The beginners guide to PPC



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Introduction

As everyone who is marketing on the internet knows, your business cannot possibly be successful if the people who should be buying your products or services don't know that it exists. It is therefore imperative that you promote and advertise you business as much as possible, and whilst using 'free' advertising is the strategy of choice for most marketers (especially 'newbies'), it is not necessarily the best one in every situation.

One reason why this is the case is the fact that, in reality, free promotional methods are not free at all. No matter how you promote your business, there is a price to pay in terms of either the money you are spending or the time that you are expending to market without shelling out any cash.

Another important factor to consider is that so-called free promotional tactics usually take some time to be effective. If you want to start pulling money into your business as quickly as possible, using advertising or promotional media that do not cost money is not going to be the best way of going about it.

As an example, many 'newbie' online marketers see article marketing as an ideal way of promoting their business, and whilst writing and publishing articles is one very effective way of promoting an online business, it is not perfect. For most people who start to write articles to promote their business, it is the first serious writing that they have had to do for many years, so it is a time-consuming process (the time-cost element again).

Furthermore, once those articles are published online, it takes time for them to drive traffic to the site which the article writer is promoting too.

In short, whilst sending visitors to your website using strategies like article marketing that do not cost money work pretty well eventually, they do 'cost' time and they don't work especially quickly either.

Consequently, although using paid advertising to promote your business is obviously going to have a cost that is measured in monetary terms, it is often a price worth paying. By driving visitors to your website far more quickly, you start seeing a return on your 'investment' far more swiftly too.

The most popular form of online advertising is known as Pay Per Click (PPC) advertising, and the purpose of this book is to examine and analyze exactly what PPC is, what it is all about and how to make it work most effectively for your business.

The basics of PPC

The PPC concept in a nutshell

Pay Per Click advertising is the most popular and effective method of advertising products or services on the internet.

Under normal circumstances, PPC involves advertising appearing on individual websites and on search engine results pages. An advertiser creates what is most commonly a two or three line text advert which is then displayed on websites and search pages which show targeted results to the individual searcher or site viewer.

When someone who is viewing the results page or the website on which the advertising is featured clicks on that advert or banner, they are immediately redirected to the web page that the advertiser wants to show them. Consequently, because this click on their advert has allowed the advertiser to present their sales or landing page to that visitor, they pay every time someone clicks on their advert.

The amount that the individual advertiser pays for each click depends on many factors and is in particular dependent upon how much they are willing to 'bid' to have their advert displayed. This is because the position on the page where an individual ad is shown is mainly decided by how much the advertiser behind it is willing to pay for that position in an auction-like bidding process.

There are many different PPC advertising companies who place adverts all over the internet, but with minor variations, most of the PPC advertising networks work in a broadly similar way.

The advertiser chooses a keyword term or phrase that best describes or refers to the product or service that they are advertising and construct their advert around this phrase. The online advertising agency through which they place their adverts then ensures that the ad that they have just created appears on websites and search results pages that best match the particular term around which the advert was created.

For example, if an advertiser is selling green widgets, then the primary keyword phrase around which they are going to build their advert is going to be something that mentions 'green widgets'.

Consequently, the next time someone searches the internet for information about green widgets, it is this particular advert that is likely to be shown to them assuming that the advertiser has paid enough for the advert to appear on the first search results page.

The advantages and disadvantages of PPC

When compared to other forms of promoting or advertising your business, Pay Per Click advertising (sometimes known as Cost Per Click or CPC) has many advantages over using 'free' advertising mediums like writing and publishing articles.

- Using PPC to promote or advertise your business is an extremely quick way of getting your marketing message live and out there on the net. In many cases, your adverts can be online and viewed within an hour of creating them.
- Pay Per Click advertising enables you to extend your market reach. Although you may be able to get pages of your website featured in the natural organic search results, doing so takes some time and is something of a lottery, whereas using PPC guarantees that your advert will appear on appropriate search results pages and websites.
- The traffic that you bring to your website from PPC advertising is targeted, prequalified traffic. Because your advert has been shown only to people who have already expressed a degree of interest in the product or service that you're offering by using a specific search term, the chances of them taking the action that you want them to take when they land on your site is significantly increased. Consequently, the conversion rate from PPC advertising is likely to be considerably better than it would be using free advertising resources like article marketing.
- PPC advertising programs usually offer the ability to track the
 performance of the adverts that you place using that particular
 system. It is therefore considerably easier to calculate such
 important factors as conversion rates (the number of people who
 do what you want them to do), the acquisition cost of each visitor
 and your return on investment (ROI). Because most PPC systems
 offer this information, you are able to improve your advertising
 and your subsequent results, which will ultimately improve the
 profitability of your business.
- If you want individual pages of your website to appear high up the search results page in the natural search results (those on the left-hand side of the search page), you have to optimize your site for the search engines. If you are using PPC advertising, there is no need to worry about search engine optimization although it is obviously a very sensible idea to make sure that your site is optimized too.

- Search engine optimization strategies take time and effort to learn and implement. Using PPC advertising, you can bypass this learning process to get your promotional materials live almost instantly.
- You have complete control over your advertising campaign. This is particularly appropriate if, for example, you are promoting a product or service that has relatively temporary appeal or is seasonal. For instance, you would not want to be promoting a Christmas related product in the middle of August and PPC advertising fits in very well with this idea because you can turn it on and off as you want.
- You choose whether you want to advertise only on the search results pages, or whether you want your advertising to appear on websites and blogs in your niche as well. If you do, it is even possible to target specific high traffic sites on which you want your advertising to be placed, thereby almost guaranteeing a healthy flow of traffic from these adverts. At the same time, because as a general rule, you should bid lower for content network advertising (i.e. ads on individual sites), this traffic is often extremely cost-effective.

Alongside these advantages, there are a couple of disadvantages but in truth, the upsides of using PPC advertising far outweighs the downside.

The most obvious disadvantage of using PPC advertising is that it costs money to do so. There is also the factor that whilst most of the individual clicks on your adverts are likely to be genuine, there will be a certain amount of 'wastage' caused by clicks from people who are not really interested in what you have to offer, competitors or even just people who think it is funny to waste your money.

Furthermore, using PPC only works for as long as you are willing and/or able to continue paying for your advertising. As soon as you stop paying, your advertising also stops.

Less obviously, if you are using the most popular PPC advertising program on the net, which is <u>Google AdWords</u>, you need to do some work to make sure that your advertising efforts fit in with what Google want you to do.

If you create adverts in the way that Google wants you to, your cost per click will be minimized whereas the opposite is also true. If you do not create ads the Google way, the cost per click is likely to be multiplied several times over.

