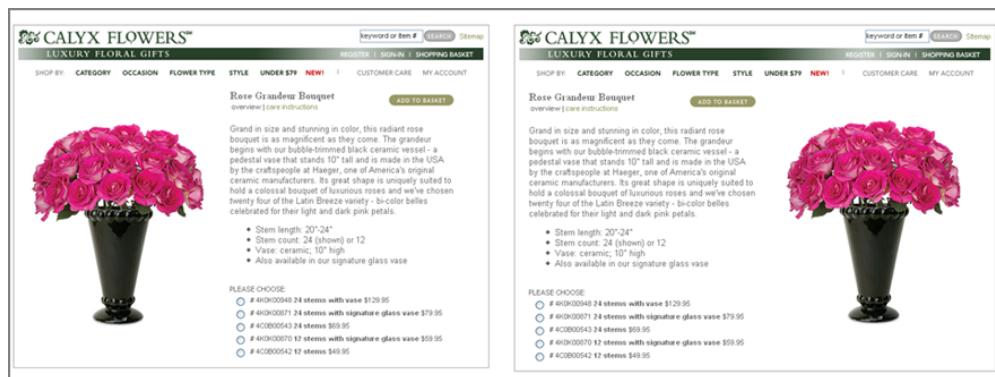


Figure 15.18 Identical pages with the image flipped

If you were advertising to a country where the population reads right to left, the exact opposite information would be true. Ensure that your images are strategically placed so that consumers' natural reading habit keeps bringing them back into your content.

Testing Video

Images and text allow you to show and describe a product. However, video allows you to demonstrate a product or show real-life examples. When using video, you must first consider the searcher's environment to decide if you want the video to start playing or not. If someone is in a work cubicle and their computer starts to speak, they are likely to click the Back button very quickly. If someone is at home or in an enclosed office, they are less likely to click the Back button if their computer makes noise. There are four ways to test video:

- Autoplay with sound on
- Autoplay with sound off
- No autoplay
- No video

I work closely with Google to conduct the advanced sessions of the AdWords Seminars for Success program. The initial landing page did not use video (Figure 15.19).

These pages worked quite well for a couple of years. As video hosting and bandwidth significantly increased, I decided to test three versions of the page. The original used no video (Figure 15.19), the second version only used video testimonials, and the third version used even more video testimonials (Figure 15.20) followed by other videos on the Web where I have been interviewed. Since most of the audience is in a business environment, I decided not to autoplay any videos.

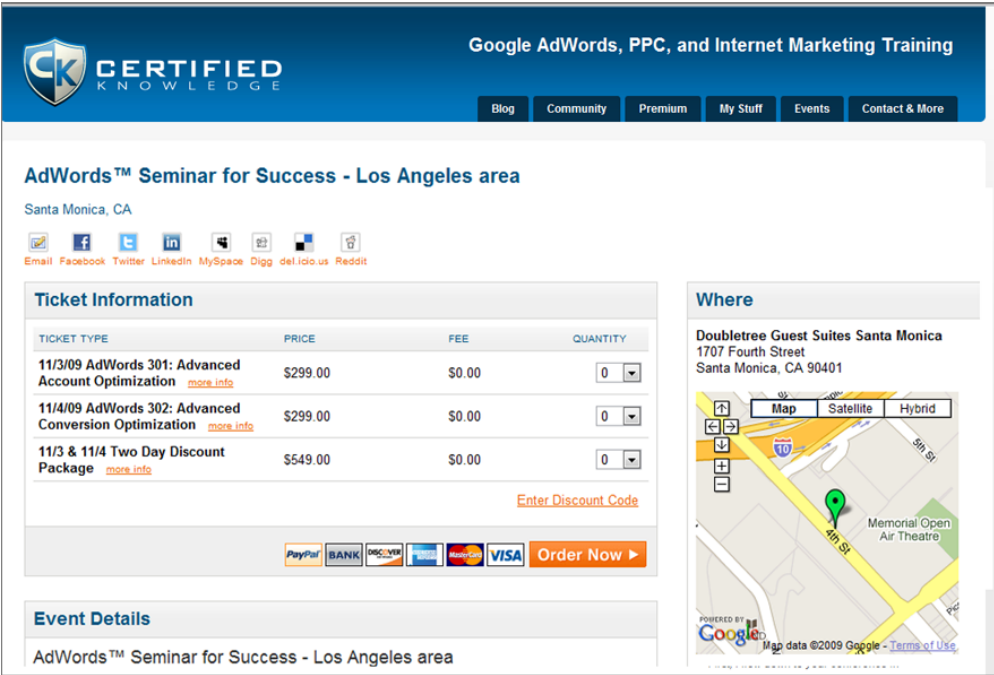


Figure 15.19 AdWords Seminar for Success landing page



Figure 15.20 Video testimonials on the landing page

Table 15.1 shows a high-level set of metrics from the test pages. Since the page without videos was the initial baseline page, there is no reason to include those statistics. Both versions of the page started with the same opening video, hence the same number of users who played a video.

► **Table 15.1** Conversion rate lift from using video

	Testimonial video	Testimonial and interview video
Number of videos	3	9
Length of all videos	2 minutes	28 minutes
Percentage of users who started watching	32%	32%
Total time watched	1 minute, 45 seconds	7 minutes, 16 seconds
Conversion rate lift	31%	38%

What was fascinating is that once someone started playing the testimonial videos, they watched almost all of them. Rarely did someone stop watching the videos. Of course, if someone decided they were ready to buy and left the page to enter their credit card details before the videos finished playing, they would not have seen all of the videos in their entirety.

While this shows for my test that videos increased conversion rates, there are many more items to test, such as these:

- Opening video testimonial being a female
- Showcasing the seminar content in video before the testimonials
- Starting with a short interview before moving to testimonials

Any testing you do should evolve from what you have learned. This test first showed me that using video testimonial increased our company's conversion rates. The second thing it taught me was that consumers liked seeing who the speaker was by watching interviews. Much more can be learned by continuously evolving the video tests.

Making Ads and Landing Pages Work Together

Your landing page is only as good as the synergy it creates with your ad copy. If your ad is not compelling or does not set the proper expectations for the landing page, the perfect page may still produce disappointing results. This synergy should extend not just to text ads but to display ads as well.

Showcasing the Offer on the Landing Page

If your ad and landing page use different color layouts, themes, and calls to action, you can confuse visitors and they may think they have arrived at the wrong place.

E*TRADE created a nice banner ad (Figure 15.21) with a simple call to action to open an account in minutes.



Figure 15.21 E*TRADE banner ad

The ad itself is clean and easy to read. The effectiveness of this ad increased dramatically when the user clicked on the ad and then saw the majority of the ad as part of the landing page (Figure 15.22).

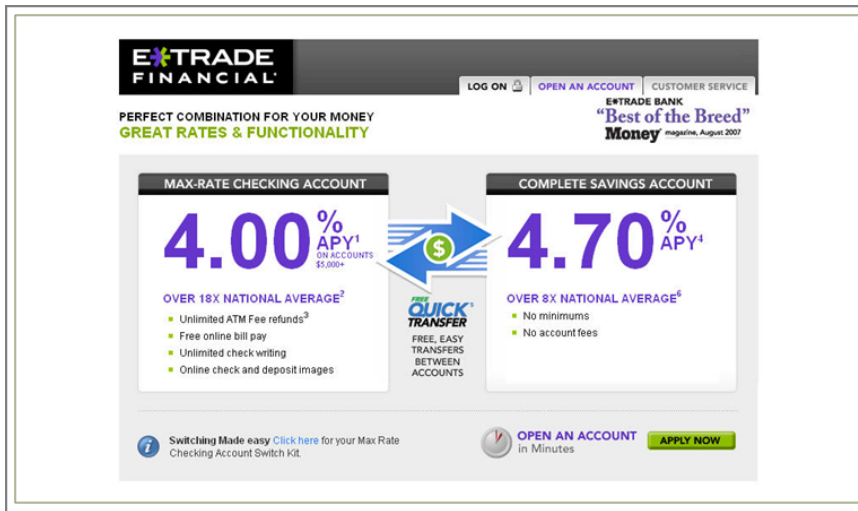


Figure 15.22 E*TRADE landing page

The color scheme of the ad and the landing page are the same. The numbers are the same. The benefit messages are the same. The user knows they have arrived at the correct page and can easily continue the action from clicking on the ad to applying for a new account.

Ensure Relevance for Your Audience

The concepts of connecting ads and landing pages apply to all your marketing efforts, not just your AdWords ads. Your social, email, and other advertising outlets can take advantage of these same ideas.

Delivery.com delivers takeout food to your door so you do not have to leave the house. They came up with a fantastic marketing idea during the winter. Essentially, the

offer is that the colder it is outside, the more bonus points you receive to your account (Figure 15.23) if you order from them.



Figure 15.23 Delivery.com email promotion

While the idea was good, there were two areas where they could have increased the effectiveness of this campaign. This email was sent to many people in the north-eastern United States. There are large weather differences between Pittsburgh; Washington, D.C.; Boston; and New York. When you are deciding to stay in or go out, the weather outside your house is more important than the weather in a different city. However, the offer in the newsletter was based on the temperature of Central Park in New York City. If you lived in Boston, and it was cold in Boston but warm in New York, this promotion did not do you a lot of good.

Second, Delivery.com knows the ZIP code of everyone in their database, because they deliver to people's doors. The link in the email to "browse restaurants in your area" goes to the homepage of Delivery.com. I hope by now you realize that the homepage is rarely the best page to send traffic. In this case, they should have coded the links based on the ZIP code of the recipient so that when they visited Delivery.com's website they were directed to the restaurants that delivered to their address.

The overall idea for the marketing campaign was brilliant. The execution could have increased its effectiveness. Make sure you think through your campaigns as a consumer so that you are delivering effective messages.

Echo Special Offers on the Landing Page

Too often a consumer will see an ad that contains the text “Use Discount Code EHCODE for 20% Off,” and then they will visit the site and not see the code. They will navigate to the page where they enter their credit card information and not see the code. If the consumer looks around the site at all, odds are they will forget the code. Next, the consumer returns to the search results page and tries to find the ad again. If they cannot find the ad, they will become frustrated and may not return to your site to complete the transaction.

If you use discount or special offer codes in either text or display ads, it is imperative that the exact same discount code or special offer can be found on the landing page (Figure 15.24).

The screenshot shows the eHarmony landing page. On the left is a registration form with fields for First Name, I'm a (Man/Woman), ZIP Code, Country (United States), Email, Confirm Email, Password, and How did you hear about us? A green 'Find My Matches' button is at the bottom. Below the form are logos for TRUSTe, BBBOnline, and VeriSign. On the right is a promotional banner titled 'eHarmony Promotional Codes, Coupons & Promo Discounts' featuring a couple. Below the banner is a list of '4 Easy Steps to Finding the Right Match...': 1. Register for FREE, 2. Complete our Questionnaire and get your FREE Personality Profile (\$40 value), 3. Review your pre-screened matches FREE!, and 4. Use one of the coupon codes below when you subscribe, and take an additional discount on top of our already reduced 6-Month and 12-Month Subscription plans. At the bottom right are two boxes for additional discounts: 'ADDITIONAL 20% OFF A 6-MONTH SUBSCRIPTION' with promo code EHCODE, and 'ADDITIONAL 17% OFF A 12-MONTH SUBSCRIPTION' with promo code EHCoupon.

Figure 15.24 eHarmony's special offer landing page

Testing special offers and discounts is useful. The use of discounts will often increase conversion rates. However, your final profit on each sale is also lower. Therefore, when testing discounts, you should be testing to see if the use of a special offer increases conversion rates enough that it is worth taking a lower profit on each sale or if the lower conversion rate without a discount generates more profit.

Convey the Proper Experience

If you sell used books at a \$5 price point, a searcher does not want to spend 20 minutes attempting to find their next used book. The searcher wants a quick Add To Cart

button and an even faster checkout experience and does not want to take time out of their day to deliberate over a \$5 investment.

When a consumer goes into a physical store to buy a diamond, they are treated to gorgeous showcases, helpful sales staff, and the ability to touch and examine not only the diamonds but the rings and necklaces that enhance the diamonds.

If you sell diamond jewelry online, that same consumer does not want the same shopping experience as one buying a used book. The monetary investment is different, and the time between examining the products and buying a piece of jewelry is much longer. A shopper for expensive jewelry wants to be treated to an exquisite sales experience (Figure 15.25).

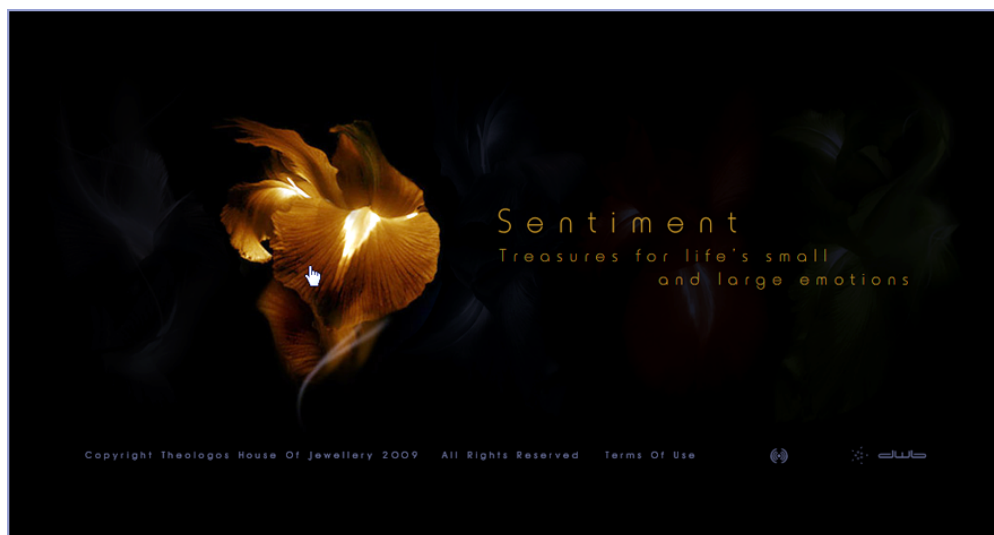


Figure 15.25 Theologos's English homepage

The Theologos House of Jewelry website (www.theologos.gr/en.html) would not make for a good site to demonstrate how most e-commerce sites selling low-end products should be crafted. The site is mostly Flash, takes a long time to navigate, and is full of high-resolution images, yet you feel you are entering a website full of luxurious products.

While these are two extreme examples, when thinking of redesigning your website or changing the sales experience, do not assume your marketing and design teams know best. Create a few design variations to see which one helps you reach your marketing goals.

Ensuring Easy Information Retrieval, Not Perfection

Do not get caught up in creating landing pages that cost more to design than you can afford. You can spend thousands of dollars creating each landing page variation to test.

For some companies, that price point fits into their marketing budget. For others, it does not. Your pages do not have to be perfect Flash pages that mimic the Theologos House of Jewelry site. Your landing pages need to quickly and easily convey the information necessary for someone to get the answer to their question and make a conversion decision (Figure 15.26).

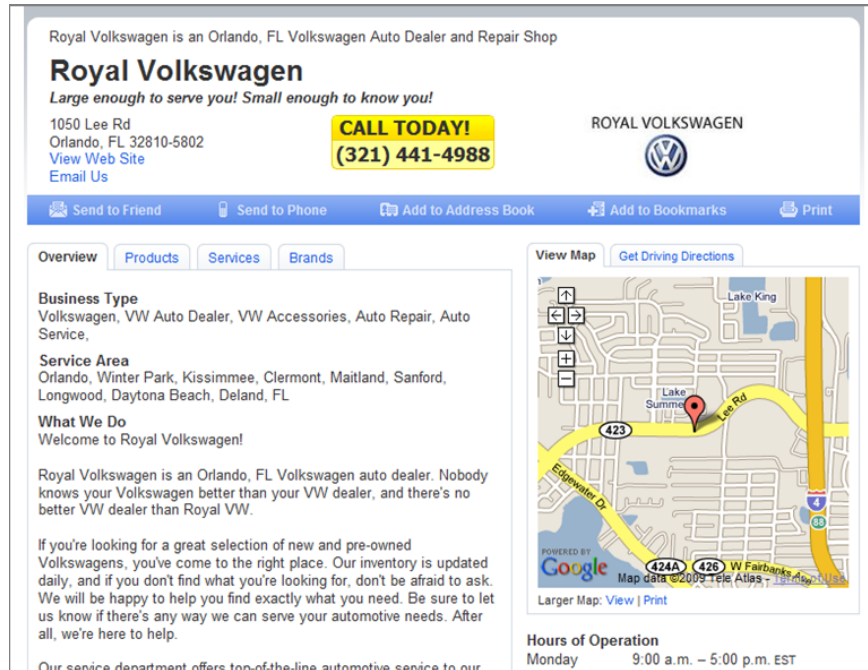


Figure 15.26 Logically organized landing page for Royal Volkswagen

This landing page, created by R.H. Donnelley for Royal Volkswagen, is not an expensive Flash-driven landing page. It is a clean landing page that tells a consumer what the company does, shows their service area, and offers several conversion options. In the case of this site, the dark-colored navigation bar is actually a conversion bar. The consumer's options are

- Send To Friend
- Send To Phone
- Add To Address Book
- Add To Bookmarks
- Print

You would not accuse this page of being an expensive-looking landing page or one that is hard to create. However, it is an effective page because it quickly conveys information to the consumer in a friendly, easy-to-digest manner.

Essential Items to Test First

When deciding which pages to test first, start with your landing pages that receive the most traffic. Even small gains in conversion rates for pages with high traffic will help increase your profits. The other pages you should start testing are ones that have the highest potential of profits. This might be a page of your top-selling products, your sales pages, or your high-margin products.

Once you have started testing the beginning part of the funnel, test the second step of the funnel. Do not start with the second or third steps. If someone does not make it from step 1 to step 2 of your funnel, it does not matter how good your secondary pages are.

The main items to start testing are

- Headline
- Hero shot (the picture on your page, either a person or a product image)
- Page layout
- Call to action
- Custom benefit
- Navigation

When thinking about your layout, additional items to test would be

- Color scheme
- Logo
- Authority and trust icons
- Product or service descriptions

Once you have decided what you are going to test, it is time to set up your test.

Creating a Landing Page Test

There are two ways to test landing pages: an A/B test and multivariate testing.

A/B Test This is where you have two versions of a page and you send some traffic to page A and some traffic to page B. This method is good for testing websites with low traffic or testing where to send the traffic before testing different page layouts.

Multivariate Testing This testing methodology allows you to test several variables at once. For instance, you may have two headlines, two hero shots, two customer benefits, and two calls to action. Testing two variations of four variables is 16 different tests. Multivariate testing requires a significant amount of traffic to receive significant results.

It is often best to start with some simple A/B testing to determine some of the large considerations such as layout, picture sizes, overall messaging, and customer benefits. Once you have a good idea of your layout, then you can move to multivariate testing.

For our purposes, I will illustrate setting up a straightforward A/B test in AdWords without going through the technical implementation of multivariate testing to show how easy it is to start testing your website. Testing is not difficult—the hard part is determining what to test.

Creating A/B Landing Page Tests in AdWords

The first step, just like with ad testing, is to make sure that you are using the Rotate Indefinitely ad delivery campaign setting. You want each test to receive equal exposure. Next, choose two or three pages where you want to send traffic.

Finally, navigate to the ad group where you want to set up the test. Duplicate your existing ad a second or third time, depending on how many different pages you want to test. Then change the destination URLs of the new ads to send traffic to the new pages you want to test.

Just as with ad testing, wait until you have enough data to obtain statistical significance by using chi-square or ANOVA in Excel or the guidelines from the ad copy testing section earlier, “General Guidelines for Statistical Significance.”

Make Sure Your Duplicate Pages Are Not Crawled

If you use the same content on multiple pages within your site, you can cause issues for your organic rankings. Because Google will find two variations of the same content, they will choose which page to rank on your website. The focus of PPC landing pages should be conversions. If you also do SEO, you often need to change page elements based on search engine ranking factors that might not increase conversion rates. Therefore, you might have two sets of similar pages on your website: one set for PPC and the other for SEO. If this happens on your website, use your `robots.txt` file to block your testing pages from being crawled by the organic spiders.

Once you have enough data, you can either run an ad report as mentioned under the ad-testing section, “Measuring the Results of Your Ad Test,” or run a Destination URL performance report (Figure 15.27), which is found under the Dimensions tab, using at a minimum these data points:

Level of detail

- Campaign
- Ad Group

Performance statistics

- Impressions
- Clicks
- CTR

- Cost
 - Avg Position
- Conversion columns
- Conversions (1-per-click)
 - Conv. Rate (1-per-click)
 - Cost/Conv. (1-per-click)
 - Conv. Value/Click
 - Total Conv. Value

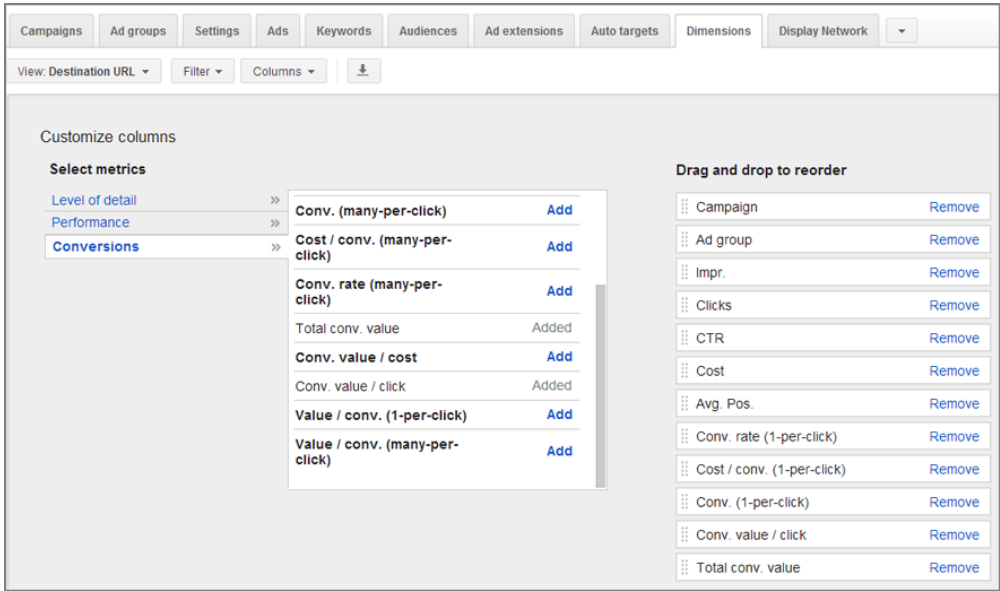


Figure 15.27 Creating the Destination URL performance report

If you have multiple conversion types, choose the various conversion actions for which you want to see performance data to determine how well the page converted.

Examine the landing page metrics and compare those metrics to the goals you are trying to reach. There is no best landing page. If you want the most conversions, the highest conversion rate is your best page. If you are looking for minimizing lead cost, examine your lowest cost per conversion.

It is essential when running either ad copy or landing pages tests that you do not combine search and display data. Figure 15.28 shows the results from a narrow theme site test.

If you were to combine all data regardless of whether the metrics came from search or display, it would appear that the PPC dedicated page would be the best page, because its ROI, value per click, cost per conversion, and conversion rate are all better numbers than the homepage numbers.

	A	B	C	D	E	H	I	J	K	L
		CPC	Impressions	Clicks	CTR	Conversion Rate	Cost Conversion	Revenue	Value Per Click	ROI
1										
2	All Networks									
3	Home Page	\$ 1.16	984,043	18,932	1.92%	8.73%	\$13.34	\$82,600	\$4.36	375%
4	PPC Dedicated Page	\$ 1.22	972,954	17,043	1.75%	10.70%	\$11.42	\$91,150	\$5.35	438%
5										
6	Search									
7	Home Page	\$ 2.23	43,565	4,065	9.33%	16.68%	\$13.35	\$33,900	\$8.34	374%
8	PPC Dedicated Page	\$ 1.90	40,785	4,251	10.42%	9.48%	\$19.99	\$20,150	\$4.74	250%
9										
10	Display									
11	Home Page	\$ 0.87	940,478	14,867	1.58%	6.55%	\$13.34	\$48,700	\$3.28	375%
12	PPC Dedicated Page	\$ 1.00	932,169	12,792	1.37%	11.10%	\$8.99	\$71,000	\$5.55	556%

Figure 15.28 Narrow theme landing page test data

When someone is engaged in search, they have thought about the products or services associated with their search. They are somewhere within the buying funnel. In this case, you see that the homepage led to a higher conversion rate than the PPC dedicated landing page.

The PPC dedicated landing page was a page that showcased a specific offer to the user. It had fewer navigation elements than the homepage and did not explain multiple sides of the business. It had one call to action and explained only half the business. For the Display Network, the PPC dedicated landing page converted much better than the homepage, which converted better for search users.



Note: I conducted an informal survey of PPC experts on this experiment. Almost all of them thought the PPC landing page would do better. This result is the reason you test. Conventional wisdom is not always correct. Ideas will get you started thinking about layouts that will increase conversions. However, the data will give you conclusive results on which test result is best for your company.

Testing Profit per Click and Profit per Impression

Which combination leads to higher profits?

- High CTR, many visitors, low conversion rate
- Low CTR, few visitors, high conversion rate

When you start to combine several metrics, it can become overwhelming to determine which keyword, ad, and landing page combination leads to the highest profits for your company.

A searcher's query sets their expectations for the search results page. The ad on the search results page sets the expectation for the landing page. The landing page needs to be an extension of the ad and answer the searcher's initial question. Therefore, all of these elements affect each other. There is a way to boil down these various metrics to a single number that will tell you which combination is the most profitable.

This leads to my absolute favorite testing metrics: profit per click or profit per impression.

Every time your ad is shown on a search, you have a chance of a conversion. You chose a keyword. Someone searched for that keyword. Your ad was shown on a search page. You have a chance of converting that visitor. Therefore, you should measure how much profit you make on a search result every single time your ad is shown, even when it does not receive the click. This is known as profit per impression.

On the Display Network, you do not know the intent of the user. Some people are reading the articles, or the ad is well below the fold. In these cases, you should measure profit per click. However, when you use placement targeting on the Display Network, since you are choosing specific sites on which you want your ad shown, you should measure profit per impression.

When you measure profit per click/impression, what you want to know is how ad and landing page combinations affect your total profits. Therefore, you will combine a landing page and an ad test.



Figure 15.29 Profit per click ad group setup

To set up this test, follow these simple steps (Figure 15.29):

1. Write two ads.
2. Choose two landing pages.
3. Send ad copy 1 to landing page 1.
4. Duplicate ad 1 and send it to landing page 2.
5. Write ad 2 and send it to landing page 1.
6. Duplicate ad 2 and send it to landing page 2.

Once the test is set up, let it accumulate the necessary data for you to make a decision. When you have enough data, run an ad performance report with the same data points as in the ad copy testing section earlier, “Measuring the Results of Your Ad Test.”

Export the report to a spreadsheet and add these three columns (Figure 15.30):

- Profit = Revenue – Cost (or your own calculations of profit)
- Profit per Impression = Profit ÷ Impressions
- Profit per Click = Profit ÷ Clicks

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Test Name		CPC	Impressions	Clicks	CTR	Cost	Conversions	Conversion Rate	Cost Conversion	Revenue	Profit	Profit Per Impression	Profit Per Click
2	Ad Copy 1													
3	Test 1 Landing Page 1		\$0.73	376,023	22,034	5.86%	\$16,032	1511	6.86%	\$10.61	\$75,550	\$59,518	\$0.16	\$2.70
4	Test 2 Landing Page 2		\$0.92	378,094	24,955	6.60%	\$23,034	1823	7.31%	\$12.64	\$91,150	\$68,116	\$0.18	\$2.73
5	Ad Copy 2													
6														
7	Test 3 Landing Page 1		\$0.62	312,918	26,013	8.31%	\$16,023	1103	4.24%	\$14.53	\$55,150	\$39,127	\$0.13	\$1.50
8	Test 4 Landing Page 2		\$1.16	369,447	18,991	5.14%	\$22,034	1701	8.96%	\$12.95	\$85,050	\$63,016	\$0.17	\$3.32

Figure 15.30 Profit per Click/Impression spreadsheet

In Figure 15.30, you can see that Test 2 has the highest profit per impression. This test does not have the highest CTR, conversion rate, or lowest cost per conversion. However, all the metrics combined lead to the most profitable user experience for either search or site targeting.

