

PPC: GET LEADS FAST

2013

Written by: Benjamin Smith, Digital Marketing Expert



Paid search advertising (pay-per-click or PPC) are ads placed in search engines. PPC ads appear on search engine results pages (SERPS) above and to the right of the organic web listings. The positioning of PPC ads is determined by a keyword bidding process. Google refers to PPC as search marketing and their ad platform is called AdWords. Other search engines, notably Bing and Yahoo, also offer PPC ad systems.

PPC involves placing ads on SERPs that link to one of your website pages. When a searcher clicks on your ad, they're directed to the corresponding page. The process begins with a silent auction for keywords (search terms) relevant to your business that, along with what Google calls the quality score of your ad, determines the placement of your ad within the listings. Quality Score is determined by the keyword's click through rate (CTR) on Google, relevance of ad text, historical keyword performance, landing page keyword focus, and other relevancy factors. Each keyword must be bid on individually and can be associated with an ad group containing variations of the advertising message all with a link to one of your website pages.

So what's more valuable to businesses: SEO or PPC? The truth is, it depends on factors like:

- How competitive the keywords that are relevant to your business are
- The cost of PPC bids for various keywords
- Whether your business is local, regional or national
- The type and cost of product or service you market
- How much time you can budget to the PPC and SEO administrative tasks
- How many leads you need to either maintain or expand your business

There are several important aspects of paid search advertising, including:

- Keyword research
- Well-crafted ad copy
- A/B ad testing
- Bid management with multiple publishers
- Landing page content relevance
- Call to action strategy
- Results measurement

Quick and Reliable Traffic for a Fixed Cost

Paid search is a unique form of advertising in the sense that it provides immediate results. Ads properly managed can appear quickly on page one of a SERP, unlike organic website listings that take a long time to reach page one, if ever.

Quite literally, a PPC ad can be written, published, and on its way to driving results for your company before you even finish reading this whitepaper. It can be turned off just as quickly. Furthermore, ads can be scheduled in advance and turned on and off on specific dates and times.

For example, imagine that you're a car dealer and the manufacturer just started a major television advertising campaign for a new car model that you sell. Since you want to leverage the increased interest created by the commercials, you

PPC: GET LEADS FAST



quickly setup a PPC ad specifically for that model. You set the campaign to only target searches in the city where your dealership is located and direct the traffic to the page on your website about that car model. Local search traffic immediately starts flowing to that page where customers can view available inventory and connect with a salesperson.

Reliable Traffic

You'd agree that when an advertising method is driving positive results to your business, you hope it continues day after day. That just so happens to be one of the major benefits of PPC marketing.

There are billions of searches completed every day on search engines and there's no end in sight for the growth in search volume. Many of the searches are for specific products or services, a portion of which are probably very relevant for almost every business.

With the right keyword mix, it's not difficult to maintain a steady stream of reliable traffic to your website. Each day brings new customers to your website, all searching specifically for the product or service you provide.

Are you a home improvement contractor, a mechanic, or maybe a local restaurant? Perhaps you're a regional distributor of commercial appliances, or a national manufacturer of packaging supplies. Imagine all the customers searching for your products and services right now, but going to your competitors instead. Imagine if they could be your customers tomorrow, and the day after that, and the day after that! That's what PPC can do for your business.

Fixed Cost

With a dynamic, auction based pricing system you might think PPC advertising costs fluctuate unpredictably from month to month. But actually, that's hardly the case when a PPC campaign is setup correctly.

The search engines provide you with tools to limit settings for cost per click and daily budgets. What this allows you as the advertiser to do is provide a cost ceiling and create a fairly predictable monthly advertising budget. Keyword bids and placement will be automatically adjusted to fit your set budget by the PPC ad platform.

To take this a step further, there are many third-party tools available to integrate with search engines that allow cost and budget controls to be even more precise than those controls provided directly by the search engines.

Bid optimization platforms offer several advantages. For example, keyword bid adjustment best practices can be a bit of a tedious task to complete. That's where bid optimization software comes into play. These types of tools monitor bids and activity, and adjust individual keyword bids to remain competitive or fit within your budget.

