Greatest PPC Strategies to Grow Sales & Profit in 2017

Plus the Some of the Costliest PPC Mistakes Almost Everyone is STILL Making!!

8 ESSENTIAL STRATEGIES PLUS 2 BONUS STRATEGIES!

START

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WARNING: This ebook is filled with highly technical concepts intended for expanding the awareness of the issues that face paid search advertisers. The principles below, if executed incorrectly or without professional help, could lead to serious performance and money losses. We suggest advertisers consult a trained professional before implementing any principles derived from this book. And of course, Keyword Search Pros, Inc. and it's property: Conversion Giant accepts no liability for advice or information practiced or otherwise derived from this book.

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Intro

"Ever since I was little, I'd always dreamed of being the founder of a PPC agency," said not one single person ever. If you picked up the snide tone in my voice, you're a true purveyor of sarcasm. I only have this polluted disposition for one reason: Being in PPC in 2017 is bittersweet.

I've officially been in this PPC business for over 10 years, and in that time I've seen the tides of the industry change drastically. Super agencies have come and gone, the Adwords Interface has gone from Atari to XBOX ONE and PPC advertisers now spend so much to make so little.

That's the bitter part of bittersweet: Advertisers are jaded from having hired 5 agencies in 7 years with hardly any results.

And the sweet part? Once advertisers start making money again, my purpose in life is fulfilled.

There's no sarcasm here; that's the honest truth.

The account evaluations of thousands of advertisers have come across my desk, most of them with the same 25-30 issues. Several of these are very fixable through some level of course correction. I picked 9 of the most common problematic issues to discuss with you and turned them into profit generating strategies you can easily understand.

These are the **TOP 9 STRATEGIES** that most advertisers are still NOT using in 2017. This is costing tens of thousands of advertisers to miss out on gains in sales and total net profit volume.

And by remedying this and by implementing these next strategies, advertisers gain back control of their account and will grow their paid search business beyond what they thought was possible in this matured era of online marketing.

Really quick before I start… I tend to interchange various PPC words and accronyms. So here's a quick reference...

- CPC = Cost per Click (as $)
- CPA = Cost per Acquisition = Conversion Cost (as $)
- ROAS = Return on Ad Spend = Revenue divided by Ad Spend (as %)
- Total Conversion Value = Revenue per Transaction (as $)

Okay, now off we go...

Strategy #1

Do the Math on Profitability and Define a Target CPA

A challenge advertisers often run into is that they can't accurately track profit so they don't even try to estimate a Target Conversion Cost (CPA). When I ask what their targets are, many advertisers will say their tracking is not accurate.

NEWS Flash: Tracking is NEVER 100% Accurate.

Here are some reasons why:

- Conversion or Analytics tracking pixels are not set properly.
- Auto-tagging is turned off in Adwords.
- Your Adwords account is not linked to your Analytics so you aren't able to get ROAS for PPC.
- You get lots of phone call orders.
- You get repeat business.
- You sell multiple products or services per transaction.
- Final sales happen offline (in person).
- Assisted Conversions (visit starts on Google CPC but converts 'Direct' later)

All of these factors make tracking profit harder to do, but we still need to estimate some profit benchmarks. That way, we can formulate a target CPA to use in our management strategy, even if it's just a general target we can aim toward. You can also expect to do this for various products or services that you offer if they have different price points and profitability for each.

FORMULA FOR A BASIC TARGET CPA

This is the basic formula for achieving the target CPA. While the formula is very easy to comprehend, actually plugging in the numbers is something most advertisers don't often do

Fig. 1 - Formula for Target CPA

Average Transaction Value or Revenue Amount

− Cost to Produce Productsor Services

− Estimated Fixed Costs Involved (non Marketing)

= Gross Profit (before advertising)

− Desired Net Profit

Target Cost Per Conversion

First, take the Average Transaction Value or Revenue Amount you get for selling your product or service and subtract the Cost to Produce Products or Services, then subtract the Estimated Fixed Costs involved (non-Marketing). This will leave you with the Gross Profit before advertising.

Then decide what you NEED to make on this transaction as a net profit and subtract that amount from the Gross Profit before advertising. This is your Target CPA.

While there are many factors that make this harder to do, the strategies below will help provide some insight on how to adjust for these factors.

CUSTOMER LIFETIME VALUE

When margins are short and there is little profit being made on an initial sale, the lifetime value of the customer or client can be used for the Revenue Amount. This is particularly helpful when there is a high likelihood for repeat sales. Just be sure to adjust the formula above to include the lifetime costs of providing the product or service.

ASSIGNING WEIGHTS

Assigning weights to the existing conversion costs will help immensely. Doing some rough math and some "guesstimations" is fine.

Example: *If my reported conversion costs are $100 but half of my sales come as phone orders, I know my actual conversion cost is probably around $50.*

That is how you assign a weight (.50) to conversion data. It doesn't have to be 100% accurate. Having a target conversion cost and tracking is better than not doing anything at all or using the data given as face-value.

ASSISTED CONVERSIONS

In recent years, we've been able to surmount more insight into actual cross-device or cross-channel conversions.

Assisted Conversions are conversions that you receive in one channel but may have originated from a different source initially. Sometimes a user will initially click on a PPC ad but then clear their cache and come through the site directly or organically to convert. If you know your customers to do research a bit before converting, then your should be open to the idea of 'Assisted Conversions.' Bear this in mind when arriving at your target conversion cost.

To see what type of assists you may be experiencing go to Assisted Conversion in your Google Analytics or read more on Channel Contribution here:
https://support.google.com/analytics/answer/1191204?hl=en

Strategy #2

Find Out WHY Your Keywords Have a High CPA First, Before You Simply Pause Them or Bid Them Down.