If you take this report to the extreme and look at total profit as if each combination received all the possible impressions (Figure 15.31), you can see how much profit each test combination would have received.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Test Name		CPC	Impressions	Clicks	CTR	Cost	Conversions	Conversion Rate	Cost Conversion	Revenue	Profit	Profit Per Impression	Profit Per Click
2	Ad Copy 1													
3	Test 1 Landing Page 1	\$0.73	1,436,482	84,174	5.86%	\$61,245	5772	6.86%	\$10.61	\$288,616	\$227,370	\$0.16	\$2.70	
4	Test 2 Landing Page 2	\$0.92	1,436,482	94,811	6.60%	\$87,512	6926	7.31%	\$12.64	\$346,304	\$258,791	\$0.18	\$2.73	
5	Ad Copy 2													
6														
7	Test 3 Landing Page 1	\$0.62	1,436,482	119,415	8.31%	\$73,555	5063	4.24%	\$14.53	\$253,172	\$179,616	\$0.13	\$1.50	
8	Test 4 Landing Page 2	\$1.16	1,436,482	73,841	5.14%	\$85,672	6614	8.96%	\$12.95	\$330,691	\$245,018	\$0.17	\$3.32	

Figure 15.31 Extrapolated profit if each test received all available impressions

Test 2 would have led to \$258,791 in profit, which is \$13,773 higher than the next most profitable combination, Test 4. Using profit per impression numbers is one of the best ways to understand which testing combination leads to the highest profits.

Conversion per Impression

In some cases, you might not be able to dive all the way into profit numbers. In those cases, CPI—or conversion per impression—is the next best metric. CPI can easily be calculated by dividing the number of conversions you have by the number of impressions you received. The higher the CPI, the more conversions that ad, landing page, or ad and landing page combination receives every time it receives an impression.

You do not have to follow the exact steps of creating two landing pages and two ads to do profit per impression and click testing. Whenever you run a test and you do not know which test is best for you, just divide the total impressions for each test by the profit for each test and see which is higher. This could be two ads and one landing page, one ad copy and five landing pages, or other combinations.

The testing methodologies you have seen so far require you to add new ads to an ad group and split your traffic in half. If you have profitable ad groups right now, you are taking a lot of risk that the new combinations will lead to similar or higher profit margins than you already have. There are ways to lower your risk threshold when testing new ads or landing pages.

AdWords Campaign Experiments

AdWords Campaign Experiments (ACE) allows you to test a subset of your traffic. This is a good way to test various settings such as bids, match types, ads, and landing pages—especially in high-traffic or high-profit ad groups.

The way ACE works is that you define how often you want the test versus the control to run (Figure 15.32) in the Campaign settings. You can optionally set start and end dates.

Experiment^{BETA}

Steps for running an experiment [Learn more](#)

1. Specify experiment settings.
2. Make experimental changes to bids, keywords, and ad groups in your campaign.
3. Start experiment. As traffic accumulates, statistically significant differences may emerge.
4. Evaluate experiment. Apply changes fully or remove changes.

Specify experiment settings.

Name

Control/experiment split

Start ☒ No start date (I'll start it manually)
☐

End ☒ 30 days from start
☐

Figure 15.32 AdWords Experiment settings

Once you save the experiment, it will not be active until you launch it. You need to navigate through the campaign and choose what should be Control Only or Experiment Only.

By default, if something is paused, it will remain paused. All other enabled items will be set to Control and Experiment. If you want something to always be displayed, make sure it is set to both Control and Experiment.

What happens is that for every auction, Google looks at your Control versus Experiment settings to decide which to use. In Figure 15.32 we chose Experiment 30 percent of the time and Control 70 percent of the time. Therefore, at the beginning of an auction 70 percent of the time Google will treat only the items in our control data as being active; 30 percent of the time, Google will treat the items in our experiment as being active. When items are marked as Experiment and Control, they will always be considered active.

You can set Control, Experiment, or Control and Experiment settings by keyword, ad, or ad groups. Next to each data point, you will see additional options (Figure 15.33).

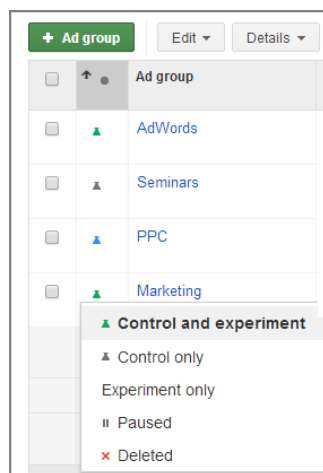


Figure 15.33 Choosing the Control And Experiment settings

In this instance, the ad groups AdWords and Marketing will run all of the time since they are listed as Control And Experiment. The ad group Seminars will be treated as active in 70 percent of the auctions. The ad group PPC will only be treated as active in 30 percent of the auctions.

If you wanted to test ad copy, either you could create an ad group that only contained your experimental ads or you could mark each ad you are testing as experimental. Either method would achieve the same results of mitigating risk and controlling how often your test data is displayed.

Once you have defined all of your tests, navigate back to the Experiment section in your Campaign settings (Figure 15.34) and launch the experiment.

Not started
Start running experiment
Apply: Launch changes fully
Delete: Remove changes

Name **Test** [Edit](#)

Control/experiment split [?](#) **50% control / 50% experiment** [Edit](#)

Start [?](#) **No start date (I'll start it manually)** [Edit](#)

End [?](#) **30 days from start** [Edit](#)

Experiment last modified [?](#) **None**

Figure 15.34 Launching the experiment

The Low-Tech Approach to Lowering Test Risks

ACE is a great way to test if you want to test only a few items at a time. However, the weakness of ACE is that you can have only one experiment running at a time. Therefore, if you are testing ads in 10 ad groups, and you have enough data to end the test in 4 ad groups but not the other 6, you cannot just end those 4 tests. You have to end all of them or leave them all running.

The low-tech approach to mitigating risk is to first duplicate the existing ad several times. Wait for the ads to be approved by Google, and then add just one new test ad.

For instance, if you duplicate an existing ad three times and then have only one test ad, the established ads will be served 75 percent of the time and the test ad 25 percent of the time (assuming you are using Rotate as your ad copy setting). This will create a scenario where you are putting only 25 percent of your existing revenue at risk.

Established Ad Copy

[Keyword: Chicago AdWords Seminars]
Learn AdWords Success in just 1 day
Limited Seats. Reserve Yours Today!
bgTheory.com

[Keyword: Chicago AdWords Seminars]
Learn AdWords Success in just 1 day
Limited Seats. Reserve Yours Today!
bgTheory.com

[Keyword: Chicago AdWords Seminars]
Learn AdWords Success in just 1 day
Limited Seats. Reserve Yours Today!
bgTheory.com

Test Ad Copy

Chicago AdWords Seminars
Learn AdWords Success in just 1 day
Limited Seats. Reserve Yours Today!
bgTheory.com

You can do the same risk mitigation for landing page testing. Duplicate the established ad several times and send all of those ads to your existing landing page where you know your profits. Then duplicate the ad one last time and send only the traffic from that single ad to the test page. If you only wanted to test 10 percent of the traffic, you would have nine ads going to your established landing page and only one ad going to the test page.

Now that you have collected enough data to make decisions, you can end the experiment and choose your winners, delete your losers, and create your next test.

Best Practices for Testing Techniques That Will Increase Profits

Testing ads and landing pages is essential to maximizing the potential of your AdWords account. The most important thing with testing is to just start doing it. It is not difficult to test. Search behavior changes over time. Your competition will be changing their ads, landing pages, and offers. If you do not test ads and landing pages, you will never realize the full potential of your AdWords account or website.

By following the instructions in this chapter, you will be able to create both ad and landing page tests that will increase your profits and show you which of your marketing elements resonate best with your customers.

- When testing, make sure your campaign is set to Rotate Indefinitely so all the ads receive equal exposure.
- Start by writing different types of ads, such as question, review, and informational ads.
- Always filter your reports to see search-only or display-only data.
- Test ads separately for mobile versus desktop devices.
- When you have statistical significance, run an ad performance report and examine the data. Keep the best ad in your ad group. Examine the data from the losing ads to see if you can learn anything. Delete the losing ads, and then create new ads to continue the cycle of testing. On the Display Network, if you find that certain ads perform better only on specific sites, use those ads in conjunction with managed placements.
- When testing landing pages, first test where on your site you should send the traffic.
- Once you are certain where to send visitors on your website, create different layouts for your landing pages and test which one performs better.
- Use the Destination URL performance report to see which page is best. You may see different pages perform best for the Display Network or search network.
- If you are testing multiple metrics at once or are focused on profits, use profit per impression/click testing.
- If you have established ad groups, test a smaller percentage of your traffic to lessen the risk of losing profits.

When you first start testing, it is not uncommon to see dramatic results. This is often because it is the first time you may have thought about how searchers view and interact with your ads and landing pages. Over time, your improvements will be smaller, yet every improvement continues to increase your profits—so never stop testing.

In this chapter, you used the ad performance report and the URL performance report to examine data. AdWords offers many different reports. In the next chapter, you will delve deeper into the reports to learn what type of data can be extracted from AdWords and the best uses of that data.

16

AdWords Reports: Extracting Actionable Information

Your AdWords account will accumulate a variety of statistics that are available through the AdWords reporting interface. Creating a report consists of three steps: understanding what you need to know, extracting the data from AdWords, and analyzing the report. In this chapter, you will learn how to create a report and then take an in-depth look into each of the reports and learn how to use them to improve your account's performance.

Chapter Contents

- Choosing general AdWords report settings
- Using reports to optimize your account
- Creating custom alerts
- Best practices for using AdWords reports

Choosing General AdWords Report Settings

Google allows you to extract a plethora of data about your AdWords account’s performance. To download the data, you must take a few steps. You first need to customize the interface—a report will mimic the interface—choose your time frame, and then segment the data if necessary.

This section initially focuses on preparing the interface to include the data you want to examine and then looks at the most common reports in detail and discusses their best uses.

Customizing the Interface

The first choice you need to make is what type of data you want to see. For example, if you want to see campaign data, navigate to the Campaign tab, and if you want to see keyword data, navigate to the Keywords tab.

If you do not see a tab listed, click the arrow at the end of the tabs (Figure 16.1) to enable additional tabs to be displayed by default.

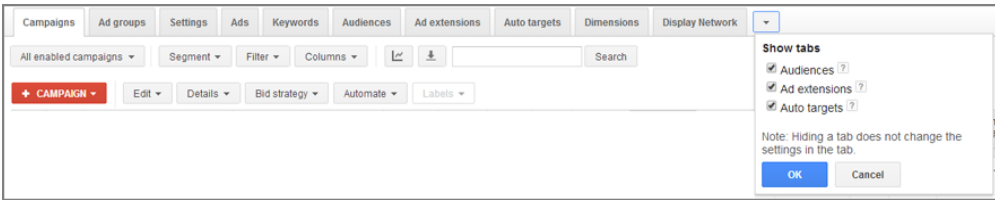


Figure 16.1 Viewing additional tabs

It may not be obvious where you’d find some reports, such as those for geographic or demographic data. These additional reports are mostly stored under the Dimensions tab (Figure 16.2).

Some tabs offer secondary reports, such as the search query data for keywords or the automatic and managed placement reports for the Display Network. You will learn how to download these secondary reports in the “Using Reports to Optimize Your Account” section later in this chapter.

Finally, you will also want to choose a time frame for the data being displayed. The time frame dictates the range of data you are seeing. If you see a set of data that does not make sense, it is often related to the date range.

For instance, in the ad data you can see the percentage of an ad served. If you create a new ad and the next week log into your account and see that the new ad has never been served, you might be wondering why (assuming the ad has not been disapproved by Google). If the date range you are examining includes only data from the previous month when the ad was not in the account, it has to have been served zero percent of the time because the ad was not live during that time frame.

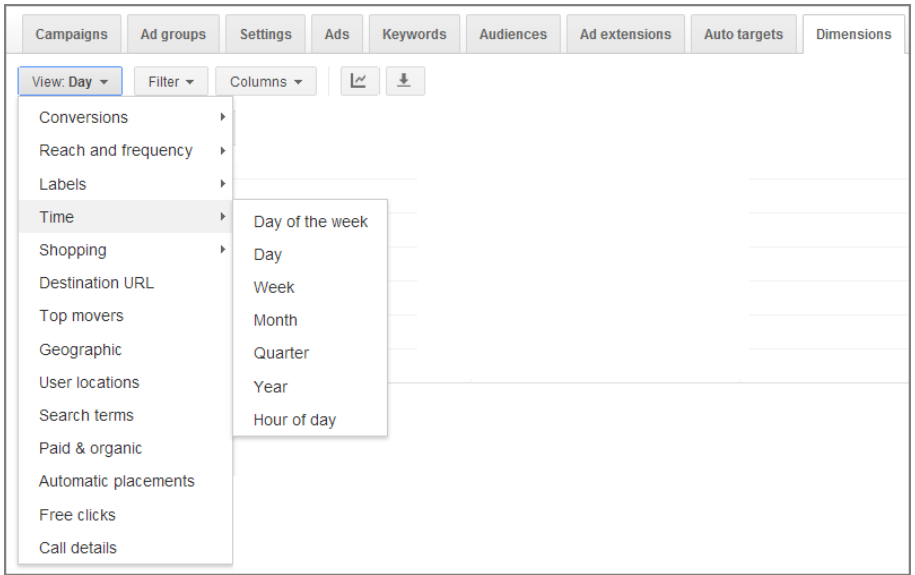


Figure 16.2 Dimensions tab reports

To customize the time frame, click the Custom date range box (Figure 16.3) and choose your time frame.

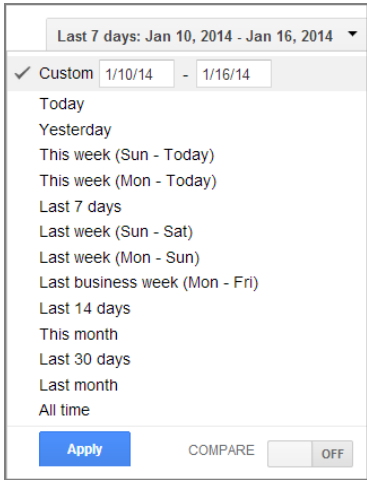


Figure 16.3 Customizing your time frame

If you want to compare time frames, you can click the Compare button within the time frame options and choose a time frame in which to compare your data (Figure 16.4).

Custom: Jan 10, 2014 - Jan 16, 2014
Compare to: Jan 3, 2014 - Jan 9, 2014

☒ Custom

1/10/14 - 1/16/14

Today
Yesterday
This week (Sun - Today)
This week (Mon - Today)
Last 7 days
Last week (Sun - Sat)
Last week (Mon - Sun)
Last business week (Mon - Fri)
Last 14 days
This month
Last 30 days
Last month
All time

COMPARE

ON

☒ Previous period
Same period last year
Custom

Apply

Figure 16.4 Comparing time frames option

When you use the time frame comparison option, some of the data columns will have the + symbol in them. When you click the + symbol, the column will expand and you can compare the data for the two time frames within the interface (Figure 16.5).

View: Day of the week

Filter

Columns

Download

Day of the week	- Conv. rate (1-per-click) ?				+ Cost / conv. (1-per-click) ?
	12/18/13 - 1/16/14	11/18/13 - 12/17/13	Change	Change (%)	
Thursday	5.64%	5.40%	0.24%	4.54%	\$43.29
Wednesday	4.28%	5.61%	-1.32%	-23.61%	\$57.39
Tuesday	3.62%	6.56%	-2.94%	-44.84%	\$68.79
Saturday	4.48%	4.51%	-0.03%	-0.57%	\$49.36
Monday	2.94%	5.62%	-2.68%	-47.67%	\$83.65
Sunday	2.48%	4.44%	-1.97%	-44.31%	\$80.84
Friday	2.36%	6.64%	-4.28%	-64.41%	\$98.31

Figure 16.5 Comparing time frames data

Once you have chosen your time frame and navigated to the proper tab for the data you want to see, it is time to customize the data being displayed.

Customizing Columns

To customize the data, you will need to select the data columns required for your analysis. To start, click the Columns button and choose Customize Columns; the resulting screen is shown in Figure 16.6.

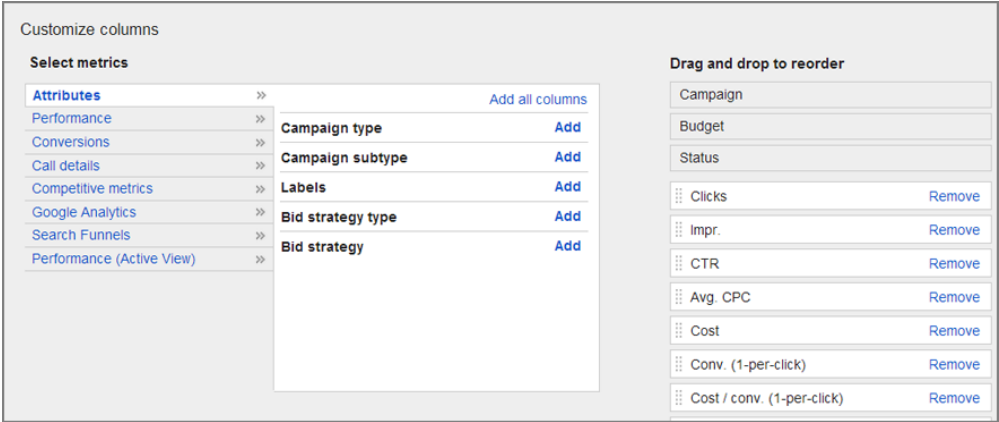


Figure 16.6 Customizing the columns

The column options will vary for each tab, but three sets of columns are available in most reports: Attributes, Performance, and Conversions. Here are the most common column selections you will see:

Attributes This data can vary significantly based on the column; it usually includes campaign and ad group data and data associated to just that specific tab. For instance, at the keyword level, you can see Quality Score. At the campaign level, you can see campaign type and campaign subtype.

Performance Basic data such as clicks, CTR, CPC, and cost.

Conversions All the data based on conversion tracking.

Call Details Phone call data if you are using any of the call options.

Competitive Metrics High-level data based on both your and your competitors' data.

Campaign Settings Only shown in the Settings tab. This is an easy way to see all the settings at once.

Google Analytics This option shows only if you have connected your AdWords and Google Analytics accounts and if your login email has access to both sets of data.

Search Funnels Allows you to see assisted click and impression data, which is useful when determining attribution management strategies.

Performance (Active View) Additional reporting data for the Display Network.

Level Of Detail This option is mostly found within dimension reports where you might want to segment by campaign or ad group and report specific data such as gender for demographic data, cities for geographic data, or match types for search term data.

In the interface, select the columns you want to see in the report and add them. As you add columns, you will also see a list of all the columns that will be displayed. You can drag and drop the columns to easily reorder them (Figure 16.7).

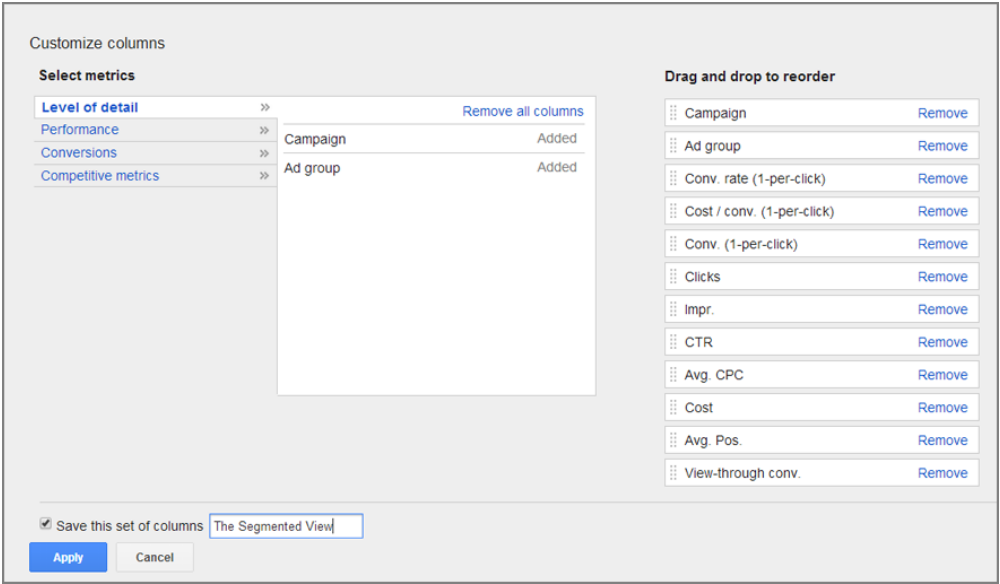


Figure 16.7 Selecting your data

If you have a set of columns you intend to use multiple times, you can save it. That way, when you click Customize Columns in the future, your selections will be available.

Finally, click Save and you will be presented with all the data you want to see. However, working with large data sets within the interface can be overwhelming. Often you will want to download the data to easily manipulate it within a spreadsheet program.

Downloading Your Data

The next step to extracting data from AdWords is to click the Download Report icon that is represented as a down arrow, as shown in Figure 16.8.

In the resulting Download And Schedule Report screen, you are presented with several more options. First, you can choose the report's format, such as PDF, CSV, or XLM (there are many more options). If you are working in Microsoft Excel, choose Excel .csv or .xlxs.

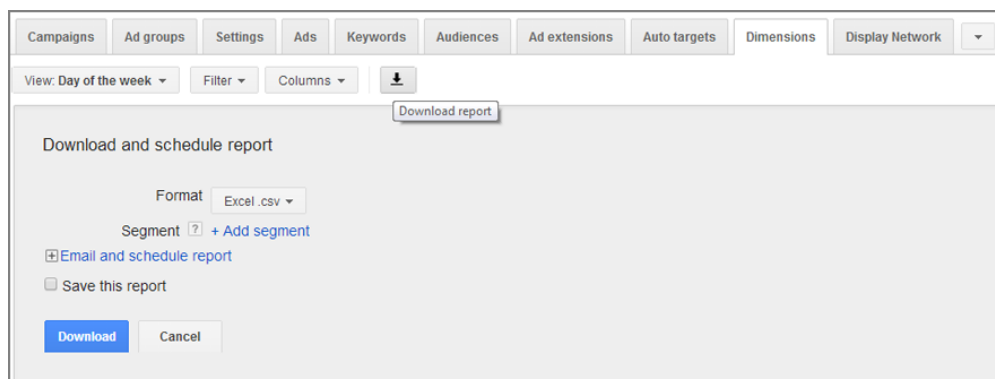


Figure 16.8 Clicking Download Report

Next, you can segment the data. If you segmented the data within the interface, that segment will be displayed by default. However, the interface will show only one segment at a time. When you download the data, you can segment the data multiple times.

For instance, if you are running a test with AdWords Campaign Experiments on mobile devices to see the difference in clicks versus calls, you will want to segment by device (mobile, tablet, desktop), click type (call, click, direction, sitelink, and so on), and experiment (ACE), as shown in Figure 16.9.

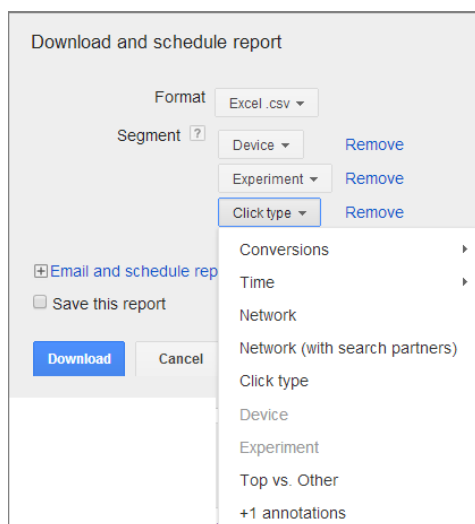


Figure 16.9 Segmenting the report data

Be careful to avoid oversegmenting the data. Every time you segment the data, you are adding more rows to the output file. If you add too much data, you could be overwhelmed by the number of rows and not know where to start. In cases like that, run the report again with less segmentation until you start to become comfortable looking at multiple segments at once.

If you are going to create the same report multiple times, be sure to name the report. When you run a report, it will also be displayed in the Reports screen as the name you used with the option Run Now or Create Similar.

Finally, in the Email And Schedule Report section, you can choose whom to notify when a report runs. You can also specify that you want to have the report automatically created and choose a Frequency setting, as shown in Figure 16.10.

☒ Email and schedule report

Send to ☐ No one (no emails needed)
☐ Only me
☒ All account users with access to view reports
☐ Specific account users and me [?]

Frequency

☒ Save this report
 Your report will be saved to "Reports and uploads."

Figure 16.10 Email And Schedule Report options

When you create a report that you are going to use multiple times, it is useful to choose the Save This Report option (as shown in Figure 16.10) and name your report so you know the report's purpose and can easily create the same report again. Once you have specified the options, create the report and soon you will have a download file to work from.

You can always visit the Reports And Uploads screen (Figure 16.11) to change your report names, notifications, or frequency and to run the same or a similar report again.

Reports and uploads

The reports you have downloaded or scheduled to run automatically are listed below.
 You can re-run these reports or create similar reports with different settings.

<input type="checkbox"/>	Report	Format	Email	Date range
<input type="checkbox"/>	Search term report	Excel .csv	No one (no emails needed)	Custom
<input type="checkbox"/>	Search term report	Excel .csv	No one (no emails needed)	Custom
<input type="checkbox"/>	Search term report	Excel .csv	No one (no emails needed)	Custom
<input type="checkbox"/>	Search term report	Excel .csv	No one (no emails needed)	Last 7 days
<input type="checkbox"/>	Campaign report	.csv	No one (no emails needed)	Last 14 days

Figure 16.11 Created reports data

Next, we'll look at all the major reports and see various uses of the data to optimize your AdWords account.

Using Reports to Optimize Your Account

Now that you can download and extract data from AdWords, it is important to learn how to take advantage of the various reports so that you make the best use of your valuable time in analyzing your account.

Excel's conditional formatting and color-coding can really help you visualize your data for easier analysis. In Chapter 13, "Devising Profitable Bid Strategies," you can learn how to color-code your data so you can more quickly see what is making—or losing—you money.

Google no longer names reports in the interface since a report is just a data download of the current interface (with additional segmentations possible). These report names are left over from when either Google or advertisers would name reports so that it would be easy to refer to certain report types based on the data you are extracting from AdWords. To make it easy to refer to various data extracts, it is useful to name the reports so you can easily refer to the type of data you are referencing.

Campaign Reports

Campaign reports allow you to see quick snapshots of all your campaigns at once. These reports are especially valuable when you have a large account and need quick access to high-level data.

However, since most of your day-to-day account management decisions will be made at the ad group, display targeting, and keyword levels, campaign reports should not be used for making bid decisions. The purpose of running a Campaign report is to view performance statistics that are shown only at the campaign level or to see an overview of all your data. You will find these statistics in the Invalid Clicks and Impression Share reports.

Invalid Clicks Report

Under Performance in the Customize Columns section are two selections: Invalid Clicks and Invalid Clicks Rate. These statistics show you how many clicks you received for which you were not charged, as well as the percentage of total clicks that were not charged.

Note: If you are trying to reconcile your analytics data with AdWords, this is a useful report to examine. Analytics systems include all visitors who made it to your website regardless of whether you were charged for that click. AdWords automatically discounts certain clicks from costing you money or accruing statistics within your account.



