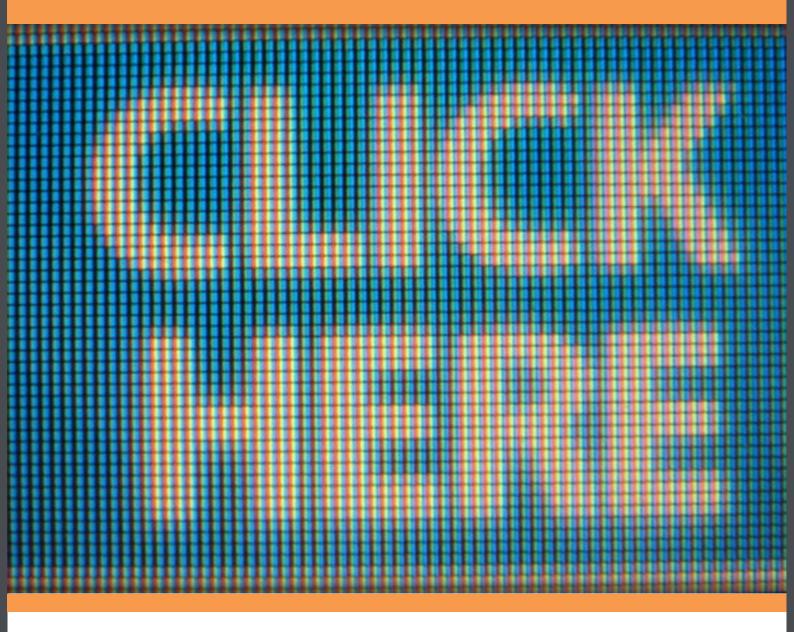
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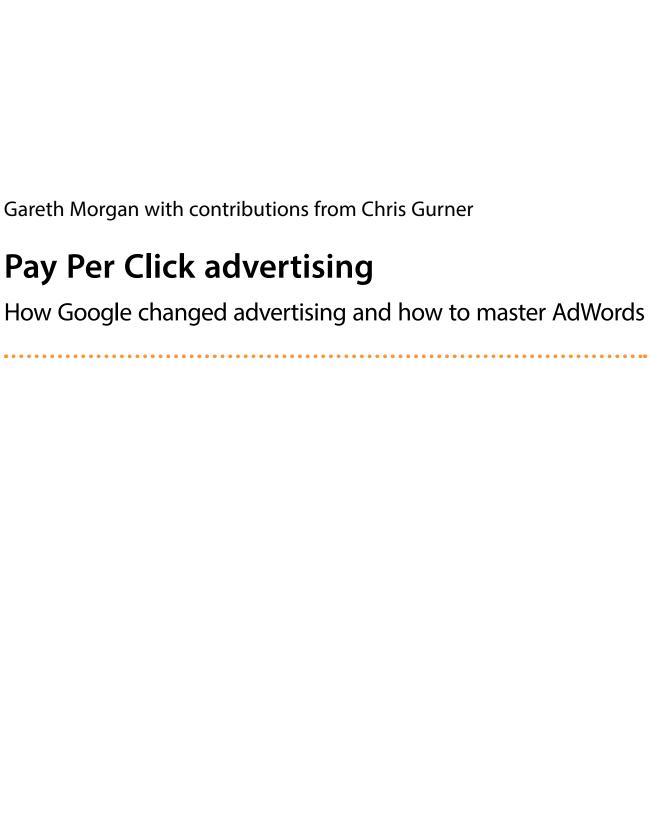
Pay Per Click advertising

How Google changed advertising and how to master AdWords Gareth Morgan with contributions from Chris Gurner



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Contents

	About the Authors	6
1	Introduction	7
2	What is Pay Per Click advertising?	8
	How Pay Per Click works	8
	What are Pay Per Click ads used for?	9
	Pay Per Click terminology	9
3	A Brief History of Pay Per Click	10
4	Why Pay Per Click is so popular	12
5	Getting started with Google AdWords	14
5.1	Campaigns	14
5.2	Ad groups and adverts	17
5.3	Keywords	21
5.4	Bidding	25



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6	Managing and improving Google AdWords	26
6.1	Split testing adverts	26
6.2	Geo-targeting	28
6.3	Ad extensions	30
6.4	Dynamic Keyword Insertion	36
6.5	Managing negative keywords	39
6.6	The Display Network	40
6.7	Automated rules	47
6.8	Analysing and reporting	49
6.9	Website landing pages	56
7	Getting started with Facebook Ads	61
7.2	Targeting	61
7.3	Pricing	62
7.4	Some basic optimisation tips	63
7.5	How others are using Facebook Ads	64





About the Authors

Gareth Morgan

Gareth has been involved in internet marketing for nearly 10 years and has promoted hundreds of websites. In 2008, he set up Liberty, an online marketing agency based in Cardiff, South Wales. The business has grown to become one of the largest specialist internet marketing agencies in the UK.

http://www.libertymarketing.co.uk

Every month, Liberty helps over 100 businesses and organisations from across the globe get traffic to their websites. The company offers Pay Per Click advertising management, organic Search Engine Optimisation (SEO), website copywriting and social media marketing services.

Gareth is regularly invited to speak about internet marketing at industry events and has presented to hundreds of business owners and marketing professionals on topics ranging from setting up AdWords to developing content strategies.

Gareth is a qualified Google AdWords Advertising Professional and Microsoft adCenter Accredited Professional.

Outside of work, Gareth is a keen golfer and car enthusiast who likes to travel and watch live rock music.

Chris Gurner

Having started his career as a digital marketer with one of the largest financial companies in the UK, Chris then moved to Liberty where he now heads up the Pay Per Click team.

Chris specialises in online paid advertising, end-to-end customer journeys, tracking and using data to develop areas for growth.

Chris is a qualified Google AdWords Advertising Professional and Microsoft adCenter Accredited Professional.

When he's not working or writing, Chris enjoys playing acoustic guitar, improving his culinary skills and trying his hand at mountain climbing.

1 Introduction

This book looks at Pay Per Click and how it has quickly become the world's most used form of advertising.

When setting out to write this book, I didn't want to cram it full of theory, leaving you at the end saying "that's all well and good, but now what?" and I also wanted to avoid writing a step-by-step user manual, as there are plenty of good ones already out there. Instead, I decided to call on my experience as both an in-house online marketing manager and as a Pay Per Click advertising consultant to try and offer an all-round perspective on Pay Per Click – one that gives an insight into why Pay Per Click works the way it does, as well as practical advice for beginners on how to set-up and manage advertising campaigns that perform well.

The book will mainly look at the Google AdWords Pay Per Click system as this is not only the largest and one of the longest established platforms, but it is also the most feature rich. Once we have explored the ins and outs of AdWords, it would be silly not to look at Facebook Ads, the main player amongst a new breed of Pay Per Click systems that are giving advertisers access to the main social media platforms and completely different ways of targeting prospective customers.

As there are dozens of other Pay Per Click platforms, each of which undergoes regular changes, this can become quite a large and complex subject if you want it to be. If you can master everything you read here regarding AdWords and Facebook Ads then you will easily be able to use these skills successfully on other systems, like Microsoft adCenter and LinkedIn Ads.

I hope that by the end of reading this short book, you will see why, as an advertiser, Pay Per Click is something that should be embraced and used to generate substantial interest for an organisation, whether that is through enhanced brand exposure, new business enquiries or additional sales.

The business I run is an online marketing agency that offers Pay Per Click management as one of its core services. We have worked with hundreds of businesses around the world and we are yet to find one that can better the returns of Pay Per Click with offline advertising, such as newspapers, radio and direct mail.

The downside to Pay Per Click is that if you do not know what you are doing, then it can be an incredibly fast way to burn through your marketing budget. As it is so accessible, many people are jumping straight into it without taking the time to do the necessary research and learn the basics.

If you are planning on setting up a Pay Per Click account in the future then follow the tips throughout the book for my advice on the simple things you should do to really make Pay Per Click work.

Gareth Morgan

2 What is Pay Per Click advertising?

In the traditional sense, Pay Per Click advertising, the "sponsored listings" usually found at the top and down the right hand side of search engines, is an auction-based system that allows businesses to display adverts based on search terms entered by prospective customers.

When search engines first started attracting users, businesses saw the sales opportunities in being in the first page results. Search Engine Optimisation (SEO), is a way of convincing Google and the like to display your website higher than others, which quickly became an important element in the marketing mix and the SEO industry exploded. Businesses and webmasters were engaged in a non-stop battle and game of one-upmanship to keep their website showing as high as possible.

The search engines tried, often in vain, to stop the results being manipulated and it didn't take them long to figure out that if this much time and money was being spent by businesses to attract traffic from the results pages, then adverts here would see strong take-up.

To many businesses, Pay Per Click is seen as a way of buying your way to an instant Number 1 ranking, without the hassle and uncertainty of SEO.

Over the past decade, Pay Per Click has grown to cover not just search engine properties but also websites of every type, including large news and media sites and all manner of social networks, from the household names to specialist blogs and forums.

An advertising format that is barely a decade old has become the world's most popular way of bringing traffic to websites, and it's easy to see why:

- It is extremely targeted. You can set adverts up so they only promote your business to people interested in what you offer. This means the amount of money wasted on advertising to uninterested parties is minimal.
- It has high conversion rates. Visitors who come through from an advert have made the choice to click through after reading your sales message, so are quite likely to buy what's on offer.
- It is completely scalable. Campaigns can be set up to suit organisations and budgets of all sizes.
- It is quick to set up and it often starts showing immediate results, making it great for testing out new markets and launching new products.

How Pay Per Click works

Advertisers bid on keywords (single words and phrases) that they feel are relevant to the products or services they offer. Then, when a person enters these search terms into the search engine, the advert will show. When the user clicks on the advert they are sent straight through to the advertiser's website. Hopefully, the user will buy a product or enquire about a service, which will lead to the advertiser getting a return on their investment.

Only when an advert is clicked on does the advertiser incur a charge, hence the name 'Pay Per Click'. If users do not click on the advert then there is no charge to the advertiser, meaning they have in effect been displaying adverts to their target markets for free.

Pay Per Click is an auction based system as, in essence, the more an advertiser is willing to pay for a visitor, the higher their adverts show. It is important to know that Google does not set the prices for adverts within its search results. They are decided by the market and the more profitable the products or services are, the more advertisers are willing to pay for traffic, so the more it costs to appear in a high position.

What are Pay Per Click ads used for?

The majority of Pay Per Click adverts are in place to generate sales for products and services. From selling insurance to end of season clothing sales, if you can spend money on it, then there are usually adverts on AdWords trying to get you to spend your money there.

But it's not just the selling of products and services that you'll see people bidding on keywords for. Just a few of the things Pay Per Click can be used for include:

- Buying products (wanted ads)
- Generating interest for an event, such as a concert or rally
- Enhancing brand recognition or changing brand positioning
- · Market research
- Recruiting staff for organisations, or students for educational establishments
- Promoting politics, religion, etc.
- Pushing PR messages and countering negative press

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2010 gulf oil spill
www.BP.com/GulfOfMexicoResponse Stay Updated On BP's Gulf of Mexico Response Efforts.
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Figure 1: An example of how BP used AdWords adverts for public relations purposes

Pay Per Click terminology

There are a few key terms that you need to know in order for Pay Per Click (and this book) to make sense:

- Impression The displaying of an advert. The number of impressions is the number of times that an advert is served up in the search results.
- Click Through Rate (CTR) The number of impressions divided by the number of clicks. The higher the CTR, the better your advert is performing.
- Cost Per Click (CPC) The amount you pay when someone clicks on an advert.
- Average Position The position in the results where your advert normally appears.
- Bid The maximum price you are willing to pay for a click.