I can't help but feel that almost every PPC advertiser manages their paid search based on instinct more than logic. This is problematic for two reasons:

1. Instinct can be highly derived from a "survival mode" or "stop the bleeding" mentality, and
2. A natural instinct of humans is to take the easons combined form what most would describe as common sense, but they actually defy logic completely route in order to solve a problem. These two reas

"So what's the problem?" asks the advertiser. *"If I see my account wasting money on a keyword or ad group, I pause it."*

Yes, you will stop the bleeding, but you'll also stop all of the sales, leads, and phone calls that go along with it. You actually restrict other parts of the campaign even though they drive good volume, some of which is profitable.

"Well if it's a keyword, I'll just bid it down. I won't pause it." he insists.

The same things happen. You will reduce your risk for that keyword, but you'll also reduce the volume of clicks, which directly reduces the volume of conversions or calls you get. You haven't really solved the problem. You've only reduced your risk in the problem.

And then there's the industry-old software plague. I'm sure you're familiar with some of the big players in PPC software. These software solutions primarily do two things: highlight and automate the inefficiencies in CPC bids and cost per conversions. To be fair, they do a great job of it. But this cannot be the full scope of the management because it completely bypasses the "human" management element. There are things you have to take into account, such as who the target market is, what the product or service actually is, and what people search for when the target market is looking for that product or service.

So the advertisers that use this software or SaaS (software as a service) solutions end up with PPC managers that are thinking more about at the software and less about your target market, products, and services. The problem-solving capability becomes limited to what problems the software can solve alone and not what the informed advertiser can solve.

WAYS TO LOWER CPA (CONVERSION COSTS)

Think about fixing a high CPA keyword, ad group or campaign in two general ways. You can either modify things to decrease the exposure for those areas OR you can do things that decrease the CPA without decreasing the exposure. In the end, you might end up doing both, but you want to fully exhaust all of the non-exposure-decreasing solutions first. Then, if the CPA is still too high, begin with changes which lower the exposure the LEAST.

Take a look at the first set of charts. Notice that the "Cut Cost" (Fig. 2) philosophy shows revenue decreasing when costs are being cut. Now look at the second set of "non-exposure-killing" chart (Fig. 3). The costs are much higher but so are the clicks, revenues, and presumably the profits.

Fig. 3 - Advertiser "Cut Cost" to Reduce CPA

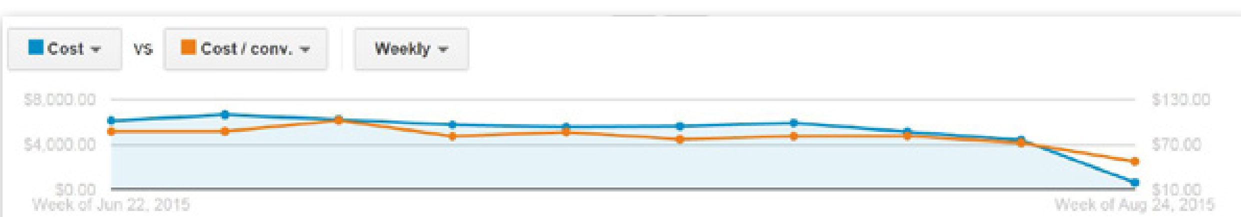
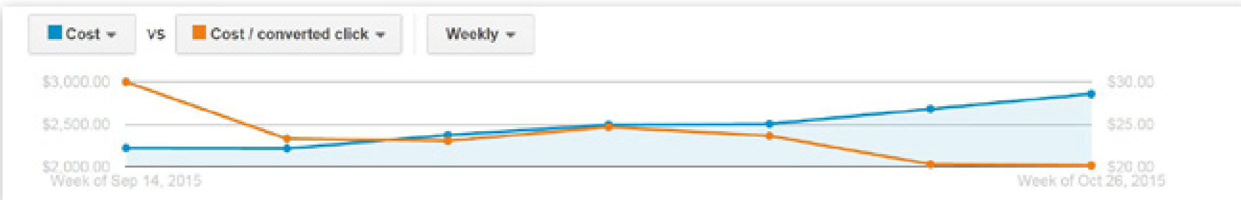
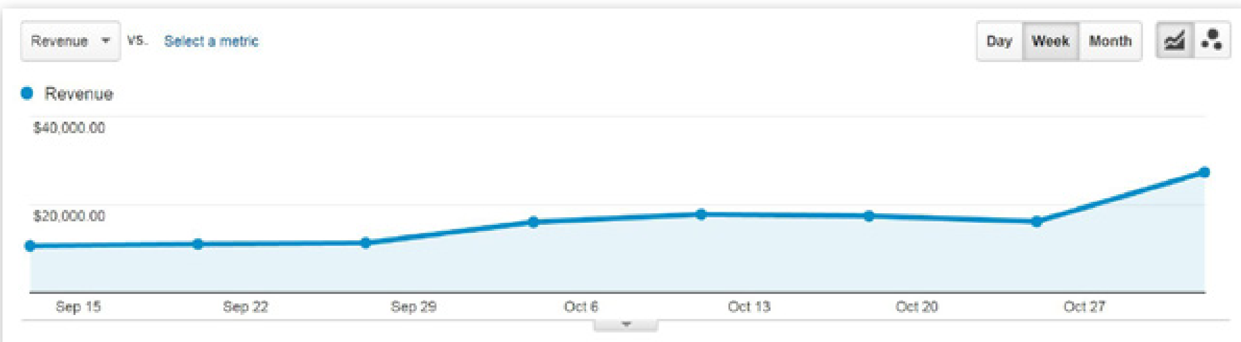


Fig. 4 - KSP Worked on "Non-Exposure-Killing" Activities to Reduce CPA which resulted in more transactions and revenue.