Nevertheless, apart from the fact that using PPC advertising costs money, it is by far and away the most effective strategy for maximizing the number of people who are introduced to your opportunity or offer.

The basic PPC process...

The following are the standard steps that together make up the process for creating your first PPC advertising campaign:

- Create a keyword list that is appropriate to your product or service.
- 2. Register for a PPC advertising account and fund the account.
- 3. Writing out your advertising copy.
- 4. Bid for position and selecting where you want your adverts to appear.
- 5. Making sure that your web site is optimized, and create a squeeze or landing page as necessary.
- 6. Finally, placing your adverts before clicking the 'Go' button.

Perhaps the single most important factor about PPC advertising is that you have the ability to decide how much you are willing to pay per click on your advert within certain limits.

Not surprisingly, most of the leading PPC advertising networks have a minimum amount that you can bid per click, ranging from \$0.01 with certain networks to \$0.05 with others, and you obviously cannot go below this level.

However, the situation is further complicated by the fact that the amount you pay is to a large extent dictated by market conditions.

Thus it is that if you are operating in a heavily populated marketplace, you may have to bid a considerable amount to ensure that an advert based on a particularly competitive keyword term features prominently on the search results pages or on individual websites.

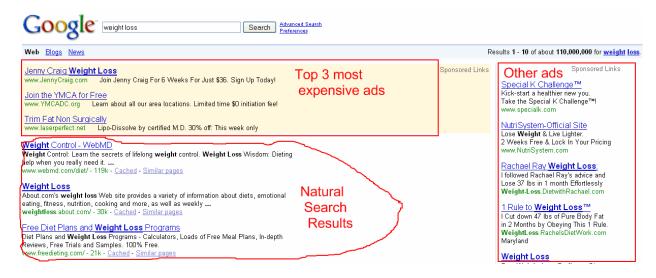
As you can see from <u>this table</u> that shows the most expensive keyword phrases from AdWords, the cost of some keyword phrases is extremely high if you want to attain the number one advertising slot on the Google search results pages:

Rank	Term	CPC
1	purchase structured settlements	\$54.06
2	loan consolidation student loans	\$53.29
3	accident no win no fee	\$53.17
4	tax attorneys los angeles	\$52.79
5	get auto insurance online	\$52.55
6	online life assurance quotes	\$52.46
7	scottsdale dui lawyer	\$52.45
8	bakersfield car insurance	\$52.42
9	tampa dui lawyers	\$52.18
10	cheap life assurance quote	\$52.15

Remember that this is the cost per click and that it is extremely unlikely that any advertiser is going to make money from every visitor who comes to their site.

Of course, the higher up the search results page an ad appears, the more likely it is that people are going to click on that advert. Hence it is often a good idea to aim for the number one slot if the cost of doing so is not prohibitively expensive.

This often works particularly well because the top three adverts generally appear above the natural search results on the left-hand side of the search results page as opposed to being on the right-hand side where it is more obviously an advert:



Because people who use the internet to find information – which is the overwhelming majority of net users – are conditioned to look for the information that they seek on the left-hand side of the page before

turning to the adverts on the right, those ads which appear at the top left hand side are naturally the most effective.

It is for this reason that although you can bid at whatever level you want, it sometimes makes more sense to bid higher rather than lower to start off with. This is not however always true, so we will examine the pros and cons of both approaches later.

The other thing that you must ensure you do if you're using PPC advertising to promote is to create a super-targeted list of keyword phrases that people might use if they are searching for a product or service like yours.

It is these keyword terms that dictate how well targeted the visitors that you pull to your site through your advertising are. Furthermore, it is the degree of targeting that dictates how many of these visitors are likely to take the action that you want them to take on your page.

Consequently, it is absolutely critical that you choose very specific keyword terms if you do not want to waste your advertising budget.

For example, if you are selling 'cross drilled green widgets', then using the phrase 'cross drilled green widgets' in your advertising materials is going to draw far more targeted visitors than would 'widgets' alone.

Whilst the vast majority of visitors who come to your site because they saw an advert for 'cross drilled green widgets' will be interested in that specific product, it is far less certain that anyone who came from an advert which refers to widgets would be anyway near so well targeted.

Budgeting your advertising campaign

One mistake that many people who are new to PPC advertising make is to imagine that every advertising campaign is going to be successful.

This is unfortunately not the case because no matter how good you get at creating effective PPC advertising, there will always be some adverts that are more successful than others.

Hence, most PPC advertising experts recommend that you create a series of adverts each of which is based on a very small number of keyword terms, rather than one advertising campaign in which you include all of your keywords.

And as you have already seen, some keyword terms are extremely expensive indeed, so it makes sense to try to find cheaper keyword phrases in a market where the 'leading' terms are prohibitively expensive. You will generate less traffic doing it this way but at the same time, this also means that you are going to spend far less money on your advertising than you might otherwise do.

With all PPC advertising campaigns, you have the ability to stipulate how much money you want to spend on any campaign that you are running, and it is vitally important that you set an affordable budget from the very beginning. The last thing that you want or indeed can afford is to have a PPC advertising campaign that runs away with you, spending far more money than you ever expected to spend with little or no return on your investment.

Certainly in the early days, when you are first finding your 'PPC feet', it is all too easy to create an advertising campaign that is not particularly effective which is on the other hand very expensive. For this reason, it is critical that when you launch your first advertising campaign, you must keep an extremely close eye on how much money it is costing you balanced against how much you're making from sales.

You must practice very careful advertising campaign management, particularly in the early days when you are learning the ropes.

Creating a two or three line text advert based around a keyword term or phrase which is relevant and appropriate to your business sounds easy, and in most ways, it is.

However, whilst the physical act of creating the advert is straightforward, creating an advert that does what you want it to do is far more difficult, and often involves a degree of trial and error, hence the necessity for managing your campaign very carefully. The best case scenario is that you can find plenty of keywords in your marketplace that are being searched for by plenty of people which cost very little to bid on.

If this is the case, it is far easier to 'tune' your advertising campaign as you go along, safe in the knowledge that you are spending very little money whilst learning the ropes.

If on the other hand you are paying in excess of \$50 per click, you have to be very sure that your advertising campaign is a winner as soon as possible (before you launch it would be ideal), because otherwise, the whole exercise is likely to be extremely expensive with minimal chance of making a profit.

Getting started

As you saw when we looked at the earlier search results page example from Google, the choice of adverts that will be shown to someone who is using one of the major search engines is dictated by the search term that they use. Hence, if someone is looking for 'weight loss' information, Google will display adverts that are focus on weight loss products and information on that results page:



This is the same for all the major search engines such as <u>Yahoo!</u>, <u>MSN</u> and <u>Miva</u>, hence it is the accuracy of the keyword terms that you use in your adverts that dictates how interested the visitor who comes to your website is.