Impression Share Report

Under Competitive Metrics in the Customize Columns section are the following data points: Search Impr. [Impression] Share, Search Exact Match IS, Search Lost (IS) Budget, and Search Lost IS (Rank), as shown in Figure 16.12. If you choose all of these options and run a report, you will create an Impression Share report.

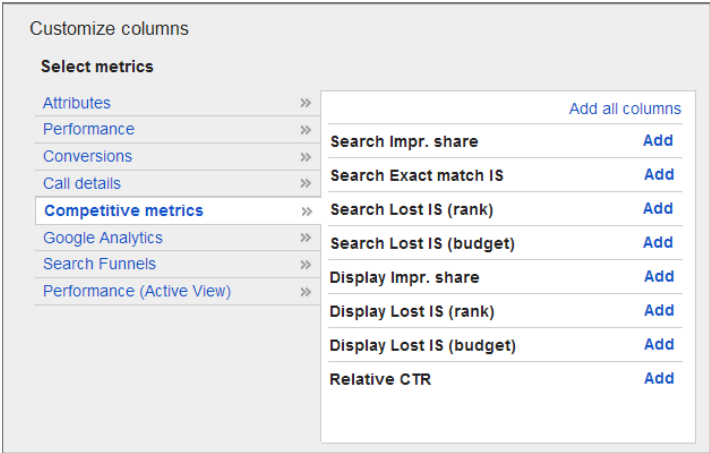


Figure 16.12 Impression share selections

The Impression Share report will show you how often your ads are being shown and reasons why they are not being displayed:

Search Impression Share (IS) The percentage of times your ad was shown when it was eligible for the auction

Search Lost IS (Rank) The percentage of times your ad was not shown because your ad's position was below the number of ads displayed on a page

Search Lost IS (Budget) The percentage of times your ad was not shown because your budget was too low

Search Exact Match IS Your impression share if all your keywords were set to exact match

If you want to see your impression share for display, instead of choosing the impression share metrics for search, choose the impression share metrics for display. For search, impression share is a great metric to use for understanding share of voice. Since the Display Network can vary significantly in impressions day over day, the impression share for display reports is not quite as useful as search, which is often more consistent than display.

If you ever wonder how much an account could spend if you increased the budget, the Impression Share report is the place to look. This report is also a great place to determine what needs the most attention in an account: Quality Score or bids.

Ad rank is determined by bid, Quality Score, and ad rank extension information. If you examine your account and find that most of your impressions are lost due to rank, that means one of those numbers needs to improve. If you put your Quality Scores in a pivot table (refer to Chapter 7, “Demystifying Quality Score,” for more information) and find that most of your Quality Scores are 7 or higher, you will need to increase bids or add extensions to receive more exposure. If most of your Quality Scores are below 7, you need to spend more time on improving your Quality Score.

If you are losing most of your impressions due to budget and you cannot increase your budget, then you are probably overbidding. If you have a \$100 daily budget with \$1 CPCs, that means you will receive roughly 100 clicks per day. If you were to decrease your CPC to \$0.75, you could receive 133 clicks a day. Since ad position has little effect on conversion rates, those additional clicks should result in additional conversions. Of course, there does come a point where you can lower your bid too much to be on page 1 and you will not receive any clicks. There is a balancing act between CPC, clicks, and budget to find the best spots for you.

Ad Group Performance Report

Sometimes seeing keyword-level information is data intensive and you might want to see a higher level of information. The Ad Group Performance report is a good place to start.

Setting Ad Group Bids

If you are setting ad group-level bids instead of keyword-level bids for the search network, you can use the Ad Group Performance report to determine your max CPC calculations and then use the AdWords Editor to import the new bids into AdWords. In addition, if you are using CPA bidding or flexible bidding methods, the ad group data is what you will use to set your bid strategy or CPAs since you cannot have different bid strategies or CPA bids at the keyword level.

Ad Performance Report

The Ad Performance report allows you to see metrics for each of your ads. If you are testing ads, this is the report you will want to use. When you run an Ad Performance report, look in the Attributes section of the Customize Columns section to select ad types so that you can see the difference between text, image, Wireless Application Protocol (WAP), and other ad formats.

Be sure to segment the data by network so that you examine only search data or display data. Do not combine the metrics for search and display.

If your ads are on mobile phones, then also segment your ads by device type so that you are examining your ad data for each device type.

If your account does not accrue enough clicks per month for you to be able to test individual ads at the ad group level, and instead you use a tagline in several ads across your account, follow these steps to create the report necessary for you to analyze the data:

1. Create an Ad Performance report that includes the following:
 - Headline
 - Description line 1
 - Description line 2
 - Display URL
 - Impression
 - Clicks
 - Average CPC
 - Cost
 - Conversions
 - Conversion rate
 - Cost per conversion
 - Device preference
2. Export the data to a spreadsheet.
3. Create a pivot table from the spreadsheet.
4. Choose your ad element (such as headline or description line 1) as your row element.
5. Add the metrics (impressions, clicks, and the like) as your values.
6. Add calculated fields or simple formulas to derive your CTR, CPA, CPI, or other data from your base metrics to find your best ad components.

Follow these steps to create a pivot table that shows all of the metrics associated with an ad element (see Figure 16.13), so you can make decisions about which element of the ad copy is working best for your account.

In addition, if you are using labels, you can filter the data based on a label type or other filters, such as mobile preferred ads.

Although making decisions based on combining the data from various ads into a single report is not nearly as useful as examining individual ad copy results within a single ad group, it is better than not testing at all. This is a very useful technique for testing when you have little data or so many ads that you can never individually test them all.

A	B	C	D	E	F
1	Label	Newsletter			
2					
3	Row Labels	Sum of Sum of Clicks2	Sum of Sum of Impressions2	Sum of Sum of Conv. (1-per-click)2	Avg CPA Avg CPI
4	Ad 1	914328	25317	235760.8	\$5.89 0.0102%
5	Ad 10	21943872	251515	1188626.4	\$22.19 0.0052%
6	Ad 11	40870461.6	355098	2742984	\$17.04 0.0084%
7	Ad 12	35293060.8	302879	2011521.6	\$19.80 0.0073%
8	Ad 13	48367951.2	436524	2102954.4	\$23.48 0.0053%
9	Ad 14	34927329.6	783667	1554357.6	\$24.68 0.0022%
10	Ad 15	103227631.2	2323166	6491728.8	\$18.31 0.0031%
11	Ad 16	11611965.6	208554	274298.4	\$54.52 0.0014%
12	Ad 17	2194387.2	67773	384017.76	\$7.65 0.0062%
13	Ad 18	145195286.4	3230711	8137519.2	\$21.43 0.0028%
14	Ad 19	25784049.6	813394	1097193.6	\$33.49 0.0015%
15	Ad 2	149766926.4	1431357	2011521.6	\$64.52 0.0015%
16	Ad 20	65648750.4	1044269	10423339.2	\$13.51 0.0109%
17	Ad 21	115662492	2649575	24321124.8	\$11.77 0.0100%
18	Ad 22	145378152	6484999	1920088.8	\$97.35 0.0003%
19	Ad 23	66745944	2994716	4845938.4	\$16.60 0.0018%
20	Ad 24	311237251.2	7702157	38858940	\$12.64 0.0055%
21	Ad 25	175185244.8	2738559	21761006.4	\$14.13 0.0087%
22	Ad 26	71500449.6	854230	4023043.2	\$20.12 0.0052%
23	Ad 3	357593680.8	3847875	6766027.2	\$42.68 0.0019%
24	Ad 4	106519212	751658	8503250.4	\$13.66 0.0124%
25	Ad 5	36938851.2	108504	7406056.8	\$8.40 0.0747%
26	Ad 6	1462924.8	15985	182865.6	\$8.99 0.0125%
27	Ad 7	913962268.8	14772732	8320384.8	\$116.53 0.0006%
28	Ad 8	122794250.4	524780	14629248	\$12.76 0.0305%
29	Ad 9	21303842.4	229680	1097193.6	\$22.91 0.0052%
30	Grand Total	625126053.6	59976973	87462652	\$12.61 0.0122%
31	Grand Total	3757156618	114926647	268753643.4	\$27.32 0.0092%

Figure 16.13 Pivot table for an Ad Performance report

Using this method without manipulating the data is useful if your ads have fairly similar impression, clicks, and conversion data in the different ad groups where they appear. If you find that the ads have large differences in CTR or conversion rates in various ad groups, you should use a weighted average for the data before examining it in a pivot table. You can use the same method discussed in Chapter 7 to create weighted averages. Just substitute the data columns from this report.

The Ad Performance report allows you to see how ads are doing by keyword, placement, ad group, or campaign. If you have certain placements or keywords that are of very high value to you, you can segment each ad by placement or keyword to find which ad is best in each circumstance. If there are individual placements or keywords where you want to test ads on just a single site, you can create single keyword or placement ad groups for ad testing purposes.

Find Underperforming Ads

Another use for the Ad Performance report is to identify underperforming ads. Run an Ad Performance report for only the search network. Each report will contain summary information where you can locate your account's click-through rate, conversion rate, and cost per conversion. Then look to see which individual ads are below your account's norm.

Before you assume that these ads are underperforming compared to your account, always examine the keywords that are causing these ads to show. You will

find instances where an ad group had more general keywords than other ad groups, in which case it is normal to see the CTR and conversion rate lower than the account's norm or that the ad group has a lower average position than the other ad groups and therefore the CTR should be below average.

If you look at the keywords within an ad group, and they are as specific as for other ad groups and the ads have lower conversion rates, either the ad needs to be tested or the landing page should be changed. Always look at the keyword or placement, ad copy, and landing page together when determining performance.

Find All Disapproved Ads

On the Ads tab, you can filter the approval status of your ads. A useful filter is to just look at disapproved ads (Figure 16.14). Ads can be disapproved for a variety of reasons. When an ad is disapproved, then it is not running. If an ad group contains only disapproved ads, then you are currently not showing for those keywords. When you filter and then download the data, only the filtered data is included in the report.

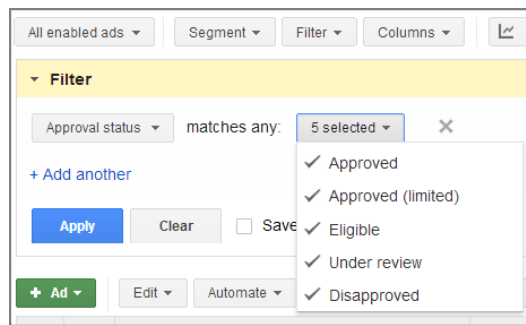


Figure 16.14 Filtering ads by approval status

In addition, if you have had several ads disapproved, you can filter only for disapproved ads so you know which ad groups need new ads.

Keyword Report

If you want to see keyword information, start by downloading data from the Keywords tab. You can use this data to analyze your account in the following ways:

Set Keyword Level Bids If you set bids for each keyword based on its returns, run this report and include keyword, match type, cost per conversion, value per click, and total revenue stats. Next, use the formulas in Chapter 13 to determine your new CPCs. Finally, input this data into a spreadsheet and use the AdWords Editor to upload your new CPCs.

If you have a significant number of keywords where the bids would have to be \$0.00 based on your conversion metrics, you will have to either choose to delete those keywords, set your own bids not based on conversion metrics, or move them to a Budget Optimizer campaign (see Chapter 13).

Improving Your Quality Score If your Quality Score is under 6 or 7, you should continue to optimize your score. Run and download a Keyword report, including the Ad Group, Keyword, Cost, and Quality Score columns. Then input the data into a pivot table and look for ad groups with low Quality Scores and high spends. This will help you find pockets of high-opportunity areas to increase your Quality Score. For full details on this procedure, see Chapter 7.

Determining What Keywords Are Not on Page 1 Some keywords may have limited impressions and low conversions because they are not on page 1. To quickly view what keywords are not on page 1, create a Keyword report with the Keyword, Match Type, First Page Bid, and Max CPC columns. Then use conditional formatting to highlight keywords where the max CPC is below the first-page bid. You may want to increase these CPCs so that the keywords receive enough impressions for you to make determinations about their effectiveness.

Top versus Other Data It is common to see vastly different click-through rates when your ads are on the top versus the side or bottom of the page. You can segment the keyword data to show the difference between top versus other data. When you run this report, it is also useful to include the estimated first-page bid and the estimated top-page bid so you can see the difference in estimated CPCs.

Search Query Report

If you use broad or phrase match keywords, your ads will show for a variety of words that are not in your account. The Search Query report will show you what someone actually searched for that caused your ads to be displayed. If you use AdWords conversion tracking, you can see the conversion rate and cost per conversion for all of these keyword variations.

To see this data, navigate to the Keywords tab, click Details, and then choose All under the Search Terms menu, as shown in Figure 16.15. This shows you all the search terms for all the keywords in your ad group. To isolate the data for a single keyword, click the arrow; to get back to the keyword view, select the keywords you want to analyze and then view the details.

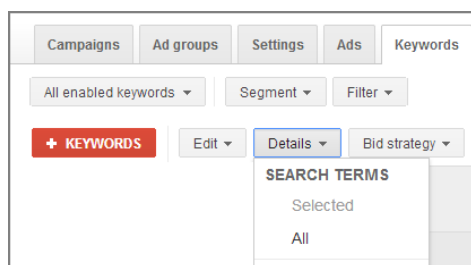


Figure 16.15 Viewing search query data

You should run this report regularly and look for two specific pieces of information:

Search Queries That Cost You Money but Do Not Convert With broad and phrase match keywords, your ads will be shown on a variety of queries. Some of those variations will convert and others will not. If you are using close variant matches, then your exact match keywords can show for plurals and other variants.

When you find variations that are spending money and not converting, you should determine whether the keyword that is triggering the search query is appropriate to that ad copy and landing page. If the keyword is not appropriate to that ad group but is appropriate to another one, then add the keyword as a negative in the first ad group and as a positive keyword in the more appropriate ad group. Later, run a Keyword report and either choose to keep that keyword in the more appropriate ad group or delete the keyword altogether once it accumulates more data. Because you still do not want this keyword shown in the first ad group, leave the negative keyword in place, or move the negative keyword to the campaign level so that none of the ad groups will show for that word.

If the search query is not appropriate to any ad group in your account, add it as a campaign-level negative keyword in whatever campaigns it may be triggered in so that your ad will not be displayed for that search query again.

Search Queries That Convert but Are Not in the Ad Group If you find there are search queries that are converting but are nowhere to be found in your ad group, add these variations as positive keywords so you can track their performance and set appropriate bids for each keyword.

The one downside to this report is that the Google Analytics columns are not displayed. For instance, if you had 50 clicks and no conversions, then it is difficult to know if the keyword is going to be good or bad over time. However, if you saw that the keyword had 50 clicks and a 100 percent bounce rate, that paints a very different picture than a keyword with 50 clicks, a 25 percent bounce rate, and an average of eight page views per visit. To see Google Analytics data with your search queries, you can navigate to the Matched Search Queries data within Google Analytics (Figure 16.16) to see this information.

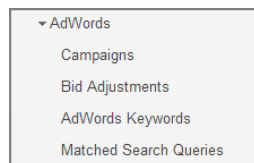


Figure 16.16 Finding search query data in Google Analytics

Whenever you are conducting positive or negative keyword research, start with the Search Query report. Viewing search queries can give you insight into your customers and trigger new ideas for keywords.

Display Network Reports

When you are working with the Display Network, you have several ways to extract data to determine how your automatic and managed placements are performing.

When you navigate to the Display Network tab, you can use the submenu to see how your keywords, placements, or other targeting types are performing (Figure 16.17).

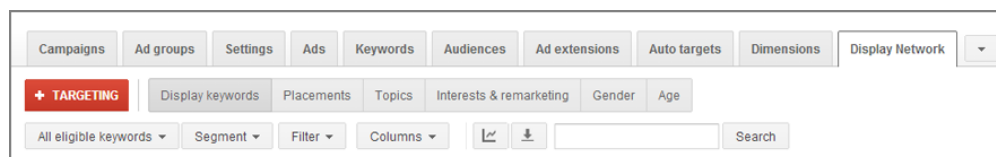


Figure 16.17 Display Network tab data

To dig into the automatic or managed placement data, navigate to the Placements data, and then click the See Details link directly below the placement types (Figure 16.18).

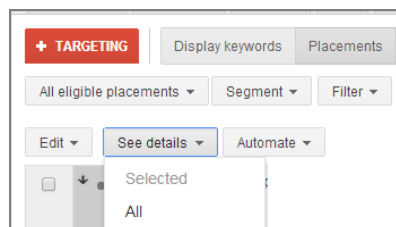


Figure 16.18 Navigating to detailed placement data

Once you click See Details and click all, you will then see the data for the actual URLs for the automatic and managed placements, as shown in Figure 16.19.

From here you can download the URL list to see each URL where your ad is being displayed, customize the columns to see additional data, exclude the placement, or make it a managed placement. The most common way to use this data to ensure you are receiving high-quality traffic from your placements is to follow these two steps:

1. Make sure your ad is being displayed on the correct types of pages. Click the URLs and look at the pages where Google is placing your ads.
 - If the pages are correct, regardless of the performance metrics, your keywords or other targeting methods are being displayed appropriately and you do not need to adjust your display targeting tactics.
 - If the pages where your ads are being shown are not correct, you need to adjust your targeting methods so that you receive better placement.

<input type="checkbox"/>	URLs	Clicks ^[?]	Impr. ^[?]	CTR ^[?]	Conv. rate (1-per-click) ^[?]	Conv. (1-per-click) ^[?]
<input type="checkbox"/>	d2099868202a60bc.anonymous.google Added	557	462,882	0.12%	16.00%	88
<input type="checkbox"/>	save.ca/coupons	363	18,340	1.98%	20.66%	75
<input type="checkbox"/>	www.save.ca/coupons	369	15,740	2.34%	18.16%	67
<input type="checkbox"/>	wholemom.ca/thank-you	183	2,395	7.64%	26.78%	49
<input type="checkbox"/>	freebiesfrenzy.com/sign-up-ca/thanks-you-ca	221	2,575	8.58%	30.77%	68
<input type="checkbox"/>	www.canadasamples.com	291	14,211	2.05%	22.68%	66

Figure 16.19 Automatic placement data

For more information on choosing your targeting methods, see Chapter 9, “Understanding the Display Network.”

2. Look at the placement data or download the report; then create a pivot table and key the metrics off the pages where your ads are being shown:
 - If you see pages or domains that are not meeting your goals, block them.
 - If you see pages and domains that are meeting your goals, add them to a placements campaign and block them in the discovery campaign if you are using discovery and placement display setup as discussed in Chapter 10, “Utilizing Advanced Display Network Techniques.”



Note: When adding sites to a placements campaign, always check to see if there are subsections of a website available for placement; if there are, look to see how your ads have done on the various subsections.

If you are seeing too many websites in this report and do not know where to start, use the filtering options to view only websites that have sent you over a minimum amount of traffic, such as 20 or more clicks. By removing sites with low traffic from the report, you can create a report that includes only websites that have enough data for you to make decisions about blocking the site or turning it into a managed placement.

In addition, you can see this data in Google Analytics and include additional metrics such as bounce rates and time on site to find placements that are sending

low-quality traffic and block them quickly, or sites that are sending high-quality traffic that you want to be patient with before you decide to block them or add them as a managed placement.

After you examine the placement data, you will also want to study the managed placement information independently since with managed placements you are choosing exactly where your ads are being displayed and you can manage them similarly to keywords, such as setting custom bids for each placement. Make sure the placement is performing, and use your typical bid formulas to set bids for each placement.

Dimensions Reports

Several reports are listed on the Dimensions tab. Some of them, such as Time, have multiple subsets of reports—you can see time data by day of the week, day, hour of day, month, and so forth. In addition, some reports that appear on other tabs are duplicated here, such as the automatic placements and search terms. Therefore, this section will not examine every report on the Dimensions tab. Instead I will focus on the most common reports and ways of using that data.

Destination URL Report

The Destination URL report allows you to see metrics for every page you are sending traffic to within your AdWords account. If you are testing various landing pages, this report can show you which landing pages have the highest conversion rate.

Note that you will see metrics for every destination URL even if they are different only through tracking parameters, such as those found in Chapter 5, “Creating Landing Pages That Convert Searchers into Buyers.” For instance, while these three links are the same page on a website, the URL Performance report will show three different lines of data in your report:

Example.com?src=4

Example.com

Example.com?matchtype=exact&{keyword}

In this case, it is useful to strip off the tracking parameters and combine the data for each URL. Follow these steps to easily strip off the tracking links:

1. Copy the Dest URL column.
2. Paste it into a new sheet.
3. Highlight the column, and select the Text To Columns function on the Data tab.
4. Choose Delimited, and click Next.
5. Choose Other, and in the text box type a question mark.
6. Click Finish.
7. Copy that column and paste it into the original report.

Although this appears to be a complicated process, after you do it once or twice you will find it takes less than 10 seconds to accomplish. Since you will now have the same URL on different rows, it is time to combine the data across all the rows. The easiest way to do this is to create a pivot table. In your Row labels, show the destination URLs. In your Value column, choose the metrics you want to see, such as cost per conversion and conversion rate.



Note: If on your website the URL `example.com?123` is a different page than `example.com?1234`, you may need to use a different delimiter than the question mark in Excel's Text Import Wizard.

Another good use of the Destination URL report is identifying underperforming landing pages. You can create an average for your account and then use the same steps as you did for the ad copy analysis earlier; just substitute the destination URL for the ad copy information.

Destination URL is also the report you will want to use for checking your site for broken links. Websites change over time, so it is common to see URLs get broken. If you are sending traffic to broken pages, you are just wasting money. Run this report and then either use a tool like Certified Knowledge's Broken Link Checker or import the data into a crawler tool like Xenu and spider the URLs to see if any of your links are broken.

Viewing Conversion Rates by Time Frames

You can view your conversion rates by day of the week, day, week, month, quarter, year, or hour of the day. If you are doing analysis to determine whether you should use ad scheduling to change your bids on certain days or times of day, these reports are the best place to start that analysis.

If during your analysis you find that only a handful of ad groups change performance by time of day, you might move those ad groups to a new campaign and leave the others in the original campaign.

Geographic Report

The Geographic report on the Dimensions tab allows you to see your metrics by country, region, metro, or city. You will want to segment the data by network so you can see search and display data separately.

Run this report and examine the differences in your clicks and conversions by geography. If you find there are certain geographies that are not converting, you may want to create a separate campaign to show different messages to those areas. If you find there are geographies that are converting at a much higher rate than normal, you may want to create a campaign with a higher daily budget to reach just those areas.

You do not have to go to the extreme of creating new campaigns for each geography. You can use bid modifiers to change your bid in each area. This is the best report to use when determining what areas you need to add to your geography targeting so you can use set geographic bid modifiers.

The Geographic report can also give you a point of investigation for your website analysis. It is not uncommon for American companies to advertise in both the United States and Canada, only to find that their Canadian conversion rates are much lower. This is because many sites do not ship to Canada or accept non-U.S. billing addresses, yet these same companies still serve ads to Canada. By using this report to find areas where your conversions are lower than normal, you can identify other errors that have nothing to do with AdWords.

One of the Quality Score factors is click-through rate in a specific geography. If you find that your CTR is much lower in a geographic region, your Quality Score for just that region may also be lower. In this case, you might want to exclude that geography or create a specific campaign with ad copy that speaks to that region to increase your CTR and visibility in that geography.

When you are trying to determine where people are clicking and buying, the Geographic report can give you insight into the performance of various geographies and help you decide whether you need to include, exclude, or change your geographic targeting options.

Reach and Frequency Report

The Reach and Frequency report is shown only for the Display Network. You can see the data by day, week, or month. *Reach* and *frequency* are two common metrics for media campaigns and display ads that determine how many people saw an ad and how often those people saw an ad.

If you are buying CPM, you are paying for impressions. Many CPM buys are on a set number of impressions. The lower your frequency cap, the less an individual person may see your message, but more total people will see your message for those impressions. Conversely, the more an individual person sees your message, the fewer total people will see your message.

There is a balance to be found in reinforcing your message with CPM or CPC display ads to an individual person by having them see your ad multiple times compared to the total number of people you want to see your ad.

When running remarketing campaigns, take a look at your frequency numbers to make sure you are not serving your ads too often to the same people. Remarketing can be a fantastic source for conversions. It can also be an easy way to annoy your customers if you show your ads too often to them.

There is no magic number for frequency capping. Some websites are full of distractions, and any one ad might not be noticed; in that case you would want a higher

frequency. Some ads are prominent, such as interstitials or large banners on a mostly text-based page, and therefore the frequency number can be lower.



Note: I recommend that you set a frequency cap on your ads, even if it is as high as 7 to 10 per user per day. That will help distribute your ad to more individuals. For CPM ads, you will often set lower frequency caps than with remarketing or general display ads.

If you find that your frequency is higher than you desire, you can set or adjust the frequency cap in your Campaign settings.

Paid and Organic

If you have a Google Webmaster Tools account, you can connect it to AdWords in the My Account > Linked Accounts options.

Once you connect these two accounts, you can then see organic, paid, and combined statistics to see how your ads and organic listings affect each other. If your company is trying to improve their SEO efforts, this is one of the best reports they can use to see how their efforts are working (Figure 16.20).

Query	Ad stats					Organic stats					Combined ad and organic stats		
	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?	Avg. Pos ?	Clicks ?	Queries ?	Clicks/query ?	Listings/query ?	Avg. Pos ?	Clicks ?	Queries ?	Clicks/query ?
brad geddes	20	352	5.68%	\$1.03	1.0	774	1,587	48.77%	2.7	1.0	794	1,593	49.84%
Ad shown only	0	6	0.00%	\$0.00	1.0	0	0	0.00%	0.0	0.0	0	6	0.00%
Organic shown only	0	0	0.00%	\$0.00	0.0	585	1,241	47.14%	2.6	1.0	585	1,241	47.14%
Both shown	20	346	5.78%	\$1.03	1.0	189	346	54.62%	2.8	1.0	209	346	60.40%

Figure 16.20 Paid and Organic report

Even More Reports

There are more reports to be found in AdWords, and the same data analysis applies to these additional reports. For instance, use your display bidding metrics for Remarketing, Interest, and Topic reports. Use your keyword bidding methods for product listing ads.

Between choosing the type of data you want to see, customizing the columns, and segmenting the data, there are thousands of possible combinations of reports that you can create.

You should first determine what data you need to make sound decisions and create actionable items. Then, you should create the reports that will help you extract that data so you can analyze it and make changes that will further enhance your account's performance.

Creating Custom Alerts

In AdWords you can create alerts to let you know when something has changed in your account. This is a useful way of getting notifications of changes so you do not have to constantly monitor your account.

You can create an alert in the Campaigns, Ad Groups, Ads, and Keywords tabs. To create an alert, navigate to the appropriate tab, click the Automate button, and choose any option that ends with Send Email When, as shown in Figure 16.21.

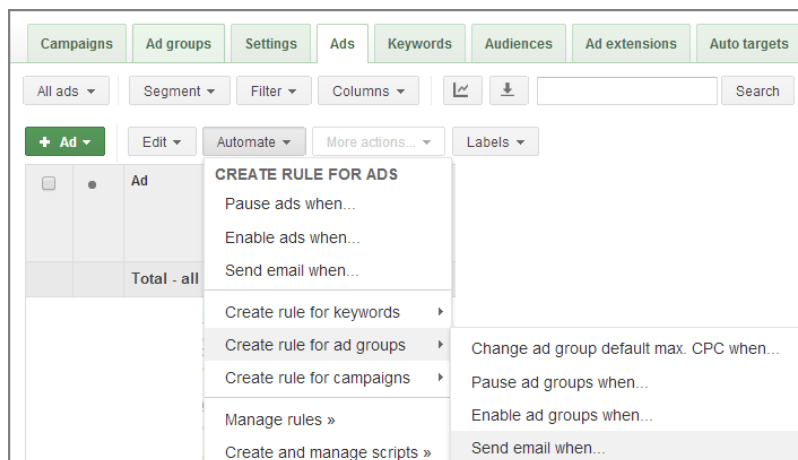


Figure 16.21 Creating an alert

The options you see will vary depending on the tab you choose. For instance, you can receive an alert if your impression share has dropped below 80 percent for any select number of campaigns (Figure 16.22). However, Impression Share is a campaign or ad group setting, so this alert is not available on the Ads tab.