Here are a few basic examples of different management activities that can lower your CPA.

Lower CPAs without decreasing exposure on good impressions by:

- adding negative keywords that stop bad or irrelevant queries and query themes
- improving ad copy, CTR, and quality scores = naturally lowering CPC
- improving conversion rate with onsite optimization

Lower CPAs while decreasing exposure on good impressions by:

- reducing bids or making negative bid % adjustments
- reducing budget on high CPA campaigns
- restricting keyword match types to stricter settings
- reducing scheduled hours of ad serving
- reducing geographical territory for ad serving

Eliminate CPAs while stopping exposure on good impressions by:

- pausing or deleting keywords
- pausing or deleting campaigns

The activities in the above lists aren't by any means earth-shattering. They've been around since the beginning of PPC and we've all done them. So it's not a matter of "if" we do them or not but more so "when" and "in what order" that really matters. By no means am I saying we should never pause keywords; I pause keywords all the time. But I only do it if I no longer need that keyword to bring in those same sales (i.e. I have another keyword that covers those same queries) or if I have exhausted all other possibilities in lowering the CPA first.

Strategy #3

Increase Cost and Conversion Cost... Where it Makes Sense.

Yes, you read correctly! Don't ONLY Make Edits That Result In Lowering Cost and Conversion Cost (CPA).

Strategy #4 piggybacks off Strategy #3. The focus is also on cutting costs but the implication for not doing it is worse because the entire focus is to cut click cost and conversion cost. When PPC managers are only looking to cut down Costs and CPA, the chances at growing total profit volume are extremely diminished.

As mentioned earlier, I've found that it can be highly part of someone's DNA that leads to limited strategies in PPC. People have grown up in life with all sorts of mental conditioning and are hardcoded with themes like: "*efficiency is key*", "*don't spend more than you have to*", and "*save, save, save.*" The trouble is that advertising expenses are then only seen as costs and not as an investment or as fuel for a profit outcome.

Mental Lesson: You can't grow if you are only looking to shrink.

...or in PPC Terms: Practice spending more money and increasing CPA when it makes sense to do so.

GROWTH is why we are in business after all.

When I consult business owners and marketing directors, I often ask them what their company online goals are and they tell me they want to grow or scale up this part of their business. Then I ask them what their plan is and I get back a lot of cost saving or CPA reducing strategies. And of course, they sometimes just say their highest goal is to cut costs but when I ask them about "Growth?" and they go, "Oh Yeah!" like they forgot about that tiny little thing.

So just to be clear: If your goal is NOT to grow your profit from PPC, you can skip this ebook... but if you are really in it to win it, here are a couple concepts that will get you going mentally.

TRACKING AND BENCHMARKS

Most of you already have some form of tracking in place. But if you don't or if it's not working properly, get it set up so that you can start creating benchmarks and assigning weights to them. If you're having trouble, there's no shame in seeking a little guidance from some pros. Hint. Hint.

AIM FOR THE TARGET

For every actual CPA you have, it is either on the profitable side or the not-so-profitable side of your Target CPA. Decide which side of the target you are on and act accordingly.

If you are working off instinct and not a real growth strategy, you might be trying to lower your CPA no matter what your actual profitability is on various keywords and ad groups. Now that you have a target conversion cost, all you have to do is look at the data and notice which keywords, ad groups, and campaigns are below the target CPA and which ones are above.

For everything above the target CPA, refer to the lesson in Strategy #3 and start reducing CPA without decreasing exposure. Then move onto other CPA reducing actions.

For everything below the target, you'll want to increase your CPA by increasing budget and bids. You heard me correctly. I said, "Increase your conversion costs!"

The concept behind this is that if your actual conversion cost is below your target CPA (which had your profit model built into it) then you should be willing to spend more money to take advantage of additional leads and sales at the profitable level.

In order for advertisers to grow this side of their business, they need to know how to scale it up responsibly. This job is much easier when you have a target conversion cost and you know where to increase exposure and where to reduce your CPA. Sometimes it's hard to gather the data on a keyword level, so it's okay to use conversion costs for ad groups or other themes of keywords to judge the CPA of various products or services in your business.

Remember: What we're doing here is not to try and give you exact instructions to implement into your account; we're trying to change the way you think about your strategies so you can more effectively plan and execute. As every advertiser has a unique situation, each will have to get to the same conclusion in various ways.

Sometimes an advertiser will reverse the order of reducing CPA when they see they are just wasting tons of money. They might bid down first to reduce the risk of lowering the CPA (and conversion volume), but when they go through and optimize the campaign, they'll find themselves below their target CPA, so they'll increase their bids back and budget to get back the clicks and conversion volume. This is okay too. As long as they circle around to get the volume up after the wastefulness has been resolved.

UNORTHODOX PPC MANAGEMENT

In PPC accounts, I have seen many strategies in so many different forms that end up making advertisers great profit. I can testify that most PPC models are not intuitively put together but forced into their odd shape by the economic forces in each industry. This brings to mind two particular scenarios which are commonly successful in particular instances. These are often discovered by testing and reverting back changes that killed sales volume.

1. **Loss-Leader Model -** The advertiser makes no money (or even loses money) on the first sale to gain a customer for life. This is considered the 'customer acquisition cost' in that business. The presumption is that they will have a valuable customer life cycle so it's perfectly sensible to give up a little in the beginning to make a heap load in the end. I have a client that sells certain

coffee machines as part of their new customer model. They actually lose money on the machine but will sell their customers coffee for years to come.