3 A Brief History of Pay Per Click

In the late 90's a new form of advertising was invented that would soon have a tremendous impact on how businesses spend their marketing budgets and how they would target and engage their prospective customers.

Up until this time, the world of advertising could be defined as 'push' based – in the offline world, marketing messages were sent out with the hope of hitting the right audience, grabbing their attention and bringing them towards the business in order to generate new sales. For businesses with a message that they wanted to broadcast, the main options were print, TV, radio and direct mail. The trouble with these traditional mediums is that not only are they hard to measure accurately, the returns generated are often very small when compared to the outlay.

In the mid to late 1990's, search engines started being used as the default way to navigate the web. Back then, Yahoo! was the main player but the young Google was quickly taking up a large share of the market. These search engines were seeing huge usage – millions of people were using them every single day - and it wasn't long until someone saw an opportunity to take advantage of the quickly growing crowds of search engine users.

GoTo.com, an online advertising company that would later be purchased by Yahoo! is credited as creating the concept for Pay Per Click advertising. In 1998, the company started charging businesses to place them at the top of the Yahoo! search results, with payment being made each time someone clicked.

The GoTo.com system was soon followed by AdWords, the Pay Per Click (PPC) platform that Google created to attract advertisers to its own search results. As Google became the default search engine for internet users, AdWords became the default PPC platform for advertisers and the amount of adverts skyrocketed. Since late 2000, AdWords has grown phenomenally and in most of the world it is now the main place that businesses choose to spend their advertising money. In 2010, AdWords brought Google around \$28 billion in revenue.

Whilst AdWords is barely a decade old, the system has undergone many changes and has branched out to offer advertising across many websites, not just Google. Within seconds and a couple of mouse clicks, advertisers can also choose to have their adverts displayed on other search engines and portals that use Google results and by selecting the Display Network, adverts can appear across news websites, blogs and forums of all types. Those adverts you see along the top, the side and the bottom of your favourite websites with "ads by Google" placed next to them are being served via AdWords.

As this was happening, the other main English search engines, Yahoo! and Microsoft, were also creating and refining their Pay Per Click systems. Based on the GoTo.com model (which went on to become Overture and then Yahoo! Search Marketing), Yahoo! had quite a popular system and Microsoft placed adverts within the search results of Bing via its own adCenter model. Whilst each of these is a powerful Pay Per Click system, usage of the Yahoo! and Bing search engines has always been a lot lower than Google, meaning neither of their Pay Per Click platforms enjoy market-leading positions or become a default system.

Whilst Pay Per Click on the search engines has not altered fundamentally for a few years, Pay Per Click as a marketing medium has come a long way. The social media networks are now where people spend the most of their time online and the proven Pay Per Click model was soon ported over.

You can now place adverts on popular websites, such as Facebook and LinkedIn. Rather than adverts displaying every time a particular search term is used, these systems display adverts based on demographics. If your business rents out marquees then you can choose to advertise on LinkedIn and only display adverts to people in the events profession, or you can advertise on Facebook to people who are engaged and planning a wedding.

Pay Per Click is constantly evolving and whatever changes and new platforms are on the way, you can be sure that scores of businesses will be quick to spend their money on them.

4 Why Pay Per Click is so popular

Offline media such as TV and radio advertising has been used by businesses for decades; print advertising for over a century, so how could this new form of advertising grow so quickly and overtake these enormous entities within just a few years?

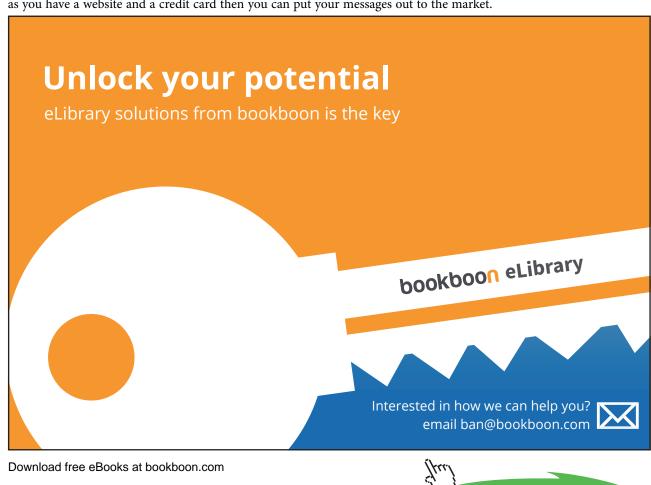
Rather than the 'push' based system, where messages are being blasted to often unready or uninterested audiences, Pay Per Click allows businesses to 'pull' in prospective customers at just the right time.

By waiting for prospects to enter relevant search engine queries (keywords) and then by only paying when those users click through to their website, businesses on platforms like AdWords often generate a return on investment that had previously been unachievable.

Not only did advertising returns prove to be significantly improved when compared to more traditional methods, Pay Per Click also offered a quick, flexible and accountable way of attracting enquiries and making sales.

New accounts can be set within minutes and without constraint or upfront payment, meaning a business can create adverts that are accessible by hundreds of millions of people almost instantly.

The process is also very simple. So long as you can write a few lines of text about the products and services you offer then you can get started. You don't need a graphic designer, you don't need a script, a set or a media buying agency. So long as you have a website and a credit card then you can put your messages out to the market.



Perhaps more important than these things, for professional marketers at least, is the fact that advertising in this new way is completely trackable and offers an unprecedented level of control. The famous saying by successful American businessman John Wanamaker ("Half the money I spend on advertising is wasted; the trouble is I don't know which half") is no longer a worry. With all clicks accounted for and showing up in analytical reports, it is easy to see what is working and what isn't. And with the ability to split-test adverts, as well as choose things such as the time of day when adverts show and the places where they are seen, Pay Per Click systems are a dream for marketers that are used to advertising offline.

5 Getting started with Google AdWords

5.1 Campaigns

With AdWords, structure is important. If the account grows to one that covers an array of products across numerous countries and various online networks, then you need to make sure it is easy to navigate.

My team and I often take over accounts that are underperforming and the first thing we do is re-work the structure. It is important not to jump straight into this without taking the time to plan out your account. An account that is all over the place often leads to multiple keywords appearing for different campaigns, the wrong adverts showing for search terms and budget being spent differently to originally intended.

The first thing to understand is that there is a hierarchy to each AdWords account. At the highest level are campaigns. A campaign holds a number of ad groups and within the ad groups are adverts and keywords.

This may be an alien concept but picture an account a bit like a department store. Within the store they have the furniture section, the clothing section and the perfume section – these will be the campaigns. Each of these will have different brands on sale (the ad groups) and within these brands are individual products (the keywords). Every single product can be categorised and stored within its brand and its department.

Whilst this is a very simplistic view, any business - or even just a list of products - can be compartmentalised in this way. An example of how this could look for a discount online shoe retailer would be:

Campaigns	Ad Groups	Keywords
Trainers	Nike trainers	Buy Nike trainers
		Cheap Nike trainers
		Discount Nike trainers
	Adidas trainers	Buy Adidas trainers
		Cheap Adidas trainers
		Discount Adidas trainers
Boots	Caterpillar boots	Buy Caterpillar boots
		Cheap Caterpillar boots
		Discount Caterpillar boots
	Dr Martens boots	Buy Dr Martens boots
		Cheap Dr Martens boots
		Discount Dr Martens boots

Figure 2: A table showing how products and brands may fit together for a shoe shop

When starting with AdWords, as an advertiser you should take the time to list all of the products and services that you want to advertise and divide them up into categories. At the top of the categories list, write "Campaigns". Then split each of these categories into sub-categories and call these your "Ad Groups". Don't worry about keywords or adverts at this point in time.

When you have a list that you are satisfied with, it is time to create a new Google account or log-in to your existing one and get started on setting up AdWords.

After going to AdWords, choosing to start advertising and inputting your location and preferred currency, you will see this screen:

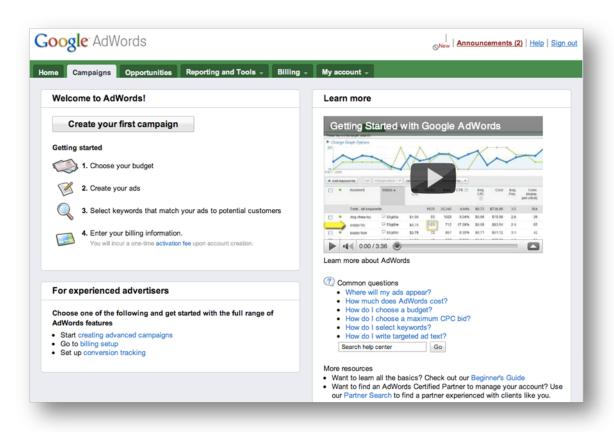


Figure 3: The first screen in AdWords, where you start creating your campaigns

Do not click the big button called "Create your first campaign". This may seem counter-intuitive but you will have to trust me on this one. Doing so will force you into creating a campaign with certain features that we do not want set as default.

These features, such as the Display Network, are left "on" by default as they make Google a lot of money. If you want a very tightly focussed advertising campaign then it is best not to spend your budget here. For new advertisers, these options rarely lead to an increase in sales, so instead, play it safe and click "creating advanced campaigns" under the "For experienced advertisers" section, where you will be taken through to the campaign set-up screen.

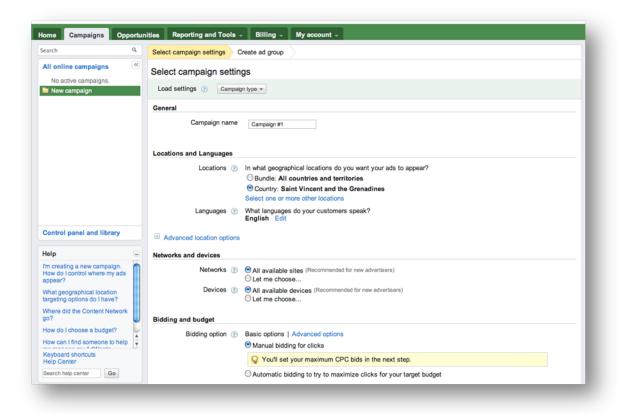
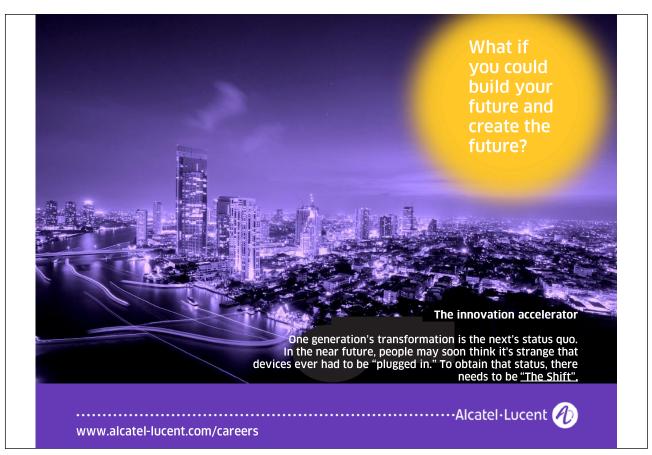


Figure 4: The campaign settings screen



Here, you should name your campaign, choose where in the world you want the adverts to appear and the languages your target market use. You can then also specify the Networks and Devices that they appear on. Choosing the right networks is hugely important and it is advised that all newcomers to Pay Per Click choose only the Search Network.

The difference between the Search and Display Networks

The Search Network is where adverts appear next to the search engine results page. This obviously includes any searches made on Google but can also include their "search partners", i.e. other search engines that show Google results, such as AOL.

