

## MORE ABOUT ADWORDS

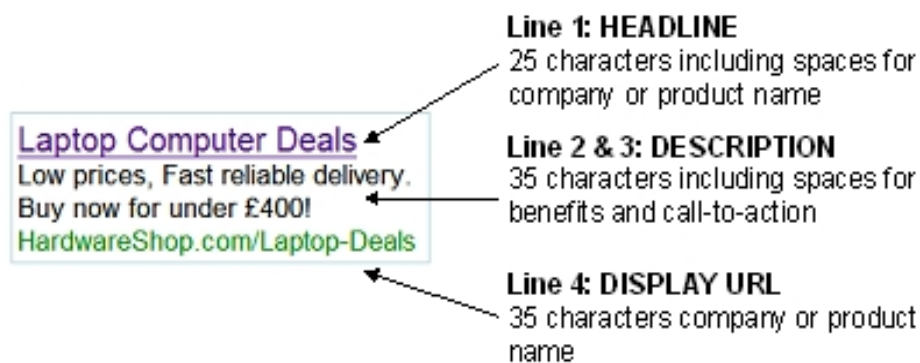
Google AdWords has been the force behind Google's growth. Every company needs revenue and AdWords accounts for the vast majority of Google's revenue.

### Google revenues:

Year	\$ millions	% increase
2002	440	-
2003	1,500	341
2004	3,200	213
2005	6,100	191
2006	10,600	174
2007	16,600	157
2008	22,800	137

However you look at it that's impressive growth.

And all for 130 characters!



In the next few paragraphs we'll try to give you a Google Primer, but it really is impossible to cover the whole subject in a newsletter!

### What is AdWords?

AdWords is an ongoing auction. Every time your advert comes up as a possible advert to show to its users based on your keywords Google calculates whether it should be shown and whether it should be first, second, third etc. based on a whole range of attributes, but more about that later.

AdWords is pure direct marketing. Direct marketing is intelligent, targeted communication in the right place at the right time about the relevant benefits of your product or service whilst recording and measuring the 'personal' details of your customers and their behaviour so that you know the results and effectiveness of your marketing campaign.



If you know the cost per sale or customer you can afford and know your conversion rate from lead to sale, you can work back to set the cost per lead you can afford to pay

AdWords allows you to do all of this in 'real time' which is why it is one of the most powerful marketing tools ever invented.

So how do you use it? The simple answer is carefully!

There are many AdWords tools / levers in the dashboard. They can provide a lot of help in fine tuning your targeting and adverts but they can also confuse the unwary or leave many people just 'doing the basics' "because it sort of does the job".

Remember, Google wants you to spend money.

Remember, you want to spend as little as possible for the required result.

### **AdWords networks**



The first thing Google does is offer a range of places that you can show your adverts.

The main choices are:

- Google search engine (keywords)
  - Search for keywords on Google and see ads related to those keywords
- Google search partners (keywords)
  - As above but AOL, Ask, others
- Google content network (keywords + placements)
  - See ads on other sites
  - Large sites (e.g. Daily Mail, Times Online)
  - Google AdSense affiliates (small sites)
  - Reaches 75% UK internet users
  - Generally lower response rates

You can't target search partners only but you can target search and content separately and whilst content results do not affect ad position or cost in the search network we always recommend running separate campaigns for each to keep results completely 'pure'.

### **Targeting:**

Google allows you to target AdWords by:

- Network
  - Specific sites
  - Demographics
- Location
  - Country

- Region
- Language
- Device
  - Computer, mobile etc
- Time – day of week, hour of day

and it is well worth paying particular attention to location, time and demographics. If you are a local business then you won't want to target adverts outside your catchment area. If your target audience is, say, students who are at classes during the day and typically spend time online between 17.00 and 00.00 and at weekends then time is critical. As is demographics on the content network – why advertise to silver surfers? Exclude them.

### Bidding options



Google also offers a range of ways to place your bids. Remember, Google wants you to spend money. Remember, you want to spend as little as possible for the required result.

- Manual bidding– ***gives you control***
  - Max CPC bids Set the highest price you're willing to pay for each click
  - Set your daily budget
- Conversion Optimiser
  - Max CPA bids set the highest price you'll pay
  - Google will optimise your performance
  - You must use Google Conversion Tracking for this option
- Budget Optimizer
  - No bids needed - set a 30-day budget
  - Google will manage your bids, trying to earn you the most possible clicks within that budget

### Keywords

Google also allows you a range of options when it comes to targeting your keywords – the words or phrases you use to trigger your bid to appear in the sponsored links.