2. **Don't Step Over a Dollar to Pick Up a Dime Model** - Advertisers who work entirely on instinct often find their accounts so hyper-targeted that they are restricting the flow of volume and profit. Sometimes this happens because the advertiser forgets to scale up. But sometimes it's because they refuse to pay for a bunch of unqualified traffic.

This can happen in a number of different circumstances. You'll see this when the geo-targeting becomes so closely refined as not to allow users outside the area to see general traffic. But you'll also see it when the keywords have two different meanings of intent but the advertiser only provides for one intent. Take the word "translation service." This can mean to translate in person as an interpreter, to translate words on the web in real time, or to translate several files by sending them to a company that can have that done.

Once in awhile, you might find yourself in a place with lower sales volume and no idea how to get it back. Consider opening the floodgates a bit. You might find that sometimes you have to sift through some garbage to find the treasure.

Always refer to your total profitability to guide you on strategies. If you can get away with the above strategies and still make more profit, then as far as I'm concerned, it's a no-brainer.

Strategy #4

Use Negative Keywords For Other Stuff Besides Eliminating Irrelevant Search Queries

Everyone knows what negative keywords are used for. Of course you have negative keywords in your campaigns; who doesn't? It's basically Paid Search 101. I do remember the good ol' days when I would do an account evaluation and log in and see ZERO negatives. But these days, everyone uses them not just to block the irrelevant queries but it's their claim to being an excellent PPC manager.

"Well I add keywords, adjust bids, split test ad copy, and I use negative keywords." says the self-proclaimed PPC expert who has only managed one account in their entire life.

Seriously, your cat could do all that stuff, and his toilet is a box of sand. It's literally just "doing" things in PPC and it requires very little critical thinking about the outcome. I'm not saying that adding negative keywords is wrong; we totally need to use negatives. What I'm saying is that it's more about the "why" and "how."

There are the 3 main reasons WHY advertisers should use negatives:

1. Block irrelevant queries (duh).
2. Keep the volume open in ad groups without bidding on the most competitive queries.
3. Force users to trigger ads from particular ad groups (reduce cross bidding).

Of course, there are other reasons in which negatives could be useful but those are the MAIN reasons why we use them. How we implement them can be a whole other story and dangerous if not done correctly. Below are some commonly executed strategies that lead to poor outcomes.

Pitfalls of Poor Negative Keyword Strategies

- Pulling query reports and adding the negatives from the keywords you see directly in Adwords only creates a negative [exact] match of the keyword. Since the phrase is less likely to be searched than the term(s) that is making the query irrelevant, you are more likely to have people click your ads from similar irrelevant queries.

- Search query lists can be long and after a few pages of them, you're likely to end up with a list in single-occurring queries. There is some logic in not bothering with the individual queries because, they don't threaten to cost the account much money by themselves. However, if you look through the long list (even at a glance), there is a great chance you'll start noticing "keyword themes," multiple occurrences of the same terms across multiple single-occurring queries.

- You look at the query list and most of the conversions come from queries that do match the exact keyword that produced the queries. And because this makes the keyword not profitable, perhaps you pause the keyword which restricts the conversion creating queries to work.

- **Double Bidding is one of the biggest problems we see in a PPC account evaluation.** This is when there single queries that trigger multiple keywords and ad groups. The problem with this is that the search engines are always going to trigger the keyword that has the highest CPC. I think advertisers that even understand this problem don't realize the magnitude of it. If even 10% of your queries are double serving keywords, it's possible that more than 90% of your ad spend could be double serving. And if that much of your total ad spend is paying top dollar for clicks, then how much money is being left on the table?

- A secondary problem that happens with severe double serving is that there will be similar sounding keywords being triggered that refer to completely different products and services. Obviously, we want your users to see the correct intended ads and click through to the correct landing page.

The dangers above are very serious and directly result in profit losses every day in 99.99% of paid search accounts, in many cases to a vast degree.

Avoid the Quick Fix - The quick fix for not wanting to scour query reports is to tighten up the match types. Adding stricter match types while removing broader match types may help relieve some of the problems but it does so at the cost of losing click and conversion volume. So we can't be lazy. We have to go through the reports and analyze for more than irrelevant queries.

Strategy #5

Manage Your Shopping Campaign or Feed Beyond Its Basic Performance

For all of you retailing product, this is a **MUST READ.**

Formerly known as Product Listing Ads, Google Shopping Campaigns unlock many opportunities for retailers looking to convert specific products into sales. Google has committed to increasing the Shopping results' exposure level in SERPs (search engine result pages) because it's a financial goldmine. Usually, if something is making lots of money for Google, it's taking away lots of money from advertisers.

I've found there are reasons in which this happens:

- Because advertisers tend to upload ALL of their products into the product feed, all products tend to get budgeted and bid on similarly or all together. This is the equivalent of lumping all of your text ad groups back into one campaign when you have many different kinds of products. It's much harder to control how you spend your ad budget when the high-value conversion products are mixed in with low to no conversion products and product groups.
- Because the Shopping campaigns are product centric, their conversions tend to have lower conversion values. This means products are searched for, ads are served and clicked on specifically for a product, and then sent to a specific product page. This funnel lends itself to having fewer items added to the cart

prior to checkout. When a shopper's intent is on one specific product and when they are thrown in the conversion process for that single product, they are likely to check out buying ONLY that product.

- When you bid up, your Shopping campaigns can trigger products for more general queries. These general queries often convert at much lower rates than product specific queries.
- Because you can't use keywords or their modifiers like "+", you have limited ways to qualify the search. All you are left with is negative keywords to qualify searches and time intensive script creation to ensure only the right people see your ads.

You might find it somewhat surprising that we suggest advertisers still try Google Shopping given all these hazards. Here is the leg up advertisers have in trying it.