 The screenshot shows the 'Create rule: Send email for campaigns' form. The 'Automatic action' is set to 'Send email for campaigns'. The 'Requirements' section shows 'Search Impr. share' with a dropdown arrow, a less-than sign, and a text input field containing '80'. The 'Frequency' section shows 'Weekly' with a dropdown arrow, 'Monday' with a dropdown arrow, '12 PM' with a dropdown arrow, and 'using data from' with a dropdown arrow set to 'Last week (Mon - Sun)'. The 'Rule name' field contains 'Send email for campaigns'. At the bottom, there are 'Preview results', 'Save', and 'Cancel' buttons.

Figure 16.22 Custom impression share alert

You can create alerts for many different scenarios; however, receiving a plethora of emails might not be useful. It is best to identify what matters most to you and then create an alert.

For instance, here are some common custom alerts:

- Conversions increased more than 20 percent. In this case you might want to increase your budget to capture these additional conversions.
- Conversion rate decreased more than 20 percent. In this case, you might want to pause your ads and investigate.
- Cost has increased or decreased more than a certain amount. There is more or less interest in your ads and keywords, and you might want to double-check your budgets.
- The number of impressions has increased or decreased more than a specific number. Similar to your budgets, what is causing the change in impressions?
- Average CPC has increased more than a certain amount. In this case, it is likely that either your Quality Scores have dropped or your competition has increased their bids.

If you are a brand manager, you can create an alert for when your brand terms suddenly spike or drop. To do this, put all of your brand terms either in the same campaign or a set of ad groups, and then create alerts for that campaign or ad group. Once you have created alerts, you can manage all them in the Automated Rules section, shown in Figure 16.23.

Automated rules				
Change status...		All but deleted / past rules		
<input type="checkbox"/>	↑ ●	Rule name	Created by	Frequency
<input type="checkbox"/>		Pause ads	[Avatar]	Daily at 9 AM Using data from Last seven days
<input type="checkbox"/>		Change ad group default max. CPC	[Avatar]	Daily at 7 AM Using data from Previous day
<input type="checkbox"/>		Change ad group default max. CPC	[Avatar]	Daily at 7 AM Using data from Previous day

Figure 16.23 Managing automated rules

If there are certain metrics that you regularly log into your account to check on, that is the perfect opportunity to use an alert and save yourself time.

Best Practices for Using AdWords Reports

Being able to extract actionable data from your account is essential to ongoing optimization. First determine the data you need, and then examine the available reports.

By following the practices in this chapter, you should be able to create reports that give you the data necessary to make optimization decisions for your AdWords account.

- When you find custom reports that help you make decisions, save those reports as templates so you can easily re-create the same report.
- Schedule your favorite reports to be automatically created and a notification email sent to you.
- Always segment the data so you are viewing only search data or display data. Never combine the two networks in your analysis.
- Always segment your data by device type so you can make decisions for desktops and tablets separately from mobile devices.
- When running short on time, run an ad group report to find ad groups that are not meeting your goals. Then examine the keywords in just that ad group to determine new bid prices or move keywords into new ad groups with new ad copy.
- The URL report will show you weaknesses in your landing page performance. Use this report to determine where you should be sending traffic and to check your account for broken links.
- When you want to expand your keyword list or add negative keywords, start by analyzing the Search Query report.
- If you have more data than you can analyze, try less segmentation of the data.
- If you need specific information that is not available, determine if there is another way to structure your account so you can retrieve that data. For example, if you want to see conversion rates by hour for a particular keyword, create an ad group with only that keyword. Now the hour-of-day conversion report will show you conversion rates by hour for that particular keyword since it is the only keyword in that ad group.
- If there are certain metrics that are very important to you, create an alert to be notified when those metrics have changed.

You should regularly extract and analyze AdWords data so that you understand how your account is performing and what optimization steps you need to take to increase your account's effectiveness.

However, with so many options available in AdWords, it can be difficult to prioritize how often you should run reports and make decisions. In the final chapter, I will discuss the best places to spend your time so that you can continuously increase the success of your AdWords account.

Step by Step: Creating and Monitoring Your AdWords Account

589

■ STEP BY STEP: CREATING AND MONITORING YOUR ADWORDS ACCOUNT

17

In the previous 16 chapters, we examined best practices, research, and optimization techniques. AdWords gives you a dizzying array of possibilities. In this chapter, I simplify the process of starting and managing AdWords by showing you how to create and optimize your account step by step.

Much of the information in this chapter is contained in other chapters. This chapter consolidates the information into a single place so that you can refer to it as you are optimizing your accounts.

Chapter Contents

Before you create your account

Creating campaigns

Optimizing ongoing campaigns

Best practices for creating and managing your AdWords account

Before You Create Your Account

It is easy with AdWords to start choosing keywords and writing ad copy, but if you do not start by thinking through all the necessary details, then the time you spend doing keyword research can be wasted. The first step is to lay out a plan based on your AdWords goals.

Follow this list of items you need to accomplish before working with your AdWords account:

List your marketing goals. The first step in creating a successful AdWords account is to determine your marketing goals. Goals are the reasons you are advertising. If you do not have goals, it is impossible to tell if you are reaching your goals or wasting money. For a full recap of setting goals, see the section “Setting Your Marketing Goals” in Chapter 13, “Devising Profitable Bid Strategies.”

Always be as specific as possible. To make more money or to get more leads is not a goal. To increase your ROI from 200 percent to 240 percent or to receive 17 new leads a day from Miami is an example of a well-thought-out goal.

Set a priority for each goal. Do not list them as high, medium, and low. Instead, list them in order of importance. By making the hard choices of putting them in order to begin with, you will find it easier to determine budgets and account organization.

Keep in mind your AdWords Campaign settings as you create these goals, since you may want to tailor your goals based on your potential exposure. For example, if you are selling insurance in Florida, you might have one goal for the state of Florida and another goal for Miami.

Determine your budgets. Set a budget for every goal you listed. AdWords budgets are kept at the campaign level. The minimum campaign budget is \$1 per day. Therefore, ensure that all of your goals can support a \$30 per month spend.

Refine your starting goals based on your budget. If you find that your budget is not high enough to support all your goals, you have two choices. One is to combine some goals. For instance, instead of having one goal for Florida and another for Miami, combine them into a single goal when you start. However, you should still plan to separate out these goals in the future. Periodically review and refine your initial goals.

The second option is to set a budget for each goal in descending order of importance. Once you have hit your maximum allowed spend, each goal without a budget will not be used (Figure 17.1). Review these goals in the future to see if you can allocate them some portion of the budget.

Determine account organization. Once you have a list of goals and budgets, it is time to determine how to organize the campaigns in your account. See “Structuring Campaigns to Achieve Business Goals” in Chapter 14, “Organizing Accounts Successfully,” for the in-depth details of account structure.

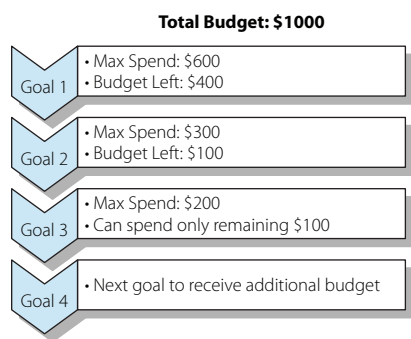


Figure 17.1 Allocating budget by goal importance

When determining your structure, let best practices, budget, and time allocation be your guide. For instance, if you want to have all geographic landing pages and ads for each city in the United States, best practices tell you to create a single campaign for each city. In the United States, there are approximately 300 metro areas. If you have a \$300,000 monthly budget and someone monitoring the account every day, that is a fine strategy. If you are going to have a \$3000 monthly budget and someone will monitor the account every few weeks, that is a terrible strategy because your budget will be spread very thin over all the campaigns and you will never be able to analyze all the data segments with that little time. In that case, you might create only a few campaigns and target your top cities or use one ad group per city within a single campaign and always use geographic-based keywords.

Also consider additional changes you want to make to the account in your setup. For instance, a brand-new account cannot use CPA bidding because it does not have conversion history. If you plan on using CPA bidding in the future, then you want to ensure each campaign will have enough conversions to enable the feature, so you may start with only a few campaigns in this instance.

Install conversion tracking. For every goal you want to track, set up conversion tracking. The conversion-tracking script is tied to the entire AdWords account—which means that when you change your account structure, add or remove ad groups, or make other changes, the conversion-tracking script will continue to work. See “AdWords Conversion-Tracking Code” in Chapter 13 for details on creating and installing conversion tracking.

By installing conversion tracking before creating the account’s details, you can determine whether the site can support conversion tracking or whether new pages need to be created. In addition, you will become more familiar with the content management system (CMS) of your website, which is necessary when choosing landing pages and keywords and deciding on testing methods. By establishing whether any issues exist before

creating the account, you will save yourself from having to change all the landing pages if a new CMS is installed or new pages are created.

Implementing conversion tracking might not always be done through AdWords. You can also do this through Google Analytics or other third-party systems; just make sure this step is completed.

Keep this in mind: If you are using alternate conversions such as phone calls, create a method for tracking these conversions.

Install an analytics system, such as Google Analytics. Choose and install an analytics system. Google Analytics is a free analytics solution; however, based on your data needs you may require a more sophisticated system. The advantage of Google Analytics is that it is intimately tied to AdWords with a minimum amount of work.

If you use Google Analytics, then make sure it is also attached to your AdWords account so you can see the data in both AdWords and Google Analytics.

Determine if there are other accounts you need. If you want to use social extensions, then you will need a Google+ account. If you want to use PLAs, then you need a Google Merchant account. Create the additional accounts as necessary and connect them to AdWords.

After you have determined your goals, established budgets, set up campaign structures, and implemented tracking, it is time to build the AdWords account.

Creating Campaigns

Once you have determined your account structure, it is time to create the campaigns. The three types of campaigns we have discussed are as follows:

- Search only: This campaign focuses only on the search network. There are subtypes of search campaigns, such as IP, GEO, Shopping, and others.
- Display targeted campaign (also called a discovery campaign).
- Managed placements campaign.

Name each campaign appropriately so that you can quickly see its purpose. Adding items such as geographic targeting, time-of-day targeting, search, display, or mobile to the name helps identify your campaign. Here are some sample campaign names:

- iPhone – California – Search Only – CPC
- Newsletter Subscriptions – Mobile – Search – CPA
- E-commerce Specials – USA – Display – Managed Placements – CPM

While I find it useful to name the campaigns very specifically, if you find that you have too many naming conventions, you can also use the Labels feature to add more detail for each campaign.

If You Are Using the AdWords Editor

If you are planning on using the AdWords Editor to upload most of your keywords and ad copy, it is quicker to create all of the campaigns, ad groups, and keywords in the AdWords Editor and then upload all the data at once.

If you want to use the interface to ensure that the Campaign settings are correct, create the new campaigns in the interface and adjust the settings, such as budget and geographic target. Next, download your account into the AdWords Editor. Then populate the ad groups, ad copy, and keywords into the editor using the bulk import functions. When you have finished, upload the new data into your AdWords account.

Creating Search Campaigns

Search campaigns are shown only when someone does a search. These campaigns do not show up on the Display Network. Follow these steps to create your search campaigns:

1. Determine your Campaign settings.

To create a search campaign, start by determining all of the campaign's settings. These include, but are not limited to, budget, location targeting, device modifiers, bidding options, ad rotation, and ad scheduling. In the Network settings, choose Google Search and Search Partners. These initial settings determine when, where, and how any ads within that campaign can be viewed (Figure 17.2).

2. Conduct initial keyword research.

The purpose of doing some initial keyword research is to determine all of your themes, or ad groups. You do not need to find all of your keywords yet. Determine the various ways that people are searching for your products or services. Make a list of all your themes.

Focus on differentiating themes based on the buying cycle and wide, informational, transactional, explicit, problem, symptom, product name, and branded keywords.

3. List your ad groups.

From your initial keyword research, make a list of all the ad groups you want to create within your new campaign. By starting with ad groups, you will find it easier to organize your keywords and ad copy. Your ad group name is used only for organizational purposes. Therefore, use an ad group name that lets you quickly identify the ad group's purpose.

Campaign settings

Campaign name

AdWords Book - Search

Edit

Type

Search Network only - All features

Edit

Networks

Search

Edit

Devices

All

Change mobile bid adjustment »

Locations

Targeted locations:

Chicago, Illinois, United States (city)

Minneapolis, Minnesota, United States (city)

Edit

View location info »

Location options (advanced)

Target

People searching for or viewing pages about my targeted location

Edit

Exclude

People in my excluded location

Edit

Languages

English

Edit

Shopping channels

Online

Edit

Bid strategy

Enhanced

Edit

Change ad group bids »

Budget

Holiday Campaigns \$20.00/day

Edit

Delivery method (advanced)

Figure 17.2 Available Campaign settings

4. Choose your landing pages.
- For each ad group, choose the most appropriate landing page on your website. If you have two good landing pages for an ad group, first ask yourself if your ad groups are granular enough. You may need more granular ad groups. If you still have multiple landing pages for an ad group, make note of them so you can start testing different landing pages immediately.
- If you are using a different landing page for each keyword, you should move this step into the keyword research phase.

5. Write one targeted ad per ad group.

For each ad group, write one highly targeted ad. When someone sees this ad, they should think that your specialty is selling the product or service that the keywords in this ad group provide. Ensure that the landing page you choose for the ad group shares the same intent as the ad copy. You may decide not to use this ad once your account goes live. The ad is for organizational purposes.

While the draft concept ad shown in Figure 17.3 is not a great search ad, it is an excellent organizational ad. It segments businesses from consumers, separates Peachtree software from all other accounting software types, and is only for businesses in Denver.

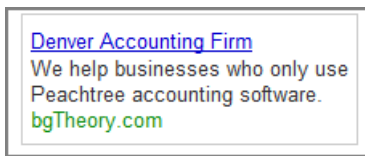


Figure 17.3 Highly targeted draft ad copy

6. Continue your keyword research.

Conduct keyword research for every single ad group. As you choose a keyword for an ad group, look at the ad and the landing page. If the ad and landing page accurately describe the keyword, it's in the correct ad group. If the ad or landing page does not describe the keyword, then put it in another ad group. You may find that you need to create additional ad groups.

Do not start with deep or long-tail keywords. Few accounts should start with these word types. Adding deep keywords is an optimization technique to use once you determine what words are leading to conversions.

7. Find negative keywords.

As you are conducting keyword research, take note of keywords that you do not want your ad to show for and add them as negative keywords. By starting with positive and negative keywords, you can refine your ad display. If you are unsure whether a keyword should be a negative, it can be useful to leave it out when you first start your account. Later on, you can use the Search Query report to see the metrics for these keywords and add them as negatives.

8. Determine match types.

As you do your keyword research, keep in mind the match types you will want to use. If you have a small budget, you will want to start with mostly exact and either some phrase or modified broad matches. If you have a larger budget, start with more modified broad matches. If you are trying to gather research and your

primary goal is not conversions, broad match can be useful. It is okay to have the same keyword with different match types inside the same search campaign.

9. Write ads.

For each ad group, write at least two ads. By starting with at least two ads, you are beginning the ad-testing phase immediately. Since a brand-new account does not have any metrics, there is no best or worst ad yet. If you have an established account, you should run an ad report to see what ads and taglines have been most effective so far and borrow those elements when writing your next ads. If you have multiple landing pages for your ad group, use the ad and landing page testing methodology found in “Testing Profit per Click and Profit per Impression” in Chapter 15, “Implementing Testing Techniques That Will Increase Profits.” If you want, you can delete the draft concept ad you created for organizational purposes.

If you are planning on using positive mobile device modifiers, meaning your target market is on phones, then it can be useful to also write two mobile-preferred ads at this stage so you are testing your ads by device type.

10. Create your ad extensions.

At a minimum, every campaign should use sitelinks. If you are a local business, then you should use the location extension and possibly the call extension. If you are focused on calls, then make sure you are using the call extension. There are several extensions available, and most campaigns should be using at least two to three extensions.

11. Set initial bids.

Setting initial bids is difficult since you have very few metrics to work from. The best way to set an initial bid is to estimate your conversion rate and profit per sale and then use one of the bidding methodologies found in Chapter 13 to determine your initial CPC. If there are certain keywords that you think will do well regardless of initial bids, you could use the first-page bid estimate to set bids. Be careful of using first-page bids in competitive areas. You can easily lose a lot of money by overbidding to page 1 if the landing page or keyword does not convert as expected.

While it is okay for a keyword to appear twice in a search campaign using different match types, it is *not* okay for those keywords to have the same bid. The exact match version should have a higher bid than the phrase match. If you use broad match, that should be the lowest bid among the match types.

By following these steps, you should have a well-organized beginning to a search campaign. You will need to refine your keywords, test ad copy, add negative keywords, and change bids over time to continuously optimize your campaigns.

Creating Display-Targeted Campaigns

Display-targeted campaigns are shown only across the Display Network. They can be triggered through keywords, topics, interests, age, gender, remarketing, placements, or a combination of options.

1. Determine your primary targeting method.

The first step is to choose your primary targeting method. If you are just starting out, then you may choose keywords or topics plus placements or even just placements. If you have a larger budget and are expanding your display advertising, then you may choose topics or interests. The easiest way to keep display campaigns organized is by using the same targeting method in each ad group.

2. Determine the Campaign settings.

As with search campaigns, determine all of the campaign's settings. These include budget, location targeting, device modifiers, bidding options, ad rotation, ad scheduling, and more. If you want to use the CPM bidding option, make sure that only Display Network is selected before you choose your bidding option; the CPM bidding option is not displayed if the campaign is also shown on search. Also, set a frequency cap for your ads. These initial settings determine when, where, and how many ads in that campaign can be viewed.

3. Create your ad groups.

The ad group creation can change based on the type of targeting you are using. If you are using keyword-based ad groups, then your overall organization will be similar to search. If you are using topics or interests, then create an ad group for each targeting method. If you are using remarketing lists, then create an ad group for each list or custom combination.

When creating your ad group, name it something appropriate that describes the targeting inside the ad group. In addition, if you are using video-only or image-only ads in an ad group, it is a good idea to end the ad group name with the ad type for organizational reasons. For instance, Verizon Cell Phone Plan – Keywords - Video Ads is a descriptive ad group name.

4. Create your ads.

There are more ad formats available with the Display Network than with search. First, determine what types of ads you want the ad group to have. An ad group can contain a mixture of image, video, and text ads because keyword display bids are set only at the ad group level. Therefore, it can help to have ad groups that show only one ad type, since you may start bidding differently based on the ad that will be shown.

If you find that you want both image and text ads for the same targeting method, you can duplicate the ad group and then have one ad group that is only image ads and another that contains only text ads.

When creating display ads, do not just think about your keywords; also consider the pages that your ad will be shown on and that site's audience. As with search, start with two or more ads for each ad group. When you create your ads, you will also choose your destination URLs, so once the ads are created, ensure that the targeting method, ad, and landing page all work seamlessly together.

5. Set initial bids.

Many times your display campaign will reach individuals not yet in the buying cycle. In these instances, your first conversion option may not be a sale but another action to introduce someone to the buying funnel, such as a newsletter subscription or whitepaper download. In this instance, evaluate what you are willing to pay for someone to enter your buying funnel and your current site conversion rate to determine your starting bid. If you are trying to convert display clicks into sales, use the same methodology as with search to determine your initial bids.

There are more than two million sites in the Display Network, so if in doubt about the initial bid, set a lower bid than you think is required. You can always raise your bid if you are not getting enough impressions, but you will never get your money back for clicks returned if you overbid.

Following these steps will get you started creating display-only campaigns. Over time, you will have to measure results to block sites or categories, change keywords or targeting methods within an ad group, and test new ads. One of the steps to optimizing display is to determine what sites are sending you good traffic and move those sites into a managed placements campaign.

Creating Managed Placements Campaigns

With managed placements campaigns, you can use multiple targeting methods to refine your placement on an individual site; however, these additional methods are optional. You must choose each site where you want your ad to appear. If you have a small budget or you are new to display advertising, start with a managed placements campaign before creating display campaigns that use other targeting methods. You can follow these steps to create your managed placements campaigns:

1. Determine the Campaign settings.

Again, the first step is to choose your initial settings such as budget and geography. In the Network Settings section, there are two options, search or display. Choose Display Network for your network reach.

2. Organize your ad groups.

There are three reasons to create ad groups for placement campaigns. The first is if you are using flexible targeting with a combination of targeting options. In this case, if a new placement needs to be refined with a set of keywords or topics, you will add placements to only that ad group when you want those keywords or topics to also control the ad's display.

For example, if you were Verizon attempting to market a new Android phone, you might have both ads in Figure 17.4 in your AdWords account. One of the ads compares the iPhone to the Droid. In this case, you would want iPhone-related keywords in the ad group so the ad shows up on pages that talk about the iPhone. The second ad talks mostly about Droid benefits; therefore, you would want a second ad group with more general keywords, such as *mobile phone* and *cell phone*, to maximize the exposure of this ad on those placements. Both of these ad groups can have the same placements in them; it will be the keywords in the article that determine which ad is actually displayed.



Figure 17.4 Display Network ads with different purposes

The second reason to create new ad groups is if you want different ads to be shown on different placements. In this case, if an existing ad group contains an ad you want to be shown on that placement, add the placement to that ad group. If there is no ad group with an ad you want to be shown, add the placement to a new ad group with the appropriate ad copy.

The third reason is if you are using different types of ads and want to set different bids for a placement based on the ad shown. This generally applies only if you are using both text ads and rich media ads, such as video or image, to target the same site. Because you cannot set different bids for different ads, if you want to bid more for image or video ads than for text ads, you will have one ad group that contains text ads with a bid and another ad group that has the same placements but uses rich media ads with a different bid.

3. Find placements via the Placement Performance report.

If you are using the campaign organization discussed in the section “Organizing Your Display Campaigns” in Chapter 10, “Utilizing Advanced Display Network Techniques,” you will use the Placement Performance report to find sites doing well for you and add them to your managed placements campaign. If you do not

have any data within your automatic placement campaign, skip this step since you will not yet have any placement data to work from.

4. Find new placements for your ads.

If you want to find highly relevant sites on which to place your ads, you need to do research to find them. The best tool to use is the Display Planner tool, discussed in Chapter 9, “Understanding the Display Network.” Using this tool, along with the Placement Performance report, is the easiest way to find sites where you want your ad to be shown.

5. Create ads.

If you are using the Placement Performance report to find placements where you always want your ad to be shown, copy the existing ad that should be displayed on the corresponding website when you add the placement.

If you are finding new placements, you can either write new ads or use the ad report to find which ads have been successful in your display campaigns. With managed placements campaigns, it is still useful to create multiple ads and test which one performs best.

6. Set initial bids.

If you are using the Placement Performance report to find placements for your managed placements campaign, you already know the corresponding metrics by placement, such as cost per acquisition, and can use the formulas from Chapter 13 to set your initial bids.

If you are adding new placements and have an automatic placements keyword-based Display Network campaign, choose starting bids based on the data from similar types of placements.

If you do not have access to either set of data, you will have to choose a starting bid with little information. The steps will be the same as with the display campaign initial bid information discussed earlier. It is easy to raise and lower bids. You should start with a low bid, and if you are not receiving much exposure on a site, raise the bid to see how that affects your exposure.

Other Campaign Types

Search, display targeted, and managed placements campaigns are where you will spend the bulk of your time with new accounts. However, there are other campaign types you can create.

One of the most useful is a retargeting campaign. You create retargeting campaigns much like the managed placements campaigns. However, instead of finding sites to advertise on, you will be breaking down your own site into various sections to create lists. Your Campaign settings and bid options will be managed just like in a managed placements campaign.

Many advertisers, especially small businesses, find more success with remarketing campaigns than with display campaigns. It is okay to use remarketing as your first, and only, display campaign.

When considering whether you should create a new campaign, consider the reasons listed in Chapter 14's "Reasons to Create New Campaigns" section.

It can be useful for many businesses to run IP and GEO campaigns, as mentioned in Chapter 11, "Utilizing Advanced Geographic Targeting Techniques." These campaigns are subsets of search campaigns. There are many different campaign types that can be created.

In general, the practices of creating these various campaigns are very similar. If you understand the overall workflow from creating these three main types of campaigns, you can easily create any campaign type based on your own business needs.

After you have created your initial campaigns, you need to let the campaigns accumulate statistics. When the campaigns have data, it is time to optimize each campaign.

Optimizing Ongoing Campaigns

You will need to regularly run reports to determine how your campaigns are performing and then make decisions based on that data. In this section, we will examine optimization steps for each campaign type. In the next section, I will show you how often to run reports to create a comprehensive reporting schedule.

Optimizing Search Campaigns

The first step in optimizing search campaigns is to determine whether you are going to bid at the keyword or ad group level. The most granular bid type, at the keyword level, gives you more control. However, it also takes more time to set keyword-level bids. You may use a combination of both. For keywords that receive a significant amount of traffic, set keyword bids. For a set of keywords that receive little traffic, use ad group bids.

Making Bid Changes

Based on whether you are using ad group-level or keyword-level bids, you will want to run the corresponding report. Use conditional formatting, found in "Revenue per Click" in Chapter 13, to make a visual reference chart of your data (Figure 17.5). This will give you a high-level look at how profitable or unprofitable the various keywords and ad groups are. Next, use the formulas from Chapter 13 to adjust your bids.

If you are making many bid changes, using the AdWords Editor's Import function can save you a significant amount of time.

The frequency of bid changes will be constrained by your technology and resources. If you are using automated bid systems, you may change bids several times daily. If you are using manual systems and you have other responsibilities besides AdWords, you may want to change bids only weekly.

Placement / Keyword	Est. First Page Bid	Current Max CPC	Clicks	Avg CPC	Cost	Conversions	Value / Click
Placement1		\$0.35	8716	\$0.32	\$2,826.35	195	\$1.96
Keyword1	\$0.05	\$0.50	8270	\$0.65	\$5,382.30	194	\$1.37
Placement2		\$0.35	6955	\$0.31	\$2,152.21	131	\$0.51
Keyword2	\$0.05	\$0.50	3852	\$0.95	\$3,645.98	111	\$0.49
Keyword3	\$0.30	\$0.35	3522	\$0.27	\$957.59	75	\$0.31
Keyword4	\$0.05	\$0.50	1658	\$0.53	\$874.55	49	\$0.29

Figure 17.5 Using conditional formatting to visualize the data

If you find keywords that are not profitable, first examine the ad and landing pages to make sure they are appropriate. Make any necessary adjustments. The second step is to examine the match type. If the unprofitable keywords are in broad or phrase match, you may want to look at the metrics in the Search Query report and change the match type to be more restrictive, such as exact match, to see how the keyword performs. If a keyword is not performing regardless of ad, landing page, and match type, delete the keyword.

The logic just described assumes that you have an unlimited budget if your keywords are profitable. However, that is rarely the case. If you are reaching your budget early in the day and cannot raise it, then delete the keywords that are not receiving conversions or that have the highest cost per conversion. The other option is to lower your bids for all keywords. It is not uncommon to see an account that has a \$100 daily budget and is spending \$10 per click. This leads to only 10 clicks per day, and the budget is often depleted by noon. In this case, lowering your bids so that your average CPC drops to \$5 might bring in 20 clicks at the same budget, or better yet, a \$1 CPC for 100 clicks.

Conducting Additional Keyword Research

You will never find every keyword possible; there are just too many different ways that people search. However, you can continuously search for new words. There are three ways to keep conducting keyword research.