The Display Network is a range of websites where adverts appear next to content that Google sees as relevant, based on the words held on that page. You will often see "ads by Google" with what appear to be AdWords adverts down the side of news sites or blogs and the adverts will be related in some way to what you are reading.

The main reason why I don't often advise new advertisers to place adverts on the Display Network is mainly because the accuracy of where your adverts appear is a lot harder to get right than on the Search Network.

The other reason is because user intent is different on the Search and Display Networks. If someone is searching on Google for "cheap garden furniture" and they see an advert from a discount furniture retailer then not only is it very relevant but they are likely to be in the market at that time and seeking out a supplier. If however, someone is reading up on gardening or researching images of furniture designs and sees an advert that interests them enough to click through, they are less likely to part with their money as they are less likely to be in a buying mind-frame.

We will discuss the Display Network a lot more and how it can be used to great effect later on in the book.

For now though, once you have chosen the options that best suit you, define a daily budget that you don't want to exceed for this campaign and save it. You will now need to create an ad group and write your first advert.

5.2 Ad groups and adverts

Ad groups, as the name suggests, are where a number of adverts can be grouped together, for use with the same keywords. One of the best things about ad groups is that you can try out a number of adverts by split testing them for the same keywords, something we will cover later on.

Once an advertiser has created a campaign, they will need to create an ad group and then immediately get started on writing their first advert.

The first hurdle you will have to overcome with Pay Per Click adverts is how limiting the space is. You don't get much room to sell your wares and you have to make the most of every single letter.

Headline	
Description line 1	
Description line 2	
Display URL ②	
Destination URL ②	http:// \$

Figure 5: The elements of an advert and where users are sent

The Headline can only be 25 characters, including spaces, and each of the description lines can only be 35 characters, including spaces. This means that you only have 95 characters to inform a searcher about your offering and entice them to click through to your website instead of your competitor's.

If you sell products or services with long words or do business in a place with a long name then this can get tricky and often requires you to think about phrasing what you do in new ways. An *Orthodontist in Birmingham* would use up over a quarter of their ad space with those three words and would not be able to use that phrase in the title as it exceeds 25 characters.

Even though we haven't covered keywords yet, it is important to think about them at this stage. If keywords are included within an advert then when Google displays the advert, it will show them in bold. This means people are more likely to notice the advert and will lead to more traffic coming your way. Ideally, keywords will be included within the title and the description of the advert, though this rule should only be followed if you can do so and still write an advert with impact.

Writing powerful copy that grabs people's attention and makes them click through is a skill all of its own and one that takes a while to master.

As a quick guide to writing adverts, you can use this formula, trying to include keywords as often as possible:

Headline = attention grabbing benefit

Description 1 = a reason to use you instead of the competition

Description 2 = another benefit and a Call to Action

Display URL = website.com/keyword

Figure 6: A layout that can be followed to create powerful adverts

An example of how this may look for an electrical goods site looking to increase TV sales is:

Pay Less for Your LCD TV
Largest Range of LCD TV's Online.
Buy Today at the Very Lowest Price!
example.com/LCD-TVs

Figure 7: An example advert

Regarding the Call to Action, you can use words like "buy here", "order now" and "sign up today", you cannot use the most obvious one, "click here", as Google does not allow this.

Take the time to look at what competitors are putting in their ads. Do you have any offers that are better? Do you do something that they can't beat? If you do have something that stands out then put these things into the advert. Many businesses play it safe and write adverts that read just like the rest. Putting something different in, such as a great offer, can lead to a considerably better click-through-rate.





Recently, Google also introduced a different way of displaying adverts that show above the search results, as opposed to those that are on the right hand side. For these adverts, the second line can appear as an extra part of the heading, meaning that when in the top 3 positions, the above example would look like this:

Pay Less for Your LCD TV - Largest Range of LCD TV's Online.

Buy Today at the Very Lowest Price!

example.com/LCD-TVs

Figure 8: The same example advert but in the top position format

Punctuation is important here. Unless the first description line ends with a full stop, question mark or exclamation mark then it will not move up to join the title.

Once you have written your advert you can add in a Display URL and if needed, a different Destination URL. You may choose to use your home page (www.example.com) as the display URL and the best landing page (www.example.com/) lcd-tvs/january-offers) as the destination URL. If keywords are included in the landing page URL and it fits within the character limit then it's worth testing this out as the display URL too.

Always deep link to the product or service you are advertising. Don't put extra steps between the advert and the sale. We look at landing pages later on.

10 tips for writing powerful adverts

There are up to ten other advertisers as well as ten organic listings vying for a searcher's attention. There are also things like site-links and universal search results like Twitter feeds, videos and images that all take attention away from the adverts. The search engine results pages are a competitive arena and unless you can write an advert that grabs attention and entices a click-through, then you will be in trouble.

Here are some tips for writing adverts:

- 1. Look at what competitors are saying. Can you base your advert on a different message, to stand out?
- 2. Put your keywords in your headline and in one of the description lines
- 3. Put your keyword at the end of the display URL, even if that exact URL doesn't exist on your website
- 4. You are allowed an exclamation mark in your advert. Use it!
- 5. Incentives like "30% off" and "Half Price Sale" can bring much higher clicks
- 6. Capitalise all first letters of words. For example "Sports Trainers Sale"
- 7. Create a sense of urgency to really drive up Click-Through-Rates and often drive up sales: "Buy Now", "Call Now", "Offer Ends Soon", "Only 5 Spaces Left", etc.
- 8. Test out prices and dates to see if your market is time sensitive or price sensitive.
- 9. Try out dates and prices to see if these work
- 10. Try out emotive and exciting words like Discover, Explore, Control, Love, etc.

One thing to remember is the importance of testing. Don't let your adverts become stale. Keep them up to date with the latest offers and keep trying out new messages.

5.3 Keywords

Once you have created an advert, the final part of the hierarchy, keywords, need to be put in place. Keywords are the search terms you believe people in your market will use when searching on Google. When these searches are made, your advert is triggered and displays above, or next to, the search results.

Researching and choosing keywords

One of the most important parts of any search engine marketing campaign is keyword research. If you don't pick keywords that people use, or the ones that will lead to the sale or sign-up that you have in mind then this is all a waste of time, or worse, a waste of money.

The good thing is that AdWords has a built in Keyword Tool that makes finding search terms easy.

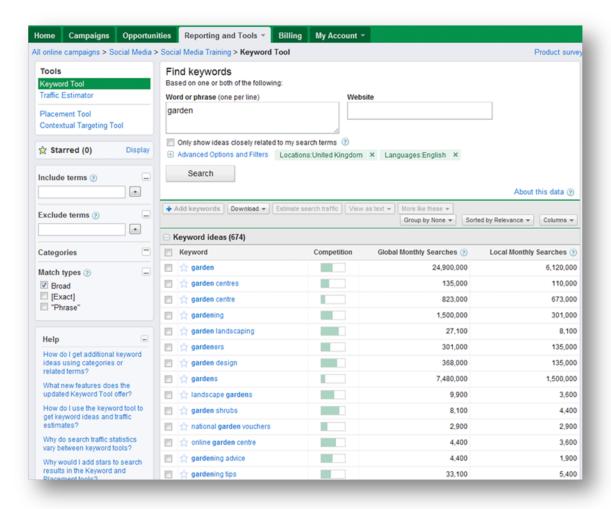


Figure 9: The AdWords keyword research tool, showing 'garden' keyword ideas

There are other ways to perform keyword research and figure out the search terms to bid on. One easy way is to look at the keywords that your competitors care about. Webpages often contain 'meta keywords', which are lists of search terms that the page is about. If you "right click" on their web pages and then click 'View Source', you will be able to view this data.



Figure 10: The meta data for a car website shows that "used cars," "car", "buy", "dealer", etc. are words they see as important.

Another good place to get keyword inspiration is the Google drop-down. Start typing words into it and it will show what people frequently search on as drop-down options.

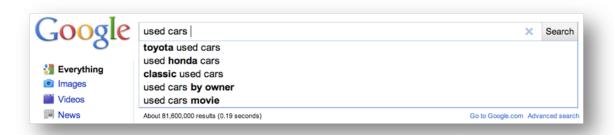


Figure 11: The Google search drop-down contains frequently used keywords

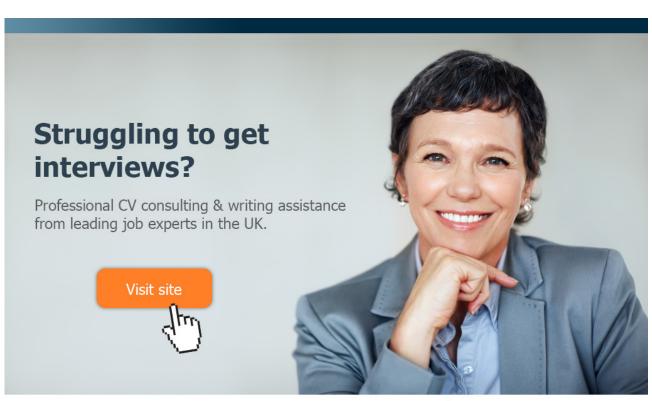
How to use low cost keywords to your advantage

Bidding on specific product names will lead to traffic that is more likely to convert into a sale. People searching on generic product names, such as "iPod" are more likely to be in the research phase of the buying cycle, whereas people using "32GB iPod Touch" are far more likely to be in the position where they are ready to spend money. Not only are these types of searches more likely to convert, the traffic is usually cheaper as any lazy competitors will probably not bother to include all of these keywords.

Google recommends you use both singular and plural versions for your keywords and misspellings are also worth bidding on as very few advertisers bid on these terms. You can also put variations of words into your keyword list, such as "optimization" and "optimize" as well as "optimise".

Keyword match types

A fundamental thing you need to understand about keywords is the different Match Types or, in other words, the different ways you can choose to input a word or a phrase into your ad group. These match types are the difference between your adverts showing for quite broad and generic searches and for very specific ones.











With AdWords there are five different match types:

1. Broad match.

This is where the word or phrase is simply as it appears (shown in AdWords as it is typed in, i.e. *keyword1 keyword2*). This means that Google will display the advert for any search query that includes these keywords or ones related to it.

2. Phrase match.

This is where you put quote marks around the keywords (i.e. "keyword1 keyword2"). This tells Google to only display the advert when the search query includes the keywords in the same order that you list them. If other words are used before or after the phrase then the advert will still show.

3. Exact match.

Place your keywords into square brackets (i.e. [keyword1 keyword2]) and you will tell Google to show the advert for that exact search term only. No variation of the phrase and no other words included in the search will trigger the advert.

4. Negative match.

This is where a minus sign is put in front of any keywords you don't want the advert to appear for (i.e. - keyword).

5. Modified broad match.

This is the newest match type. By putting a plus sign in front of the phrase or the words within a phrase (i.e. +*keyword* or *keyword1* +*keyword2 keyword3*) then you are being more specific than broad match and telling Google to only display the advert for very closely related words.

Modified broad match came about after many complaints from advertisers that broad match was showing adverts for quite vague search queries and therefore reducing the return on investment.

An example of how the above may work for our TV retailer and some search terms that the advert would appear for, is:

Match type	Keyword	Search term
Broad	Cheap LCD TV	Cheap LCD monitor for my PC
Modified Broad	Cheap +LCD +TV	Is an LCD TV cheap to fix?
Phrase	"Cheap LCD TV"	Cheap LCD TV retailer in London
Exact	[Cheap LCD TV]	Cheap LCD TV

Figure 12: A table showing how use of different match types will mean adverts show for very different searches.

If this online TV retailer is based outside of London then of all the above, only the Exact Match may be of interest. However, if you only stick to exact match keywords then you would be severely limiting the number of times that your adverts appear and therefore the amount of traffic that could come through to your site. This is where negative match comes in.