- Because creating product feeds is somewhat daunting and requires a level of compliance, the competition levels are lower and have lower CPCs because of it. So despite the inefficiencies mentioned above, the campaigns can be hugely profitable for advertisers.
- Google is committed to pushing this program. For many advertisers who used to run very successful campaigns but who now are challenged with search volume and CPA, this opens the door to gain back that lost revenue. Shopping ads have continuously pushed other contextual ads further down the page making it harder for them to receive the same exposure and even compete with the rich nature that Shopping ads provide.
- With good Shopping and product feed management, there is a lot that can be done to reclaim those opportunities for higher profits.

Here are some general things we think about when optimizing for Google Shopping.

WHAT CAN BE DONE TO THE PRODUCT FEED:

- By far, the product title has the largest effect on how people find your products. By including as many keyword qualifiers and by using as many product specific keywords or model #s (earlier in the title) as you can, you will increase your impressions, CTR

and conversion rate.
- Make sure the price on the feed and price on your website are the same.
- Remain aware of your competitor's pricing to ensure you are not being out-priced.
- Use Brands, Custom Labels, and Google Product Categories to create category differentiators. These can be used in Adwords to carve out a subset of products you need to bid or budget differently on.
- Consider removing low-value products from the feed and only host the products you feel offer a high enough transaction value and profit margin.

Note: Independent studies show that having extremely descriptive product descriptions and highly accurate Google Product Categories listed has little effect on volume or performance of Shopping Campaigns.

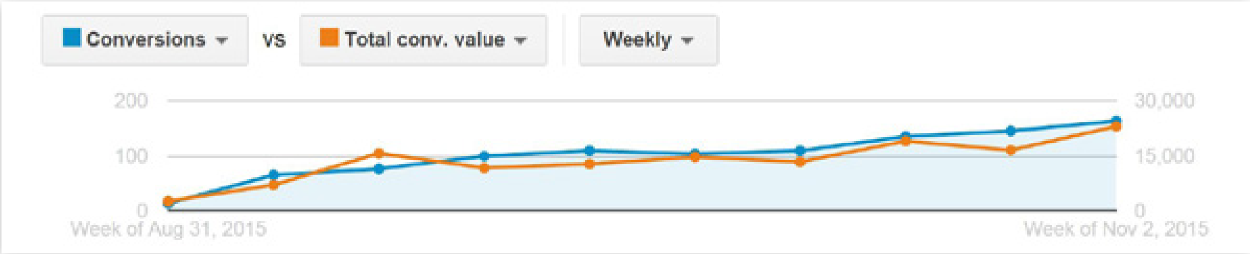
WHAT CAN BE DONE IN ADWORDS:

- Don't bid on all products if you are not competitive on all products.
- Don't bid the same amount on all products in feed.
- Carve out ad groups and product groups within Shopping and bid to maximize ROAS.
- Try to spot to products with high clicks and cost but little revenue as they could be plaguing the campaigns and wasting money. Find ways to stop the bleeding (negative keywords, bidding down, etc.).

Shopping is still in its infancy in terms of overall adoption and program modifications from Google. This creates a real opportunity for many by allowing advertisers to really optimize the campaign. This is sure to give you an advantage over your competition. It also opens the possibility of you being able to spend more money at a very profitable rate.

Here is a screenshot of a Shopping campaign where we made optimizations to the feed as well as the campaigns themselves. Today the client agreed to double his budget because his ROAS was over 1100%!

Fig.5 - Total Conversion Value Increases as Conversions Increase



Strategy #6

Run Only Campaigns and Keywords That You Can Fully Allocate Budget For

This problem is an *"oldy but goody."* For the longest time, advertisers have adopted the philosophy that *"more is more,"* or *"the more keywords and ad groups I have, the more clicks I'll get or the more money I can make."* Sometimes this philosophy gets validated with some erroneous logic that trolling lots of non-competitive, long-tail keywords provides more low CPC keyword opportunities that lower the average CPC and leads to more clicks for a limited budget.

I am officially going to say: **THAT CRAP DOESN'T WORK!**

And not to bore you with a long explanation but let's just sum it up to Quality Score keeps long-tail keyword CPCs high. On top of that, many long-tail keywords have inherently better buying intent which correlates with higher competition and CPCs.

Having more keywords and ad groups without more budget means your budget gets dispersed across more areas rather than fewer areas. This leads to less data being accumulated on each keyword and ad group in a given time frame. If you are not getting data fast enough on any particular keyword or ad group, it takes longer to tell whether it's working well or not. If you can't gauge its profitability, you cannot make good decisions about its use.

On a single keyword instance, it's no big deal because you probably haven't spent much money on that keyword. The real problem is when a larger portion of your total budget is spread across these low volume areas. Then you have little to no control of that larger portion of your budget.

It takes longer to get the data you need when your active campaigns are overbuilt for the budget you're allocating. You shouldn't keep throwing more money at it until you get the revenue you need from those campaigns. You could also end up throwing more money at the campaign and notice you're getting revenue but not know which keywords are generating it. Then you could be wasting a lot of money to make some money. It's a vicious cycle.

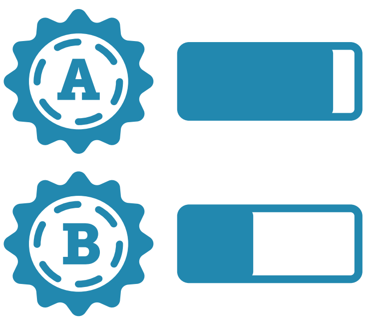
A good plan is to simplify and consolidate where possible. Nowadays, between broad match modified and close variants (exact), it's easier to catch more queries with fewer keywords.