Oftentimes bid optimization tools can even be set to target a desired cost per lead or cost per product sold. With the right feedback mechanisms in place, these tools can help deliver a very reliable and consistent cost per acquisition.

For instance, a dental practice looking for new patients might be willing to spend \$100 to acquire a new lifetime client. With some understanding about PPC best practices, an optimization platform will experiment with keywords, bids, and placement so that \$100 average per lead is maintained.



These systems will also learn which keywords are more likely to drive traffic that converts into customers. Over time, the optimization algorithms will begin to focus more of your budget on those keywords. That way you're always receiving the most value for your PPC spend.

This type of optimization combined with a set monthly budget creates a predictable fixed cost for PPC.

Target Keywords That Are Difficult to Rank For

Ads reach a target demographic (location, interests, income, age, etc) via selected keywords, bids, and ad settings within the publisher's ad platform.

A high organic search engine ranking via SEO is the gold standard, but that's an overwhelming task to achieve for a multitude of keywords as each keyword needs a top ranked website page and the web presence for each keyword needs to be extensive. With PPC there is no overwhelming barrier to the number of keywords with a high-ranking search engine ad; all that is needed is an optimized landing page for each keyword and a sufficient budget for the ad.

So a practical approach to search marketing is to prioritize a limited number of keywords for SEO top organic ranking, then supplement with PPC advertising to dominate search engine listings for priority keywords. That way you'll create a multi-position search engine presence for high priority keywords plus gain coverage for a multitude of lower priority keywords.

You also don't have to worry so much about how long it'll take you to naturally rank for a competitive term. As long as you are properly managing your PPC, you'll quickly be listed on page one.

Laser Target Ads

A properly setup PPC campaign will contain ads that are extremely relevant to the specific product or service you're trying to promote. More searchers will be converted into customers if your keywords, ad text, and landing page work in harmony.

Writing specific ads that properly target the intended audience will improve your performance tremendously. You can use your ad text as a door man, directing qualified customers to your website. This is important since you don't want to pay for a click on your ad unless there's a good chance it'll turn into a customer.

General search terms are called 'short tail' keywords and are usually one or two words long. Specific search terms are called 'long tail' keywords that are usually three or more words long. For competitive reasons, it's costly to rank high for short tail keywords, but easier with lower cost per click for niche long tail keywords.

Let's use home mortgage loans as an example. Sure, there are many searches for home loans as a general term, but a customer in the buying cycle is searching for something much more specific. He's searching for a fixed-rate 30-year mortgage, a five-year ARM loan, a 5% down home loan, or home refinance with low APR.

These specific search terms combined with an ad that specifically speaks to that search will engage the searcher at a higher rate. When that searcher clicks on an ad and is directed to a website page that gives him specific details about the type of loan he searched, you've set up the best possible scenario to obtain a new customer.



Furthermore, a nationwide bank with many locations in specific cities should also target ads geographically. A person searching for a loan will be even more comfortable clicking on an ad if it mentions their specific city.

Remember, you only have seconds to convince a searcher that they should click on your ad. You want to make it as obvious as possible that a searcher will find exactly what they're looking for if they choose to visit your site.

Mobile Search is Vital for Local Businesses

Mobile search simply refers to a search done on a mobile phone. A large portion of locals searching via mobile device 'walk through the door' and a big chunk of that foot traffic ends up buying something.

If you're a local business that relies on people visiting you in order to make a sale, then you're among the group of advertisers that can benefit the most from the increasing use of mobile search.

According to a study by AT&T Interactive and Nielsen, the most mobile searched for businesses are:1

- Restaurants
- Entertainment Venues
- Retail Shops
- Grocery
- Travel
- Automotive
- Health and Beauty

The CTR for mobile ads is extremely high:²

- Ad for a trusted brand = 36% CTR
- Ad for a deal or coupon = 33% CTR
- Ad for an item close to what was searched for = 31% CTR

(Note that the CTR for Computer based PPC ads or banner ads is typically <2%)

These types of businesses can extensively leverage local PPC traffic, because they can target people using their mobile phones. Due to the growth of mobile connectivity, Google recently upgraded its AdWords platform to make it easier to differentiate and manage PPC ads aimed at various devices.