The first is by using the Search Query report. This report will show you what someone actually searched for that triggered your ad. If you are using AdWords conversion tracking, you will also see the conversion rate and cost per conversion by each search query variation. Run the Search Query report and look for search queries that are costing you money but do not exist as keywords in your account. If they look like they would be good keywords, then add them as positive keywords so you can set a bid on them explicitly. If the search query or keyword is not leading to conversions, there are two steps to take. The first is to examine the associated ad and landing page. If

the ad or landing page is not appropriate for that keyword, you may want to add that keyword to a different ad group that has a more appropriate landing page and ad to see if that keyword will be profitable under a different combination. If the ad and landing page are appropriate and the keyword is just not profitable, then delete the keyword and consider making it a negative keyword so your ad is no longer shown for that search.

The exception to deleting the keyword from your search campaigns is if you are also using a Maximize Clicks campaign to increase your exposure on early buy cycle keywords, as discussed in the section “Understanding Attribution Management” in Chapter 13. In the case of words that are not profitable but are leading to interaction on your website, delete these keywords from your current search campaign and place any appropriate ones into a Budget Optimizer campaign.

The second way to continuously conduct keyword research is to use the Keyword Planner’s site-spidering capability discussed in the section “Your Landing Page: Jumpstarting Your Keyword List” in Chapter 3, “Keyword Tools: Extracting Valuable Data from Google.” If you are ever on a web page that discusses your products, use the site-spidering function to see if there are new keywords you do not have in your account yet.

The third method is to set aside time to conduct keyword research. Use the tools found in Chapter 3 and spend some time looking for new keywords.

Additional Optimization Techniques

Changing bids is the most common optimization. It is easy to become so focused on bidding that other types of optimization techniques are forgotten. Other types of account analysis should be performed on a regular basis, such as the following:

Improve your Quality Score. Quality Score is displayed at the keyword level. However, running a keyword report and examining all the data can be time consuming. To use your time well, run a keyword report and then put the data in a pivot table, as discussed in “Increasing Quality Scores” in Chapter 7, “Demystifying Quality Score.” Look for ad groups with low Quality Scores and high spends. Then work on the Quality Score for that ad group. Increasing the Quality Score in high spend, low Quality Score ad groups will lead to the largest gains for your account.

Test your ads. If you create at least two ads when you initially build a campaign, you can start by measuring the results and refining your ad copy. To understand how your ads are resonating with your audience, run an Ad Performance report. Take the ad that performs the best and keep it. Examine the other ads to see if there are any outliers in the data where you can learn from other ads, and then delete the underperforming ads. Create new ads for the ad group and continue testing. If you have well-established ad groups, you may want the test ad to run only a small percentage of the time. Refer to “AdWords Campaign Experiments” in Chapter 15 to run limited tests.

If your campaigns are running on mobile devices as well as desktops, then also segment any tests you perform to see the difference by device and make sure your best mobile ads are mobile preferred.

Test your landing pages. You should continue testing landing page layouts and where you are sending traffic to increase conversion rates. Send traffic to different landing pages, and then run the Destination URL report to see which landing pages are leading to the most profits. Keep the winning test, create new test variables, and continue testing. Small changes in conversion rates can lead to large changes in profits.

Adjust your budget based on changes. The easiest way to determine what you could have spent is by using the Impression Share report. This report will tell you why your account did not accrue impressions. Combine this report with Google Trends, and you can manipulate your budgets so you are spending the most money in your most profitable campaigns and less money in your least profitable campaigns.

Analyze trends for ad scheduling. Analyze your data to determine if there are clear trends in your conversion rates or profit based on times of day or days of the week. If trends start to emerge, you can use ad scheduling (see “Ad Scheduling: Automatically Changing Bids by Time Periods” in Chapter 13) to adjust your bids, or turn your campaigns on and off based on performance metrics.

Before deciding there is a trend, ensure that you have enough data to see a clear pattern. First, run an Ad Group Performance report by hour of day. Next, run an Ad Group Performance report by day of the week. Examine these two reports to see if there are clear trends. If there are, use ad scheduling to adjust your bids.

Determine geographic performance. The Geographic report allows you to see your performance in different geographic regions. Use this report to find underperforming areas. If there are geographies where your conversion rates are lower than normal, you will want to either exclude the area, use location bid modifiers, or create a campaign specific to that area. If you have areas where the conversion rates are higher than normal, you may want to create dedicated campaigns for that area to maximize your spend or increase your bids in those areas with bid modifiers.

If your advertising reach is too wide—for instance, you are trying to advertise in every country with a \$100 daily budget—use Google Trends to find areas where users are searching for your keywords, and limit your geography until you have the budget to start adding new areas.

Although these techniques will get you started optimizing search campaigns, you should always be creative when trying to reach your target market. Whether it is running different ads by time of day for different geographies or using a single high-value keyword in an ad group so you can test different ads with that keyword, there are many options available within AdWords if you know all the settings. These steps to

optimization should get you started, but they are not an ending point. You are limited only by a combination of your creativity and knowledge of AdWords.

Managing Maximize Clicks Campaigns

When you use the bidding option called “Focus on clicks, AdWords will set my bids to help maximize clicks within my target budget,” AdWords takes over your bidding and tries to maximize the clicks you are receiving for your keywords.

You can use the maximize clicks option (Figure 17.6) in a search-only or display-only campaign. Therefore, your initial campaign setup is the same as when you are creating search or display campaigns.

The screenshot shows the 'Bid strategy' selection screen in Google Ads. The 'Focus on clicks' option is selected, which includes a 'CPC bid limit' of \$10 and the 'Enable Enhanced CPC' checkbox. The 'Focus on conversions' option is marked as unavailable due to insufficient conversion data.

Figure 17.6 Choosing Focus On Clicks to enable the maximize clicks option

When using the maximize clicks option for search, ensure that each keyword or display targeting method is leading to page views, time on site, and low bounce rates. If a word in a maximize clicks campaign is not helping you reach your goals, that word should be deleted.

What Is a Low Bounce Rate?

A bounce within Google Analytics occurs when a visitor views only one page of your site. Typically when you see high bounce rates, the visitor is on your site for a short amount of time. This usually occurs because they did not find the content of the site useful. Your site's layout does affect bounce rates. If someone visits a single page of your site and calls you from that page, they could spend 20 minutes on the phone, place an order over the phone, and then leave your site. In this scenario, the visitor is still considered a bounce even though they are also a new customer.

The specificity of the search query, commercial nature of the term, and design of the landing page all contribute to typical bounce rates. For very broad terms such as *TV* that can have multiple meanings, a bounce rate under 60–70 percent is good. For a very specific term, such as a product name, your goal is to have bounce rates under 20–30 percent.

The best way to measure maximize clicks campaigns is through your analytics system, such as Google Analytics or another analytics program. Viewing time on site, bounce rates, and interaction information is crucial to ensuring that these awareness clicks are leading to actual awareness and interaction on your site. If a keyword or ad group starts to lead to conversions, you can move it back to your Conversion Optimizer or max CPC bidding campaigns to regain control over the keyword's visibility.

If the maximize clicks campaign is your only exposure campaign across all marketing channels, examining the changes to brand searches and direct type-in traffic can also give you an idea of any additional lift that this campaign is creating.

Optimizing Display Campaigns

The most exposure you can receive with AdWords is to run display campaigns because the reach of the Display Network far exceeds that of search. However, with display campaigns you must take certain steps, listed next, to ensure that your ads are being placed correctly, and then you need to make sure your ads are being shown on those sites.

1. Ensure your ads are being displayed appropriately.

Once you have chosen a targeting method for each ad group, your first optimization step is to make sure those ads are being shown on the correct sites. Run a Placement Performance report that shows the individual URLs where your ads are being displayed.

Click the URLs in the report to see if the pages where your ads are being displayed are the types of pages where you want your ads. If they are not, then change the targeting, such as the keywords in your ad group, and repeat this step.

If the pages where your ads are being displayed are not correct, it is time to move on to the next step: blocking websites.

2. Block websites and types of content.

Examine the Placement Performance report. When you see sites that are not meeting your goals, use the Site And Category Exclusion tool or the Interface Blocking options to block your ads from being shown on those sites.

3. Change display bids.

With the Display Network, you can set a default bid at the ad group level. In addition, you can set one more custom bid for a targeting type for each ad group. This custom bid will override the default bid. If you want to get even more granular with bidding, each targeting option can also have a modifier associated to it.

If you are using the Display Network to generate sales, set a bid based on your marketing goals. Take the Display Network data for your main targeting type, and apply the same math from Chapter 13 to set your bids. If your Display Network campaign is set up as a discovery mechanism, to find good placements that generate sales you will still want to set a bid based on some performance metrics, but one of your goals will also be impressions and clicks for each ad group. If a targeting methods bid is so low that it is not bringing in any impressions, you will never find new placements. Conversely, if your ad group is receiving so many clicks that you are quickly hitting your budget every day, you need to lower your bids to receive more clicks at the same total budget.

4. Use managed placements.

When you see a site that is meeting your goals, and you always want your ad to show on that site, you have two options.

You can add that site as a placement within that ad group. If you add a site as a placement, you can set a bid for that placement only if that is the custom bid being used in that ad group. If the custom bid is being set by keyword, then you will not want to add a placement to that ad group because you will not be able to manipulate the placements bid outside of bid modifiers. You can do it this way, but when you use several modifiers the math can get very complex, and it is often simpler to add the placement to a different ad group, either in that same campaign or within a managed placements campaign.

The second option is to use a managed placements campaign. The advantage of using a managed placements campaign is that you can set a higher daily budget for the websites that are meeting your goals. In this case, you should block the website from the automatic placement discovery campaign and add it to a managed placements campaign. The discovery campaign will be able to find new websites that meet your goals, and the managed placements campaign will be able to manage sites that are currently meeting your goals.

There will be times when you want to create a placement for a website, yet you cannot seem to add that site as a placement. A publisher can control whether their website can be targeted specifically for placements. If the publisher does not allow this, the only way for your ad to be shown on that site is through using automatic placements targeted by your keywords.

5. Test your ads.

The Display Network reaches a large audience and is a good place to test ads to see which is performing best for you. Since the Display Network supports text, video, and image ads, you can conduct tests across different ad formats. Testing rich media ads in this manner is also useful before doing large CPM buys with websites directly.

When testing ads on the Display Network, run the Ad Performance report. With this report, you can segment out each ad type individually so that you see only text, video, or image ads.

The Display Network has many options available. You can choose to display your ads based on keywords, placements, topics, interests, remarketing, and targeting combinations and then segment each ad group with different ad formats. Always keep in mind that the Display Network obeys your other campaign settings, such as ad scheduling or location targeting.

These steps will help you refine and optimize your display campaigns. However, keep your business goals in mind because you may want to use the display in unique ways that will cause you to use different optimization techniques.

Optimizing Managed Placements Campaigns

Managed placements campaigns allow you to choose specific placements, either websites or sections of a website, where your ad will show. Because you are choosing a specific placement, any additional targeting methods are optional. If you have problems with your placement campaigns, examine these scenarios to see if one of them pertains to your issue to take the appropriate action:

Placements moved from discovery campaigns do not perform. If you run a Managed Placements report and learn that the placements you found in your discovery campaign are no longer meeting your goals, do not immediately assume that the placement is no longer valid. First, examine these possibilities to see if you can regain the previous targeting.

- Is a different ad running on the new managed placement than what was used in your discovery campaign? If yes, add the ad from the discovery display campaign. You may want to create a new ad group for just this placement and the new ad.
- Did you add the placement but not other targeting methods, such as topics or keywords?
 - While the site might be the same, your ad could be shown on different pages of a placement if you did not move the other targeting methods. Add the targeting method from the discovery display ad group that found success on this placement.
 - For narrowly themed sites, you might not always need to move these other targeting methods since the entire placement may be relevant to your offer, and any other refinements, keywords, gender, and age may actually prevent your ad from being shown to a targeted audience.
- Use the Display Planner to see if you can target a smaller section of the site. If you found success on the *New York Times* and added the entire site as a placement, your ad could easily be shown on a completely different section of such

a large site. Your ad will convert differently when placed in the leisure section versus the business section. In this case, see if you can target a smaller section of the website.

Placements added directly do not perform. If you use the Display Planner to find websites, before assuming the websites do not convert, go through two steps. The first step is to test different ads. You might even test a couple of image ads as well as text ads to see how the different ad formats perform. The second step is to add additional targeting options to the ad groups, such as keywords or topics. Adding these other target methods is more appropriate for placements on large sites, but doing so can help refine your exposure on smaller sites as well.

Your ad is not being shown on the placement. If your ad is not being displayed on a placement, there are two common reasons. The first is that your bid is too low. Raise your bid to see if your ad starts to be displayed. The second reason is publisher control. All website owners can filter certain ads from being shown on their sites. Just as advertisers have a category- and site-exclusion tool, the website owner has a similar tool. However, advertisers are not notified if a publisher has rejected the advertiser's ad or is not allowing the advertiser's site to advertise on the publisher's site directly.

When you combine placements, ad formats, flexible targeting, ad scheduling, and geographic targeting, you have a lot of options for controlling exactly where and when your ads are displayed. Creating scenarios, as discussed in the section "Creating Scenarios to Understand and Reach Your Target Audience" in Chapter 10, can help you put the correct message in front of your ideal audience at the proper time.

Optimizing CPM Campaigns

CPM bidding, also known as *Focus On Impressions*, is a bid type where you pay for an impression, not for a click. This bidding option is available only for campaigns targeting only the Display Network.

To create a CPM campaign, follow the earlier steps for creating a placement campaign or a display campaign. Start with only managed placements so you can choose each placement and become comfortable with the metrics. Bidding CPM for an automatic placement display campaign is possible, but you may waste a lot of money having your ads shown on inappropriate sites. CPM keyword bidding is not recommended for a beginner or anyone with a small budget.

With CPM campaigns, you are paying for the impression. The goal is often higher brand awareness or to introduce a new product. Since you are paying for an impression, not a click, you want every impression to count. Therefore, use only image or video ads when bidding CPM. Follow these steps to optimize your CPM campaigns:

1. Run the Reach and Frequency Performance report.

The Reach and Frequency Performance report will show you how many people saw your ad and how often they saw it over a certain time period. If your ad is being seen too often by the same people, change your frequency capping in the Campaign settings.

2. Run the Free Clicks report.

If you are using video ads, your optimization goals should include how often a video is watched and how much of the video is being watched. In the Dimensions tab is a report called Free Clicks. The report will show you in 25 percent increments how much of your video is being watched. AdWords video ads do not autoplay, so the opening image is crucial to convince someone to watch your video. Testing the opening image to find which one leads to a higher play rate can drastically increase the success of a CPM campaign. It can be useful to test these images in a CPC campaign while you determine which image is best before moving to a CPM campaign.

3. Enable Viewable CPM or block below-the-fold inventory.

If you are not happy with your overall views or traffic from your CPM campaign, there are two settings you can adjust.

The first is enabling Viewable CPM. Viewable CPM is an option you can use with CPM bidding in which Google optimizes your CPM bids in order to get your ads shown in ad slots that are more likely to be seen.

The other option is to use the Category And Exclusion tool to block below-the-fold inventory. Since fewer consumers see ads that are below the fold, by blocking this inventory, more of your ads will be seen. Please note that it is okay to buy below-the-fold CPM; however, it is useful to set lower CPM bids in those ad slots since fewer people will see them.

4. Measure success for CPM campaigns.

While you can get into complex measurements such as aided brand lift to measure your CPM campaigns, I will focus on some of the simpler ones. The most common goals for online performance advertisers for CPM campaigns are to increase awareness and increase interaction with the website:

- Examine how many clicks you are receiving from the CPM ads.
- Examine the time on site and page views for those clicks.
- If using video, examine play rates and length of video viewed.
- While ads are running
 - Examine changes in direct traffic.
 - Look for an increase in paid search traffic from branded search keywords. Look for increases for traffic on your homepage, especially the entrance page data in Google Analytics.

- Analyze changes in CTR and conversion rates for your search ads.
- Examine total conversions and sales.

You can create charts from the CPM data to easily view the performance differences when CPM is running. The charts do not have to be complex; you can build a simple spreadsheet (Figure 17.7) that allows you to compare two time frames against each other.

	March Search Only	April Search & Display
Branded Searches	1211	1545
Conversion Rate	2.12%	2.45%
AdWords CTR	1.70%	1.70%
Total Site Visitors	212,083	302,423
Site Visitors from Display	0	12,089
Total Conversions	3605	5141
Total Sale \$\$	\$90,135.28	\$128,529.78
Cost of Display	0	\$11,000
Cost of AdWords	\$22,565	\$21,872
Total Profit	\$67,570.28	\$95,657.78

Figure 17.7 A simple comparison of two time frames

With CPM ad buying, you often need to measure more than just the ad's metrics to determine success. It is not uncommon for a company to buy CPM ads and have the ads appear to be a failure. However, perhaps you notice that while those ads were running, the conversion rates of the search ads increased by 8 percent. In this case, the CPM ads may be the catalyst for the higher performance on your search ads. If so, you may want to examine the cost of the CPM ads versus the increase in revenue from the conversion rate lift to see if the ads are profitable, based on the influence they had on your search campaigns.

Unless you have a sophisticated marketing department that understands how to measure success and failure of branding campaigns, you should judge the effectiveness of your CPM ads with metrics you can track.

Optimizing Other Campaign Types

Just as with building other campaign types, such as remarketing, topics, interests, and others, the steps you will use to optimize the campaigns are similar to the ones just covered.

You will manage remarketing campaigns similarly to placement campaigns. Examine your goals and the cost per action for your lists, and use a bidding type that fits your goals to set these bids.

The most important things to remember are planning out the campaign's goals, having a way to measure those goals, and then setting bids based on those goals.

Creating an Optimization Schedule

There are many ways to optimize campaigns based on your goals. With so many options available—from finding new exposure by expanding your placements to taking care of the money by setting bids—you need to create a structured process that will help you continuously optimize and grow your account without feeling overwhelmed by the options.

I will walk you through what a medium-size account in a semi-competitive industry that is being run by an in-house person would do throughout the month to optimize their account.

If you manage a small business, or AdWords is not your full-time job, you may want to look at some of these reports less frequently. If you manage a large account, you might want to break down these reports further so that you are looking at only a subset of data instead of the entire account. For instance, instead of examining the entire account daily, you may look at five campaigns on Monday and a different set of five on Tuesday. If you advertise in a competitive arena, you may want to look at some of these reports more often. However, the first step is to put together a time frame and what you want to see in each time frame.

Status Check: Every Day Run a Campaign report that includes every campaign in your account. Look for changes in spend, profit, conversion rate, cost per conversion, and total conversions. What you are looking for are significant changes from the norm. If you find changes, investigate the reason for them. This is your daily AdWords check-in. You can also view this information in the AdWords Editor or the AdWords interface.

This will let you quickly see, for example, that your conversions dropped significantly and that it's because you had several ads disapproved. Or your display spend went up dramatically because your products were mentioned on CNN and people started looking for the products (in which case you might want to raise your budget).

You can automate this check-in with alerts discussed in Chapter 16, “AdWords Reports: Extracting Actionable Information.” However, there are messages that are displayed only in the interface, so logging into the interface on a regular basis is a good idea to see these alerts.

Keyword Bids: Every Day or Week Decide how often you want to change bids: daily, twice weekly, or weekly. If you want to set bids weekly, choose a day of the week, such as every Monday, to make these changes.

Run a keyword report that includes only search data. Use the formulas discussed in Chapter 13 to set your bids, add or remove keywords, or move them to a Budget Optimizer campaign.

Display Bids: Every Day or Week As with keywords, choose how often you want to change your display targeting bids. It is generally okay to change placement bids weekly and not to fret about them every single day unless it is a site that is spending a significant

portion of your budget. Run a report based on your targeting method and then change the bids for your existing targets based on the formulas in Chapter 13. If you are changing your keyword bids each Monday, run these reports every Monday as well so you know that Mondays are bid-change days.

How Often Should You Change Bids?

You will most likely not change every keyword, ad group, or display target bid every week. There will be some that need to be adjusted with new bids, and others will be fine with the current bid. Do not feel you constantly need to change bids if your account is doing well.

Most advertisers find that they need to change bids often in new campaigns to find the nice middle ground between exposure and conversions, and once it is found, the bid changes become more incremental in nature.

Quality Score Tuesdays Every Tuesday, work on Quality Score by using keyword reports and pivot tables. Quality Score is not updated regularly in AdWords, so keep track of the ad groups you have optimized for Quality Score. Leave those ad groups alone from a Quality Score standpoint for at least a week; often, two weeks allows time for AdWords to catch up to all your changes before you need to optimize the same ad groups again. If you are making landing-page changes, it may take several weeks for those Quality Score changes to be reflected in your AdWords account.

New Keyword Wednesdays Every Wednesday, start by running a Search Query report. If keywords are not meeting your goals, either make them negatives or put them in a new ad group with new ad copy.

If search queries are meeting your goals and are not in your account, add them as keywords. This is also the time to examine your match types. Technically the same keyword in broad and exact match is two different keywords. A unique keyword is both a keyword and match type combination.

Use the Keyword Planner to do new keyword research. Another option is to bookmark pages throughout the week that discuss your products and services. On keyword Wednesday, use the site-spidering function of the Keyword Planner to spider those sites for new keywords.

If you have a small account, you may want to do keyword research every other week or monthly. However, set aside a specific time each month to conduct keyword research and look for negative keywords.

Display Network Thursdays Every Thursday, run a Placement Performance report. If placements are not meeting your goals, block them in your Campaign settings. If placements are meeting your goals, add them to a placement-only campaign.

Use the Display Planner to find new placements. If you are doing a minimal amount of placements, you may want to run these reports every other Thursday or once per month.

Testing Fridays You should always be testing. If you set up your ad groups with at least two ads, you always have testing data to analyze. There are two types of tests you should be running: ads and landing pages.

The first and third week of the month, run an ad report. Examine your ads to see if you have enough data to draw a conclusion about which ad is best for each ad group. For those ads, keep the best ad, examine the losers for any outliers, delete the losing ads, and then write a new ad so you are always testing.

If you are advertising on mobile devices, repeat the same exercise for your mobile-preferred ads.

If you have a large account and you are testing for both the Display Network and the search network, you might just look at search ads on the first Friday and your display ads on the third Friday.

AdWords Management Calendar

I am such a fan of a calendar for managing AdWords that I have created one that you can subscribe to at CertifiedKnowledge.org. All you need is a free membership to access it. Each of the optimization tasks listed in this chapter is there with instructions. Just change the calendar to fit your needs. Some companies will need to set bids more often. Others will need to spend more time on display. Add or remove items as you need them. Having a basic calendar to start with should save you a lot of time.

CertifiedKnowledge.org - AdWords Reports Calendar for Small/Medium Accounts						
Today January						
Sun	Mon	Tue	Wed	Thu	Fri	
Jan 1 Note: Open for Det Note: Open for Det Note: Open for Det	2 Set Search Bids for	3 Analyze Your Geog Check for Broken L Display Network Di	4 Ad Copy Testing - 3 Set Search Bids for	5 (optional) Set Sear Improve Quality Sc	6 Conduct Keyword R Organize using the	
8	9 Set Search Bids for	10 Examine Past Month Set Display Bids for	11 Landing Page Testin	12 (optional) Set Sear Improving Search	13 (optional) Organize	
15	16 Set Search Bids for	17 Display Network Di	18 Ad Copy Testing - 1	19 (optional) Improve (optional) Set Sear Improving Display	20 Conduct Keyword R Organize using the	
22	23 Set Search Bids for	24 Determine Next Mo Set Display Bids for	25 Landing Page Testin	26 (optional) Set Sear	27 (optional) Organize	
29	30 Set Search Bids for	31 Display Network Di	Feb 1 Ad Copy Testing - 3 Set Search Bids for	2 (optional) Set Sear Improve Quality Sc	3 Conduct Keyword R Organize using the	

The second and fourth week of the month, run a Destination URL report to determine which landing pages are performing best for your goals. If you have conclusive data, then keep the best landing page and remove the other ones from your tests. If you do a limited amount of landing page testing, you might want to just look at a URL Performance report the second week of the month and then design new landing pages the fourth week of the month.

Trend Reporting: Monthly Each month, run a Geographic Performance report. Look for areas where you are not receiving good returns; then, either write custom ads for those regions in a new campaign, set location bid modifiers, or exclude those regions from your campaigns.

Each month, examine your ad-scheduling data by looking at conversion data by hour and day in both AdWords reports and your analytics systems. If there are changes to your conversion rates or cost per conversions, modify your ad-scheduling settings.

Run an Impression Share report to see where and why you are losing impressions. This report will give you a snapshot of your visibility for the previous month as well as ideas on how to increase your visibility.

Use Google Trends to see changes in your keyword trends so you can take advantage of seasonal behavior.

Creating a reporting schedule like this one for your account will help you keep track of what needs to be done each day or week, and it will ensure that you are continuously optimizing the basics.

There are more metrics available in AdWords and analytics than I covered in this typical reporting schedule. For instance, the suggested schedule did not regularly examine conversion rates by position. Most companies' conversion rates do not vary by position, so you don't have to constantly monitor those metrics when you have more important items to change. You may want to examine some of these additional metrics on a quarterly basis.

If there are reports in this suggested schedule that are not applicable to you, just skip over them. If there are other metrics you do need to see on a regular basis, you can add them to your reporting schedule.

The best way to keep up with these reports is to put them in your calendar as recurring items. Then go into AdWords and set up the Scheduling feature so these reports are run automatically.

It is also helpful to use a dedicated calendar for your AdWords account so you can keep track of notes, changes, and other reminders. For instance, if you are doing limited testing and do not want to look at test data every single week, instead of setting up recurring reports, add a note in your calendar that you started a test on a certain

day. Then set a reminder to examine that data in one month so you do not forget to analyze the test results.

If multiple people work on your account or need access to the data, you can also use a project management system to manage the accounts. This is very useful for agencies where multiple people might be working on accounts, or the same person is managing multiple accounts, to keep track of what has been done, notes, and additional to-do items.

The more you customize your targeting, the more complex AdWords becomes to set up, monitor, and analyze. However, the system is flexible so that if you understand all the settings and your company's goals, you can target users with unique and creative methods that will ultimately make your business more successful.

Best Practices for Creating and Managing Your AdWords Account

When creating and managing your AdWords account, first refer to the steps in this chapter. While each step seems simple, there are a large number of options for each step. When any one step involves making decisions that you are not yet comfortable making, refer to the chapter where the options behind each step are fully explained.

By using the practices laid out in this chapter, you should be able to successfully create, organize, and optimize your AdWords account:

- The most important step in advertising successfully is first to determine the goals for your campaign.
- Once you understand the goals, you need to find a way of tracking your goals.
- Next, determine your campaign organization based on your goals and budget. When organizing your campaign, make sure you have search-only and display-only campaigns. Do not have campaigns shown on both networks.
- For each campaign, determine your ad groups before spending extensive time on keyword research. By determining your ad groups first, keyword research and ad group organization become more manageable.
- For each ad group, create keywords and ads. Make sure you include at least two ads in every new ad group so you can test ad copy.
- For search campaigns, use exact and either modified broad match or phrase match keywords with small budgets for more control over ad serving. For larger budgets and for finding new keywords through the Search Query report, include some modified broad match, and possibly even broad match, keywords along with the other match types.
- When creating display campaigns, limit yourself to one targeting method per ad group, such as one topic, one interest, or one flexible method such as placements plus topics. It is useful to use only one targeting method per campaign for organizational purposes. Do not worry about match types for display keywords;

they are ignored for the Display Network. Include any appropriate negative keywords—AdWords does take these into account.

- For more control over the Display Network, use managed placements so you know what websites will show your ads.
- Using a combination of discovery display and managed placements campaigns will help maximize both your exposure and control where your budget is being spent.
- Create profiles of your ideal customers and then use Display Planner to find sites that are frequented by your target audience.
- To properly optimize your campaigns, first create a reporting schedule. Set up a calendar or project management system with reminders for what you want to accomplish each day. Then schedule reports to be run and emailed to you automatically so you have data to work with each day and from which to make decisions.

AdWords allows you to be creative in reaching your target market. The system is flexible so that once you understand how ads are displayed, you can test the various variables discussed throughout this book to see which combination leads to the most profits for your account.

