



White Paper

Making Google AdWords Work

## **Making Google AdWords Work**

*Those little ads you may not always notice may bring you noticeable profitability*

Getting customers to come to you gets more and more difficult. Just like the major networks have to deal with the other 500 channels for attention, you no longer can just either go magazine or TV ad. The Internet has changed all of that. And while it's made things more complicated, it's also created some comforting options. One of them potentially is Google AdWords—commonly when a user types a certain word or phrase into Google. And, you only pay when they click on you. You've seen them and, yes, you've likely clicked on them. You've also seen them on the side of company and personal sites, drawn by many things, but nothing seemingly more than keywords. Well, these little boxes, if you didn't know, are big business.

### **The Power and Profitability of Words**

So let's eye it further. One area where Google AdWords helps is in its statistics of global and local monthly searches. For example, let's say you run a company of portrait painters. Type "paint" into Google and you'll see more than 37 million global and more than 13 million local searches. Next you'll see terms like "art painting" coming in at around 1 million. The key is to figure out what's particular to your business without being too particular. Do you work in oils? It comes in at 650,000 or just below, depending on whether you pluralize "oil painting." Googlelady.com even had this tip: "Go for misspelled keywords and keywords written as one (i.e cheapotels instead of cheap hotels). There is lots of traffic for these type of keywords at only a fraction of the cost.".

Sure, it's possible they could make assumptions then get to the ad and realize it's not for them. Keeping with our original example, there's a much better chance percentage-wise for "oil painting" to get the right people than just "paint supplies." Also, if you think you've found the magic word then don't forget to consider different variations of it. There may be profit in just the addition of an "ing," "ed" or simply pluralizing.

One of the reasons companies have trouble getting clicks is by assuming anything will work. Just like there's an art to Twitter for its minimum characters, the same holds true here. With so few words to work with, witticism may need to make way for brevity. When you've clicked on a Google AdWords ad, why have you done it? Many times because it brought up your need—so make sure you list the biggest need you're filling. Some of the wealthiest people out there are the ones who just do those small 20-word ads in the back of magazines so consider this a similar situation—just minus those annoying subscription cards falling out!

Example: You look at the Google AdWords home page and it shows a woman holding a sign for Romi Boutique that says, "Designer apparel & gifts. Check out new arrivals!" then has the company web site. According to the owner, Google AdWords doubled her

traffic so the ad content might be a winner. And, again, notice how simple the ad was? You wouldn't exactly need Ogilvy and Mather to come up with this one, would you?

Patience is at a must here, a willingness to experiment until you find the more successful ads. And because you can buy ads for such a small amount, you can find out without spending a bundle. Still, we caution not to go so short on one that you miss out on giving a decent chance. The beauty here is that AdWords may also give you clues for your other forms of advertising. Yes, they're different mediums but it doesn't mean there can't be any crossover.

### **Simple At Its Soul**

Another strength is you have the ability to pick related pages and sites within the affiliation that you think has customer who would click to you. Google also has a version where they make the choice for you. And, pick wrong and there are even statistics to show you what you did which may add a different kind of value. On top of that, if Google's choices are better than yours then you've now found an invisible advertising executive to help lead the charge.

Now that we've hit on areas like the ad, let's think that much more about the customer. Many make the mistake of not being specific enough in the target they go after. In addition to reading this white paper, we also recommend spending some time in the AdWords Beginner's Guide familiarizing yourself with basic usage so you don't just plug random guesses in and hope for the best (experiment, sure, but let's have some focus). For example, in the area of targeting, they remind you that you can narrow it down to language and location. Though Google AdWords in some ways can be straightforward, in other ways it's up to you to learn the system further. Another example from the site is this important advice: "Include prices and promotions. The more information about your product that a user can gain from your ad text, the better. For example, if a user sees the price of a product and still clicks the ad, you know they're interested in a potential purchase at that price. If they don't like the price, they won't click your ad, and you save yourself the cost of that click."

And, just in case you want to dismiss Google AdWords as only for those trying to get by, it's not just small ventures in on this. *Advertising Age* found a copy of the major investors, according to Mashable.com, which went on to say, "the biggest buyers of AdWords in June included AT&T Mobility, Amazon, eBay and BP. Although most of those companies are frequent big Google spenders, BP was a newcomer to the list, spending \$3.59 million on search ads in the wake of the spill (compared to just \$57,000 in the two months prior)." AT & T, Amazon...yeah, you think they didn't do their homework?