For the above advert, if you included a few negative match keywords, such as *-London*, *-fix* and *-monitor* then your advert would not show for anyone looking for a retailer in London, information on fixing their TV or anyone after an LCD monitor.

Negative keywords are something that you will need to add to an account on an on-going basis if you use anything other than exact match – something that will be discussed in detail further on.

5.4 Bidding

Once you have chosen your keywords, you need to choose a bid amount. In Google's own words "You can influence your ad's position by setting its maximum cost-per-click (CPC) bid. This bid is the highest price you're willing to pay when someone clicks on your ad. You'll input an initial bid below, but you can change your bid as often as you like. Try a bid now to get started, then revise it later based on how your ads perform". The truth is, when you are setting up your account, this part is pretty much a guess. There are tools out there that estimate positions but for the most part they are quite inaccurate.

It's best to think about how much a website visitor is worth to you and put that amount in for now. Once the adverts start showing, you will be able to refine this, manage spend and traffic levels and ensure that you are bidding at levels that generate a return on your investment.

There are a few key things you should keep in mind when deciding on bids and overall advertising budgets:

- How much profit is there in a sale?
- How many visitors does it take to make a sale?
- If you divide the number of visitors by the amount of profit then you have the maximum amount you can spend acquiring a new customer. Your bid should never exceed this figure.

After your bid amounts are in place, your adverts are ready to go. Once the Ad Group is saved, your new Pay Per Click adverts will be set live and will soon start showing above and to the side of the search results.

6 Managing and improving Google AdWords

In this section, we will cover some of the more advanced options available to advertisers, as well as the things that they need to pay regular attention to, in order to increase the return on their advertising spend.

6.1 Split testing adverts

A vital part of running a successful advertising campaign, but one that is often neglected, is split testing adverts. In traditional media, split testing could get very complicated, with different codes or phone numbers used on different adverts, in order to see which variation generates the greatest response. With AdWords, split testing is incredibly simple; ignore it at your peril.

When in an existing ad group, an advertiser can choose to build an additional advert that will use the same keywords. Google will rotate the adverts, so that you can start to build up a picture of what works. After a while, your data will look like this:



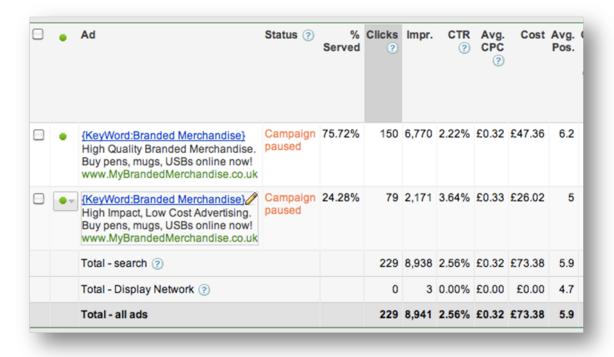


Figure 13: How different adverts bidding on the same keywords saw very different Click-Through-Rates

The beauty of split testing is it allows you to get instant feedback on your adverts from your target market. Rather than basing adverts on what you assume your target market respond to, you can quickly identify the main messages, offers and calls-to-action that elicit a response and can then base all future adverts on them.

"Test and measure, test and measure" – the age-old advice that marketing has been built upon is now easier than ever before. Split testing of adverts should be an on-going process where you constantly strive to find the perfect advert.

Ideally, split testing should be kept to two adverts, where there is only one little difference. The advert that performs worst should be paused and the one that performs best (usually the one with the highest Click-Through-Rate, or lowest Cost-Per-Conversion) should then be used as the control and a slight variation of this one created to compete against it.

An important note about split testing is how advert rotation should be set up.

The default setting in Google is 'Optimise for Clicks', where the advert that starts showing itself as the winner is shown more often. While this sounds great, in reality it can lead to the poorer performing advert using up more impressions if it happened to get off to an unusually good start.

If, from within the Advanced Settings part of the Campaign Settings screen, you choose to show ads on 'Rotate' instead then 50% of the time one of your adverts will show and for the other 50% of the impressions, the second advert will be displayed. This means that after a set number of impressions or clicks, you can draw proper conclusions as to how the adverts compete with one another.

6.2 Geo-targeting

Within Google AdWords, there is the ability to choose where your adverts show, by location.

An option in the Campaign Settings, geo-targeting features allows you target specific countries, regions and cities. The options range from simply ticking a list of countries you want adverts to appear in, to drawing custom shapes and choosing radius distances around the towns and cities that mean the most to you.

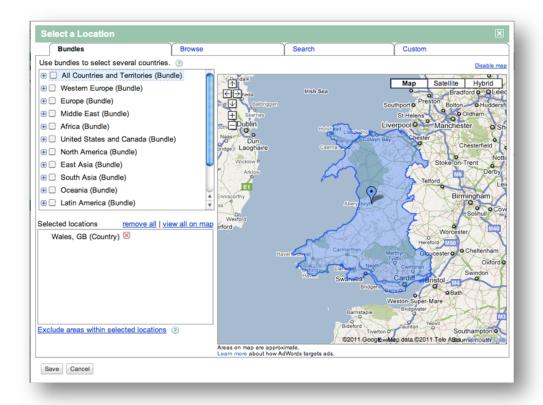


Figure 14: An example of a country that can be chosen via geo-targeting

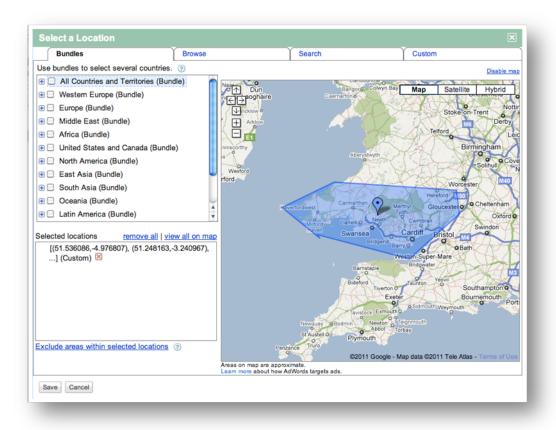


Figure 15: An example of a custom shape that can be used to narrow geo-targeting further



There are many reasons why you would want to use geo-targeting, including:

- Businesses that only sell locally can use it to make adverts only appear for the people within a 20-mile distance from their front door.
- Multi-national and national companies that are thinking of launching in a new area can use it to gauge interest there.
- If certain regions are more price sensitive than others then you can show them separate adverts. Religious and cultural differences across areas also give reason to geo-target.
- It can also be used to exclude certain areas. A hotel might be well known locally but not nationally, so may only want to pay for traffic from a minimum of 50 miles away which geo-targeting makes achievable.

Advertisers do need to be aware of the one big downside to geo-targeting and that is the inaccuracy of search engines to predict where users actually are. As location is mainly determined by IP address, it can often be inaccurate as with residential users this will be wherever the Internet Service Provider is, which is often miles away. Technology is being developed to get around this issue and geo-targeting is far more accurate today than it was a couple of years ago, though it can still lead to unwanted traffic.

How to set-up geo-targeting

When using geo-targeting, treat it differently to your other campaigns and set it up in a new campaign. The ad groups and adverts can all be identical, but the keywords need to differ.

In a normal campaign, a personal fitness trainer in London may choose to use the keywords "London personal trainer" and "personal training in London" in their campaign. In a geo-targeted campaign, this business should choose a radius around London or draw a custom shape around their target market and use the keywords "personal trainer" and "personal training". This way, they get to display adverts to anyone in the UK who wants a personal trainer in London (they may be away at the time and looking for when they return, or may be buying on behalf of a London-based friend) as well as anyone in London who is looking for a personal trainer but not using the location in their search query.

6.3 Ad extensions

AdWords holds a ready-made list of additional options that can make your adverts stand out and more likely to attract a visitor.

Within the campaign level settings you will see the option to use 'ad extensions', a set of visible enhancements that tag your adverts with information on your business.

Ad extensions	
You can use this optional featu	ire to include relevant business information with your ads. Take a tour.
Location ②	Extend my ads with location information
Product ②	Extend my ads with relevant product details from Google Merchant Center
Sitelinks ?	Extend my ads with links to sections on my site
Call ②	Extend my ads with a phone number

Figure 16: The ad extensions available, selectable within the Campaign options

The Location extension

If you have a Google Places listing then you can use the data to show advertisers the location of your business.

Google Places is centred around the map that displays in the top right hand corner of the results. Businesses use local SEO techniques to make their organic Places listing rise above others, but Pay Per Click advertisers simply have to tick a box in order to take advantage of theirs.

When a user searches using a location keyword – usually the name of a city, or a county – Google displays the map and organic results are pin-pointed within it. Relevant AdWords advertisers that choose this ad extension also appear, with a blue pin, versus a red one.

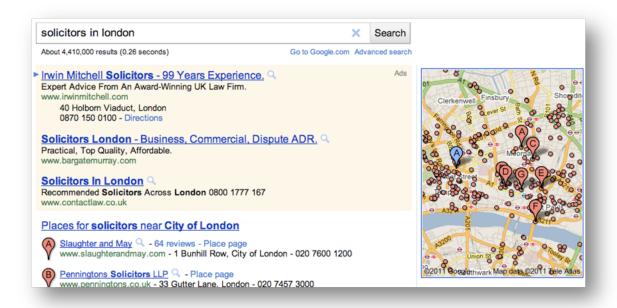


Figure 17: An example of how one law firm uses local extensions to make their advert stand out

Location extensions include the local business address and phone number. Multiple locations can be included within a campaign and the one closest to the user will appear in the advert.

Location extensions are limited to the Google Search results, as well as appearing within the Google Maps results, though adverts will still be shown on other search engines within the Google Search and Display Networks, if those are enabled, but without the Localisation features.

The Product extension

Businesses that sell products online have access to a free, invaluable tool known as the Google Merchant Centre account. The Merchant Centre allows ecommerce businesses to upload a spreadsheet of products that feature within the 'Shopping Results' often found near the top of the organic results for any product related searches.

An AdWords advertiser can use the data held within the Merchant Centre account with the Product ad extension. When users search on keywords that match products within the account, images are triggered and descriptions and prices are shown as a drop-down option below the advert.

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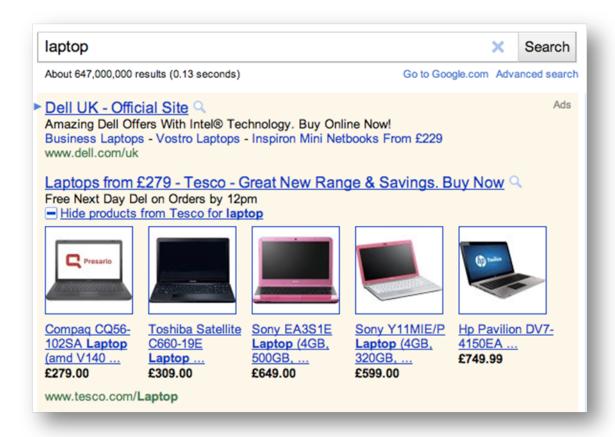


Figure 18: An example of how Tesco uses product extensions

As you can see, when a user selects the drop-down, the advertiser enjoys far more of the advertising real estate than any other advertiser.

Product extensions are limited to the Google Search Network and are not available on their search partners or the Display Network.

The Sitelinks extension

Sitelinks are the keyword-rich links that appear between the description and URL in some adverts.