Following the advice in this book will help you create campaigns, choose keywords, write ad copy, design landing pages, and put your ad in front of your potential customers, which will help you succeed using Google AdWords.

The first ads were cave paintings created several millennia ago. The ancient Egyptians were the first to put ads on paper. The first ad to appear in a newspaper was in 1704. The first online clickable ad appeared in 1983. Google AdWords launched their first PPC product in 2002.

Google AdWords is still in its infancy. Many new features and targeting options will emerge over the coming years. By understanding how to use the advanced features of AdWords today, you will be able to take advantage of the new capabilities tomorrow.

Glossary

A

account report An AdWords report that displays metrics for the entire account.

ad extensions Expanded ad copy with additional information such as business locations. This information is stored within the Ad Extensions tab.

ad group A collection of one or more ads and one or more keywords and/display targeting options.

Ad Group report An AdWords report that displays metrics for each ad group.

Ad Performance report An AdWords report that displays metrics for each ad.

Ad Preview and Diagnostics Tool An AdWords tool that allows you to see search results as they would appear in various geographic locations and devices and to diagnose why your ads may not be appearing in search results.

ad rank The numerical score that determines the position of an ad in a search result or on a Display Network page. Ad rank is calculated from a combination of your max bid, Quality Score, and ad extensions.

ad scheduling Controls when an ad is shown by time of day or day of the week. With bid modifiers, you can adjust your bid by each time period that your ad is displayed.

AdWords Ad Gallery A tool found inside the AdWords interface that allows you to build different types of image and video ads. Formerly known as Display Ad Builder.

AdWords Campaign Experiments (ACE) A campaign feature that allows you to set up and run split tests for testing changes to bids, keywords, ad groups, and placements and to control how much of your traffic goes to the experiment (test) and how much goes to the control (control).

AdWords conversion tracking An AdWords feature that enables you to track conversion actions on your website and view those metrics in your account by placing a free script on your goal (conversion) pages.

AdWords Editor A free downloadable desktop program created by Google that allows you to view and make changes to your AdWords account.

app extension An ad extension that allows you to link to your app download in Google Play or iTunes.

Audiences A targeting method that allows you to reach people based on topics, interest categories, demographics, or remarketing lists.

automatic placements The placements where your ad is shown across the Display Network based on the keywords and/or topics in that ad group.

average cost per click Also known as average CPC, the average amount paid for your clicks. For example, if you spend \$100 on a keyword and receive 100 clicks, the average cost per click is \$1.

average position The average of all the positions where your ad is displayed. If your ad appears once in positions 1, 3, and 5, then your average position is 3.

B

B2B An acronym meaning business to business. It generally refers to businesses selling to other businesses.

B2C An acronym meaning business to consumer. It generally refers to businesses selling to consumers.

benefit An ad copy element that showcases to a consumer a benefit of buying a product.

bid modifier aka bid adjustment. A percentage adjustment you can apply automatically to your bids based on location, device, and ad scheduling.

Bid Simulator A tool displayed for keywords that shows an estimate of impressions, clicks, and cost that the keyword would accrue if the maximum cost per click was changed.

broad match A keyword matching option that allows your keyword to show for misspellings and related words.

Budget Optimizer This is a bidding technique also known as Focus On Clicks, where AdWords will bid for you in an attempt to maximize the number of clicks a campaign receives. Note that Google now refers to this as the Maximize clicks bidding option.

buying funnel The steps a consumer goes through before buying a product. The stages are awareness, interest, learn, shop, and buy.

C

call extension An ad extension that includes a phone number in the ad copy.

campaign A collection of ad groups.

Campaign report An AdWords report that displays metrics for each campaign.

click A click occurs when someone sees your ad and then clicks on it.

click-through rate (CTR) A calculation of the number of times your ad is clicked divided by impressions (the number of times that ad is displayed). If your ad has 100 impressions and 2 clicks, it has a 2 percent click-through rate.

conditional formatting A tool found in many spreadsheets, including Excel, that allows you to apply formats to cells or a range of cells based on formulas or conditions in other cells.

content network The old name for the Display Network.

conversion A conversion occurs when a consumer conducts an action on your site that you deem valuable, such as subscribing to a newsletter, buying a product, or contacting your business.

Conversion Optimizer A bidding technique also known as Focus On Conversions, where AdWords bids for you in an attempt to maximize the conversions a campaign receives based on your target CPA price.

conversion rate A percentage calculated by dividing the number of conversions a data point (keyword, placement, ad, etc.) receives by the number of clicks. If a keyword receives 100 clicks that lead to 2 conversions, that keyword has a 2 percent conversion rate.

cost per click (CPC) How much a click costs. Related to average cost per click.

cost per conversion Also known as cost per action or cost per acquisition (CPA), this is the average amount it costs to receive conversions. The formula is total cost divided by total number of conversions. If an account spends \$100 and receives 20 conversions, the cost per conversion is \$5.

CPA See *cost per conversion*.

CPM An acronym for cost per thousand impressions.

CPM bidding Also known as Focus On Impressions, this bidding technique is available only for Display Network campaigns. With CPM bidding, you bid how much you are willing to pay each time your ad receives 1,000 impressions.

D

daily budget The amount you are willing to spend on a campaign each day. Each campaign must have its own daily budget. See also *shared budget*.

demographic bidding Now known as custom bidding, demographic bidding allows you to automatically raise your max cost per click based on gender and age characteristics of the person viewing your ad. Currently available only for the Display Network.

Demographic report An AdWords report that displays metrics based on demographic information, such as age and gender.

destination URL An aspect of an ad that defines what page the user is taken to after they click on an ad.

Destination URL report An AdWords report that displays metrics for each destination URL used within an account.

device modifier Now known as mobile bid adjustment, a bid modifier that allows you to automatically change your bids on mobile devices.

Dimensions tab A place inside your AdWords accounts where you can see your data in various dimensions, such as by time of day or locations.

Display Ad Builder See *AdWords Ad Gallery*.

Display Network A collection of sites that have partnered with Google to display AdWords ads. Display Network ads are displayed based on the content of a page matching your keywords or chosen placements. Formerly known as the content network.

Display Planner A tool offered by Google that allows you to conduct research across the Display Network.

display URL A web address that appears in your ad that allows the viewer to understand where they will be taken if they click on an ad.

dynamic keyword insertion (DKI) A tool that allows you to automatically insert a keyword from your ad group into the ad copy.

E

exact match A keyword-matching option that allows your keyword to show only when the search query matches your keyword exactly.

F

feature An element of ad copy to explain an attribute or aspect of a product or service, such as speed, color, size, and so on.

first-page bid An estimate of the minimum bid for a keyword to appear on page 1 for all geographies where the corresponding ad could be displayed.

flexible bidding A bid method that allows you to use a different bidding technique for each ad group within a campaign.

Flexible Reach A feature of the Display Network where you can target and/or bid based on multiple targeting methods. Formerly referred to as Flexible Targeting.

Flexible Targeting See *Flexible Reach*.

frequency The average number of times a unique individual sees your ad in a certain time period. It is generally a measurement used for CPM ads.

frequency capping A campaign setting that allows you to limit (cap) the number of times an individual will see your ad in a given time frame. Frequency capping applies only to the Display Network.

G

Geographic report An AdWords report that displays performance metrics for the geographies where your ads were displayed.

geo-qualified keyword Keywords that include geographic modifiers, such as “Chicago dentist” or “Arizona insurance.”

Google AdWords Google’s advertising platform.

Google AdWords Certified Partners See *Google Partners*.

Google Analytics A Google tool that allows you to see detailed statistics for a website once you have installed a free script on your website pages.

Google Merchant Center A Google tool that helps you upload your product listings for Google Shopping, Product Listing Ads, and Google Commerce Search.

Google Partners A Google certification and relationship program for agencies and web professionals who advertise and work with Google AdWords, Analytics, and other ad products.

Google Plus Google’s social network.

H

headline The top line of an ad.

I

image ad An ad made of a still or animated image ad type that can be shown across the Display Network.

impression Any time an ad is shown in search results pages or on the Display Network page, whether or not it receives a click.

impression share The percentage of times an ad is shown when it is eligible to be shown.

Impression Share report A campaign report that includes impression share metrics.

interest targeting A method of targeting people across the Display Network based on their interests.

invalid click Any click that Google deems suspicious or unintentional and removed from your AdWords performance reporting.

Invalid Clicks report A campaign report that includes information on the number of invalid clicks the campaign received.

K

keyword A single word or phrase inside an ad group that signals to AdWords that you would like an ad displayed when that word matches the search query. The match type is used in conjunction with a keyword to determine whether your ad should be displayed for any given search query.

keyword density analyzer A program that examines a page or set of pages and displays the frequency with which words and phrases appear on those pages.

keyword insertion See *dynamic keyword insertion (DKI)*.

keyword match type Signals to AdWords how closely your keyword needs to be related to the search query before your ad can be displayed or prevented from being displayed. There are four positive match options—broad, broad match modified, phrase, and exact—and three negative match types—broad, phrase, and exact.

Keyword Planner A tool offered by Google that allows you to conduct keyword research and view metrics for each of those keywords.

L

landing page The page that is displayed after an ad is clicked.

landing page load time The length of time it takes for the landing page to load. This is a factor of Quality Score.

location bid modifier A bid modifier (bid adjustment) that allows you to automatically change your bid for a location.

location extension An ad extension that is specific to a geographic location. This additional location information may be appended to ad text.

location targeting A campaign setting that allows you to choose where an ad will be displayed.

M

managed placements Display Network websites, specifically chosen and managed by an advertiser, on which to display ads.

match type See *keyword match type*.

max CPC Also known as maximum CPC, the bid set for a keyword, ad group, or placement and the most an advertiser will pay for a click.

max CPM Also known as maximum CPM, a bid set for a placement or ad group and the most an advertiser will pay for 1,000 impressions.

mobile ad An ad that shows on cell phones or on high-end mobile devices that use a full Internet browser. See also *WAP ad*.

modified broad match A variation of broad match where a plus sign has been added to one or more words in a keyword phrase to signify that the search query must contain the word, or a very close variant of that word, to which the plus sign is attached in order to qualify for the auction.

multivariate testing A testing method that simultaneously tests several variables to determine which combination of variables is the best.

My Change History tool An AdWords tool that allows you to see what changes were made in an AdWords account.

My Client Center (MCC) An administrative interface that allows you to connect, view, and manage multiple AdWords accounts from a single login.

N

navigational query A search query where the user's intent is to find a specific page on the Web. Examples include *Google*, *Facebook*, or *IMDB Sean Connery*.

negative keyword A keyword matching option that allows you to stop an ad from being displayed if the search query contains a listed negative keyword.

P

pay per click (PPC) An advertising medium where the advertiser is charged only for each click that an ad accrues.

phrase match A keyword matching option that allows your keyword to show only when the search query contains that keyword. Phrase match will allow matches on search queries

that contain additional words before and/or after the keyword within the search query.

pivot table A data summarization tool found in Microsoft Excel and other spreadsheet programs.

placement Locations on the Display Network where an ad is displayed. A placement can be a domain, a section of a website, or an individual ad unit within a website or an app.

Placement report An AdWords report that shows metrics for each placement where your ad is displayed. You can see individual URLs of the sites that display the ads.

Places for Business Formerly known as Google Places. A website where you can input your local business information. This information can be connected to AdWords through ad extensions to display additional location information in the ad.

premium ads Ads that show above the natural search results at the top of a page.

product listing ad Commonly called PLA. PLAs appear in the search results and can include product image, pricing, promotional messages, or your store or business name.

profit per click The average amount of profit a data point (ad, keyword, etc.) receives each time it receives a click. Profit per click is calculated as profit divided by clicks. If a keyword leads to \$100 in profits on 50 clicks, then the average profit per click is \$2.

profit per impression The average amount of profit a data point (ad, keyword, etc.) receives each time it is displayed. Profit per impression is calculated as profit divided by impressions. If an ad copy receives 1,000 impressions that lead to \$100 in sales, on average each impression is worth \$0.10.

Q

Quality Score A measure of how relevant an ad, landing page, or keyword is. Quality Score is used to determine your ad rank and whether an ad qualifies for an auction.

R

reach The total number of unique users who see an ad over a given time period on the Display Network.

remarketing A method of showing Display Network ads exclusively to people after they have visited your site. Also known as retargeting.

return on ad spend (ROAS) Similar to ROI, but it does not contain cost other than ad spend. It is calculated as $(\text{revenue} - \text{ad spend}) / \text{revenue}$, or alternatively as $1 - ((\text{revenue} - \text{ad spend}) / \text{revenue})$.

return on investment (ROI) A formula used to determine the efficiency of an investment. To calculate ROI, use this formula: $\text{ROI} = (\text{profit} - \text{investment}) / \text{investment}$.

revenue per page view (RPV) A measure of how much revenue each page view or 1,000 page views generate. Pertains to publishers who sell ad space on their sites.

review extension An ad extension that allows you to add a snippet to your ad from a third-party site.

rich media ads Ads that contain media types other than text, such as video or images.

S

search partners Websites that Google has partnered with to display Google search ads.

search query The words typed into a search engine by a user.

Search Query report An AdWords report that displays metrics based on the user search queries.

Search Terms report An alternate name for the Search Query report.

segments or segmentation An option for most of the AdWords reports where you can segment the information by various data points, such as devices or networks.

Shared budgets A feature that allows two or more campaigns to use the same daily budget.

site and category exclusion tool An AdWords tool that allows you to exclude ads being shown on certain domains, subdomains, IP addresses, or types of content.

sitelinks extension An ad extension that shows links to specific pages on your site within your ad.

smart pricing The discounting system used by AdWords to determine what an advertiser should be charged for a click on the Display Network based on how likely a site is to lead to a conversion.

social extension An ad extension that includes Google+ information.

spider A program that crawls the Web indexing content.

split testing Testing two variables against each other at one time to determine which leads to better performance.

T

topic targeting A method of targeting based on the topics across the Display Network.

transactional query A search query where the user is looking for a site on which to conduct a transaction. Some examples are *buy LCD TV* or *plumber phone number*.

V

value per click An AdWords reporting metric that displays the average revenue that a click generates.

video ad An ad type that can be shown across the Display Network that contains video.

viewable CPM An option when using CPM bidding to have the impression count only when it becomes viewable to the browser.

W

WAP ad An ad type that shows on phones that do not have full HTML browsers.

Index

Index

Note to the Reader: Throughout this index **boldfaced** page numbers indicate primary discussions of a topic. *Italicized* page numbers indicate illustrations.

A

A/B tests, **553 – 556**, *555 – 556*

Abandoned Cart Shoppers list, 333

abandons, remarketing, 333

abbreviations in geographic targeting,
382 – 383

about us pages, 537

above-the-fold information, **172 – 173**,
172, 202

access

AdWords accounts, **407 – 408**,
407 – 408

My Client Center, 493

accessibility of information, **165**, *166*

accounts. *See* AdWords accounts

accuracy

ad text, 100 – 101

geographic targeting, **366 – 369**

ACE (AdWords Campaign Experiments),
559 – 560, *559 – 560*

active ad limits, 491

ad extensions, **118**, *118*

betas, 129

call, **125 – 127**, *125*, *127*

CTR, 219

miscellaneous, **127 – 128**, *127 – 128*

search campaigns, **596**

sitelink

case studies, **121 – 125**, *122 – 124*

overview, **118 – 121**, *119 – 121*

Ad Gallery tool, **275 – 278**, *275 – 277*

Ad Group And Keyword Ideas screen, 77

Ad Group (By Relevance) data, 70

Ad Group Ideas screen, 69, 69

ad group-level negative keywords, 48 – 49,
49

Ad Group Performance reports, **573**, 604

Ad Group Targeting And Exclusions
screen, 305, 305

ad groups

bids, 444, 445, 448 – 449, 573

choosing, **72 – 76**, *73 – 76*

creating, **411 – 412**

for CTRs and conversion rates,
513 – 515, *514*

Display Network, 234

Display Planner, 316 – 317, 316

display-targeted campaigns, **597**

importing, **414**

keyword-based display, **287 – 292**,
289 – 291

keyword ideas, **69 – 76**, *69 – 71*,
73 – 76, 316, 316

limits, 490

managed placements campaigns, **599**,
599

mobile bid modifiers, **515**

Quality Score, 238

relevant, **244 – 246**

remarketing, **330 – 339**, *330 – 331*, 338

reports, 484 – 485, 484

search campaigns, 593

targeting, **285 – 286**, *285 – 286*

testing, **532 – 534**, *533 – 534*

traffic estimates, 79 – 80, 79

Ad Impression Share data, 67, 71

ad-level destination URLs, 142 – 143

Ad Performance reports, **573 – 576**,
575 – 576

Ad Preview and Diagnosis tool

geographic ads, 391 – 392, 392, 396

mobile ads, **264 – 265**, 265

ad rank, 573

calculation, 223, 573

- match types, 44, 55–56, 514
- Quality Score, 216–221, 243
- target lists, 333
- ad-serving considerations, 526
- add-to-cart buttons, 203
- Add To Plan option, 71
- Add to Wish List option, 212
- Add/Update Multiple Keywords option, 409, 409
- Add/Update Multiple Text Ads option, 415, 415
- addresses
 - in ad copy, 387–389, 387, 389
 - email, 210
 - IP, 365
- AdLabs tool, 29
- administrative access to My Client Center, 493
- ads
 - answers in, 15
 - blocking, 305–310, 305–306, 308–310
 - for conversions, 199–200, 199
 - creating, 414–419, 415–416
 - day-of-the-week, 507–508, 507
 - display campaigns, 607–608
 - Display Planner, 314–318, 315–318
 - display-targeted campaigns, 597–598
 - extensions. *See* ad extensions
 - geographic, 385–391, 387, 389, 522–523, 523
 - groups. *See* ad groups
 - image. *See* image ads
 - as information, 14–15
 - keyword insertion, 191–194, 192–193
 - keywords, 57, 222
 - landing pages and ads together, 547–552, 548–552
 - managed placements campaigns, 600, 609
 - mobile. *See* mobile ads
 - performance by geography, 224
 - purpose, 11–12, 11
 - revenue, 456
 - scheduling, 185
 - bid modifiers, 471–473, 471–472
 - campaigns, 497
 - examples, 476–480, 477–480
 - search campaigns, 604
 - screenshots, 95
 - search campaigns, 596
 - size, 316
 - strategies, 184–190, 186, 188–189
 - testing, 246, 247, 520–521
 - themes, 521–522, 524–525, 524
 - top spot, 252–253, 253
 - underperforming, 575–576
 - video. *See* video ads
 - writing. *See* writing ads
- Adsbob-Google robot, 228
- adult keywords, 68
- Advanced Search option, 369
- AdWords accounts, 589
 - access, 407–408, 407–408
 - ad groups, 513–515, 514
 - analytics system, 592
 - best practices, 516–517, 616–617
 - building, 72
 - campaigns. *See* campaigns
 - conversion tracking, 591–592
 - description, 490
 - Google Partners, 494–495, 495
 - limits, 30, 490–491
 - My Client Center
 - benefits, 493–494, 494
 - overview, 491–493, 492
 - optimizing, 571
 - organization overview, 489
 - example, 412–414
 - importance, 244
 - strategies, 516–517
 - planning, 590–591, 591
 - as Quality Score factor, 224
 - scaling, 408
 - visibility diagnosis, 189
- AdWords Ad Gallery, 275–278, 275–277

- AdWords Campaign Experiments (ACE), 559–560, 559–560
- AdWords Discounter, 310
- AdWords Editor, 399
 - ad creation, 414–419, 415–416
 - ad groups
 - creating, 411–412
 - importing, 414
 - AdWords accounts
 - access, 407–408, 407–408
 - organization, 412–414
 - scaling, 408
 - viewing, 404–406, 405–406
 - best practices, 421–422
 - campaigns, 593
 - data point notes, 251
 - display, 420, 420–421
 - Excel with, 419–420
 - keywords
 - creating, 411–412
 - importing, 409–411, 409–410, 414
 - layout, 400–402, 401–402
 - overview, 400
 - Quality Score, 227, 227, 232, 232
 - shortcuts, 402–403
 - visual cues, 404, 404
- AdWords Grouping option, 131
- AdWords Keyword Planner. *See* Keyword Planner tool
- AdWords Labels option, 131
- AdWords Select, 6
- AdWords Seminars for Success program, 545, 546
- AdWords Tutorials, 336
- AdWords will set my bids to help maximize clicks within my target budget option, 435
- affiliates, 229
- affinity categories, 297
- age
 - in blocking ads, 307
 - Display Planner, 316, 317
 - flexible targeting, 347–348, 347
- air cards for user location, 367
- airport codes in geographic targeting, 384
- alerts
 - creating, 585–586, 585–586
 - My Client Center, 493
- All Features option, 467
- All Products category, 130
- All Training page, 336
- Amazon site
 - low-demand books, 33
 - navigation, 204, 543, 544
 - recommended products, 197
- ambiguous intent words, 349–351, 350
- ambiguous queries
 - sitelink tests, 123–124, 124
 - in testing, 536–537
- ampersands (&) in destination URLs, 144
- analysis of variance (ANOVA), 527–529
- analytics systems, installing, 592
- Anderson, Chris, 33
- animated image ads, 270
- ANOVA (analysis of variance), 527–529
- answers from ads, 15
- AnyBrowser.com service, 168
- AOL issues in user location, 366–367
- App Download option, 426
- app extensions, 128, 128
- area codes in geographic targeting, 384
- Assisted Conversions reports, 482, 483
- associations, 175–176, 177
- asynchronous scripts, 429
- Atlas Solutions conversion rate paper, 477–478, 478
- Attributes column in reports, 567
- attribution management, 481–484, 482–484
- auction process in GoTo.com, 4
- audience
 - defining, 324–328, 325–329
 - segmenting, 104
 - target, 357–359
- auto targets
 - data, 150–151, 150
 - PLAs, 130, 130–131

automated bid rules, 443
 automatic placements
 description, 298
 Display Network, 233, 283, 300
 automatic testing, 529
 Average Monthly Searches data, 67, 71
 Average Percent Played reports, 272
 awareness campaigns, 506–507
 awareness phase in buying funnel, 21

B

Back button on landing pages, 141
 BackRub search engine, 5
 banner ads, 3
 belief systems case study, 390–391
 benefits vs. features, 103–106
 Best Buy site, 541–542, 541–542
 best practices
 account organization strategies, 516–517
 AdWords accounts, 616–617
 AdWords Editor, 421–422
 bid strategies, 487–488
 Display Network, 320–321, 361–362
 geographic targeting, 396–398
 image, video, and mobile ads, 278
 keyword research, 58
 keyword tools, 90–91
 landing pages, 181–182
 optimization techniques, 213–214
 Quality Scores, 254–255
 reports, 587
 search theory, 17–18
 testing, 561–562
 writing ads, 136–137
 betas for new extensions, 129
 Bid Adjustment Calculator, 466, 466
 Bid Adjustment option, 446
 Bid Automation option, 445
 Bid Only option, 343, 343–344
 Bid Simulator, 463–464, 463
 Bidding And Budget options, 435–436, 435

bids and bid strategies, 423
 ad groups, 573
 ad strategies, 184–185
 attribution management, 481–484, 482–484
 best practices, 487–488
 bid modifiers, 464–467, 466–467
 ad scheduling, 471–473, 471–472, 476–480, 477–480
 conversion information by time frames, 473–476, 474–476
 device modifiers, 480–481, 481
 location, 467–471, 468–470
 mobile users, 259, 259, 515
 targeting locations, 375–376, 375
 Bid Simulator, 463–464, 463
 in campaigns, 435, 435
 changes, 601–602
 display, 598, 606
 managed placements, 600
 search, 596
 types, 496–497
 conditional formatting, 452–453, 452
 CPA bidding
 1-per-click vs. many-per-click, 438, 438
 case study, 439–443, 440–442
 enhanced, 436–437, 444
 testing, 438–439
 destination URLs, 143–144, 143
 exposure, 461–462, 462
 Flexible Bidding, 443–445, 444–445
 flexible targeting, 343–346, 343–345
 Impression Share reports, 187–189, 188, 572
 keyword level, 576
 margins, 453–455, 455
 marketing goals, 423–424
 max CPC, 460–464, 462–463
 optimization schedules, 612–613
 options, 435–436, 435
 profitable, 448–449

- Quality Score, 216–217, 231–233, 232
 - revenue per click, 450–452, 451–452, 455–457
 - rich media ads, 266
 - ROAS, 435
 - decisions, 484–487, 484, 486–487
 - overview, 447–450, 447
 - setting bids, 460–461
 - in smart pricing, 312–314, 313
 - Target Search Page Location, 445–447, 446
 - tracking
 - conversion-tracking code, 426–434, 426–428, 430–431, 433
 - long sales cycles, 457–459, 459
 - page view conversions, 457
 - phone call, 434
 - traffic estimates, 80–82
 - Bing Ads Intelligence tool, 89–90, 89
 - blocking
 - ads, 305–310, 305–306, 308–310
 - sites, 355, 606
 - bookmarks
 - for conversions, 212
 - for page views, 197
 - Booth, Danielle, 154
 - Bose site, 203–204, 203
 - Both My Website And The Phone Number option, 126
 - brand searches in testing, 539, 540
 - branding campaigns, 506–507
 - breaking long articles into multiple pages, 196
 - Brin, Sergey, 5
 - broad keyword matches
 - conversion rates, 45
 - description, 37–38, 37
 - modified, 38–40, 39, 81
 - negative, 49–50
 - uses, 40
 - Broken Link Checker, 582
 - Brown color in conditional formatting, 453
 - Browser Shots service, 168
 - browsers
 - compatibility, 166–169, 167–168
 - functionality enhancements, 169–170, 169
 - loading web pages, 429
 - market, 165
 - smartphone users, 259
 - browsing categories, 65
 - Budget Optimizer, 435–436
 - budgets
 - AdWords accounts, 590–591, 591
 - bidding for exposure, 462
 - campaigns, 496, 508–511, 509
 - keyword selection, 44
 - My Client Center, 493
 - search campaigns, 604
 - bugs in Quality Scores, 243
 - bulk targeting locations, 374
 - business queries, 157–159
 - business-to-business case study, 477–479, 478–479
 - buttons vs. text links, 179–180, 179
 - buy phase in buying funnel, 22
 - buying funnel
 - awareness campaigns, 506
 - benefits and features, 104–106
 - consumer flow through, 22–23
 - conversions, 211–212
 - display ads, 359–360
 - Display Network, 281–282, 282
 - image ads, 269
 - informational queries, 154
 - phases, 20–22, 20
 - search behavior, 482, 482
 - testimonials, 113
 - buying guides for page views, 196
- C**
- Call Details setting, 567
 - call extensions, 125–127, 125, 127
 - Call On-site option, 426

- call-tracking numbers, 125–126
- calls to action in ads
 - display, 360
 - evaluating, 110–111, 111
 - image, 268–270, 269–270
 - landing pages, 141
 - video, 273
 - in writing, 97–98
- campaigns
 - ads by day of the week, 507–508, 507
 - awareness and branding, 506–507
 - bids, 435, 435
 - CPM, 609–611, 611
 - discovery
 - goals, 354
 - options, 500–501
 - overview, 497–498
 - display
 - discovery, 498
 - optimizing, 351–357, 351, 606–608
 - options, 500–501
 - organizing, 353–357
 - Display Network, 286–287
 - display-targeted, 597–598
 - geography, 381–382, 496, 503–504, 604
 - goals
 - defining, 511–513, 512
 - location-based, 499–506, 499, 504–505
 - goals-based and budget-based, 508–511, 509
 - interest, 354–355
 - limit, 490–491
 - managed placements
 - creating, 598–600, 599
 - description, 498
 - display, 607
 - optimizing, 608–609
 - overview, 354
 - match type restrictions by, 56–57
 - maximize clicks, 605–606, 605
 - optimization schedules, 612–616
 - overview, 496
 - reasons, 496–497
 - reports, 567, 571
 - search
 - creating, 593–596, 594–595
 - maximizing returns, 497–498
 - optimizing, 601–605
 - structuring, 497–498
 - types, 592, 600–601
- CAN-SPAM Act, 210
- capitalization in ad text, 100
- card verification value (CVV) information, 162
- case studies
 - business-to-business, 477–479, 478–479
 - CPA bidding, 439–443, 440–442
 - geographic organization, 504–506, 505
 - local belief systems, 390–391
 - location modifier, 470–471, 470
 - sitelink extensions, 121–125, 122–124
- categories
 - exclusions, 307–308, 308
 - Google Trends, 85
 - keyword suggestions by, 64–65, 64
 - transactional queries, 153–154
- cell cards for user location, 367
- certificates, 170–172, 171
- Certified Knowledge
 - Broken Link Checker, 582
 - Google Analytics URL Builder, 148
 - Mass Ad Creator, 533
 - microsites, 201, 202
 - mixer tool, 32, 32
 - navigation, 543, 543
- Change History reports, 407
- Change History tool, 250, 250
- character limits for ads, 99–100, 419
- chi-square distribution, 527–529
- circles in AdWords Editor, 404

