

WHAT IS PAY PER CLICK ADVERTISING?

Advertising your services or products on the Internet is both extremely effective and extremely competitive. There are several ways to go about attracting traffic to your website. Pay-Per-Click is one of the options you can choose from, along with developing an SEO, or search engine optimization campaign. Both pay-per-click and SEO are targeted to get your website placed as close to the top of search engine results as possible. One of the differences is that it takes minutes to get results from a pay-per-click campaign versus weeks or months for a good SEO campaign.



Pay-Per-Click is a simple type of paid advertising that most search engines, offer. It requires a bid for a "click"; i.e. you pay the bid amount every time the search engine directs a visitor to your site when the visitor clicks on your advert.

As with all marketing campaigns, there are advantages and disadvantages. If you understand the process and monitor your pay-per-click campaign frequently, it can be very effective. One of the greatest advantages is that you never have to tweak your web pages to change your position in search engine results, as you must do in a typical SEO campaign. What you do have to do in a pay-per-click campaign is pay.

Another advantage is the simplicity of the pay-per-click process. You just bid and you're up and running. It doesn't demand any specific technical knowledge, though the more you know about search engines and keywords, the better the results will be.

The downside is that pay-per-click is essentially a bidding war. A higher bid than yours will lower your position in the paid listings. This means that you will have to raise your bid to regain your position - which can obviously become quite expensive, especially if you are bidding on a popular keyword.



In order to determine if pay-per-click is a cost effective form of marketing for your business, you must work out how much each visitor to your site is worth. You can do this, simplistically, by dividing the profit you make on your website by the total number of visitors over a given period of time. For example, if your site made £5,000 in profits and there were 10,000 unique visitors, each visitor would be, theoretically, worth 50p.

The figure of 50p per visitor is the point at which your business breaks even. The idea, of course, is to show a profit, not to merely cover your costs. Therefore, you are aiming at a figure less than 50p per click.

However, the most popular keywords often cost considerably more than 50p a click. The only way around this is to bid less for these phrases or you will be paying too much for each individual visitor.

The key to success is to learn everything you can about search engine keywords. There is no limit to the number of keywords and phrases you can use and some cost very little for good levels of traffic.

Of the popular search engines that offer pay-per-click, Yahoo's Overture provides an online tool that will give data on how often particular keywords are entered into their search engine. Google offers synonym suggestions for keywords.

In pay-per-click, your advert is crucial. The objective is not to just attract visitors, but specific visitors who are likely to buy your service or product. You must write the adverts in very few words - typically a couple of hundred characters - so to guarantee that your description is both precise and enticing to attract the most ideal candidates to your site you must be a good copywriter.



Another essential element of pay-per-click advertising is that you constantly monitor your bid. It is very important that you bear in mind that the results of the top search engines providing pay-per-click advertising, which are Yahoo Overture and Google Adwords, usually appear on other popular search engines. Because of this, the competition for top ranking is intense, and very often you will find that the bidding price balloons too high for pay-per-click to yield a profit.

If this happens, it is advisable to withdraw your bid on that particular keyword and try another one. Remember: when you pay too much per click to make a profit, you are in essence losing the bidding war, so you must have a plan in place to closely track the effectiveness of your keywords. It is advisable to monitor your keywords on at least a weekly basis.

Not only is careful monitoring important, but analysis of visitor behaviour can produce invaluable knowledge about customer motivation, habits, and trends and how to make your website more effective.