For instance, you can see that in the preview screen shot, the words 'weight loss' appear in bold type in the first two adverts shown because they are a perfect match for the search term being used.

Obviously, having your primary keywords 'bolded' in this way immediately attracts the attention of the searcher to these particular ads because it makes the adverts appear more relevant to the search than ads which do not include an exact match.

And in this example, you can be pretty certain that anyone who is searching for 'weight loss' related information wants to lose weight and therefore the information that they are likely to find by following these adverts is inevitably going to be very accurately matched to their needs.

It is this close correlation between the keyword terms around which you are building your adverts and the product or service that you are promoting which is likely to have the biggest impact on the effectiveness of your PPC advertising campaigns.

Consequently, accurate keyword research is absolutely essential if you do not want to waste money. Fortunately, accurate keyword research is not all that difficult and it does not necessarily need to cost you any money either.

Let us therefore look at how you compile such a keyword list.

Keyword research is essential...

The overwhelming majority of online marketers who use PPC advertising to promote their business are going to be making money in one of two different ways. The chances are that you too will be in the position of using PPC either to promote a product as an affiliate marketer or to promote your own product or service.

The kind of business that you're running is important because the first keyword phrase that you should consider including in your advertising campaign is the product name that you are promoting. And whilst this is going to be extremely effective if you are promoting your own product or service, it is far less likely to be profitable if you are promoting as an affiliate, simply because there will be lots of competition in the market already.

If for example you are promoting one of the top-selling weight loss related products from <u>Clickbank</u>, you might decide to advertise using the product name '<u>Strip That Fat</u>'. Unfortunately, you would only be one amongst many who have decided to do exactly the same:



There are already 34 other affiliate marketers using this particular product name in their advertising materials, which will already have pushed the cost per click up. In addition, it makes it more difficult for your advertising to be seen unless you are willing to pay for one of the top two or three slots for this particular brand name keyword phrase.

But let's assume that you still want to promote this product and that you are going to do so using the product name in your advertising.

After all, according to Clickbank, you will earn just over \$37 for every successful sale of the product, so it still might be worth promoting it by using the brand name in your advertising as long as the cost per click is reasonable.

Thus, you need to establish the cost per click of any keyword phrase that you are thinking of using as the basis of your adverts before making a final decision about whether advertising in this way is likely to be profitable.

There are literally dozens of different Pay Per Click programs available offered by the big guns like <u>Yahoo!</u> and <u>MSN Bing</u> plus lesser known entities such as <u>Miva</u>, <u>SearchFeed</u> and <u>7 Search</u>.

Some of these PPC advertising programs are definitely worth considering because they are often very transparent – if you want to bid on a particular key word term, they give you a very clear indication of how much it will cost to do so – and because the amount you pay is likely to be reasonable as well.

Furthermore, because Bing covers both the Microsoft search results and Bing search pages themselves, you get double coverage for one price as well.

Nevertheless, the clear number one in the PPC advertising business is Google with their <u>AdWords program</u>. Despite the fact that using AdWords has some disadvantages, it is still nevertheless the advertising program of choice for most serious online marketers.

The primary reason why most people choose to use AdWords rather than one of the alternatives is straightforward when you realize that Google command nearly 70% of the global search industry. Seven out of 10 from across the world use Google in preference to any other search engine, so if you want your advertising to be seen by the maximum possible number of people, you have no choice but to use Google.

The 'reach' that using AdWords can bring to your business is obviously it's major attraction but there is one downside as well. The Google pricing policy, the amount that they will charge you per click on your adverts is highly dependent upon you satisfying Google that your advertising and your site meets their quality criteria.

If your advertising and the site to which that advertising sends your visitors matches the Google 'Quality Score' requirements, the amount that you will pay per click on your adverts will be relatively low. If however you do not use advertising or have a site that Google are happy with, the cost per click will be considerably higher.

Hence, although it is possible to get an idea of how much you will pay per click if you build your adverts around any particular keyword, you should never make the mistake of assuming that this estimated cost is actually what you will pay what you start advertising using that term. So, using the product name in your advertising can be a very effective way of bringing superbly well targeted traffic to your site, especially if a product or service has just been launched onto the market so that competition levels are still relatively low. It can also be effective to use the product creators name if they are a well known marketer who people might search for by name.

Beyond this, you need to generate a list of as many more keyword phrases as you can find which match the search terms that people are likely to use to seek information of the kind that you are providing with your product or service.

The first thing to do to find such keywords is to use a keyword research tool, of which there are dozens on the market.

However, one of the best-known and most widely used keyword research tools is Word Tracker, which is a tool that shows approximately how many people are using Google to search for particular keyword phrases every day.

Under normal circumstances, most marketers use Word Tracker as part of their efforts to establish whether they can achieve success by having pages of their site rank in the natural search results. For our purposes however, we will use the tool to establish whether there are people searching for particular keyword phrases, because if there are not, there is no point in using the keyword phrases to advertise.

There is both <u>a free</u> and a <u>paid for version</u> of the program available and, as you would expect, the latter enables you to find far more market targeted keyword phrases than does the former. And as the paid version has a <u>free seven-day trial</u> available, you should take advantage of this because doing so ensures that your keyword research is as accurate as possible.

Once your are logged in to the Word Tracker member area, click on the 'Keyword Universe' link to get started:



Next, type in the main phrase that describes the focus of your business in order to research what additional keyword phrases Word Tracker can

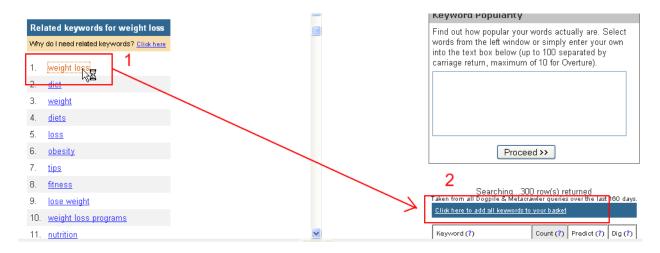
find that are related to this primary search term. For this example, I will continue to use a 'weight loss' as the main key term:

Enter your search term below
weight loss
✓ Lateral ✓ Thesaurus (?)
Progeed >>

Click the 'Proceed' button as indicated, wait a few seconds and you should see a list of all the associated keywords that Word Tracker can find that are related to weight loss after scrolling a little way down the page:



There are up to 300 keyword phrases in this list, so click on any that you are interested in as a way of generating another list of 300 keywords that are directly related to the main one that you have just clicked on to research further. This second list appears on the right-hand side of the page just above the bottom of your screen:



Clicking on the main keyword on the left hand side of the page (1) produces the table for which you can just see the header at the bottom right. Click on the highlighted link at the top of the table (2) to add all the keywords in the table to your 'basket' for further investigation.