AdWords Enhanced Campaigns

Google recently launched an update to AdWords that includes the capability to increase keyword bids when someone is searching within a close radius of a business's location.

AdWords Enhanced Campaigns are designed to help make PPC campaigns more efficient by expanding them across the many platforms people use to search (PCs, smartphones and tablets). Before, AdWords revolved around searcher intent; with Enhanced Campaigns, your ads capture intent and context.



For example, a sushi restaurant probably wants to target searchers within 5 miles of the restaurant during the dinner rush. With Enhanced Campaigns, the sushi place can launch a single campaign that reaches all devices and increase bids by 25% for customers who are searching on a smartphone 5 miles from the restaurant between 5pm-8pm, or decrease bids by 30% during hours they're closed. Enhanced Campaigns give the sushi restaurant a better opportunity to grab customers who are nearby and hungry!

Even better, Google ads show your address and phone number so customers can easily get directions or call you for a reservation without even clicking through to your site.

Measurable Results Equals Increased Conversion

As soon as a PPC campaign is launched, businesses can begin collecting data. Not only can you simply track number of impressions and visits, but you can also track conversions in several different ways. A conversion is defined by the advertiser, for example: a sale, a subscription, a contact, a download or whatever goal the advertiser is trying to achieve with the ad. Smart marketers will then use that data to make improvements in PPC campaigns.

Track Individual Ads and Test New Ones

Within the reporting systems of search engines, it's very easy to check the performance of ads and how well they convert search traffic into customers. The most important metrics to monitor are an ad's CTR and conversion rate – the higher the better.

It's not always easy to predict what ad text is going to drive the most new customers, so the best practice is to continually experiment with new ads. You can even run multiple ads at the same time and see which one works better. This practice is called A/B testing. Frankly, if you're not testing, you're likely leaving money on the table.

Sometimes just one or two words make a difference, so always test variations of ad titles, special offers, and calls to action. Tell people exactly what they'll get if they click on your ad, and give them a reason to click on yours and not your competitor's. In general, the ad should contain keyword related product or service, an offer or benefit, and a call to action. While ad text space is limited, experienced copywriters can optimize results utilizing A/B testing.

Track Keyword Performance

After you have setup your keywords, monitor the available keyword reports to determine which ones are driving converting traffic. Get rid of the keywords that don't produce results and focus your efforts more on the keywords that are working.

Also, keep an eye open for new keyword opportunities that are revealed in the search logs in your PPC account. You'll find additional, more specific keywords people are actually using to find your ad instead of the broader terms on your keyword list. Add those more granular search terms to your list to see your CTR go up and costs go down.

Not only should you add new keywords, but also add negative keywords. Your negative keyword list should contain words that you do not want to trigger your ad. For example, a sporting goods retailer may bid on a term such as 'dome



tent'. There could be people searching for a 'wedding tent' who are obviously not relevant to your business, so be sure to add 'wedding' to your negative keyword list.

When measuring keyword effectiveness, again, CTR and conversion rate are two of the most important factors. However, conversion rate measuring takes a couple of extra steps.

Conversion Tracking

What is important to you when someone actually goes ahead and visits your website through a PPC ad? What exactly are you trying to accomplish? Are you trying to get someone to fill out a form, request an appointment or join your mailing list? Do you have a brochure or whitepaper you'd like people to download? Maybe you want someone to pick up the phone and call you.

These are all forms of website conversions that should be tracked individually. You can't fix what you don't measure.

It's normally not difficult to implement, but website conversion tracking usually requires your web developer to insert some snippets of code on various pages of your website to provide feedback to the PPC platform. However, once this code is in place, you'll be able to track the number of web forms that are filled out from PPC traffic, sales, profit, and how many coupons were downloaded.

PPC management platforms are sophisticated enough to trace these conversions back to specific ads and keywords. You'll have all of the data you need to determine what keywords and ads in your campaign are resulting in conversions and which ones are not.