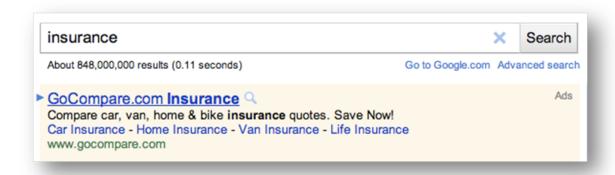


Figure 19: An example of four blue Sitelinks that appear for one advertiser. Note how these show for a generic search term and filter traffic to more specific sections of the site.

Advertisers that choose to use the Sitelinks option are allowed to link their adverts to up to four additional pages of their website, meaning they can send searchers to the page that they themselves deem most relevant.

This works particularly well for searches made using brand related terms and generic keywords, as the searcher may not yet know what they are really looking for. Smart advertisers can use this opportunity to capture the searcher early on in the buying process and send them through to specific product or service pages that will get a response before they see the competition.

Sitelinks can also be used to promote offers. By displaying a number of incentives at once, you let users pick the one that means something to them, rather than guessing or risking losing them due to an irrelevant advert showing on their rotation.

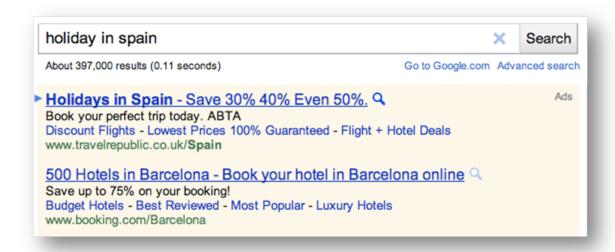


Figure 20: An example of how travel companies use Sitelinks to promote offers and deals

The Call extension

The rise of smartphones and mobile devices with full Internet browsers means that many people search when on the move. Call extensions enable searchers to click an advert and have their phone call the business instantly and automatically.

Dell UK - Official Site Sponsored Link www.Dell.com/uk Amazing Dell Offers With 2010 Intel® Core. Buy Online Now!

0844 444 3666

Figure 21: An example of a Dell advert using the Call extension

By allowing prospective customers to call your business straight from the advert, you bypass any potential road-blocks and issues that may otherwise stop them from doing so, such as long website loading times or hard to find contact details.

If an advertiser using the Call extension also uses the Location extension, then their advert will often also show a clickable phone number.



Seller ratings extension

If an advertiser opts-in to allowing Google to display reviews of their business then they will be on their way to having the seller ratings (the 5 stars) display between the body and URL of their adverts.

Once an advertiser has over thirty 4-star or higher reviews within the Google Product Search system, their rating will display in the adverts.

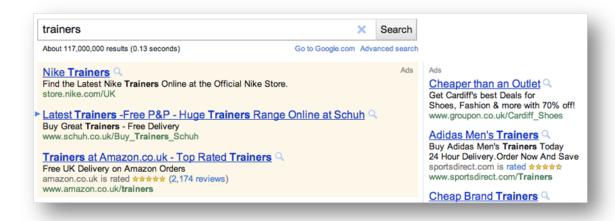


Figure 22: An example showing how many ecommerce sites already use Seller ratings

If a user clicks on the reviews then this will not count as a click and the advertiser will not be charged.

It is advisable for any ecommerce businesses to start encouraging happy clients to leave positive reviews for their business, so that they can take advantage of this ad extension

6.4 Dynamic Keyword Insertion

For advertisers who have hundreds of products they want to display, it can be incredibly time consuming to set-up individual ad groups and keyword lists as well as write unique adverts for each one. For advertisers with thousands of products, it can be impossible, not only because of the effort involved, but also due to the restraint on how many campaigns an advertiser can have (100 campaigns with 2000 ad groups per campaign is the limit).

Also, what do you do if some of your products can be searched for in dozens of different ways, yet you still want to meet the ideal of having all keywords appear in the advert? Writing dozens of adverts that vary by a character or two is a lot of work.

Google has a solution for advertisers in these situations – Dynamic Keyword Insertion. DKI allows you to tell Google to automatically insert the users search term into either the advert title, body or both. To use DKI, you need to insert this into the part of your advert that you want keywords to appear:

{KeyWord:alternative keywords}

Where it says 'alternative keywords', you place a generic word or phrase that describes the keyword set.

How this may look in the advert for an ecommerce website looking to sell Sony Cybershot digital cameras is:

{KeyWord:Sony Digital Camera}

The keywords held within this ad group could include:

Sony digital cybershot camera Sony DSC TX10 Cybershot Sony cyber shot camera Digital Sony camera DSC TX-10 DSCTX10 camera

And so on, for dozens if not hundreds of other variations.

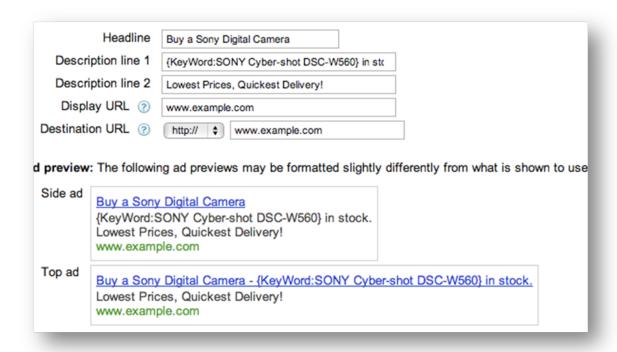


Figure 23: How the Sony example looks when creating an advert

Google would then show the advert with the exact search term that is used in place of the {KeyWord:alternative keywords} section. If the search query is too long and forces the title or the body over its character limit, then it uses the default 'alternative keywords'.

{KeyWord: alternative keyword} means the first letter of each word in the search term is capitalised, but advertisers can choose to only capitalise the first letter of the first word by using {Keyword:alternative keywords} or leave all words lower case with {keyword:alternative keywords}.

Using Dynamic Keyword Insertion can lead to great click-through rates. As users see the exact thing they are searching for and, as many competitors will not be using DKI, your adverts can stand out. It also benefits advertisers as they can bid on a whole range of related keywords and only need one advert and one landing page.

One thing to be aware of is the control you are giving Google over how your adverts show. Unless you are using exact match only keywords then you need to invest the time in building up extensive negative keywords lists. Otherwise, as is often the case with AdWords, Google will display your adverts not only for some unwanted search terms, but those terms will show within your advert!

Dynamic Keyword Insertion can be a great timesaver when used properly. When it isn't, all manner of weird and wonderful adverts appear...





Figure 24: An example of adverts where Dynamic Keyword Insertion has lead to adverts that the advertiser probably doesn't want. Note that the lower advert by Ask uses DKI in the heading and both lines of the body.

6.5 Managing negative keywords

As mentioned in the previous chapter, negative keywords are vital to improving advert relevance, traffic quality and generating higher returns on your advertising investment. Adding negative keywords should not be seen as a task performed at ad group set-up, but rather as an on-going part of the management process.

There is an easy way to find your next set of negative keywords within AdWords and that is by looking at all of the search terms that your adverts have shown for.

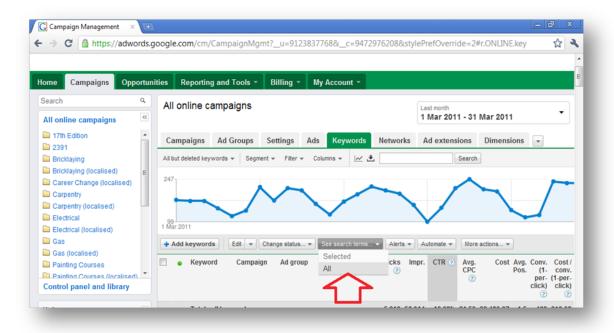


Figure 25: Where an advertiser can see the search terms that triggered their advert(s)

This is one of the best tools within AdWords for refining an account. Regular checks should be made to see if the adverts are being displayed for wanted search terms. Any keywords that attracted impressions or clicks that you don't want to see again should be added to the negative keyword list.

Negative keywords can be used at campaign level as well as ad group level. If you see a search term that you wouldn't want any of your adverts to show for then it is quicker to add it to the campaign set of negative keywords as this will be carried across all ad groups within that campaign.

How to use advanced negative keyword match types

A very advanced way of using negative keywords is to differentiate the words or phrases by match type. Rather than just use *-keyword*, as 99% of advertisers do, consider also using *-*"keyword" and *-*[*keyword*] to remove unwanted phrases and exact match search terms.

This can be very hard to understand at first (I struggled to get it until a colleague first drew it out for me) but here is an example of how it would work for a software company, with the term on the left being put in negative keyword box.

Free download The advert would not show for free software download

It would still show for free software trial

"free download" This would not show for free download when together

It would still show for download software for free

[free download] This would not show for free download

It would still show for free downloads

6.6 The Display Network

The Display Network (previously known as the Content Network) is a large group of websites that display AdWords adverts.

The statement from Google is that the "Google Display Network makes advertising on websites to promote your business, easy and effective. Google's online advertising technology allows you to advertise with text ads, image and video ads to potential customers across millions of relevant websites and Google properties."

The Display Network is huge. It encompasses websites of all types, from some of the largest media companies and most used websites in the world to an almost immeasurable number of small websites owned by individuals, such as specialist blogs and news sites.

What these websites have in common is that they are signed up to the Google AdSense system. AdSense is a tool that distributes advertising across the Display Network. By placing code within the pages of a site, the webmaster hands over that part of the site to Google to place AdWords adverts. When someone clicks on an advert, a share of the revenue goes to Google and a share goes to the website.

Not only does opting in to the Display Network give AdWords advertisers the option to appear on a variety of websites, there is a range of mediums in which they can do so. The familiar text ads that we see in the search results are the default option, though advertisers can also choose to use image adverts, rich-media and video adverts, which all show as 'banners' on websites.

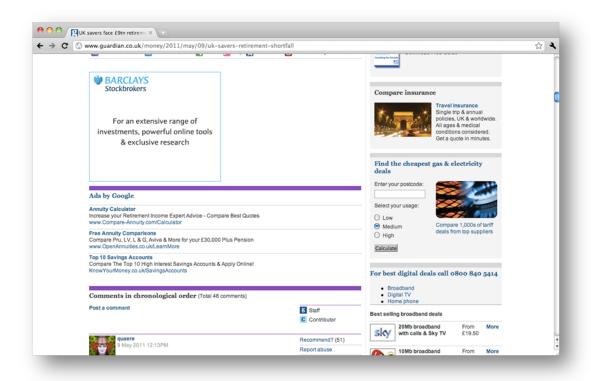


Figure 26: Display Network text adverts on the Guardian website



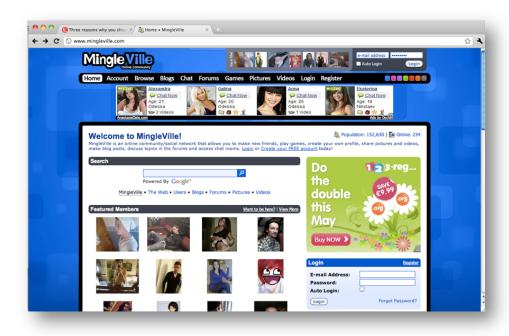


Figure 27: A Display Network banner advert on a social media site. Note the grey and white 'i' in the bottom right-hand corner of the advert, a tell-tale sign that the adverts are from the Display Network.

Why should advertisers consider the Display Network? To start, it is a quick way of advertising on over one million websites. These websites count the Independent and CNN amongst them. Traditionally, to advertise with organisations like these would have taken minimum spends in the thousands of pounds, advertising brokers and very expensive adverts. Now things are different - just by opting into the Display Network, AdWords advertisers can appear on these sites within minutes and not pay a penny until a click takes place.

The Display Network also gives advertisers quite a bit of control over how and where their adverts show. You are able to choose the websites that display your ads – as well as the ones that don't – and you can target the type of advert to your target market. If you are targeting a young audience of music lovers, then video ads on Last.fm may grab their attention a lot more than text adverts on Business Week ever will.