Do this with as many of the key words in the list on the left hand side of the page as you want, because you can collect several thousand words in your basket before moving on to the next stage of the research process.

At the next stage, you can see a list of all the keywords in your basket, with the most popular at the very top.

Because as an advertiser you choose to advertise using particular keyword phrases, it is interesting to know which phrases in your market are the most popularly searched because you could target your advertising at those phrases if you wanted to.

However, it is also informative to know how competitive this particular market is, although the information that Word Tracker provides is drawn from the natural Google search results, not the number of competing advertisers who are attempting to generate traffic with adverts featuring this particular keyword phrase.

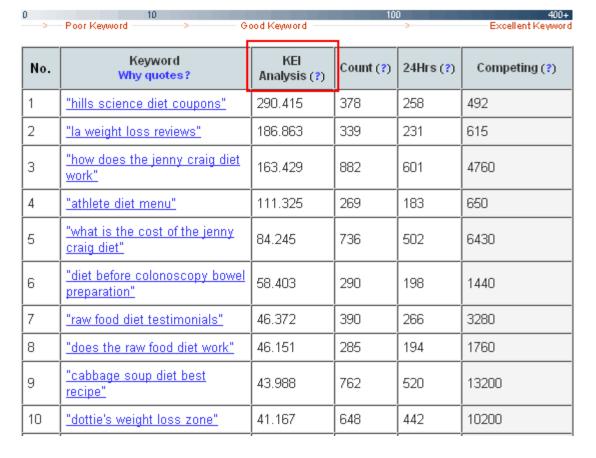
To analyze how competitive the natural search market is for your chosen term, hit the 'Competition Search' button at the top of the page:



Select Google as the search engine from which you want to pull data on the next page before proceeding:



The final step is to wait a few seconds to allow Word Tracker to collate the necessary information before presenting it to you in a table that will look something like this:

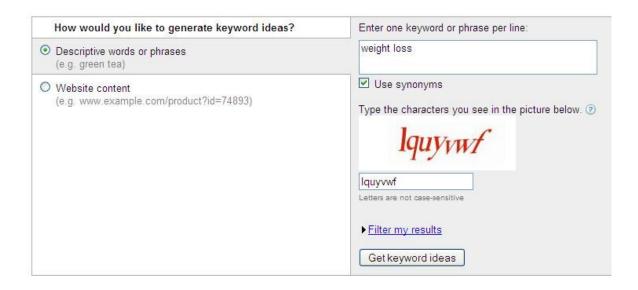


What this page is showing you is the number of individual searches of Google for a particular keyword phrase on a daily basis as compared to the number of web pages indexed in the natural search results. This is shown by the KEI Analysis.

Now, because you are looking at the possibility of using paid advertising to drive traffic to your site, this information is not directly relevant to what you are going to do. Nevertheless, using Word Tracker in this way enables you to build a lengthy keyword phrase list related to your market sector which you can use in your advertising, and you will have some idea of search phrases that are not particularly competitive.

In advertising terms, keyword terms that are not particularly popular or competitive tend to be cheaper to advertise with, hence this information could be valuable a little further down the line.

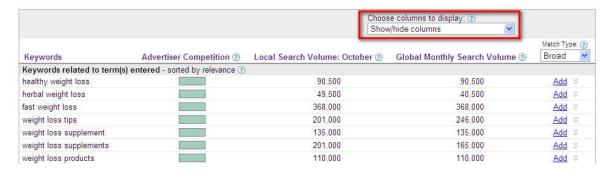
Another great tool for researching keywords is the <u>Google keyword</u> <u>research tool</u> which is another resource that you can use to expand the keywords on your list completely without charge:



Type in the keyword term that you want to research as shown in the screenshot before inputting the 'captcha' code and hitting the 'Get keyword ideas' button as shown in the previous screenshot.

The main advantage of using the Google keyword research tool is that unlike Word Tracker, where the Google information is collected from external resources, this comes straight from the proverbial 'horses mouth'. Hence, this information is as accurate as you can find anywhere when it comes to the number of people searching Google using specific search terms.

Unless you have changed the default settings, the results page will look something like this when it first opens. The information is extremely valuable but for example, the most regularly searched terms (as indicated by 'Global Monthly Search Volume' on the right side of the screen) are not sorted by popularity. To do this, click the column header to bring the most popularly searched terms to the top of the page:



One thing that Google do have is a great deal more information about what is happening in the market, information which you can access by clicking the 'Show/hide columns' drop down menu highlighted above.

From the drop-down menu, choose 'Select all' to add a great deal more information to the original default view:

Calculate estimates using a different maximum US Dollars (USD \$)		CPC bid: Recalculate ②		Choose columns to display: ② Show/hide columns	~		
Keywords	Estimated Ad Position	Estimated Avg. CPC	Advertiser Competition	Local Search Volume: October ②	Global Monthly Search Volume ②	Search Volume Trends (Nov 2008 - Oct 2009) ②	Highest Volume Occurred In
Keywords relat	ed to term(s) er	ntered - sorted	by relevance ②				
healthy weight loss	1 - 3	\$2.61	E	90,500	90,500		Jul
herbal weight loss	1 - 3	\$2.40		49,500	40,500		Jul
fast weight loss	1 - 3	\$2.17		368,000	368,000		Jul
weight loss tips	1 - 3	\$2.91		201,000	246,000		Jul
weight loss supplement	1 - 3	\$2.64	E .	135,000	135,000		Jul
weight loss supplements	1 - 3	\$2.72		201,000	165,000		Jul
weight loss products	1 - 3	\$2.75		110,000	110,000		Jul

Now you can see (from the left to the right) the estimated average cost per click (second from the left) and the approximate position that this would buy you on the results page. This is something we will analyze in more depth in a moment.

Next, you have advertised competition, and quite clearly, if you want to advertise yourself, you don't want too much competition. Next to this moving to the right, you have search volume over the previous month and the average over the past year, together with a chart showing the months when most people were searching for weight loss information. Perhaps not surprisingly, this tends to be in the middle of summer.