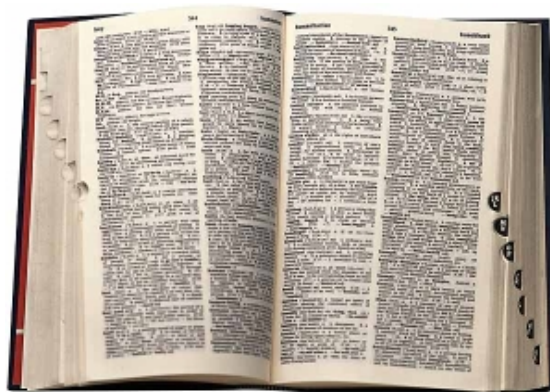
Keywords are, arguably, the most important factor in AdWords and as each ad group in a campaign allows you up to 2,000 keywords you have to consider whether it is worth bidding £3 for a very popular phrase or £0.10 on 1,500 less popular phrases. Naturally that can depend on the total volume of responses you require as well as the conversion rate for each phrase.

The options that Google offers are all about increasing accuracy. If you really know that enough people are looking for [blue skinny jeans] and [black skinny

jeans] then these are probably exact match buying phrases whereas history of skinny jeans (which would trigger a broad match) clearly is not.

The options are:

- Broad match: running shoes – no “...” or [...]
  - Allows your ad to show on similar phrases and relevant variations, for example your adverts may show on searches for: running shoes, buy running shoes, running shoe photos, running shoes, running sneakers
- Phrase match: "running shoes" – with “...”
  - Allows your ad to show for searches that include the exact phrase, for example your adverts may show on searches for: red running shoes, buy running shoes, running shoes photo but they won't show on searches for: shoes for running, running shoe (no plural), running sneakers



- Exact match (= buying phrase?): [running shoes] – with [...]
  - Allows your ad to show for searches that match the exact phrase exclusively so your adverts will only show on searches for: running shoes and won't show on searches for: red running shoes, running shoe, buy running shoes or anything else.

- Negative match: -free
  - This ensures your ad doesn't show for any search that includes that term. So if you don't want search for, say, free (running shoes) then you can stop your adverts showing for those types of search.

## Your adverts

Many people get hung up on the advert. It's the 'sexy' bit where you can let your imagination run riot – well, as much as Google will let you as it has rules for most things including:

- |                                   |                            |
|-----------------------------------|----------------------------|
| • accurate ad text                | • proper names             |
| • capitalisation                  | • punctuation & symbols    |
| • character limits                | • repetition               |
| • competitive claims              | • superlatives             |
| • grammar & spelling              | • target specific keywords |
| • implied affiliation             | • trademarks               |
| • inappropriate language          | • unacceptable phrases     |
| • prices, discounts & free offers |                            |

Actually, like all direct marketing the targeting is more important and before you go nuts on the 95 characters of copywriting you have (!!) remember that the offer – free, discount, money off etc – is more important than the words too!

Make sure you understand keyword insertion which will make your ad more relevant to your target market. With keyword insertion AdWords will automatically replace the {...} code with the keyword that triggered the advert. Naturally in the few milliseconds since they entered their search phrase most potential customers will not have forgotten it and so seeing it in the advert generally leads to a higher click through (response) rate. It's easy:

**Buy {Keyword:One of yours}  
From my fantastic company  
Satisfaction Guaranteed!  
[www.Sample.co.uk](http://www.Sample.co.uk)**



As Google also lets you run multiple adverts, do so. Use a 'champion v challenger' strategy so that you are constantly trying to improve and make sure, PLEASE make sure that the link send potential customers to a relevant landing page that tells them about the offer, product and or service. You might also like to test how different landing pages with different offers, headline, copy, graphics etc work so that you make sure that having spent money on getting people to your site you are maximising your chance of getting business from them too.

We are going to stop there. There's a whole load of stuff about quality score and analytics that we could summarise but...

All you really have to remember is what we have told you above and though it's more complicated than this is how your bid is calculated and how you will win the auction and get a higher position:

Click through rate (CTR) x Bid x Quality score (QS) = Position in list

i.e. (assuming same QS)

10% CTR x £1 bid = £10 per 100 impressions for Google

20% CTR x £0.51 bid = £10.20 per 100 impressions for Google

Across 1m impressions (easy) that's £2,000 more to Google!

Remember, Google wants you to spend money.

Remember, you want to spend as little as possible for the required result.

Good hunting!