The Display Network is based on contextual advertising, i.e. if the content of a webpage is relevant to an advertiser then their adverts will show. This can lead to very powerful targeting of adverts and lead on to great branding for organisations and high quality traffic.

It is important to consider your goals when using the Display Network. This side of AdWords can be great for branding as the adverts often generate high impressions but low clicks. This means they appear regularly in front of your target markets without it costing a fortune in clicks. The Display Network can also be a great way of selling specific products and offers to hard to reach markets or ones that don't tend to search.

How to set up adverts on the Display Network

Within the campaign settings, you can choose to show adverts on the Display Network as well as Search Network. It is worth starting a new, separate campaign for Display Network adverts, so that budgets and stats aren't merged.

When you are setting up a new advert, you have the option to choose your advert type:

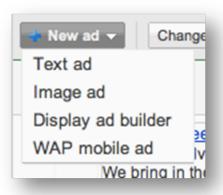


Figure 28: The types of adverts that can be created on the Display Network

Text adverts are straight forward enough and follow the same rules as the Search Network adverts.

Image adverts will require you to design and upload an image to set sizes and formats or you can use the Display Ad Builder...



Figure 29: The Display Ad Builder makes creating image adverts easy

Other options include video adverts and audio adverts. With the Display Network, you have a lot of advertising options, so can choose the medium that your target market are most likely to respond to.

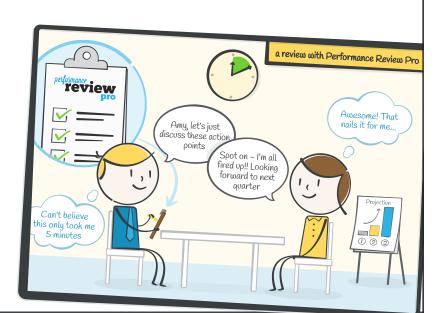
Once you have created your advert, you need to add the keywords for which you want to be found. The Display Network has been built on a 'contextual model', so web pages that have these keywords on them will be places where your adverts can appear.

Just like with the Search Network you can use match types to refine when the adverts display and add negative keywords to restrict terms so that your adverts do not show next to web pages with those terms.

AdWords has a Placement Tool which allows you to choose the sites on which your adverts appear:



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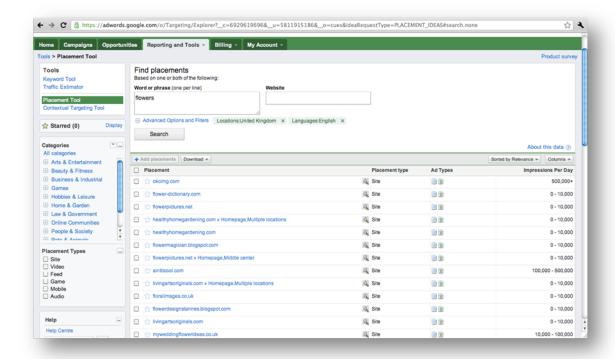


Figure 30: The Placement Tool showing sites associated with the keyword 'flowers'

Websites can be selected based on functionality and type of advert, such as video enabled and mobile enabled sites if it's a news feed site, etc.

You can view the statistics on website usage for any of these sites and then select those that appeal to your advertising goals.

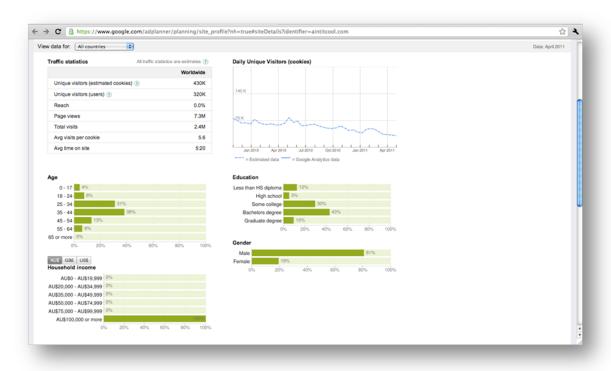


Figure 31: The kind of statistics you can view on websites

Managing Display Network adverts

It is important to monitor the performance of your adverts and the websites they appear on. Keep an eye on the sites that are doing well and it is advisable to take them to one side, put them in a separate campaign and continue testing the rest. This means that you start building up a list of sites that you know work for your business whilst still testing out others.

You should also continuously add negative domains, as well as negative keywords. Any websites that do not result in clicks and/or conversions and any keywords that don't result in good traffic should quickly be removed.

Remarketing

Remarketing is a feature available under the Audiences tab in your AdWords account, which is an interest-based advertising channel. Remarketing will allow you to reach people who previously visited your website, as they browse other websites across the Google Display Network.

It works by adding a snippet of code to pages of your site that correspond to categories that you wish to promote or to abandoned shopping carts.

If you sell goods or services online, this is particularly useful. For example, if you are an online insurance broker and a visitor completes a car insurance quote but doesn't buy, you have a second opportunity to engage with that person as they browse the web. Equally, if that person has completed a sale you may want to target them with a different type of message. Maybe cross-sell another product, such as home insurance or up-sell extensions to their cover, such as personal injury or vehicle breakdown.

The main reason to test this feature is to drive ROI. But in order to measure results effectively, set this up as a separate campaign. That way you can tailor your messages based on individual goals. As with the Google Content Network, you are not restricted to using text ads, you can let your creative flair loose by trying out various banner options.

When you combine your keyword campaigns with remarketing, you might see higher conversions for your campaigns overall. For example, if you have keywords that you don't use because you haven't seen conversions in the past, you can use these keywords to drive traffic to your site and then remarket to the user to drive the conversion.

Whether your aim is to increase sales and sign-ups or promote brand awareness, remarketing could improve overall conversions and form a strategic component of your campaigns.

6.7 Automated rules

Automated rules have the ability to save you time and help improve campaign performance, but knowing when and how to apply these rules can seem overwhelming. This section will hopefully relieve those fears and help you build an automated strategy around your business's goals.

There are different types of rules that you can set up based on campaign, ad group, advert or keyword level.

Automated rules can make changes to bids, budgets or status on all or part of your account. These can be triggered based on metrics you specify and when these rules take effect.



47

To access this section, you must first go to the 'Keyword' tab of the campaign and then from the 'Automate' drop-down menu, choose when you want rules to be run, such as 'Change max CPC bids when...' or 'Pause keywords when...'

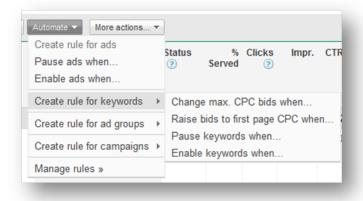


Figure 32: The drop-down of options in the Automate tab

You then have a number of options to choose from, including raising or lowering bids when certain things take place, such as Click-Through-Rates hitting a target or impressions meeting a limit where you would like the adverts to behave differently.

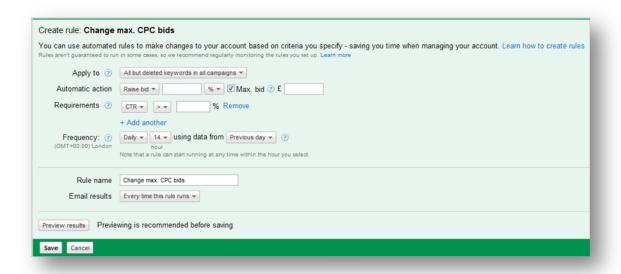


Figure 33: The many options to choose from when setting up automated rules

When automating rules, make sure you enter a name for your rule so that when you are running multiple ones it will help you to distinguish between them more easily. You can preview your rule before you save it, allowing you to inspect all the elements before they are applied and you can keep track of the changes by receiving an email every time the rule runs.

When deciding whether to use automated rules there are a few general considerations:

- Use minimum and maximum limits for your budgets and bids so they don't run too high or low, which could lead to unnecessarily high bids and drive down your traffic.
- Base rules around substantial data. Ensure you have enough information to make an informed decision. This is usually based on the number of impressions or clicks.
- Be consistent. Use frequency and comparison ranges that are consistent with each other. For example, if you choose to raise the bids every week, then you should be comparing it to data from the last seven days. If you choose to raise bids daily, based on the last fourteen days data, you run the risk of raising your bids more frequently than is necessary.
- Don't set up rules on campaigns that have other bid management settings enabled such as Conversion
 Optimiser or Advanced Ad Scheduling. There is a risk that these rules will conflict with each other and you
 won't see the returns you expected.
- Always preview your rules before saving them. This will help you understand how the changes will affect
 your campaign; depending on your specifications you could be making significant changes to a large part of
 your campaign.
- If you're uncertain of how a rule is going to work, set it to run "one time" and monitor the results. Once you're comfortable with the setup, you can set them to run automatically either daily or weekly.
- · Always review the impact of your rules and make adjustments where required.
- Base rules around your business and your market. Be aware of how traffic volumes and trends change over the week and month.

Creating rules can help with so many situations. Here are some ideas you may want to consider for your business:

- Special offers. Adverts promoting special offers should be enabled late on the evening before the launch so you they are ready for when the offer goes live.
- Raise keyword bids for all terms that contain the word "sale" or "discount"
- Raise keyword bids on peak shopping days and decrease them on others. This can either be done by using data you already have or you can set the rule to run if impressions are over a certain value.
- If you are aware that press activity relating to your industry is going to cause a public reaction, then you can set a rule to activate adverts based on impression volumes. For example, if you are a mortgage broker and there is a big story on interest rates, search volume is likely to increase. Therefore setting a rule to increase your maximum CPC if impressions reach a certain threshold could mean an increase in visitors.

6.8 Analysing and reporting

It is important to make sure you regularly review the performance of your adverts and, by using the various reporting and analytical tools, you will be able to determine which adverts and keywords are generating the most clicks, the best Click-Through-Rates and lead to conversions. You will have far greater control over the return on your investment.

Optimising keywords

By this stage you should already have ad groups and campaigns that are tightly themed, though it is important to keep looking out for a few things when analysing and seeking to improve results.

You need to make sure you're bidding on the most relevant terms your customers would be using. Think of using plurals such as "lawyer" or "lawyers". What about location based terms "lawyers London" or "lawyers in London"? What about synonyms like "legal services" or "solicitor"? Everybody uses searches differently and there are numerous phrases that may be relevant. The more precise you are, the more chance you have of being shown.

With reference to the above, if you have "lawyer" and "solicitor" terms in the same ad group, it will be worth separating them out in to their own ad groups. You will see an improvement in Quality Score, cheaper cost-per-clicks and improved Click-Through-Rates, as it will be easier to make the adverts far more relevant to each search term.

Quality Score is one of the most common terms you'll hear AdWords marketers talk about as it affects so much of what we do. Having a high keyword Quality Score will help you achieve cheaper clicks and improve your average position for your ads. If your Quality Score is low then you'll need to review three main things – the keyword's relevancy to the ad group, to the ad and to the landing page.

To review the search terms for which your keywords are being triggered, you will need to use the search query report, as highlighted in Section 6.5. You may discover unwanted phrases that are triggering your ads to be displayed.



Add these phrases and words to your negative keywords in your campaigns and ad groups in order to filter out unwanted impressions. For example, you may bid on the phrase "used car" but your adverts are also shown for "tyres for a used car", therefore tyres would be a negative keyword.

If some keywords are generating high impressions but few clicks, you will need to review which adverts these are being served against and make a decision on their relevancy. If the keyword and the advert are fine, you will need to review the keyword relevancy – is the term too generic and is it causing your advert to be displayed to people who are outside of your customer base? If this is the case then pause it.