By clicking on the column header, you can sort the results in any way you like, so let's have a look at the estimated average cost per click:



This indicates the most expensive keyword phrase in the weight loss market is 'weight loss systems' for which you have to pay an average of \$15.86 per click on your adverts. If however you sorted the results in the opposite direction by clicking the header again, you would see that there are some cheap available in this market:

Keywords	Estimated Ad Position	▲ Estimated Avg. CPC	Advertiser Competition	Local Search Volume: October ②	Global Monthly Search Volume ②	Search Volume Trends (Nov 2008 - Oct 2009) ②
Keywords rel	ated to term(s) e	entered - sort by	relevance ②			
weight loss ways	1 - 3	\$0.05		Not enough data	1,900	No data
weight loss show	1 - 3	\$0.05		Not enough data	4,400	No data
weight loss berry	1 - 3	\$0.05		Not enough data	40,500	No data
weight loss benefits	1 - 3	\$0.05		Not enough data	6,600	No data

Although most of these \$0.05 terms do not appear to have many people searching for them, 'weight loss berry' has over 40,000 searches a month, and the levels of advertiser competition are not too scary either. If therefore you were promoting one of the popular acai berry weight loss products, this could certainly be a phrase worth investigating further.

One thing that you should be very aware of however is the fact that the estimated cost per click is exactly that, a general estimate. The reason why Google only give an estimate in this way is because the exact amount you will pay per click will depend on several factors which will be investigated later in this report.

However, there are a couple of ways that you can get a better idea of how much you are likely to pay per click, because this initial estimate is often fairly inaccurate.

Going back to the keyword terms that you discovered from Word Tracker, there may be particular keyword phrases which you want to establish the cost per click of.

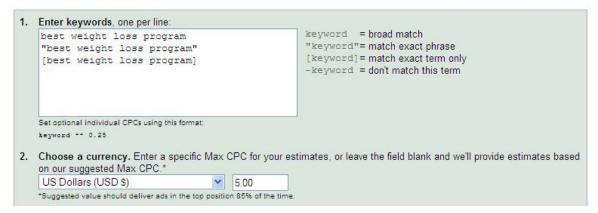
For example, say that one of the search terms highlighted by Word Tracker that had an attractive KEI score is 'best weight loss program'. If you were promoting a product that is related to a specific weight loss program, this would be an excellent phrase on which to base your advertising efforts.

Consequently, you should establish how much it is going to cost you to run an AdWords campaign using this particular phrase before going any further.

To get an idea of how much it is going to cost to do so if you choose to use AdWords, open up the <u>Traffic Estimator</u> tool and type in the keyword term that you want to research:

Traffic Estimator

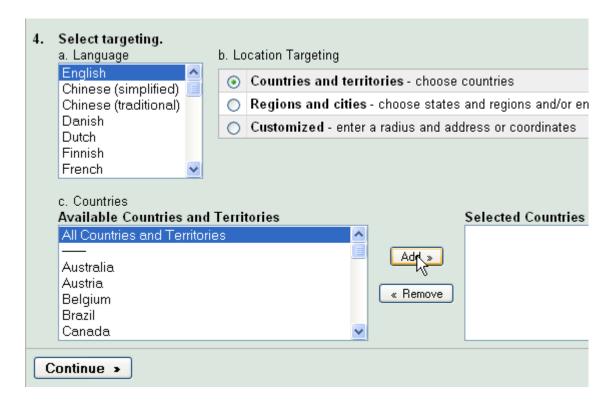
Get quick traffic estimates for new keywords without adding them to an account or using the AdWords sign-up wizard.



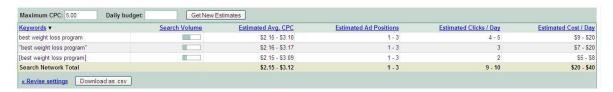
Note that you should include the keyword term you are researching in the three different formats highlighted by Google. Also, as you already know that Google estimate that you will pay nearly \$4.00 per click for this term (from the Google keyword tool research you did a little earlier than), use \$5 as your maximum cost per click.

In this way, you ensure that none of the information that you want remains hidden because you are not willing to pay enough per click.

Choose the language that you want to use, select the territories you need to see results from – it is almost always best to choose 'All Countries and Territories' to get the most accurate information – and click 'Continue':



This would show you approximately how much it is going to cost to advertise using any keyword phrase that you're interested in, as well as an approximate number of clicks you might expect every day:



From this one phrase, you could around nine or ten clicks a day, which would cost you somewhere between \$2.15 and \$3.12.

Thus, running an advert based on this phrase is not exactly going to send your business into orbit but it is not going to cost you a great deal of money either.

However, you would never base a PPC advertising campaign on just one keyword phrase. Indeed, the most important thing is that you build a list of similarly targeted keyword phrases which you can then create individual adverts around.

When you do this, you will inevitably find that some of the adverts you have created and published will bring in far more visitors and business than others. What you do when this happens is something that we will do with in a good deal more detail later in this report.

'Buyer' and 'browser' keywords

Another factor that you should bear in mind when you are collecting together a list of keywords is that the search terms that people use to look for information will to a large extent indicate the reason they are looking for this information.

More specifically, whilst some keyword phrases are highly indicative of someone who is merely seeking information, others are more likely to point you in the direction of somebody who is ready to spend money.

For example, in this small snippet of the Word Tracker keyword research chart that we looked at earlier (for the Jenny Craig weight loss program):

5	"what is the cost of the jenny craig diet"
6	"diet before colonoscopy bowel preparation"
7	"raw food diet testimonials"

The first keyword phrase 'what is the cost of the Jenny Craig diet' is a clear indicator that someone is giving serious consideration to spending money on this particular diet plan. To some extent, this individual has already made the decision that they are extremely interested in buying, because otherwise, why would they be querying the price?

On the other hand, the other two keyword phrases shown in the chart are definitely not indicative of a searcher who is thinking of buying a product or service. Both of these phrases are clearly pointing to someone who is using them to seek answers to a very specific question, questions that have little to do with anyone who is making a buying decision.

No matter how you structure your business when you first start using PPC advertising to drive traffic to your site, your ultimate objective is to sell products or services to anyone who lands on your web pages.

Although (as you will read in the next chapter) it is usually a more practical and effective approach to direct visitors from PPC advertising

to a landing page, this does not for a moment mean that you do not want to sell something to your visitor.

From this, it should be clear that when you are compiling your keyword list around which you will build advertising materials, the keywords that you should focus on are those that indicate someone coming to a decision about whether to buy the product or service you are recommending.

As examples, phrases that contain words like 'reviews' and 'bonuses' are all excellent buyer keyword phrases. If someone is looking for a review of a product or seeking a bonus, they are clearly considering whether to buy the product.

Another excellent tool that will help you in this respect is the free Audience Intelligence tool on the Microsoft site which allows you to type in your keyword phrase to see how indicative it is of commercial intent.

Thing to understand here is that what you are looking for is by keyword phrases, rather than 'browser' keywords.

If you focus on 'browser' keyword phrases, you might pull plenty of traffic to your landing pages and you might even convince people to subscribe to your business (e.g. by signing up for your mailing list).