Another advantage is that you have the option of what devices your ad is shown on. If you felt it might work better for the mobile community, you can limit it to only appearing for them. If you were selling something that was PC-related, yes, you can arrange so it only appears on computers. It's not hard to see why tech businesses would rally behind it,

but you could consider the navigation of your web site and whether it's even built for small handheld.

You may be noticing that a key point to Google success is to leave the ego at the door. You may think to yourself things like, "Oh, I really want them to know about our top five accomplishments." You don't have space. "I want to tell them about our top three products since they're all equally good." You don't have space. "Yeah, but I..." You don't have space! Ask yourself simply what's going to get them to click and then what will it lead them to. Make sure it's a quick path to a sale, otherwise it's usually not the best course of action.

Fuzzzone.com also has a few interesting points to add. It reminds that the remarketing function, which debuted last Spring, can be an excellent way to hit up old visitors. Just as Pareto's Pirnciple says that 90% percent of your business comes from repeat buyers, it's not a stretch that bringing back visitors can boost the bottom line. Fuzzzone also points out that you don't have to use high-conversion keywords as much to get a click since they've already been to you before. It further mentions a side-by side look at similar ads. Says the site: "The traditional method for running ad comparisons is to use a before and after analysis. This method is problematic due to fluctuations in factors that influence consumer behavior. Events such as peak shopping days, holidays, and weekends can skew the results. The campaign experiment allows for tow ads to be considered equally, much like the adage comparing 'apples to apples.'"

But now comes another tricky part: bids. You only have so much money to spend and you want to choose wisely. Being able to go low has its advantages, but it may also freeze you out before you really can see if you'd take off. Google weighs in with this, using CPC (cost-per-click) as a main driver of its point: "Conversion tracking shows you what happens after a user clicks on your ad -- whether they purchased your product or signed up for your newsletter. By knowing this, you'll also know which keywords best lead users to take those actions. Then you can increase your maximum CPC for keywords that are performing well, or decrease it for those that perform poorly. For example, if a keyword has a high conversion rate and a low average CPC, you may try increasing its maximum CPC. This could improve the keyword's position, giving your ads more exposure. Likewise, you can reduce the maximum CPC for a keyword with a low conversion rate and high average CPC. A lower maximum CPC is likely to decrease the keyword's average position, the number of impressions and clicks it receives, and as a result, the cost it incurs. Not only can this strategy improve your ROI on low-performing keywords, but it frees up part of your budget to invest in more valuable keywords. After all, it's better to spend more of your money on strategies that work and less on those that don't."

Googlelady.com's philosophy is much simpler but still in a way that will keep you in the track: "With adwords, it's simple. You must bid high on the beginning, like for the top or second position. This way you will get more clicks (although more expensive) but you will rank better on relevancy, and quality score."

For another point of view, Alwin Hoogerdijk of Collectors.com collection database, quoted on successfulsoftware.net, brings in CPA (cost per action) to further his argument: “When using CPA bidding you should give Google more room to experiment. On search, this means using more broad match terms, or at least modified broad match. And less negative keywords (I removed a lot of my negatives lately). The idea is that Google will automatically find out what works and what doesn’t (again, this may take a lot of time). On the Content Network it means being less trigger-happy with the site exclusions. Without CPA bidding, I would be more likely to exclude generic sites like Facebook, about.com, etc... But with CPA bidding, I tend to allow the optimizer to display on those sites and the find the right pages within those sites to show my ads on. In my experience, the optimal CPA bid can vary (wildly) between products, campaigns, etc. . Content Network CPA’s in general tend to be much lower, for the same products. Strangely enough, content network visitor sign up (or downloads) are worth less than search traffic sign ups. Which wasn’t what I was expecting. Of course, content network traffic is less targeted in general so one would expect a lower sign up rate.”

### **Be Open**

A strong way to use Google AdWords is simply to be open to it as a concept. Try out many different factions in terms of ad wording, placement and amount of money you put in. Understand that’s it’s an art onto itself, allowing many companies and people you’ve never heard of to gain a vital area of profitability. Just don’t simplify it to being the same as your normal ads, whether you did through a web site, direct mail or other. Like the rest of advertising, it’s sometimes trying many ways before you find the one that really hits home. And, if you still want to write it off, just remember how many times you’ve clicked on one of those small side ads while Googling. Hey, somebody got you to click, didn’t they?