There is no specific number of keywords or ad groups that you should have. You should simply think about how long it's going to take to get enough data to decide how well a keyword or ad group performs. Some keywords may have been collecting data for years so it appears as though it is sufficient for assessment, however, if you've changed the bids or done anything else to that campaign, it might not be a realistic representation of its performance.

Not all your keywords are going to be high volume terms and that is okay. As long as most of the budget is being spent on ad groups or keywords that do get decent volume, you should have no problem making good decisions because you'll be in control of your budget.

Once you have maximized the ROAS for a given budget, then it would make sense to increase the budget (if profitable) and consider doing things like increasing bids on key profitable terms, testing out new keywords themes, expanding ad groups and campaigns. etc.

Strategy #7
Complete the Split Test



A/B split testing ads as a strategy to optimize CTR and ad effectiveness is not new by any stretch. It's one of the first things Google teaches you when you start spending any money in Google. And when I perform PPC evaluations, I rarely come across an account where the advertiser is not split testing.

I used to think this was a good thing; having multiple ads split tested in a single ad group. But I've come to realize that even in 2017, people are still doing it all wrong.

When you set up any ad campaign, you get the choice of deciding if you want to serve your ads evenly or optimize the served split to show better performing ads more often. If this is the case, then what the heck happened in the split-test (image) below?

Fig. 6 - Ad Serve Split Test

Ad	Status	Labels	% Served	Clicks	CTR	Cost	Avg. Pos.	Converted clicks	Cost / converted click	Click conversion rate	Conversions
[illegible]	Approved	--	60.20%	1,044	1.59%	$7,521.22	1.1	13	$578.48	1.25%	13.00
[illegible]	Approved	--	39.80%	943	2.18%	$7,358.02	1.1	25	$294.28	2.65%	25.00

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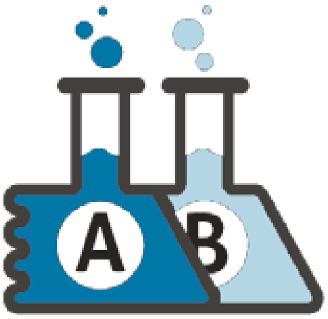
Over 60% of the time, the ad with the lower CTR was served. And if Adwords was counting conversions as the performance metric, it did not win there either.

How is it that Google served the ad that performed almost twice as poorly the majority of the time? Not sure? Doesn't matter, because guess what: **IT HAPPENS.**



The underlying issue here is not how Google served the ad or that it served the poorer performing ad more often, but rather the fact that the split test was allowed to continue for so long without interruption.

At some point, this advertiser should have decided stop running this split test because the resulting data was conclusive. Perhaps there is no exact point to which the data is considered sufficient but these ads above have (after receiving a substantial number of clicks) clearly received a substantially different CTR and a number of conversions.

Deciding when to stop split testing is a complete judgement call. Things to consider before completing a split test are:

1. How many impressions and clicks have their been? Is the statistical population large enough to say for sure which ad has a better performing CTR?

2. Is CPA or conversion rate a better KPI (key performance indicator) of the split test? If you use ads to qualify or weed out unwanted visitors, then a lower CTR is actually better. Then you might put more weight on the ads' conversion or revenue metrics.

3. How many conversions has each ad received? If there is an ad that receives a higher CTR and more conversions, it is probably the better performing ad.

4. Have the ads received enough conversion data to assess the better performer?

Whenever you finally decide to act on the results of a split test, you have the choice to either 1) simply pause the lower performing ad(s) and complete the test or 2) pause the lower performing ad(s) and create a new ad with better ad copy and begin a new test.

At some point, after testing several ads, you may conclude that the ad you are using is probably going to perform the best. Then it would make sense to let only that ad run for a while so you can observe the **MAXIMUM AD PERFORMANCE** for that ad group. Later on, you can always revisit it by reviewing competitor ads in the SERPs and new possible ad offers to see if it makes sense to run a new test.

Strategy #8

Look for Data Outside Your Adwords & BING Ads Accounts

To no surprise, this mistake happens more often with managers that don't work inside the actual business. This is most agencies, SaaS companies, search engine reps, and independent contractors. But even inside the advertisers business, we see marketing managers and even business owners losing the entire picture because all of the focus is within the Adwords or Bing accounts.

Every PPC campaign has a story, not always a super interesting one but a story nonetheless. The things you need to ask yourself about YOUR story are:

- What are the products and services?
- What are the costs of providing them?
- What is the initial transaction value?
- What is the value of a lifetime customer?
- Is there any seasonality?
- What is the length of the buying cycle?
- Are the products or services purchased offline?
- Are offline purchases worth more?
- What's the competition for those products and services like?
- What are the competition's prices?
- What is the competition's business model?

These are just some of the initial questions that need to be asked for each product group. Notice that the answers to each stem from outside the account. And even though businesses should have all these answers, you'd be surprised to find out how many don't.

So whether you manage your paid search internally or through an outside management solution, it's important that these questions are asked. In doing so, you gain answers and insight that will lead to better strategy and stronger decision-making within the account.

Here are a few things I like to do routinely that help fill in some of the gaps in each story.

1. Pay attention when you come across inconsistent patterns or trends in Adwords or Analytics and commit to finding out WHY?
2. Check Analytics to see if a similar pattern is happening with traffic from other referring sources.
3. Test a website's calls to action and checkout process for any bugs or new issues, including broken links and slow server speeds.
4. Review non-Google sources like a shopping cart or CRM sales reports seeing if the trends are happening there too.
5. Check news sources for timely events or stories that could cause an inconsistency.
6. Perform searches for your keywords to see what the SERP landscape looks like. Look for things like:
    - what types of companies are showing up
    - what their ads offer or say
    - what types of elements display at the top of the page like Shopping Ads
    - where your ads show, etc.
7. Look on tools like Google Insights and Google Trends to gain some high-level information that could have an effect on your advertising.