However, as they never had any intention of buying anything from you in the first place, the majority of these potential 'prospects' are actually a waste of time in terms of cash flow generation and they are leaching your advertising budget as well.

The importance of your landing pages

Why use landing pages with PPC advertising?

Landing pages are specific pages on your site where you invite the visitor to do whatever it is that you want them to do. Whilst this is will vary with the type of site that you have created, it is most common in online marketing to use landing pages to collect e-mail information from your visitor.

The logic behind doing this is simple.

If you collect appropriate e-mail information from your visitor, you can add those details to your mailing list. In this way, you have just grabbed the opportunity to send information about your products and services to that visitor as often as you like.

If however you had chosen to send that visitor directly to a sales page for a product that you are promoting, there is a high probability that when the visitor arrives on that page, they are seeing that product or service for the very first time. This being the case, they are unlikely to buy the product despite the fact that they are a targeted visitor, especially if the product price is reasonably high.

This is very bad news because if they don't decide to buy on this first visit, the chances are that they never will or that they will eventually, but not from you (if you are promoting a product as an affiliate, for example).

This happens because it is generally agreed in online marketing circles that most potential customers need to be presented with an offer somewhere between seven and twenty times before they decide to buy.

Consequently, directing people straight to a product sales page is unlikely to convince the visitor to buy.

If you are selling your own product, there is a chance – albeit a slim one – that they will bookmark the page and return again at some time in the future (because they like it and know that they cannot get it anywhere else), but it's not likely.

And if they are looking at an affiliate product that you are promoting, the next time they see it will be on another affiliates page, not yours. Thus, they land the sale, not you.

Hence, most marketers use a landing page where they offer the visitor something for free in return for their e-mail information, using the 'excuse' that without that information, they are not in a position to send the promised free offer.

Unfortunately, whilst it used to be effective for you to offer your landing page visitor a free subscription to your newsletter or e-zine, this approach is far less likely to work nowadays. Hence, you must give your visitor a free gift that is very closely related to the topic or subject matter which brought them to that landing page in the first place as a 'bribe' to convince them to subscribe to your list.

Say that your advert is for something related to 'best weight loss program'. It is a fairly strong probability that anyone who follows an advert which features 'best weight loss program' wants to lose weight and is considering what the best weight loss program is.

So, you would offer a free special report with a title like 'Best weight loss program review?' or "Is the best weight loss program a scam?' because you can be certain that this is a report that anyone who is interested in investing money in a weight loss product wants to read.

Suggesting that something is a scam or a fraud is still a fairly effective tactic for gathering subscriptions, especially in the situation that you are giving the information away for free. As long as the free gift is targeted to exactly match the keyword term that brought that visitor to your page, giving away a free 'scam revealed' report in this way will work.

But is it the best thing you can do to maximize the number of people that sign up for your list? If you don't know the answer, you should as you'll discover in a moment.

After the landing page, what happens next?

The 'front door' through which your landing page visitor first stepped in order to introduce themselves to your business are your PPC adverts. It is important to understand that these adverts therefore represent the first stage of a seamless process, the ultimate objective of which is to generate as much income as possible from each individual visitor.

The next step in this process is to collect your visitors e-mail information from your landing page, which should in turn be tied to an autoresponder account.

It is your autoresponder system that collects the visitor e-mail information, adds it to your mailing list and then starts to send regular e-mail to that new subscriber on autopilot. In essence, this autoresponder is the automated heart of your online business and without one, the chances of you ever achieving the kind of success you want are very slim.

Thus, if you do not already have an autoresponder, you need to get one set up as quickly as possible.

The best two autoresponder systems in the business are those offered by <u>Aweber</u> and <u>GetResponse</u> and if you can afford one or the other, I would strongly recommend that you choose between either of these two alternatives. However, there is a reasonable (but nevertheless limited) <u>free autoresponder</u> service which is advert free (unlike the majority of autoresponders that don't charge a fee) which you could use if money is a major problem.

So, with your autoresponder supported landing page as the second phase of your business building efforts, the third stage should be to show your visitor a sales page for a product or service that you are promoting immediately after they have signed up for your mailing list.

Set your autoresponder to redirect the visitor directly to the sales page immediately after they have subscribed because doing so will generate some sales with the number being dependent upon many factors, including how well this product is targeted.

Testing your landing pages

Testing the effectiveness of every aspect of your PPC business is critical, and your landing pages are no exception to this rule. It does not matter how much effort you put into it, or how much research you do, it is impossible to establish exactly what is going to work best with your visitors until they start coming to your site to see what you have to offer.

You might create a landing page that you sincerely believe is a work of genius but if your visitors think it is garbage, your opinion doesn't matter one bit.

So, it is absolutely critical to test every single aspect of your business, from your PPC advertising through your landing pages, remembering to include the sales pages that your visitor is redirected to after they subscribe.

However, here is an extremely expensive mistake which you have to avoid. Whilst you cannot test the effectiveness or profitability of your PPC advertising until you start publishing your ads, you can test landing pages well in advance, which is something you absolutely must do.

After all, it makes no sense whatsoever to pay for PPC advertising to test landing pages when you should have been doing it for months beforehand using free traffic generation strategies.

However, this is unfortunately an incredibly common mistake made by a significant percentage of marketers who are using PPC advertising for the first time. They use PPC advertising to test their landing and sales

pages, which is an absolutely 100% guaranteed method of throwing money down the drain.

If however you test your landing pages for weeks or even months before you even launch your first PPC campaign, you will know that the landing pages that you are using for that campaign are the most effective you have ever used. By doing this testing, you minimize the amount of money that is going to be wasted if you show an ineffective landing pages to visitors, every one of whom you are paying for.

There are two types of testing that you can undertake, split or multivariate testing.

The first of these is where you run a straight back to back test of two pages that are completely different.

Sometimes however, people run A/B split tests between two page versions where there is in fact only one difference between the two as a way of establishing which of the alternatives is the more effective at persuading visitors to subscribe.

On the other hand, as the name might imply, multivariate testing is where you include many different testing variations, such as position of advertising materials on the page, different types of subscription forms, changed page content and so forth.

In this scenario, you might have 6, 8 or even 10 different landing page versions to which you are sending a steady flow of traffic, ideally from the same traffic source as sending traffic to each page from the same source removes a potential variable which might otherwise skew the validity of the test results.

Under normal circumstances, multivariate testing is considerably more difficult than split testing, but it need not be, because there is an excellent free tool that you can use to track all of your testing results irrespective of how simple or complex the test that you're running is.