- cities
 - geographic targeting, 383–384
 - user location, 367–369
- claims in ad text, 100–101
- Click-Through Rate reports, 272
- click-through rates (CTRs), 184
 - ad groups
 - display URLs, 221
 - organization, 513–515, 514
 - Display Network, 233–234
 - geographic targeting, 394–396, 396
 - Google, 6, 221
 - Impression Share reports, 188, 189
 - keyword insertion ads, 193–194
 - multi-location campaigns, 502
 - negative keywords, 46
 - Quality Score, 216, 218–219, 235
 - video ads, 272
 - viewing, 238–239, 239
- clicks estimates, 79
- CMS (content management system), 591–592
- code identifiers for phone call tracking, 434
- cognitive load, 198
- color
 - conditional formatting, 453
 - landing pages, 178–179, 548
- color blindness, 178
- columns in AdWords reports, 567–568, 567–568
- combinations
 - ad testing, 532
 - remarketing lists, 327–328, 327–328
- comments in AdWords Editor, 404
- commercial keywords, 24–25
- common goals, 425
- common sense in keyword density analysis, 292
- common URLs in Quality Scores, 243
- companion banner feature, 274
- company names, 134
- comparison shopping, 105
- compatibility of browsers, 166–169, 167–168
- compelling ads, 93
- competition data, 71
- Competition filter, 67
- competitive claims in ad text, 100
- Competitive Metrics settings, 567, 572, 572
- competitor site analysis, 27
- comprehensibility in image ads, 267, 268
- concepts from words, 8–10
- conditional formatting, 232, 452–453, 452
- confidence factors in phone call tracking, 434
- consumer benefits in image ads, 268, 268
- consumer interest, Google Trends for, 88–89, 89
- consumer questions reflected in ads, 112, 113
- contact options, optimizing, 210
- Contact Us conversions, 212
- content
 - ad groups, 317, 318
 - landing pages, 229
- content management system (CMS), 591–592
- contextual advertising, 281
- Control option in ACE, 559–560, 560
- Conversion Category setting, 427
- conversion funnels, 457–459, 459
- Conversion Optimizer, 436
 - bid option, 526
 - testing, 438–439
 - working with, 437
- conversion-tracking code, 425–430, 426–428
- Conversion Value setting, 427–428
- Conversion Window setting, 427
- conversions and conversion rates
 - ad accuracy for, 100–101
 - ad copy for, 199–200, 199, 520–521
 - ad group organization for, 513–515, 514

- AdWords accounts, 591–592
- buttons vs. text links, 179–180, 179
- contact options, 210
- day-of-the-week, 474–476, 474–476
- discounts, 108–109
- e-commerce, 203–205, 203
- form-fill, 205–209, 206
- geographic targeting, 386–387
- keywords selection, 45
- landing pages, 152–153, 200–202, 202
 - based on type of query, 153–157
 - forms as, 160–162, 161
 - local business queries, 157–159
 - perfect, 164
 - psychological factors, 173–175
 - segmentation pages, 159–160, 159
 - thanking customers, 162–164
- match types by campaign, 56
- negative keywords, 46
- optimizing for. *See* optimization techniques
- reports, 432–434, 433
- for testing, 529
- by time frames, 582
- uncommitted consumers, 209–210
- Conversions column in AdWords reports, 567
- converters in remarketing, 333
- cookies
 - 100 cookie rule, 332
 - converter, 333
 - Display Planner, 316–318, 317
- Cookies/Wk metric, 317–318
- copyrights in ad text, 101
- corporate VPNs for user location, 367
- cost estimates, 79
- cost per acquisition (CPA), 56
- cost per action (CPA), 425
 - bidding
 - 1-per-click vs. many-per-click, 438, 438
 - bid modifiers, 467
 - case study, 439–443, 440–442
 - enhanced, 436–437, 444
 - testing, 438–439
 - Conversion Optimizer, 437
 - vs. CPC, 426
 - Display Network, 292
 - geographic organization for, 504–506, 505
- cost per click (CPC)
 - vs. CPA, 426
 - enhanced, 436–437
 - estimates, 79–80
 - Google, 6
 - Keyword Planner, 65
 - Quality Score, 216
 - Reach and Frequency reports, 583
 - rich media ads, 266
 - smart pricing, 312–314
- cost per conversion (CPC)
 - negative keywords, 46
 - rich media ads, 266
 - smart pricing, 310–314, 313–314
- cost per thousand impressions (CPM), 184
 - informational queries, 156
 - optimizing, 609–611, 611
 - Reach and Frequency reports, 583
 - in smart pricing, 312–314, 313
- Cost per View reports, 272
- countries
 - geographic targeting, 378–379, 383
 - trademarks, 133
 - user location, 367
- Country filter in Google Trends, 85
- coupons, 176–178, 213
- CPA (cost per acquisition), 56
- CPA (cost per action). *See* cost per action (CPA)
- CPC. *See* cost per click (CPC); cost per conversion (CPC)
- CPM (cost per thousand) impressions, 184
 - informational queries, 156
 - optimizing, 609–611, 611

- Reach and Frequency reports, 583
 - in smart pricing, 312–314, 313
- CPM program, 6
- crawls, 62
- Create Similar option, 570
- creativity, themes for, 521–522, 524–525, 524
- credit card forms, 207
- creep factor in remarketing, 340–341
- cross-account reporting, 494
- Cross pens trend data, 83, 83
- cross-selling, 163
- CTRs. *See* click-through rates (CTRs)
- custom alerts, 585–586, 585–586
- custom bids in destination URLs, 143–144, 143
- custom combinations in remarketing lists, 327–328, 327–328
- Custom date setting in AdWords reports, 565
- custom parameters in destination URLs, 145–147
- Custom Search Engine product, 27
- customers
 - from landing pages, 12–14, 13
 - thanking, 162–164
- Customize Columns settings, 530–531, 530
- CVV (card verification value) information, 162

D

- daily budgets
 - ad strategies, 184
 - campaigns, 496
- daily specials, 479–480, 480
- data cards for user location, 367
- day-of-the-week
 - ads by, 507–508, 507
 - conversion information, 474–476, 474–476
- day parting feature, 471
- dedicated landing pages, 200–202, 202
- deep keywords, 35–36
- defaults
 - bids, 448
 - browser versions, 168
- DEKE (Dynamic Keyword Insertion Simulator), 192
- deleted keywords in Quality Score, 251
- deleting ads, 247
- Delivery.com site, 548–549, 549
- delta signs in AdWords Editor, 404
- demographic targeting, 283
- density analysis of keywords, 291–292, 291
- description lines, 106–107
- Description option, 119
- descriptions, geographic, 385
- desktop advertising vs. mobile, 158
- desktop optimization for Quality Scores, 247, 247
- Destination URL reports
 - creating, 554–555, 555
 - optimization schedules, 615
 - overview, 581–582
- destination URLs
 - in ads, 115
 - building, 147–151, 147, 150
 - editorial policies, 151–152
 - overview, 142–144, 142–143
 - parameters
 - basics, 144–145
 - custom, 145–147
 - sitelinks, 120–121
 - for tracking, 144–151, 147, 150
- detailed product information, 203
- “Determining the Informational, Navigational, and Transactional Intent of Web Queries”, 154
- device modifiers, 480–481, 481
- Device Preference column, 535, 535
- Device Preference option, 119
- devices
 - Display Planner, 316–317
 - Quality Score, 224

- diagnosing
 - mobile ads, 264–265, 265
 - Quality Scores, 235–243, 237–239, 242
- Dimensions reports
 - time-based, 474, 474
 - types, 564–565, 565, 581–582
- disapproved ads, 576, 576
- discount codes, 550
- discounts
 - conversion rates from, 108–109
 - overview, 176–178
 - vs. prices, 522, 522
- discovery campaigns
 - goals, 354
 - options, 500–501
 - overview, 497–498
- discovery keywords, 497
- display, AdWords Editor, 420, 420–421
- display bids
 - display campaigns, 606
 - optimization schedules, 612–613
- display campaigns
 - discovery, 498
 - optimizing, 351–357, 351, 606–608
 - options, 500–501
 - organizing, 353–357
 - structure, 498
- display keywords for blocking ads, 306
- Display Network, 279, 323
 - advantages, 281–282
 - automatic vs. managed placements, 283
 - best practices, 320–321, 361–362
 - blocking ads, 305–310, 305–306, 308–310
 - campaigns
 - creating, 286–287
 - optimizing, 351–357, 351, 607–608
 - search-only and display-only, 284–285, 284–285
 - defined, 217
 - display ads, 281, 359–361
 - Display Planner, 314–319, 315–319
 - impressions, 443
 - keyword-based display ad groups, 287–292, 289–291
 - keyword research, 289–292, 289–291
 - network names, 281
 - optimization schedules, 613–614
 - overview, 280, 280
 - Quality Score, 233–234
 - remarketing. *See* remarketing
 - reports, 187, 579–581, 579–580
 - rich media ads, 266
 - smart pricing, 310–314, 313–314
 - target audience scenarios, 357–359
 - targeting
 - ad groups, 285–286, 285–286
 - flexible. *See* flexible targeting
 - methods, 282–283
 - placement, 298–304, 299–304
 - topic, 292–295, 293–296
 - user interest, 296–298, 297
- Display Network Only option, 284
- Display Planner tool
 - ad placement, 302, 302–303
 - managed placements, 356, 609
 - options, 314–319, 315–319
 - topics, 294, 294–295
 - working with, 289–291, 289–290
- display-targeted campaigns, 597–598
- display URLs
 - ad groups, 221
 - ads, 114–116
- domains in display URLs, 116, 151–152
- Download And Schedule Report screen, 568, 569
- downloading data for AdWords reports, 568–570, 569–570
- dramatic changes, testing, 541–542, 541–542
- drill-downs in Google Trends, 86
- driving directions for conversions, 212
- duplicate content penalties, 201

duplicate pages, 554
duration time of phone calls, 126
dynamic image ads, 270
dynamic keyword insertion, 190–194,
192–193, 523–524, 523
Dynamic Keyword Insertion Simulator
(DEKE), 192
dynamic remarketing, 338

E

e-commerce sites
checkout, 162–163, 212
conversion rates, 203–205, 203
discounts, 109
landing pages, 13–14
PLAs, 129, 131
editorial guidelines and policies, 99
character lengths, 99–100
destination URLs, 151–152
image ads, 270–272
requirements, 100–102
effective display ads, 359–361
ego bidding, 461
eHarmony landing page, 550, 550
eligibility to appear as Quality Score factor,
217
eligible to be shown ads, 187
email
for conversions, 212
for page views, 197
email addresses, obtaining, 210
Email And Schedule Report settings, 570,
570
emotion factors in ads, 98–99, 99
encrypting browser data, 171
engagement in geographic targeting, 386
Enhanced Campaigns, 116–117
enhanced CPC bidding, 436–437, 444
enhancing browser functionality, 169–170,
169
equal exposure of ads, 525–526
E*TRADE landing page, 548, 548

exact keyword matches
ad groups, 42–43, 42
conversion rates, 45
negative, 51–52
examining keywords, 30
Excel
ad copy variables, 418
with AdWords Editor, 419–420
Bing Ads Intelligence tool, 89–90, 89
conditional formatting, 232, 452–453,
452, 571
keywords, 409–411, 409–410
pivot tables, 236, 533, 533
ROAS bids, 461
search term reports, 53, 53
speed, 30
statistical tests, 527
exceptions, trademark, 134–135, 134
exclamation points (!) for ad text, 101
excluding target locations, 371–373
expandable inventory, 315
expectations
landing pages, 140
searches, 10
Experiment option in ACE, 559–560, 560
expert reviews in ads, 113
explicit keywords, 24
Export Changes for Sharing (AES) feature,
407
exposure of ads
bidding for, 461–462, 462
ensuring, 525–526
extensions
ad. *See* ad extensions
smartphones, 261–262, 261

F

faces on landing pages, 544
fake reviews and testimonials, 173
family friendly image ads, 271
feature phones, 262
featured clients, 176

features vs. benefits in ads, 103–106

filters

ad groups, 486–487, 487

ads, 576, 576

Display Planner, 314, 315

Google Trends, 85

Keyword Planner, 67–68, 68

technology, 260

find and replace in AdWords Editor, 419

finding

conversion information by time frames,
473–476, 474–476

Display Network topics, 294–295,
294–296

targeting locations, 370–374, 370–374

Firesizer add-on, 173

first page bids in Quality Score, 231–233,
232

Flash plug-ins, 169–170, 169

FlashBlock plug-in, 170

Flexible Bidding, 443–445, 444–445

flexible targeting, 341–342

age and gender refinement, 347–348,
347

ambiguous intent words, 349–351, 350
bids, 343–346, 343–345

Display Network, 283

options, 342–344, 342–344

placements, 348–349, 349

refining traffic from large sites, 346–347

flower industry, 339

Focus on Clicks options, 435–436

Focus On Conversions, 437

folders in ads, 116

Ford site image ads, 269–270, 270

form-fill conversion rates, 205–209, 206

formats and formatting

conditional, 232, 452–453, 452

Display Planner, 314–315

video ads, 274–275

forms as landing pages, 160–162, 161

forward slashes (/) in destination URLs, 144

Free Clicks reports, 610

free training in remarketing, 337

“free” word in ads, 111

frequency

AdWords reports, 570

Reach and Frequency reports, 583–584

frequency capping

remarketing campaigns, 340

smart pricing, 313–314, 314

Frequency reports for video ads, 272

G

gclid override tag, 150

gender

in blocking ads, 307

Display Planner, 316

flexible targeting, 347–348, 347

general offers in display ads, 360

General Purpose Ads, 276

geo-keyword campaigns, 500

Geographic Keyword Finder Tool, 383

Geographic Performance reports, 615

geographic reach in bidding for exposure,
462

Geographic reports, 582–583

geography and geographic targeting, 363

accuracy, 366–369

ad copy, 522–523, 523

ad performance, 224

advanced options, 376–377, 377

best practices, 396–398

campaigns, 381–382, 496, 503–504,
604

for CPA purposes, 504–506, 505

Google Trends, 86

keywords, 380–385

local business queries, 158

locals and nonlocals treatment,
385–391, 387, 389

location-based goals, 499–506, 499,
504–505

- location bid modifiers, 467–471, 468–470
 - multiple countries, 378–379
 - overview, 364
 - performance reports, 393–396, 393–396
 - results, 391–392, 392–393
 - settings, 185
 - specific locations, 369–377, 369–375, 377
 - technology, 364–366, 366
- GeoTrust provider, 171
- Get Full Account option, 406, 406
- Get Placement Ideas button, 302, 302
- Get Recent Account Changes option, 406
- Get Search Volume For A List Of Keywords Or Group Them Into Ad Groups option, 76–77, 77
- Get Traffic Estimates For A List Of Keywords option, 77
- goals
- AdWords accounts, 590
 - alignment with various stakeholders, 15–17
 - bid strategies, 423–424
 - campaigns based on, 508–511, 509
 - defining, 511–513, 512
 - location-based, 499–506, 499, 504–505
 - usability, 180–181
- Goog-411 search, 9
- Google
- click-through rate, 221
 - forwarding numbers, 125–126
 - goals, 15–17
- Google Analytics, 27
- AdWords accounts, 592
 - AdWords reports, 567
 - vs. AdWords script tracking, 431–432
 - attribution models, 483, 484
 - finding sites to block, 356
 - linking AdWords account with, 148
 - page view conversions, 457
 - tracking, 430–432
- Google Certified Partners, 494
- Google Display Network, 217
- Google Merchant Center, 129–130, 338
- Google Network, 217
- Google Partners, 494–495, 495
- Google Search Network, 217
- Google Tag Manager, 338
- Google Trends tool
- for consumer interest, 88–89, 89
 - for messaging, 87–88, 88
 - optimization schedules, 615
 - overview, 83–85, 83–84
 - services, 85–87, 85–87
- Google Webmaster Tools account, 228
- Googlebot, 228
- GoTo.com, 2–6, 2, 4
- grammar in ad text, 100
- Grand Totals in reports, 534
- granular account organization, 94–95
- green color
- conditional formatting, 453
 - landing pages, 179
- Gross, Bill, 2
- groups
- ad. *See* ad groups
 - location, 375–376, 375
- ## H
- HCHC ad group labels, 486
- HCLC ad group labels, 486
- headlines, 106–107
- Herder, Eelco, 172
- high-quality sites
- blocking, 355
 - defined, 352
- High ROI Ad Groups in reports, 486–487, 486
- high-spend, high-return ad groups, 485
- high-spend, high-traffic ad groups, 485–486

- high-value items in tests, 123, 123
- highest reviewed articles and products for page views, 196
- Hist. CPM metric, 318
- holidays, 83–84, 83, 339
- host mapping for user location, 366, 366
- hours, conversion information by, 474–475, 475
- hover-to-play engagement ads, 274
- hub sites, 27
- human faces on landing pages, 544
- hyper local campaigns, 503, 504
- I**
- Idealab company, 2
- ideas for keywords, 26, 61, 61
 - ad groups, 69–76, 69–71, 73–76
 - by category, 64–65, 64
 - landing pages, 62–64, 229
 - word and phrases, 61–62
- ifcontent variable, 146
- ifsearch variable, 146
- I'll manually set my bids for clicks option, 435
- image ads, 257, 266
 - Ad gallery, 275–278, 275–278
 - best practices, 278
 - effective, 266–270, 267–270
 - mobile, 263
 - technical and editorial requirements, 270–272
- images on landing pages, 178
- Import option, 426
- Import From Google Analytics option, 430
- importing
 - ad groups, 414
 - ads, 415, 415
 - conversions, 426
 - keywords, 409–411, 409–410, 414
- Impr. Share (IS) metric, 189
- Impr./Wk metric, 317
- Impression Share reports
 - creating and reading, 185–190, 186, 188–189
 - display networks, 187
 - optimization schedules, 615
 - overview, 572–573, 572
- impressions
 - banner ads, 3
 - in bidding, 443
 - informational queries, 156
 - Quality Scores, 237, 241
- impressions per day data, 79–80, 79
- impressions per week data, 318
- in-market buyers, 297–298
- In-Page Analytics tool, 537
- in-stream video ads, 274
- in-video static image ads, 274
- inappropriate language in ad text, 101
- increasing Quality Scores, 243–249, 247–248
- industries
 - Quality Scores, 241–242, 242
 - trademarks within, 132
- industry-specific policies for ad text, 101
- information
 - advertising as, 14–15
 - for form-filling, 208–209
- information above-the-fold, 172–173, 172, 202
- information retrieval from landing pages, 551–552, 552
- informational ad copy, 111–112, 112
- informational queries, 25
 - conversions from, 154–155
 - landing pages based on, 153
 - leveraging, 155–157
 - in testing, 536
- initial bids
 - display-targeted campaigns, 598
 - managed placements campaigns, 600
 - search campaigns, 596
- intent words, ambiguous, 349–351, 350
- interest phase in buying funnel, 21

- interest targeting
 - campaigns, 354–355
 - categories, 296–298, 297
 - Display Network, 282–283
 - remarketing, 334–339, 338
- interests in blocking ads, 307
- interface for reports, 564–566, 564–566
- Internet Options dialog box, 168, 168
- Invalid Clicks reports, 571
- inventory with Display Planner tool, 315–316
- IP addresses for user location, 365
- IP campaigns in geographic targeting, 381–382
- irrelevant questions on forms, 209
- iSpionage tool, 82

J

- Jansen, Bernard, 154
- jargon
 - industry, 97
 - keywords, 23, 288
- Java plug-ins, 169–170

K

- keyboard shortcuts in AdWords Editor, 402–403
- Keyword (By Relevance) data, 70–71
- Keyword Ideas screen, 74, 74
- keyword insertion ads, 191–194, 192–193
- Keyword Planner tool, 28, 60, 60
 - account building, 72
 - data, 70, 70
 - vs. Display Planner, 316
 - keyword ideas, 61, 61
 - ad groups, 69–76, 69–71, 73–76
 - by category, 64–65, 64
 - landing pages, 62–64, 229
 - word and phrases, 61–62
 - optimization schedules, 613
 - options and filters, 65–68, 65–66, 68
 - vs. third-party tools, 82
 - traffic estimates, 76–82, 76–81

- Keyword reports, 576–577
- keywords and keyword tools, 19, 59
 - ad display, 57
 - ad groups, 514–515, 515
 - display, 287–292, 289–291
 - relevant, 245
 - remarketing, 340
 - best practices, 58, 90–91
 - bids, 449
 - for exposure, 461
 - optimization schedules, 612
 - Bing Ads Intelligence, 89–90, 89
 - blocking ads, 306
 - buying funnel, 20–23, 20
 - campaigns, 497–498
 - branding, 506
 - search, 593, 595, 602–603
 - choosing, 72–76, 73–76
 - commercial, 24–25
 - creating, 411–412
 - density analysis, 291–292, 291
 - destination URLs, 142–143, 143, 149
 - Display Network, 234, 282, 289–292, 289–291
 - dynamic insertion, 190–194, 192–193, 523–524, 523
 - flexible targeting, 342
 - geographic targeting, 380–385
 - Google Trends. *See* Google Trends tool
 - importing, 409–411, 409–410, 414
 - Keyword Planner. *See* Keyword Planner tool
 - landing pages, 62–64
 - lists, 31–33
 - long-tail
 - match types, 56
 - overview, 33–34
 - search campaigns, 595
 - margin data, 454
 - match types
 - analysis, 44–46, 45
 - broad. *See* broad keyword matches
 - exact, 42–43, 42

- negative. *See* negative keywords
- overview, 36
- phrase, 40–42, 40–41
- variation, 43–44, 43
- mixer tools, 32, 32
- number of, 29–31
- optimization schedules, 612–613, 615
- organizational techniques, 55–57
- parameters, 146
- PLAs, 130
- Quality Score, 225, 226, 251–252
- reflecting in ads, 94–96, 94–95
- relevance, 30, 222
- research, 27–28
- ROAS bid strategy, 448
- suggestions by category, 64–65, 64
- themes, 26
- tools, 28–29
- understanding, 23–25
- wide vs. deep, 35–36
- word and phrases, 61–62

KeywordSpy tool, 82

L

- labels in forms, 209
- landing page tests, 535
 - ads and landing pages together, 547–552, 548–552
 - brand searches, 539, 540
 - creating, 553–556, 555–556
 - dramatic changes, 541–542, 541–542
 - essential items, 553
 - left to right content, 544–545, 545
 - narrow theme sites, 537–538, 538
 - navigation, 542–544, 543–544
 - queries
 - ambiguous, 536–537
 - informational, 536
 - local business, 537
 - product category, 539
 - thank-you pages, 540–541
 - video, 545–547, 546

- landing pages, 139
 - above-the-fold information, 172–173, 172
 - ad copy for, 524
 - associations, 175–176, 177
 - best practices, 181–182
 - browser compatibility, 166–170, 167–168
 - color, 178–179, 548
 - conversion rates, 152–153
 - based on type of query, 153–157
 - forms as, 160–162, 161
 - local business queries, 157–159
 - perfect, 164
 - psychological factors, 173–175
 - segmentation pages, 159–160, 159
 - thanking customers, 162–164
 - for conversions
 - buttons vs. text links, 179–180, 179
 - dedicated, 200–202, 202
 - coupons and discounts, 176–178
 - destination URLs. *See* destination URLs
 - images, 178
 - keyword lists, 62–64
 - load time, 223
 - new customers from, 12–14, 13
 - privacy policies, 180, 180
 - quality, 223–224
 - Quality Score. *See* Quality Score
 - search campaigns, 594, 604
 - searcher questions answered by, 140–142
 - speed, 170
 - SSL certificates, 170–172, 171
 - testing. *See* landing page tests
 - trademarks, 134
 - usability goals, 180–181
 - web technology, 164–165
- Lands' End site, 338, 338
- large sites, traffic from, 346–347
- LCHC ad group labels, 486
- learn phase in buying funnel, 21

- learning from display ads, 360
 - left to right content on landing pages, 544–545, 545
 - length
 - ads, 12, 99–100
 - tests, 528
 - URLs, 151
 - Level Of Detail setting, 568
 - leveraging queries
 - informational, 155–157
 - navigational, 157
 - transactional, 153–155
 - lifetime RPV, 456
 - lightbox engagement ads, 274
 - Limited Budgets option, 446
 - Link Text option, 119
 - Link URL option, 119
 - Linked Accounts settings, 430, 431, 584
 - links
 - accounts
 - Google Analytics, 148, 430, 431
 - Google Webmaster Tools, 584
 - My Client Center, 493
 - sitelinks, 119
 - vs. buttons, 179–180, 179
 - landing pages, 231
 - lists
 - keyword, 31–33, 62–64
 - remarketing, 327–328, 327–328
 - loading pages
 - process, 429
 - time, 223
 - local belief systems case study, 390–391
 - local brands in Quality Scores, 243
 - Local Business Center and Place for
 - Business accounts, 388
 - local business queries
 - differentiating, 157–159
 - in testing, 537
 - local jargon as keywords, 288
 - locals in geographic targeting, 385–391, 387, 389
 - location-based goals, 499–506, 499, 504–505
 - location bid modifiers, 467–471, 468–470
 - location extensions, 387–388, 389
 - location groups, 375–376, 375
 - Location setting, Target Search Page
 - Location bid strategy, 445
 - location targeting. *See* geography and geographic targeting
 - long distance visitors in geographic targeting, 382
 - long sales cycles, tracking, 457–459, 459
 - long-tail ad groups
 - ROAS bids, 486
 - testing, 533
 - long-tail keywords
 - match types, 56
 - overview, 33–34
 - search campaigns, 595
 - Lost IS (Rank) column, 189
 - low bounce rate, 605
 - low-cost, low-return ad groups in reports, 485
 - low performance Quality Scores, 238, 238
 - Low Quality Keywords option, 447
 - low-quality sites, 352
 - low-tech testing approach, 561
 - low-traffic sites
 - blocking, 355
 - defined, 352
 - low-value items in sitelink tests, 122–123, 122
 - lower bids in ad strategies, 184–185
 - lowercase in display URLs, 115
- ## M
- Main Tutorials page, 336
 - Make Multiple Changes option, 409, 414
 - managed keywords, 497
 - managed placements, 298, 300
 - campaigns
 - creating, 598–600, 599