There is no limit to how far you can go to fill in the gaps. However, with a little research, it shouldn't be too long before you uncover the answers you seek. All you have to do is ask, **"WHY?"**

Bonus #1

Investigate Remarketing and Audience Related Programs

This is probably the area of paid search that is expanding the fastest. As Google looks for new reasons for advertisers to want to spend more money, advertisers are given more programs to opt in to. Since Search and Partner Network traffic is often utilized to its highest capacity to deliver traffic, Google has been focusing its efforts more so in the areas of Google Shopping, Video Ads, and Display.

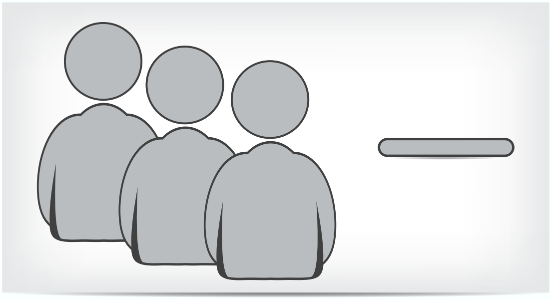
Traditionally, the Google Display Network (GDN) has served as a "hit or miss" option for advertisers because it was highly dependent on Google's ability to match product and service need to the right people. There are several targeting methods you can use within the GDN: Contextual Targeting, Placement Targeting, Remarketing Lists (including Customer Emails), Interest Categories, Topic Targeting, Geographic & Language Targeting, and Demographic Targeting.

It wasn't until Google launched its Remarketing program in 2012 that GDN appealed to the widest array of advertisers serving ads throughout the GDN. Because the Remarketing program's unique usage of audience lists, advertisers could now target visitors that were already familiar with the brand and more likely to convert. Since then, several other programs have manifested that use a wider range of contextual and audience-type targeting.

Below is a list of audience-centric programs that Google offers. We are only listing brief descriptions of each to guide you to ones that might be a fit. Google's Support website has in-depth tutorials on how each can be used.

PROGRAMS THAT UTILIZE GOOGLE AUDIENCES

- **Remarketing -** The general name for any campaign that targets an audience list of past visitors and customers.
- **Dynamic (Product) Remarketing** - Google Shopping campaigns that utilize the remarketing list and specifically serve ads which contain product images from products the audience member has previously viewed.
- **Remarketing List** for Search Ads (usually referred to as RLSA) - Allows advertisers to retarget audience members through normal search ads on Google SERPS. The main advantage of this program is that you can serve a different ad to someone who has already been to your site and seen your ads and offers.
- **Customer Match (Email Lists Program)** - This is a newer program introduced in 2015 that allows advertisers to target visitors by uploading past customer email addresses to a Remarketing list. From there Google can target those visitors if they are signed into a Google application using that email. Also, you can target "Similar Audiences" which look for Google users who have similar demographics and interest topics.



The strategies that an advertiser uses within each of these programs will vary greatly depending on the unique circumstances of that business. Exclusions can be used to filter down audience members from being served ads. For instance, if you do not wish to target people who have already converted, you can exclude them.

One thing I like to mention to advertisers is that the effectiveness of your Remarketing is highly predicated on the quality of visitors you add to your audience list. So the less qualified traffic you drive to your site through whichever means, you'll have a lower conversion rate when you attempt to remarket them.

Remarketing tends to work well for the majority of our advertisers, though it does not represent a large opportunity to drive new visitors since the program inherently targets past visitors. Typically we see advertisers spending about 5-15% of the total ad budget on remarketing. If your primary goal is to really scale up conversions beyond that amount, you'll need to also consider how to get ads in front of new eyeballs. But for making your current ad dollars stretch as far as possible, Remarketing and Audience-based targeting are the only way.

Bonus #2

Facebook Remarketing and Dynamic Product Ads

Over the past few years, retargeting on Facebook has become big business, mainly because Facebook (along with social media in general) is where people's attention is. Facebook Retargeting was a huge breakthrough when AdRoll, Inc. was the first to combine audience targeting with the Facebook platform. Today there are multiple software solutions for retargeting on Facebook. Many of these offer to retarget on other platforms as well. To name a few:

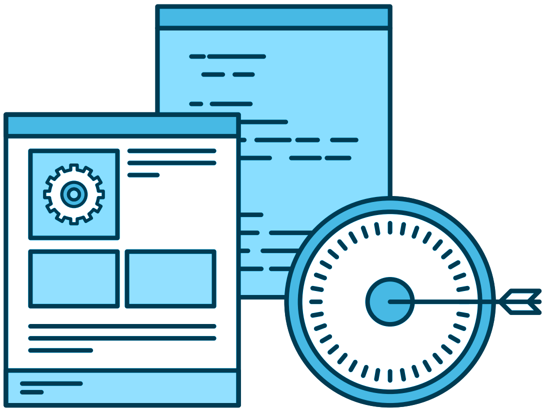
- AdRoll
- Perfect Audience
- Criteo
- Facebook (go figure)

Each option is unique in their offering, so consider doing some research to determine which is the best fit.

Or if you prefer the hands-on approach, consider testing their bidding strategies. Currently, AdRoll and Perfect Audience only offer CPM (cost per thousand impressions) bidding whereas in Criteo and Facebook, you can bid based on either a CPM or CPC basis.

DANGER: Without naming any specific Facebook Retargeting software, be aware that some report conversions in a sneaky way. For instance, there might be two types of conversions: view-through conversions and click-through conversions.