This free tool is the outstanding <u>Google site optimizer</u> which enables you to test as many different variations of your landing pages as you want with tremendously detailed results. This tool will enable you to cut down the amount of testing work you do by a very considerable margin.

All you need to do to use the tool is to sign in to your Google account using the link above, before clicking on the 'Create another experiment' link:

Website Optimizer: Experiment List

+ Create another experiment

Decide what type of testing you want to run, establish the parameters for your test and set up your experiment:

A/B Experiment Checklist

Before you start, make sure you complete the following:



- Choose the page you would like to test
 Examples of potential test pages could be your homepage or a product detail page.
- 2. Create alternate versions of your test page
 Create and publish different versions of your test page at unique URLs so that Webs users. These URLs could be bookmarked by your users, so after your experiment fir
- 3. Identify your conversion page

 This is an existing page on your website that users reach after they've completed a significant displayed after a user completes a purchase, signs up for a newsletter, or fills out a

Ive completed the steps above and I'm ready to start setting up my experiment.

Once you have your experiment set up, the Optimizer tool generates a snippet of JavaScript code which needs to be copied and pasted onto the web pages that you intend to test.

Setting up an A/B test is quicker and easier, but it will provide less detailed information, whereas setting up a multivariate test takes longer but provides more information.

What you might therefore want to do is start off with a few radically different landing pages for A/B testing purposes to narrow down the kind of page that seems to work best on your site.

From there, you can 'finesse' this page still further using multivariate testing until you have a landing page with which you are satisfied.

If you want to know more about how Website Optimizer works, take a look at <u>this video</u> before using the tool to help establish which landing pages work best before you ever spend a single cent on PPC advertising!

Google specific landing page requirements

As mentioned previously, if you are using Google, you have to make sure that your advertising and your website satisfy the 'Quality Score' requirements which is particularly important if you are using a landing page to which your advertising is sending your visitors. As you will read in the <u>Google landing pages guidelines</u>, you must have content on your landing page as well as a subscription form, and that content must be unique. In this situation, you might therefore write a couple of hundred words about your own investigation into various different weight loss programs, before recommending the one that you consider to be the 'best weight loss program'.

One particular factor that Google <u>draw specific attention</u> to is that according to their guidelines, one of the reasons they will accord a particular site a low Quality Score is if that site is a 'Data collection site that offers free items... in order to collect personal information'.

Whilst this might suggest that featuring landing pages on your site which do exactly this could be a little dangerous, I would not necessarily worry overly much about it, as the regulation does specifically refer to a 'data collection site'. Yours is a site which has only one page specifically dedicated to data collection on it, which is not the same thing.

Furthermore, from my own experience and results, as long as you include valuable unique content on your landing page (at least three of four articles as a minimum), I don't think you are likely to have any problems with being 'Quality Score penalized' for sending traffic to that individual page.

You will also note from the Google guidelines that it has to be easy to navigate around your site from your landing page.

This unfortunately almost directly contradicts what you really should be doing with your landing page, which is to give your visitor absolutely no option other than to subscribe to your list or close the page.

The last thing you want them to do is head off to view other pages of your site, because if they do so, they are not going to subscribe. But, Google insist that you include links that make it easy to navigate your site, so you should include them but make sure that they are at the very bottom of the page in small, relatively inconspicuous type:

Privacy | Legal Information | Auto Insurance | Contact Us | About Us | Careers | Site Map

Incidentally, Google are the only PPC advertising company who use such a stringent Quality Scoring system to decide how much you will pay for your ads (although Yahoo! have something similar that is less sophisticated), or where they are going to be positioned. This is one reason why you might try other advertising options like MSN Bing or one of the other smaller players, especially in the early days if you are still optimizing your site whilst also attempting to keep your costs down.

Planning and observation are essential

Have an initial plan...

No matter which PPC company you are working with, you must have a plan in place which includes how you are going to bid. You must know what the maximum amount you are going to pay per click is going to be and you must stick to whatever you decide.

You also need to set a daily or weekly budget too and once again you have to stick to it. At the same time however, you must understand that none of the PPC companies are able to stop your ad campaign dead in its tracks even if you ask them to, so there might sometimes be spending 'over runs'.

In general terms, if you have a long list of keywords, it is best to create individual adverts for very small groups of keyword terms, but you have to do so in a certain way.

For example, if you were going to use 'best weight loss programs', 'weight loss meals' and 'weight loss berry' as keyword terms, you should create different ad groups for each.

These phrases do not mean the same as one another, because they are being used by web searchers who are looking for weight loss information in very different ways.

Although weight loss diet is a common factor, they are not the same and they do not represent exactly the same type of searches either.

Consequently, you should therefore create different ads for them, because you should try to bring together only phrases which mean exactly the same in the same ad group.

Which ads are working?

One of the most important things that you must do is to keep testing all the adverts that you publish to see whether they can be improved.

There are several ways that you can do this, with the easiest being by using the statistics that most of the leading PPC companies make a freely available to you.

These stats should enable you to keep track of everything that is happening with your adverts, right down to the performance of the individual keywords around which you have created your advertising campaign:

Keyword Performance			
Best Performing Keywords ▼ ②			
Today (Mar 31, 2009) 서 change dates			Export to .csv
Keyword	Clicks	<u>Impressions</u>	<u>CTR</u> ▼
"best hair loss treatment organin"	0	0	0.00%
"organin female hair loss"	0	0	0.00%
"organin hair loss treatment"	0	0	0.00%
"organin hair loss product"	0	0	0.00%
best hair loss treatment organin	0	0	0.00%
organin hair loss treatment	0	0	0.00%
organin hair loss reviews	0	0	0.00%
organin hair loss product	0	0	0.00%
organin female hair loss	0	0	0.00%
[organin hair loss product]	0	0	0.00%
Showing keywords 1 – 10 of 12			1 2 Next »

As you can probably tell, this is a test campaign that never went live but the fact that Google (in this example) list the individual performances of every keyword term means that you can keep a very close eye on where your profits are coming from.

At the same time, you can be fairly certain that with every PPC advertising campaign you run, there will be some apparently profitable keyword terms and adverts that simply do not perform for you, in which case you have a couple of options available.

The first and most obvious option is to 'can' those ads completely, leaving the ads that are performing well to keep pulling money in.

However, you should not necessarily take this action without some thought. For example, the keyword terms that you are using in these adverts which are not pulling in revenue may be phrases that are more than capable of putting money in your pocket if the advert behind them were more effective.

In other words, redrafting the advert and then running the new version in a back-to-back test against the old one would give you some indication of whether it is the keyword term that is not popular, whether it is a poor market or whether your advert was just badly drafted in the first place.