It pays to check your keyword bids. These may be set at an ad group level, which is fine for most advertisers, but if you notice certain keywords are over or under performing, then you can alter the bids for those specific terms. This will hopefully have a positive impact on your ROI.

It also pays to spend time reviewing the keyword match types. Some may outperform others and provide a greater Click-Through-Rate or more conversions. For example, [used cars] may be outperforming "used cars". Review these on a regular basis to ensure you're getting the most from your account.

Here are a couple of quick tips on formatting keywords:

- Keywords are not case sensitive, therefore "Used Cars London" is the same as "used cars London".
- There is no need to use punctuation when generating keywords. Don't worry about adding in variants with full-stops, commas and hyphens. For example "eye-glasses" is the same as "eye glasses".

Optimising ad text

Ad texts could be described as your window in a shopping centre. You need to make the text in your advert interesting, exciting and engaging or you won't grab a user's attention. Set your offer apart from the competition and give people a reason to visit your site over your competitors'.

Here are some basic principles that we more often than not use to optimise client adverts:

- Analyse how many impressions your adverts are receiving and compare the click-through-rates. If one
 advert is outperforming the other, it may be time to pause the failing advert and add a new one based on the
 messaging of the current best performer. This is an on-going process of trying to seek out the perfect advert
 and should be done on an ad group by ad group basis.
- If Click-Through-Rates are similar between competing adverts and they both have similar traffic volumes and positions, see if there is any difference in conversions. One advert may have a message that resonates more clearly with the page the visitor is directed to, so has a greater impact on conversions. If this is the case, introduce a new advert with a similar message to the current best performer.
- If your Click-Through-Rate is particularly poor you may want to review the keywords that are in your ad group and check them for relevancy within the advert as well as on the landing page.

Understand Quality Score & Ad Rank. If your keyword quality score is low, then you will be paying more
than you need to in order to appear in the same position. High Quality Scores are often the difference
between a mediocre sponsored advertising campaign and one that provides great returns. Your Ad Rank is
simply your Quality Score multiplied by your maximum cost-per-click and determines the positions your
adverts take in the search results.

Conversion tracking

Getting people to click through your adverts and visit your website is all well and good, but if those people aren't going to enquire or spend money with you, then surely it would be better not to advertise to them in the first place? The trouble can be (just as it has been with traditional, offline advertising), how do you tell apart the keywords and adverts which are bringing the paying visitors against those that are just costing you money? Conversion tracking goes a long way to explaining keyword and advert performance and mastering this often makes the difference between profit-making or loss-generating campaigns.

Conversion tracking is simply the process of inserting a little piece of code onto pages of a website that define an action. In ecommerce, conversion code is placed on post-sale pages, to track where sales came from. On lead generation websites, the code may be placed on a post-enquiry form page. As well as sales and enquiries, conversion tracking is used to monitor newsletter sign-ups, as well as views of certain web pages.

There are two important factors you need to consider before setting up, conversion tracking: the security level of your page and the language you wish to use for your Google Site Stats link. Most shopping carts will use the more secure https option while brochure websites and blogs tend to use the general http. If you're unsure which variation to use, visit the relevant page on your website and it should show you at the start of the URL in the address bar. If you're still unsure, use the more secure https version – as this will have no negative impact on your website.

The choice of language will determine which Google Site Stats link is displayed on your conversion page. It will also give your users information about conversion tracking in a suitable language.

Here are a few tips to get you started:

- Most advertisers are only interested in looking at one conversion metric, whether that's a sale, sign-up or a lead. If this is the case, the *conversion (1-per-click)* data would be the most useful. Whereas *conversions (many-per-click)* can give you information about multiple transactions made by a user.
- Create multiple conversion goals based on different items or leads and assign them a monetary value, which help you work out your ROI. Assigning a value to your conversions does not impact the way your adverts are displayed it is for the advertisers purposes only.
- Link your AdWords account to your Analytics account. You can view more in-depth information on how your AdWords visitors are interacting with your site. Analytics will be covered in more detail later on.
- Another key metric to be aware of is cost-per-conversion. Ideally you will have an idea of how much you
 are willing to pay for a lead or sale if you do, stick to it. Inevitably, some keywords are going to be more
 expensive than others, so you need to consider conversion costs by ad group, campaign and account level.

Creating reports

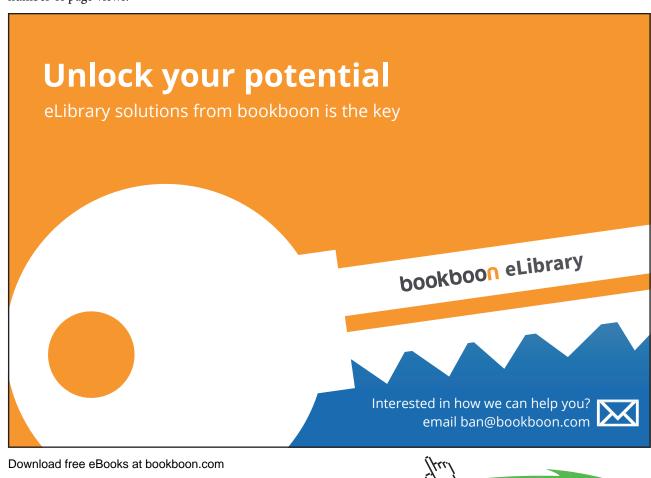
You have the facility to download any data table on the Campaigns tab as a report. You can customise each table using columns, segments and filters. This way you have the data you are most interested in – just follow these easy steps:

- Sign in to your AdWords account
- Select the campaigns tab
- Choose the table you would like to download select the appropriate columns, filters and appropriate date range
- Click in the toolbar above the table to open the download panel
- Enter a report name in the download panel
- Use the *format* menu to select the file type
- Click create and the report will download automatically

All reports are saved in the Control Panel and library for future reference. There's also an option to automate these reports for periods which you specify.

Google Analytics

Google Analytics is a free web analytics tool that is hosted by Google. This is powerful, flexible software that will allow you to segment and analyse many different metrics – such as landing page and exit pages, the average time users spend on your site, bounce rates (the number of people who didn't like what they saw, so quickly clicked back) and average number of page views.



With access to all this information, it allows an advertiser to make informed decisions based on real data. Key reasons why people spend time in Analytics each day, week or month include:

- Analysing how visitors are interacting with a site. Analytics data allows you to alter site structure and content according to your findings.
- Tracking the performance of keywords, banner ads, other marketing campaigns.
- Tracking metrics such as newsletter sign-ups, document downloads, conversions and interaction points. These can be fantastic if you have more than one route to get customers to the desired goal.
- Setting-up goals and funnels to see how visitors proceed throughout a site towards the desired goal (often an action page, like a sign-up or a sale).

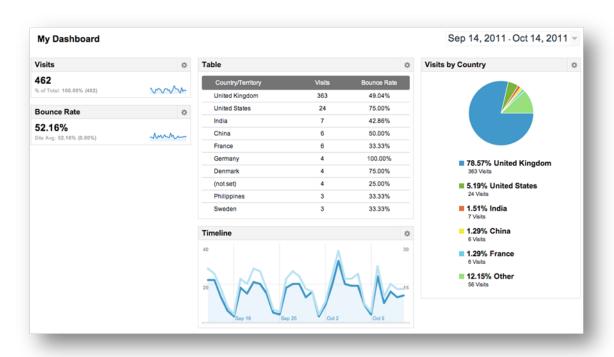


Figure 34: Some of the information held in the Google Analytics dashboard

Analytics reporting

Google Analytics can provide you with a mountain of data about your website and how visitors interact with it and there are so many reports you can download. Having the information is great but knowing how to use it and analyse it is a key part of improving the customer journey, cutting costs and ultimately making you more money.

Avoid focusing on a single metric. As with copy testing adverts, you need something to compare the data to. For example, if you are noticing high bounce rates from landing page A, how does that compare to bounce rates and/or exit rates on landing page B? Compare the data from the two pages over a reasonable time period. If page A has seen a decline in traffic as the weeks progress and the bounce rate has doubled week on week, it's an indication that the page isn't performing as well as it should and needs addressing.

Analysing trends will allow you to bring meaningful insights into marketing plans. For example, if you notice there are peaks in the page view or sales activity over a monthly period, you can use this data to help you be more visible to potential customers on those days. You may want to increase your budget during these peaks, promote a certain product or offer a new member discount.

Comparing data using the graph mode will help you quickly identify trends. You may wish to compare visits to page views in order to see if higher visits increased in proportion to page views.

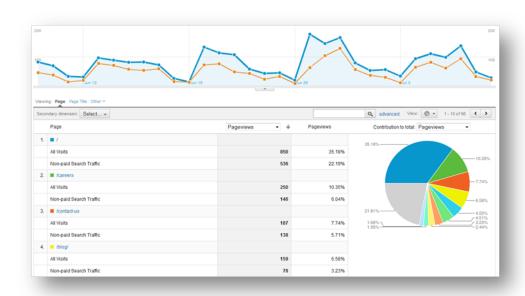


Figure 35: Example data that is readily available within Analytics

Here is a glossary of terms that you will see within Analytics:

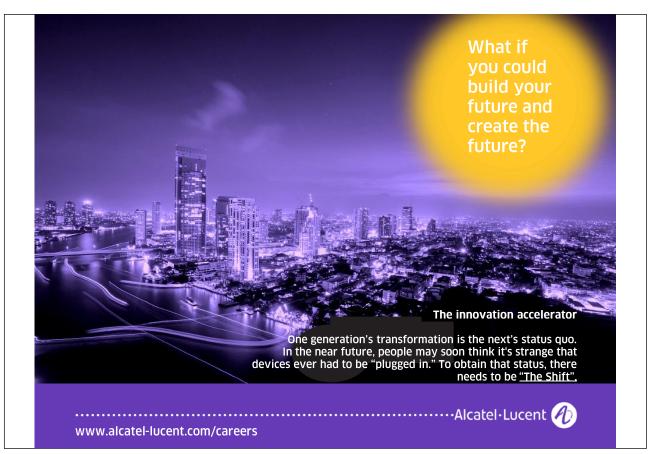
- Bounces This field identifies the number of single-page visits to your site over the selected dimension.
- Bounce Rate The percentage of single-page visits (i.e. visits in which the person left your site from the entrance page).
- Entrances This metric identifies the number of entrances to your site. It will always be equal to the number of visits when applied over your entire website.
- Exits This metric identifies the number of exits from your site, and, as with entrances, it will always be equal to the number of visits when applied over your entire website.
- % Exit The percentage of site exits that occurred from a page or set of pages.
- New Visits The number of new visits by people who have never been to the site before.
- Time on Page This field indicates how long a visitor spent on a particular page or set of pages.
- Pageviews This field indicates the total number of pageviews for your site when applied over the selected dimension.
- Time on Site The time a visitor spends on your site.

- Visits The number of times your visitors have been to your site (unique sessions initiated by all your visitors). If a user is inactive on your site for 30 minutes or more, any future activity will be attributed to a new session. Users that leave your site and return within 30 minutes will be counted as part of the original session.
- Visitors A user that visits your site. The initial session by a user during any given date range is considered to be an additional visit and an additional visitor. Any future sessions from the same user during the selected time period are counted as additional visits, but not as additional visitors.
- Unique Pageviews The number of visits during which the specified page(s) was/were viewed at least once.

6.9 Website landing pages

Something to bear in mind is that even once you've tailored your keywords and adverts to maximise your clicks and drive visitors to your site, you are only half way through the battle! If users are reaching your site but leaving again within a matter of seconds or not performing desired actions then the chances are you're not going to achieve a satisfying return on your investment. In order to achieve a decent return, you will need to analyse and optimise your website content and perform what is referred to in the web trade as 'conversion optimisation'.