View-through conversions only mean that the visitor saw the software's Facebook ad before converting but does not mean they clicked on the ad before converting. So if your visitor saw your retargeting ad on Facebook but then went back 2 days later by clicking through a Google Remarketing ad and actually converted then, the conversion would be counted as coming from the software's ad too which is problematic when trying to assess true conversion cost and conversion values.



Pro Tip # 1: The above "view-through" conversion issue has been problematic for me because it really inflates the value of the campaign as a whole. I've found it necessary to break out a calculator and do some conversion cost math myself using the click-through conversion metric (divided by cost) instead of the given view-through based metric they provide. Doing this gives you the true conversion cost of the program.

Pro Tip #2: Because all Facebook retargeting is audience-based, you get to control the duration of how long the ads are served for. After analyzing the "true" conversion cost, if you feel it is too high or low (or above or below your target CPA for that product) test it out by changing the duration of how long the ads are served. This has been extremely effective since most people will see your ads after they are added to the retargeting list. Beyond that, the impressions of these ads are repeated over and over so they lose their CTR over time. Shortening the ad duration should lower the CPA where extending the duration should increase the CPA.

Pro Tip #3: Try and keep in mind that people are always on their social media. If your ads are being served every day, chances are most of your audience has seen your ad several times within the first week. Be sure to rotate different ad graphics often (ideally every week or more) so people don't get bored of your ad. If you bid using a CPM basis your ad CPA is going to drop off sooner than later and then you're just paying for people to ignore your ad because they've seen it so many times.

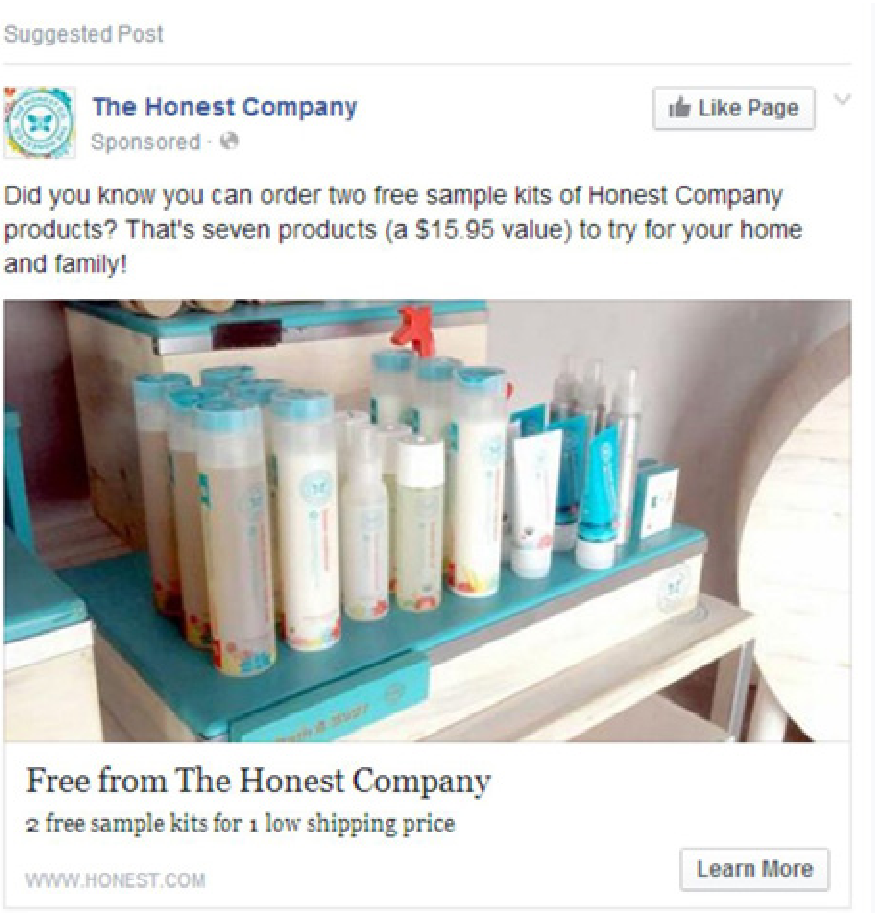
There's certainly branding value in repeating the same ad over time but there is a steep drop-off in value once the ad loses its viewers attention. I've been seeing the same social media ad from Craftsman Tools for months now. I use Craftsman tools along with countless other brands of tools. Their top priority may not be to get clicks but if I didn't click on it the first week, I wasn't going to click on it at all.

Perhaps they should change their ad to something new.

Dynamic Product Ads (DPA) is a Facebook program that allows you to upload a product feed in order to match the audience members' view history with the product within the feed. Using a unique tracking code which matches the page information to the product feed, Facebook can include product images and information into the ad. It can also use the same type of information to exclude visitors that have either added products to the website's shopping cart and/or completed a checkout.

Here's an example of a Facebook DPA ad from The Honest Company.

Fig. 7 - Facebook Dynamic Product Ad by Honest Company



FINAL THOUGHTS

On behalf of myself and the entire team here at Conversion Giant, we hope you have received at least a smidgen of value from this book. I know for a fact that most people that read this will do nothing with it. This is true for most high-quality advice people receive throughout their lifetime. Either they are too busy or they get distracted. And then it doesn't happen.

For those of you who would like to try out some of these strategies but don't know where to start, allow us to help. And if you don't have the time or experience to execute any of these strategies, please call us. **(888) 816-0726** or email: peter@ConversionGiant.com.

We love teaching almost as much as we love learning. One can be done without the other.

For the rest of you, I wish you great success in all your marketing endeavors and hope we meet someday soon!

Many thanks,

Peter Dulay