One extremely easy but nevertheless effective way of doing this is to take the exact same ad copy from one of your most successful adverts, replace the copy from the advert that is not performing thus far with this new copy before running your back-to-back direct comparison test between the old and the new version.

You already know that the ad copy that you are using in the new version is successful, meaning that if this new version still underperforms, it is the keyword term or the specific market at which that term is aimed that is not putting money in your pocket. In this case, you have now reached the point where the ad should get the chop!

Another important factor to consider is, what is the overall profit or loss on your advertising campaign so far? If you are fortunate enough to have more 'winners' than losers, you might decide to run with those that are not making any money a little longer, whereas if the whole campaign is draining your reserves, it might make sense to drop the adverts that are not performing a little quicker.

But, here is something to bear in mind that experienced PPC experts have learned over the years. It does not matter how good your keyword research is or how much money there appears to be in a particular market niche, not every PPC campaign you run will succeed.

Indeed, many experienced marketers suggest that out of every 10 campaigns you launch, perhaps two or three will be successful and make lots of money for you.

Another couple might break even (which, if your landing page is working and you are building your mailing list is a perfectly acceptable result) whilst at least half of your campaigns are likely to be a waste of time and money.

These are the campaigns to drop as quickly as you possibly can whilst continuing to run with the ones that are making a profit and possibly the ones that are breaking even if your business building efforts on the back of those campaigns justifies it.

You should never get emotionally involved in your advertising business either, because if you desperately cling on to a particular campaign that is losing money because you 'know' that 'eventually it'll come good', it never will and you can lose hundreds of dollars as a result of your stubbornness.

When you launch a new campaign, wait until you have driven a reasonable number of visitors to your site from your advertising before reviewing your results so far.

If you have already had 100 visitors and have not yet managed to generate any sales or even any new subscribers, there is something clearly going wrong somewhere. In this case, 'pause' the campaign so that you can analyze the problem.

Is it for example the landing page? This is unlikely if you have tested this landing page prior to launching your advertising campaign as you must do. However, you might still test this theory by finding a landing page from another campaign that is doing well, substituting a copy of this landing page for the one that is underperforming and try again.

Is it your adverts or your keywords? Again, you should test in the same way as indicated earlier.

Despite your testing however, it is a simple fact that a least half of your advertising campaigns are not going to be profitable, a fact which even the most experienced PPC advertisers accept. Furthermore, in the early days when you are (probably) trying to learn the craft of successful PPC advertising by trial and error, the proportion of flops might be even higher.

This is just something you have to live with, a factor that you have to accept whilst also honing your craft so that you can minimize the amount of losers that you participate in.

Practical bid management for position and profits

As shown in a previous chapter, if you are using AdWords as your primary PPC advertising channel, you can establish the average cost per click that you will have to pay for any particular keyword phrase in your advertising using the tools provided by Google.

However, you should note that this is an average and that the price you will pay can vary a great deal from these figures, so you have to put a sensible bid management strategy in place before starting to bid.

As a general rule, there are a couple of different bidding options favored by different marketers that you might like to try and test.

The first option is to start with bids at or very near the average prices indicated for the keyword phrase upon which you are focused. In this way, you attain an average page position which should be good enough to launch a campaign without spending a great deal of money in the process.

However, the effectiveness of this strategy will to some extent depend upon how competitive your market is.

If for example you are competing in a market where there are dozens or perhaps even hundreds of PPC advertisers clamoring for position on the search results pages, doing this is likely to position your advert on the fifth or sixth results page, which is effectively nowhere.

If on the other hand the competition is not too hot, then the situation could well be reversed, so the effectiveness is likely to be dependent upon the competitive nature of the market.

In contrast, many other marketers suggest that you should start every new advertising campaign by bidding 'top dollar' for your keywords to get the campaign off to a 'big' start, before reining back on bid levels a week or two later once you have established conversion rates, return on investment and so on.

This strategy often makes a great deal of sense, if for no other reason than the most obvious which is that you are advertising to generate profits as quickly as possible, and this is the best way of doing so.

If you bid big and thereby attain a top slot on the search page, you can immediately establish how effective the adverts that you have created are because they will be featured at or near the top of the search results pages. If your advert is not successful when it is featured this prominently, there is obviously a problem with your advert, so changes need to be made after testing in any of the ways previously highlighted.

Another consideration that is extremely relevant if you're using Google is that Quality Score is generally believed to be heavily dependent upon your conversion rates.

Obviously, you would expect to achieve a much higher conversion rate if your ad was appearing in the number one or two slot on the search page rather than in the 21st position. Thus, by bidding big in the early days, you take a significant step towards improving your quality score.

If you do so, there is a very real chance that Google will reduce the amount that you have to pay per click because of your high conversion rate.

Consequently, it may well be that you can maintain the top spot at a cost not too dissimilar to what you would be paying for an average page position if you had started bidding at average levels.

Using AdWords for my own advertising campaigns, I have tried both of these strategies and as a general rule, many of my most successful campaigns have been those where I started off bidding for a top position before pulling back after 2-3 weeks once there was money in the bank and a much improved Quality Score established.

But as these results are only really relevant to Google, it will depend upon which advertising organization you are using as to whether this is likely to be an effective strategy for you or not.

And of course, there is the not unimportant consideration of how much money you can afford to spend on your advertising at this point in time to bear in mind as well. If aiming for the top slot is going to cost you \$5 or \$10 per click, and your total budget is \$100, it is not going to make any practical sense to adopt this strategy even if you want to.

Conclusion

Now that you have finished reading this manual, you should have a clearer idea of how Pay Per Click advertising works, and of many on the most important factors and features that will decide how successful your first PPC advertising campaigns are.

However, it is equally important to understand that PPC is one particular aspect of online marketing that you should never stop learning about, because no matter how much of an expert you eventually become, there is always more to learn.

Indeed, even the best known names in the PPC marketing business, people who are widely acknowledged as being the foremost experts on driving traffic with paid advertising would freely admit that they are still learning something new about PPC every day.

This is important to remember because there are always ways that you can improve the results of your advertising efforts. Whether it is by testing adverts so that you continually refine your copy to improve results or whether you are trying new tactics designed to reduce your costs, there is always something you can do that will make your business more efficient and profitable.

One thing to understand about advertising using Pay Per Click is that there is no such thing as a completely perfect advertising campaign, which of course means that there are always improvements to be made.

Moreover, some of the most effective PPC advertising tactics have been discovered almost by accident by marketers who simply tried to do something different based on an idea or a notion that they had about some strategy that they thought might just work.

In other words, you can learn from other people, but you can also learn about the most effective way of using PPC advertising through your own efforts as well.

Keep learning, and perhaps one day, you too will become a recognized expert in the field of marketing using PPC advertising.