- description, 498
 - display, 607
 - optimizing, 608–609
 - overview, 354
- Display Network, 233, 283
- flexible targeting, 346
- Quality Score, 234–235
- Managed Placements report, 608
- Manager Defined Spend (MDS), 493
- many-per-click CPA bidding, 438, 438
- margins in bidding strategies, 453–455, 455
- marketing
 - goals
 - AdWords accounts, 590
 - bid strategies, 423–424
 - vs. sales, 207–208
- Marketing Nirvana* radio show, 280
- Markup Language setting, 427
- Mass Ad Copy Creator tool, 417, 417
- Mass Ad Creator software, 533
- match types, keyword
 - ad rank, 44, 55–56, 514
 - analysis, 44–46, 45
 - broad. *See* broad keyword matches
 - exact, 42–43, 42
 - keyword-based display ad groups, 288
 - multiple, 55–56
 - phrase, 40–42, 40–41
 - restricting, 56–57
 - search campaigns, 595–596
- Matched Search Query reports, 54, 54
- max CPA option, 437
- max CPC
 - bid modifiers, 467
 - calculating, 460–464, 462–463
 - campaigns, 435–436
- Max CPC Bid Limit option, 446
- Maximize Clicks bid strategy, 603
 - attribution management, 483
 - branding campaigns, 506–507
 - flexible bidding, 444
 - managing campaigns, 605–606, 605
- Mayer, Matthias, 172
- MCC (My Client Center) accounts
 - benefits, 493–494, 494
 - overview, 491–493, 492
- MCMC ad group labels, 486
- MDS (Manager Defined Spend), 493
- measuring results
 - CPM campaigns, 610
 - testing, 529–532, 530–531
- medium-cost, solid-return ad groups in reports, 485
- medium-quality sites
 - blocking, 355
 - defined, 352
- messaging, Google Trends for, 87–88, 88
- methodical approach to testing, 521
- metrics
 - Display Planner, 425
 - Impression Share reports, 187–188, 572
 - optimization schedules, 615
- metro names in geographic targeting, 383–384
- metropolitan level in user location, 368
- microsites, 201, 202
- Microsoft AdLabs, 29
- Microsoft Search Alliance, 5
- min bids option, 448
- minimum bids
 - Quality Score, 216–217
 - ROAS bid strategy, 448
- minus (-) signs for negative keywords, 46–47, 49
- misspellings
 - ad text, 100–101
 - broad keyword matches, 37, 39
- mixer tools for keywords, 32, 32
- mobile ads, 257
 - Ad Preview and Diagnosis tool, 264–265, 265
 - best practices, 278
 - controlling, 116–117, 117
 - conversion tracking, 264

- creating, 258
- vs. desktop, 158
- placement, 316, 316
- in Quality Scores, 247, 247
- smartphone extensions, 261–262, 261
- smartphone users, 258–262, 259, 261
- testing, 534–535, 535
- WAP, 262–264, 262–263
- mobile bid modifiers, 515
- mobile-compatible sites, 261
- mobile phones for conversions, 212
- mobile usage, viewing, 260
- modified keyword broad matches
 - conversion rates, 45
 - description, 38–40, 39
 - estimates, 81
- modifiers, bid. *See* bids and bid strategies
- monitors in above-the-fold concept, 172
- Montblanc pens trend data, 83, 83
- moving keywords for Quality Score, 252
- Multi Channel Funnels report, 482, 483
- multi-location campaigns, 501–506, 504–505
- multinational companies in country-based targeting, 379
- multiple ads
 - group testing approach, 520–521, 532–534, 533–534
 - writing, 416–419
- multiple bid changes, 461
- multiple campaigns in geographic targeting, 381–382
- multiple conversion actions, testing, 531
- multiple countries in geographic targeting, 378–379
- multiple match types for ad groups, 55–56
- Multiply Keyword Lists To Get New Keyword Ideas option, 77, 78
- multivariate testing, 553–554
- My Account settings, 430, 431
- My Change History tool, 407
- My Client Center (MCC) accounts

- benefits, 493–494, 494
- overview, 491–493, 492

N

- names
 - ads, 419
 - AdWords Editor, 420, 420
 - campaign, 592
 - company, 134
 - as keywords, 25
 - remarketing lists, 326
- narrow theme sites in testing, 537–538, 538
- natural results, 16
- navigation
 - landing pages, 230–231
 - testing, 542–544, 543–544
- navigational queries
 - landing pages based on, 153
 - leveraging, 157
- Nearby option, 369
- nearby searches in target locations, 373, 373
- negative ad copy, 114, 114
- negative keywords
 - ad groups, 48–49, 49, 515, 515
 - in blocking ads, 309–310
 - broad matches, 49–50
 - description, 46
 - exact matches, 51–52
 - formatting, 47
 - implementing, 46–49, 47–49
 - keyword-based display ad groups, 288
 - limit, 491
 - phrase matches, 50–51, 51
 - with positive, 52–53, 53
 - researching, 53–55, 53–54
 - search campaigns, 595
- neighborhoods in geographic targeting, 384
- Netflix rental titles, 33
- network inventory with Display Planner, 316
- networks. *See* Display Network

new customers from landing pages, 12–14, 13

New York Times placements, 298, 299, 343, 343

Nielsen search page view study, 281

Nike trademark, 133–134

no override tag, 150–151

non-credit card forms, 207

non-geographic-based keywords in geographic targeting, 381

non-upgraded location extensions, 388

nonconverters, 333

nonengaged users, remarketing, 334–335

nonlocals in geographic targeting, 385–391, 387, 389

normalized by population trend data, 84, 84

numbers in ads, 107–110, 107–108

O

Obendorf, Hartmut, 172

Off the Beaten Tracks: Exploring Three Aspects of Web Navigation, 172

offensive language in ad text, 101

offers

- daily, 507
- display ads, 360
- image ads, 269
- landing pages, 547–548, 548, 550, 550
- time-sensitive, 479–480, 480

Ogilvy, David, 14

one account per company policies, 490

one country per campaign rule, 379

1-per-click CPA bidding, 438, 438

100 cookie rule, 332

one-page wonders, 201

one-word queries, 34

opening images in video ads, 273

optimization schedules in campaigns, 612–616

optimization techniques, 183

- AdWords Editor display, 420, 420–421

- best practices, 213–214
- for conversions, 198–199
 - ad copy, 199–200, 199
 - contact options, 210
 - e-commerce, 203–205, 203
 - form-fill, 205–209, 206
 - landing pages, 200–202, 202
 - options, 212–213
 - profits, 210–211
 - uncommitted consumers, 209–210
- country-based targeting, 378–379
- display campaigns, 351–357, 351
- search campaigns, 601–605
- for traffic, 184
 - ad strategies, 184–190, 186, 188–189
 - dynamic keyword insertion, 190–194, 192–193
 - page views, 194–198
- Optimize For Clicks strategy, 525
- Optimize For Conversions strategy, 525–526
- options, excessive, 198
- Orange color in conditional formatting, 453
- Overture Services, 5

P

Page, Larry, 5

page 1 keywords, 577

page bids in Quality Score, 216

page views

- conversions, 457
- increasing, 194–198

paid and organic reports, 584, 584

part numbers as keywords, 25

partnerships, 176

patent disputes, 5

paths on landing pages, 141

paused ads per account, 491

Paused/deleted placement status, 300

paused keywords in Quality Score, 251–252

- pay-per-click (PPC) advertising, 1–2
 - ad rank, 223
 - best practices, 408
 - Bing ads, 90
 - conversions, 554–556
 - GoTo.com pricing model, 3
 - patents, 5
 - remarketing tools, 334, 336
 - revolutionized, 6–7
- Pennsylvania State University study on informational queries, 154
- perfect landing pages, 164
- Performance (Active View) setting, 567
- Performance column in reports, 567
- performance reports
 - ads, 529–530, 530, 573–576, 575–576
 - geographic targeting, 393–396, 393–396
- Pew Internet search page view study, 281
- phone calls
 - for conversions, 212
 - tracking, 434
- phone numbers, 125–126
- phrase keyword matches
 - conversion rates, 45
 - negative, 50–51, 51
 - overview, 40–42, 40–41
- phrase keywords, 61–62
- pivot tables
 - Ad Performance reports, 574, 575
 - creating, 236
 - multi-ad group testing, 533, 533
- Placement Performance reports
 - display campaigns, 606
 - managed placements campaigns, 599–600
- placement targeting
 - Display Network, 283, 298–304, 299–304
 - Quality Score, 217
- placements
 - Display Network, 283
 - Display Planner, 316, 316
 - exclusion for blocking ads, 306–307
 - flexible targeting, 346, 348–349, 349
 - managed. *See* managed placements
 - Places for Business account, 387–388, 387
 - plans for AdWords accounts, 590
 - PLAs (product listing ads), 129–131, 129–131
 - Play Rate reports, 272
 - plug-ins, 169–170, 169
 - plurals in broad keyword matches, 37, 39
 - plus signs (+)
 - AdWords Editor, 404
 - destination URLs, 144
 - keywords, 38
 - policies
 - editorial, 99, 101, 151–152
 - privacy, 180, 180, 230, 330
 - remarketing, 332
 - pop-ups in landing pages, 231
 - population information for trend data, 84, 84
 - posting changes in AdWords Editor, 405, 406
 - PPC. *See* pay-per-click (PPC) advertising
 - PPC Community, 335
 - precise matches in Quality Score, 224
 - price shoppers, remarketing, 335
 - prices vs. discounts, 522, 522
 - pricing model in GoTo.com, 3
 - primary targeting method, 597
 - print pages for conversions, 213
 - printing page views, 197
 - privacy in image ads, 271
 - privacy policies
 - landing pages, 230
 - overview, 180, 180
 - scripts, 330
 - problem-based keywords, 24
 - product category queries in testing, 539
 - product listing ads (PLAs), 129–131, 129–131
 - product names as keywords, 25

- profitable video ads, 272–273, 273
- profits
 - conversions for, 210–211
 - with discounts, 550
 - increasing, 204
 - testing, 556–559, 557–558
- propositions, selling, 102–103
- proxy domains in display URLs, 152
- psychology
 - in conversion rates, 173–175
 - search, 7–15, 11, 13
 - in writing ads, 107
- punctuation marks in ad text, 101
- purple color in sites, 179

Q

- quality
 - landing pages, 223
 - site, 352
- Quality Score, 215
 - ad accuracy for, 100
 - ad rank effects, 218–221, 573
 - best practices, 254–255
 - CTRs, 238–239, 239
 - development, 223
 - diagnosing, 235–243, 237–239, 242
 - Display Network, 233–234
 - FAQs, 251–253, 253
 - first page bids, 231–233, 232
 - fixing, 249–251, 250
 - geographic targeting, 394–395
 - ignoring, 240–241
 - impressions, 237, 241
 - increasing, 243–249, 247–248
 - industries, 241–242, 242
 - keyword insertion ads, 193–194
 - landing page quality
 - fixes, 248–249, 248
 - navigation, 230–231
 - relevance, 229–230
 - spiderability, 228
 - transparency, 230

- low performance, 238, 238
- managed placements, 234–235
- navigation for, 543
- optimization schedules, 613
- overview, 216–218
- precise matches, 224
- relevancy factors, 225
- reports
 - Geographic, 583
 - Impression Share, 189, 572
 - Keyword, 577
- for search, 221–225
- search campaigns, 603
- traffic Estimator, 80
- update frequency, 253
- viewing, 225–228, 226–227
- word variations, 241–243

- Quality Score Analyzer tool, 237

- queries
 - ambiguous, 536–537
 - business, 157–159
 - landing pages based on, 153–157
 - local business, 537
 - one-word, 34
- question marks (?)
 - ad copy, 112
 - destination URLs, 144
- questions
 - answered by landing pages, 140–142
 - reflected in ads, 112, 113

R

- radius targeting, 374–375, 375
- reach
 - Display Network, 292
 - keyword selection, 44
 - video ads, 272
- Reach reports, 272
- Reach and Frequency reports, 583–584
- Reach and Frequency Performance reports, 609–610
- read-only access to My Client Center, 493

- recall, text ads vs. image ads, 267
- recommended articles for page views, 195
- recommended products for page views, 196
- red color
 - conditional formatting, 453
 - landing pages, 179
- refining traffic from large sites, 346–347
- region level in user location, 367
- regional lingo in geographic targeting, 384–385
- REI ad, 128, 128
- related articles for page views, 195
- related products for page views, 195
- relative CTRs
 - display ads, 187
 - Quality Score, 235
- relevance
 - ad copy, 222
 - ad groups, 244–246
 - ads
 - accuracy, 100
 - display, 360
 - Display Network, 234
 - video, 273
 - Display Planner, 318
 - Google, 6
 - GoTo.com, 2
 - keywords, 30, 222
 - landing pages, 229–230, 548–549, 549
 - Quality Score, 225, 252
- religious affiliation, 332
- remarketing, 323
 - 100 cookie rule, 332
 - ad groups, 330–332, 330–331
 - audience, 324–328, 325–329
 - in blocking ads, 307
 - campaigns, 498, 501
 - creep factor, 340–341
 - Display Network, 283
 - dynamic, 338
 - overview, 324
 - scripts, 328–330, 329
 - strategies, 332
 - targeting by interest, 333–339, 338
 - by trends, 339
 - visitors and converters, 333
- Remarketing List screen, 328, 328
- repeating words in ad text, 101
- reports, 563
 - account optimization, 571
 - Ad Group Performance, 573
 - Ad Performance, 573–576, 575–576
 - alerts, 585–586, 585–586
 - best practices, 587
 - Campaign, 571
 - columns, 567–568, 567–568
 - conversion data, 432–434, 433
 - day-of-the-week conversion information, 474–476, 474–476
 - Destination URL, 581–582
 - Dimensions, 581
 - Display Network, 579–581, 579–580
 - downloading data, 568–570, 569–570
 - Geographic, 582–583
 - geographic targeting, 393–396, 393–396
 - Grand Totals, 534
 - Impression Share
 - creating and reading, 185–190, 186, 188–189
 - display networks, 187
 - optimization schedules, 615
 - overview, 572–573, 572
 - interface, 564–566, 564–566
 - Invalid Clicks, 571
 - Keyword, 576–577
 - optimization schedules, 615–616
 - Paid and Organic, 584, 584
 - Quality Score, 249–250, 250
 - Reach and Frequency, 583–584
 - ROAS bid decisions, 484–487, 484, 486–487
 - Search Query, 577–579, 577–578
 - video ads, 272

Reports And Uploads screen, 570, 570
researching

Display Network topics, 294–295,
294–296

keywords, 27–28

negative keywords, 53–55, 53–54

placements, 299–303, 299–303

Resolution Test plug-in, 173

restricting match types, 56–57

results

geographic targeting, 391–392,
392–393

testing, 529–532, 530–531

time spent with, 16

understanding, 10

retargeting campaigns, 600–601

return on ad spend (ROAS) bid strategy,
436

decisions, 484–487, 484, 486–487

overview, 447–450, 447

setting bids, 460–461

return on investment (ROI)

vs. page views, 194

vs. ROAS, 449–450

revenue per click, 450–452, 451–452,
455–457

revenue per search (RPS), 7

revenue per visitor (RPV), 455–457

Review Estimates option, 75, 76

review extensions, 128, 128

reviews

in ad copy, 113, 113

sociability, 173–175

rich media ads. *See* image ads; video ads

ROAS (return on ad spend) bid strategy, 436

decisions, 484–487, 484, 486–487

overview, 447–450, 447

setting bids, 460–461

robots.txt file, 63, 201, 228

ROI (return on investment)

vs. page views, 194

vs. ROAS, 449–450

root domains in URLs, 116, 151–152

root words in keywords, 35–36

Rotate Evenly ad strategy, 526

Rotate Indefinitely ad strategy, 526

Royal Volkswagen site, 552, 552

RPS (revenue per search), 7

RPV (revenue per visitor), 455–457

Run Now option, 570

S

sales vs. marketing, 207–208

Save This Report option, 570

Save to Cart option, 212

saving Keyword Planner data, 81–82, 81

scaling accounts, 408

schedules

ads, 185

bid modifiers, 471–473, 471–472

campaigns, 497

examples, 476–480, 477–480

search campaigns, 604

optimization, 612–616

sitelinks, 119

screenshots, 95

scripts

vs. Google Analytics, 431–432

loading, 429

page view conversions, 457

remarketing, 328–330, 329

search

ads reflecting, 94–96, 94–95

campaigns

creating, 593–596, 594–595

maximizing returns, 497–498

optimizing, 601–605

Quality Score for, 221–225

Search Alliance, 5

search behavior in buying funnel, 482, 482

search boxes for page views, 196

“Search Conversion Rates by Day Part”, 477

search engine optimization (SEO)

dedicated landing pages, 201

Keyword Planner, 64

Search Exact Match IS metric, 572

- Search For New Keyword And Ad Group
 - Ideas option, 75, 75, 90
- Search Funnels setting, 567
- search history for user location, 365
- Search Impression Share (IS) metric, 572
- Search Lost IS (Budget) metric, 188–189, 572
- Search Lost IS (Rank) metric, 187, 572
- Search Network Only option, 284
- Search Network With Display Select option, 284
- search-only campaigns, 284–285, 284–285
- search partners, 217
- Search Query reports, 577–579, 577–578, 602
- search results
 - time spent with, 16
 - understanding, 10
- search theory, 1
 - best practices, 17–18
 - Google AdWords origin, 2–7, 2, 4
 - psychology of search, 7–15, 11, 13
- searchers
 - goals, 15–17
 - questions answered by landing pages, 140–142
- seasonality, 83–84, 83
- “secret” word in ads, 111
- Secure Sockets Layer (SSL) certificates, 170–172, 171
- security
 - SSL certificates, 170–172, 171
 - web technology, 164
- segmentation
 - ad, 247
 - audience, 104
 - conversion rates, 159–160, 159
 - device modifiers, 480, 481
 - reports, 569, 569
 - in testing, 538
- self-serve model, 4
- seller ratings extensions, 127–128, 127
- SEMrush tool, 82
- sending email
 - for conversions, 212
 - for page views, 197
- SEO (search engine optimization)
 - dedicated landing pages, 201
 - Keyword Planner, 64
- SERP (single search engine results page), 6–7
- services campaigns, 503
- session tracking, 434
- set max option, 448
- shared negative keyword lists per account, 491
- sharing pages, 197
- shipping prices, 204
- shopper experience in landing pages, 550–551, 551
- shopping cart abandoners, remarketing, 337–338
- shopping carts, 204
- shopping phase in buying funnel, 22
- short-term memory, 198
- shortcuts in AdWords Editor, 402–403
- Show The Following Links option, 126
- signup process in GoTo.com, 3, 4
- Silverstein, Craig, 6
- similar words in broad keyword matches, 37
- simplicity for forms, 208
- single search engine results page (SERP), 6–7
- site blocking, 355
- site category exclusions in blocking ads, 307–308, 308
- site quality, 352
- sitelink extensions
 - case studies, 121–125, 122–124
 - overview, 118–121, 119–121
- size
 - Display Planner, 316
 - image ads, 270–271, 277

- slow connections with landing pages, 170
 - smart pricing, 310–314, 313–314
 - smartphones, 258
 - extensions, 261–262, 261
 - reaching users, 258–260, 259
 - sociability, testimonials and reviews for, 173–175
 - social extensions, 128
 - social media sites for page views, 197
 - social network shares for conversions, 213
 - social networking sites, 353
 - spaces
 - destination URLs, 144
 - display URLs, 115
 - spam, 180
 - special offers
 - daily, 507
 - display ads, 360
 - image ads, 269
 - landing pages, 547–548, 548, 550, 550
 - time-sensitive, 479–480, 480
 - specific locations in geographic targeting, 369–377, 369–375, 377
 - speed of landing pages, 170
 - spelling
 - ad text, 100–101
 - broad keyword matches, 37, 39
 - spiderability of landing pages, 228
 - spiders, 62
 - Spink, Amanda, 154
 - SSL (Secure Sockets Layer) certificates, 170–172, 171
 - standard access to My Client Center, 493
 - Start/End Dates option, 119
 - state abbreviations in geographic targeting, 382–383
 - state-based keywords, 380
 - state level in user location, 367
 - state lines in user location, 367
 - state names in geographic targeting, 382
 - static image ads, 270
 - statistical significance in tests, 527–529
 - status checks for campaigns, 612
 - stories, video ads as, 273–275
 - String, Esco, 477
 - subscriptions, 212, 456–457
 - Suggested Bid data, 67, 71
 - superlatives in ad text, 101
 - supporting products for page views, 195
 - symbols in ad text, 101
 - symptoms-based keywords, 25
- ## T
- tagging
 - data, 150–151, 150
 - destination URLs, 144
 - takeout food site, 548–549, 549
 - target audience scenarios, 357–359
 - target CPA
 - Conversion Optimizer, 437
 - strategies, 444–445, 444–445
 - Target report And Bid option, 342–343
 - Target Search Page Location bid strategy, 445–447, 446
 - targeted ads in search campaigns, 595
 - targeting
 - ad groups, 285–286, 285–286
 - campaigns, 496
 - Display Network
 - methods, 282–283
 - topics, 292–295, 293–296
 - display-targeted campaigns, 597
 - flexible. *See* flexible targeting
 - geographic. *See* geography and geographic targeting
 - by interest
 - campaigns, 354–355
 - categories, 296–298, 297
 - Display Network, 282–283
 - remarketing, 334–339, 338
 - placement, 217, 283, 298–304, 299–304
 - Quality Score, 217
 - TD-IDF (Term Frequency: Inverse Document Frequency), 222

- technical requirements for image ads, 270–272
- technology
 - filters, 260
 - geographic targeting, 364–366, 366
- templates in AdWords Ad Gallery, 276, 276
- Term Frequency: Inverse Document Frequency (TD-IDF), 222
- testimonials
 - ad copy, 113, 113
 - landing pages, 524, 524
 - sociability, 173–175
 - video, 545, 546
- testing, 519
 - ad copy, 246, 247, 520–521
 - geographic, 522–523, 523
 - mobile, 534–535, 535
 - themes, 521–525, 524
 - AdWords Campaign Experiments, 559–560, 559–560
 - automatic, 529
 - best practices, 561–562
 - CPA bidding, 438–439
 - creating, 525–527, 526
 - destination URLs, 145
 - discounts vs. prices, 522, 522
 - display campaigns, 607–608
 - dynamic keyword insertion, 523–524, 523
 - importance, 520
 - landing pages. *See* landing page tests
 - measuring results, 529–532, 530–531
 - multi-ad groups, 532–534, 533–534
 - multiple conversion actions, 531
 - optimization schedules, 614
 - profit per click and profit per impression, 556–559, 557–558
 - search campaigns, 603–604
 - statistical significance, 527–529
- text ads length, 12
- text ads per ad group, 491
- text links in conversion activities, 179–180, 179
- Textanz keyword density analyzer, 291, 291
- thank-you pages
 - importance, 162–164
 - types, 540–541
- themes
 - for creativity, 521–522
 - keywords, 26
 - successful, 106–107
- Theologos House of Jewelry site, 551, 551
- third-party keyword tools, 82
- thoughts in keywords, 23
- time frames
 - conversion information by, 473–476, 474–476, 582
 - reports, 565–566, 566
- Time Lag report, 427, 428
- time requirements
 - forms, 208
 - landing pages, 140
- time-sensitive offers, 479–480, 480
- time zones, 472
- TLS (Transport Layer Security), 171
- top data in Keyword reports, 577
- top gaining searches, 87, 87
- top-level domains for user location, 364
- top of page bids in Quality Score, 216
- top-read articles for page views, 196
- top-selling products for page views, 196
- topics
 - in blocking ads, 307
 - Display Network, 282, 292–295, 293–296
 - remarketing ad groups, 340
- total conversions, 425
- total page views, 184
- tracking
 - conversion-tracking code, 426–434, 426–428, 430–431, 433
 - destination URLs for, 144–151, 147, 150
 - long sales cycles, 457–459, 459
 - mobile conversions, 264
 - page view conversions, 457

- phone calls, 434
- Quality Score, 249
- setting up, 591–592
- Tracking For Webpages option, 426
- Tracking Indicator setting, 428–429
- trademarks, 101, 131–135, 132, 134
- traffic and traffic estimates
 - Keyword Planner, 76–82, 76–81
 - from large sites, 346–347
 - optimizing for, 184
 - ad strategies, 184–190, 186, 188–189
 - dynamic keyword insertion, 190–194, 192–193
 - page views, 194–198
 - for testing, 528–529
 - Traffic Estimator, 76–82, 76–81
- transactional queries
 - landing pages based on, 153
 - leveraging, 153–155
- transparency
 - landing pages, 230
 - for privacy, 180
- Transport Layer Security (TLS), 171
- travel industry, 340
- Trend Graphs data, 70–71, 71
- trends
 - Google Trends. *See* Google Trends tool
 - remarketing by, 339
- TrueView in ads, 274
- truncating displaying URL, 152
- trust
 - landing pages, 140
 - web technology, 164–165
- tutorials in remarketing, 336
- two-word rule for keywords, 26

U

- uncommitted consumers, empowering, 209–210
- underperforming ads, 575–576

- Unique Extension per Data Point tracking, 434
- Unique Phone Number per Data Point tracking, 434
- unique selling propositions (UPSs), 102–103
- unique testing approach, 520
- unique visitors, 184
- update frequency of Quality Score, 253
- upgraded location extensions, 388
- upselling, 163
- UPSs (unique selling propositions), 102–103
- URL Builder tool, 147, 147
- URLs
 - destination. *See* destination URLs
 - display, 114–116, 116
 - Display Network reports, 579
 - length limitations, 151
 - placements, 300, 301
 - Quality Scores, 243
 - sitelinks, 120–121
 - viewing, 351, 351
- usability
 - goals, 180–181
 - importance, 164–165
- user interest, targeting based on, 296–298, 297
- user location, identifying, 364–365
- user privacy in image ads, 271

V

- value in form completion, 207
- Van Wagner, Matt, 192
- variables in destination URLs, 145–151
- variation issues
 - keyword matches, 38, 43–44, 43
 - Quality Score, 241
- vCard downloads, 212
- Venn diagrams, 343, 343
- VentureDeal sign-up page, 161, 161
- VeriSign provider, 171
- video ads, 257

- best practices, 278
- creating, 273–274
- formats, 274–275
- profitable, 272–273, 273
- testing, 545–547, 546
- View Page Source option, 171
- view-through conversion window, 429–430, 430
- Viewable CPM, 610
- viewing
 - accounts, 404–406, 405–406
 - CTRs, 238–239, 239
 - geographic targeting results, 391–392, 392–393
 - mobile usage, 260
 - Quality Score, 225–228, 226–227
- virtual private networks (VPNs), 367
- visibility diagnosis for accounts, 189
- visitors, remarketing. *See* remarketing
- Visitors On A Page With A Specific Tag option, 326–327
- Visitors On A Page Within Specific Dates option, 326–327, 339
- visual cues in AdWords Editor, 404, 404
- VPNs (virtual private networks), 367

W

- w3schools.com information
 - browser resolution, 172
 - browser statistics, 166
- WAP mobile ads, 262–264, 262–263
- Waterman pens trend data, 83, 83
- Web Developer toolbar, 170
- web pages, loading, 429
- web technology for landing pages, 164–165
- Webinars, 212
- weighted averages in Quality Scores, 237, 237
- Weinreich, Harald, 172
- white color in sites, 179
- whitepaper downloads, 212
- wide keywords, 35–36
- Wojcicki, Susan, 5

- WordPress mobile-compatible sites, 261
- words
 - concepts from, 8–10
 - in keywords, 61–62
 - with multiple meanings, 242–243
 - understandable, 97
 - variations, 241
- WordStream tool, 82
- Wordtracker tool, 82
- writing ads, 93
 - best practices, 136–137
 - calls to action, 97–98, 110–111, 111
 - consumer questions reflected in, 112, 113
 - editorial guidelines, 99–102
 - emotional factors, 98–99, 99
 - extensions. *See* ad extensions
 - features vs. benefits, 103–106
 - guidelines, 96–97
 - Holy Grail, 135–136
 - informational, 111–112, 112
 - mobile, 116–117, 117
 - negative, 114, 114
 - numbers in, 107–110, 107–108
 - product listing, 129–131, 129–131
 - search queries reflected in, 94–96, 94–95
 - testimonials and reviews in, 113, 113
 - themes, 106–107
 - trademarks, 131–135, 132, 134
 - unique selling propositions, 102–103
 - URLs in, 114–116, 116

Y

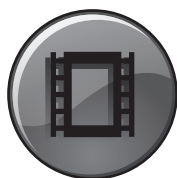
- Yahoo! Clues, 29, 29
- Yahoo! in Search Alliance, 5
- Years filter in Google Trends, 85
- Yellow color in conditional formatting, 453

Z

- zip codes in geographic targeting, 384



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