Phone Call Tracking

Not only can businesses track conversions of different events that happen on their website pages, they can also track phone calls resulting from PPC ads.

One of the ways that Google allows you to track phone calls is by providing "click-to-call" tracking numbers that you can use in your ads. When someone places a call using those numbers, the call can be tracked as a conversion from your ad. You'll know right away how effective your ads are at driving phone calls and can make improvements on your PPC strategy to increase call volume.

Just as you can track your calls directly from your Google ad, you can also track and record phone calls once customers land on your site. With third-party phone call tracking tools, calls that come from a customer that arrived at your site through PPC can be tracked separately from your normal phone calls. These calls can be attributed to specific keywords in your PPC campaigns as well and used in optimization of your campaign.

Gain Knowledge and Insight

The whole time a PPC campaign is providing increased revenue to businesses, they can also learn about how to be more efficient by gaining insight into their popular products and services.



Popular Products and Services

One of the most overlooked benefits of running a PPC campaign is knowledge gain. PPC advertising also functions as market research by giving you insights on the most popular search terms people are using to arrive at your site.

Online retailers, for example, should expand their keyword list and experiment with a vast cross section of their products. Some products that haven't sold well in the past might turn out to be very popular with enough search volume.

Insurance companies that traditionally specialize in car insurance might want to test ads about boat insurance or travel insurance. If testing of those niches results in a favorable amount of searches and website traffic, those insurance companies might consider expanding their expertise and offering those types of insurances. Google provides a keyword research tool to help businesses with this kind of experimentation.

Customer Demographics

PPC also offers customer demographic insights that wouldn't otherwise be available offline.

Relevant information, especially for national campaigns, is which geographic locations generate the most customers. If you're a retailer with online sales in addition to brick and mortar stores, you can use PPC to help determine what areas of the country are ripe for new store locations.

PPC also helps you find out what time of day customers are looking for the services you provide. For instance, a cruise travel agency might find that most of its PPC traffic is converting on Monday and Friday nights between 6:30-8:30 pm. They can increase their bids on popular search terms only during those hours, and schedule more customer service agents to handle the higher volume of phone calls.

Phone Call Tracking and Recording

A major side benefit of tracking phone calls for PPC optimization is that you can listen to the recordings. Reviewing calls is a great way to learn about your customers and their needs through the conversations they have with your staff or agents.

Not only can this help you learn more about the products and services your callers are looking for, but customer service improvements can be made as well. The phone recordings can be used for coaching of staff and receptionists to improve the conversion rate of valuable phone leads.

There's Always Room for PPC

Paid search advertising is an essential part of digital marketing and there's room for it in every business's strategy. The nuts and bolts of PPC include:

- Knowledge is power learn PPC strategies and system administration. Become Google AdWords certified or find a consultant who is certified
- Do keyword research, do keyword research, do keyword research

PPC: GET LEADS FAST



- Consider using an ad platform that semi-automates multiple publisher bid and ad management
- Learn PPC ad content best practices, create multiple ads for keywords, and do periodic A/B testing to determine ad effectiveness
- Learn how to use PPC related analytics to drive continuous improvement
- Learn how to create effective landing pages (content, layout, colors, images, offers, calls to action) and do periodic
- A/B testing of landing pages to optimize conversion effectiveness
- Landing pages must be highly relevant to the ad's keyword and message or the ad's quality score will suffer thus
- affecting ad position and cost

Paid search advertising is a journey, not a destination. The key to running successful PPC campaigns is remaining diligent in learning, researching, planning, implementing, testing, measuring, improving, and then repeating the whole process over again.



ABOUT THE AUTHOR

Benjamin Smith



Benjamin Smith has 11 years of experience in the digital industry as a WSI Digital Marketing Consultant. He serves small, medium, and large businesses from his office near Milwaukee, WI, USA. He is also the WSI Area Representative for Wisconsin, Minnesota, North Dakota, South Dakota, and Iowa, USA.

Benjamin specializes in the management of pay-per-click and display advertising. He manages multi-million dollar annual pay-per-click and display campaigns for clients all over the world. He is certified by Acquisio and is a member of the Search Engine Marketing Professionals Organization.