But if like most advertisers, you haven't studied website design, where do you start? This should be fairly simple to answer; they are your goals, the actions you want your customers to complete – such as a sale or a sign-up process. Without goals, you have no way of knowing how well your service is performing, how well you're meeting your customers' needs and almost no way of knowing your return on investment.



Once you know your goals, the next thing you need to think about are your visitors. Why are they on your website? What do they want achieve? How can you guide them through your site in a way that they can easily respond to? As it's the visitor who will determine whether or not you meet your goals, they should be the focus of all your conversion optimisation efforts.

Here are a few primary rules to consider when optimising your landing pages:

- Relevant and original content. This could be a mixture of text, promotions, product descriptions, images or video tutorials and demonstrations.
- Be clear. A good communication of what your business can do for your visitors will encourage them to engage further. If you are collecting personal information such as an email address, tell them what your intention is with that information reassure them that their details will not be passed on to any third party.
- Create a fluid path from the point visitors first interact with your site to the end goal. This path should contain as few steps as possible and it is often worth trying to incorporate goals into the landing pages themselves, such as quick enquiry forms or an express-checkout feature.

Here are examples of how landing pages are used for two different industries:



Figure 36: An example landing page for a website bidding on the search term *cheap car insurance*



Figure 37: An example landing page for a website bidding on the search term Samsung LCD TV

6.10 AdWords Editor

AdWords Editor is a desktop application designed to make changes to your account quickly and conveniently. Editor is a great tool if you manage multiple accounts or a single account with a large number of campaigns and keywords. What's more, the application is available to all advertisers and is free to download.

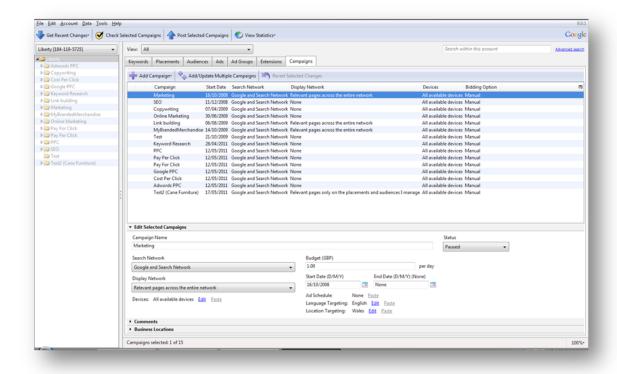


Figure 38: The offline AdWords Editor looks very different to the online AdWords interface



Some of the main benefits for using AdWords Editor include the ability to:

- Work on your accounts offline through your PC or Mac.
- Download or upload one or more accounts.
- Add, edit and delete campaigns, ad groups, keywords and adverts offline.
- Make multiple changes quickly.
- Add comments to your changes, to track work over time.
- Sort and view your performance statistics.
- Copy or move items between campaigns, ad groups and accounts.
- Export a snapshot or whole account for archiving or editing.
- Create a draft account in advance of an account being live.

Of all the features, one of the best is the ability to copy, cut and paste keywords and adverts between ad groups, campaigns or even accounts. If you wish to target the same audience across multiple platforms you may want to separate out traditional search from mobile and display – copying and pasting campaigns is a quick and efficient way of achieving this.

If many of your landing pages change or you choose to use a new landing page for your adverts, AdWords Editor allows you to update multiple URL changes in one go, which can save a huge amount of time in what can often be a situation that needs a quick response.

With Editor, you can copy adverts or keywords from the data view and paste them into a spreadsheet, make amendments then paste the contents back into AdWords Editor using the Add/Update Multiple tool. You could do this for a campaign or even a whole account.

Using the search facility, you can perform bulk changes based on the results of your search. For example, if you want to find all instances of "insurance" and change these words to "insurance broker", AdWords Editor will make this process more fluid.

Using the advanced search, you are able to view items that meet multiple criteria that you specify – you will need to download your account statistics before you can do this. Some examples are:

- Filter performance of keywords with a CTR lower than 3% and adjust their bids for improved position.
- Find keywords with a position of two, and adjust their bids based on the traffic volumes they are receiving.
- Identify all keywords with high impressions but zero clicks you may wish to pause these as they will be harming your overall CTR and negatively impacting your Quality Score.

Once you have specified criteria for your advanced search, you are able to save that search for re-use in the future.

The keyword multiplier tool allows you to combine lists of terms to form new keyword lists. For example, the first list could contain adjectives, such as "*cheap*" and "*discount*." Your second, a list of products or services, such as "*trainers*" and "*shoes*." The tool will then show you multiple phrases based on those lists so you can select the appropriate keywords to add to campaigns. However, the tool will not show keywords with low search traffic.

7 Getting started with Facebook Ads

Facebook users are growing rapidly and with over 500 million active users at the time of writing, it's an avenue that all marketers should be seriously considering.

Facebook allows you to interact with a wide audience at usually cheaper costs than traditional pay-per-click methods. The platform Facebook provides allows you to be extremely targeted and base campaigns on interest categories and other key demographics such as gender, age and location.

Some of the benefits of advertising on Facebook include:

- Repeatedly marketing to a very specific audience via demographic targeting
- Granular targeting options make it easy to promote a niche product or service to a highly targeted audience
- · Facebook receives more page views than Google, with Facebook adverts usually receiving more impressions

If you have made it this far through the book then you should have a good foundation on how to set-up and organise payper-click accounts. Getting started on Facebook couldn't be easier, as the interface is user friendly and easy to understand.

7.1 Designing Facebook adverts

There are two options when creating your first ad. You can:

- 1. Suggest an advert. Enter a destination URL for the advert and Facebook will suggest a title and content for your ad based on the destination landing page you have selected. If you decide to use this feature, don't think you have to use the suggested ad you can alter it to suit your requirements.
- 2. Create your own ad. As with traditional PPC advertising, you can choose the message from the start. You are allowed to use 25 characters in the title, 135 in the body text and all adverts on Facebook require an image.

With regards to what you can and cannot use for images, there are a few things you should try to ensure take place, such as using an image that relates to your product or service, relates to the text in your advert (once again, relevancy is key) and is clearly visible when small. You are allowed a maximum image size of 110 x 80 pixels.

7.2 Targeting

There are a number of ways you can choose to target prospective customers in Facebook.

Location is one option. Like AdWords, Facebook will allow you to target users based on their location. You can also include a radius around your main target area in order to market to other cities, states or countries.

Demographic targeting is an obvious advantage over search based PPC platforms and the targeting tool in Facebook is really useful for displaying adverts to people with certain characteristics. It allows advertisers to market to users based on their age, age ranges and/or gender. Just remember, the more targeted your selections, the smaller your audience will be.

Likes and Interests can also be chosen as advertising options. This really sets Facebook apart from other platforms as it allows you to market to an audience based on things they have previously said they like or have said they are interested in. This is obviously very powerful for advertisers seeking to create highly targeted campaigns by demographic.

There are a number of advanced targeting options. Connections are one way and, in a nutshell, it allows you to market to other people connected to your selected audience who are involved in related groups, events and applications. You can also choose to target audiences based on birthdays, relationship status, languages spoken, educational background and occupation.

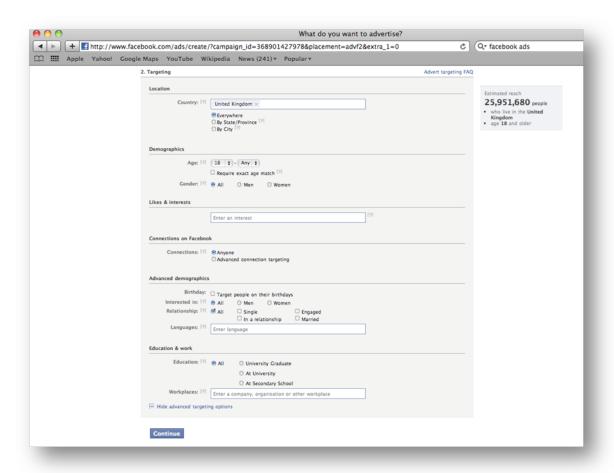


Figure 39: A list of the targeting options in Facebook

7.3 Pricing

Facebook Ads is very similar to other Google AdWords when it comes to pricing. Set a daily budget, schedule your adverts to run either continuously or on certain days and enter your bid amount. The one important difference with Facebook is that they give you an estimated cost-per-click based on your targeting options. The CPC that you enter will act as your maximum.

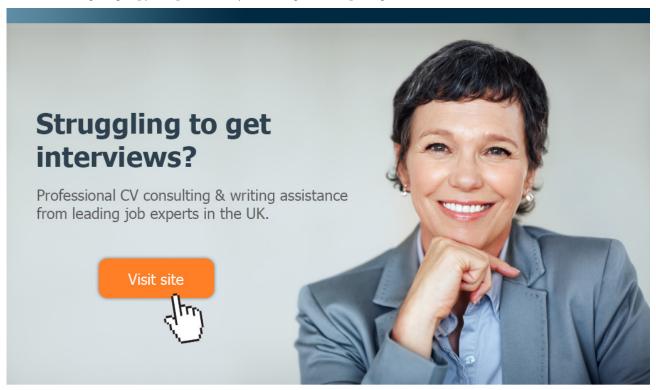
7.4 Some basic optimisation tips

With Pay Per Click advertising on Facebook still fairly young, there isn't too much in the way of best practice available yet. Here are some things we do for client accounts that work so we recommend following them:

- Use multiple ads and test them to find the best Click-Through-Rate.
- Change the adverts more regularly than you would with other Pay Per Click adverts. Facebook users are well known for their ad blindness so, change messages and images regularly as the audience may get bored with seeing the same message all the time.
- Use an appropriate landing page that matches the message in your advert. This can either be an external page or your company Facebook page.
- Experiment with different keywords to increase relevancy and improve your Click-Through-Rate.
- Start off with CPC bidding at first and switch to CPM (cost-per-thousand impressions) once your campaigns have been established for some time.
- Start with a small daily budget until you're comfortable with the traffic you're generating.

Some things we recommend you avoid doing:

- Targeting multiple interest categories with the same ad.
- Using bad pictures the images are quite small, so make sure they are clear and relevant.
- Testing too few ads. Use different variations to keep making improvements and bettering results.
- Making too many changes. Decide what metric you want to focus on and stick to it. That way you will be
 able to interpret the data more easily.
- Using long copy. Keep it short, eye-catching and compelling.





Take a short-cut to your next job! Improve your interview success rate by 70%.





7.5 How others are using Facebook Ads

Whatever you're promoting, you can target people based on any of the factors mentioned above and more. The number of advertisers using Facebook to promote their brand and their offers is huge. To help inspire you, here's a taste of what you could base your campaigns around.

If you are a supplier of green energy solutions, you may wish to promote your latest deals to an audience who are particularly affluent, such as doctors, lawyers and accountants. Or target by regions of the country where energy tariffs are highest. In the hope that they will make the switch to a greener solution that will generate them income in the long run.



Figure 40: An example advert showing how one energy company promotes on Facebook

If you're promoting a music event, you can advertise to all those people who are interested in music – but you can refine this by age and gender, based on the particular event being held. For example, if you were promoting a Take That concert your key demographic may be female, aged between 21 and 55. For a concert travelling the country, you could set up individual campaigns to target particular cities and those interested in that particular style of music.



Figure 41: An example advert showing how events are promoted on Facebook

If you're a health club that wishes to grow its members, you could advertise based on location and demographic. You could also choose to target people who are interested in sports or fitness.



Figure 42: An example advert showing how an offer for a gym is paid for in exchange for 'Likes'

As you can see, the possibilities with Facebook Ads are nearly endless and as the targeting options get more sophisticated, more and more marketers will be drawn to the system.

