

Book IV - Online Advertising and Pay Per Click

Chapter 1 - Grasping PPC Methods

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Pay Per Click (PPC) = type of paid advertising in which advertiser pays site that hosts the ad space only if user clicks its ad + goes thru to destination URL, or
= Cost Per Click (CPC) the landing page

I. Seeing How Pay Per Click Works

PPC = often used in SEs

Ads $\neq$ appear unless someone performs a search

Ads that appear = those that SE deems most relevant

So get advertiser's ads to show up alongside relevant searches
SE walks advertiser thru the following steps during account creation:

1. Create a PPC account with the SE

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2. Create campaigns + groups around products or services to be advertised

Campaign = where you set many of options i.e. budget, ^{geography}

Ad groups = tightly targeted groups that make up campaign + that house your ads + keyword lists

3. Determine a list of keywords = words or phrases that describe, or are features of the p/s, to be advertised

4. Create ads that use those keywords to explain to customers what benefits, features (styles, colors) or ups = available

II. Knowing How Search Engines Determine Relevancy

Each SE has algorithm that sorts out which ad to show when to show it

where on the result page to show it, and how much to charge the advertiser

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Many factors determine relevancy:

1. Keyword list - do they match what person typed?

2. Ad copy - does ad mention what person looks for?

3. Landing page - does ad go to a pg. person searched for?

4. Bid - how much are you willing to pay to get customer?

SEs keep some relevancy criteria unknown, to cut down on false or misleading ads, + keep playing field level for all

III. Figuring Out Whether You Need PPC

PPC evolved as a system to purchase a spot on 1st page
 = good method if site has low natural search rankings
 SEO takes time, but PPC is immediate

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A. Benefits of using PPC

1. Anyone can do this form of advertising
2. Gives advertisers lot of control of budgets + audiences
3. Has great amt. of accountability in terms of
 where sale occurred
 how much it cost
 which keyword ad triggered the sale

If done correctly, results can be measured very accurately
 + gives advertiser an idea what next steps should be

1. Getting measurable results -

PPC allows you to test things quickly

- a. What keywords did people use to find your site
- b. How many people filled out form on landing page
- c. How many people called the firm directly
- d. How many people left site after go to landing page

2. Spending your money wisely

PPC allows you to set daily budgets and to
 edit bids on a per-keyword basis

Allows you to test which keywords to target for 5th Campaign
 to measure the success + popularity of the keywords
 + to limit the amt. spent on experiment

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Can set budget to spend by time of day

geographic region
 + can turn off ads when necessary, either manually or automatically

3. Finding niches

Use PPC to find niche in competitive industry

Searchers give you info - keywords

use info to build up

specific group

pages visited

time spent (how quickly left!)

what bought or downloaded

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B. Possible drawbacks of PPC * for everyone or every company
 some situations may limit the success of a PPC campaign

1. Not enough budget to spend for your industry

2. Poorly designed web site: hard to navigate

shopping cart = difficult to understand
 don't provide enough info about shipping time + cost

3. Slow page loads → poor user experience

- factor for Google AdWords in determining relevance

4. Not enough volume - not enough people or niche = too targeted

expand your keyword list before abandoning campaign

5. No analytics - can't tell what works + what doesn't

6. Setting it and forgetting it - need to actively manage it
 log in daily - tweak keyword lists
 budgets
 bids

May need to outsource management or setup

Several companies have software that's automatic

Work best for large accounts across

several search engines

with a budget to match

search for "pay per click management software"
 start small + build up