



Google AdWords

Do people really click the handful of text ads that accompany Google search results? Absolutely. Growth of Google AdWords continues to increase, as does online advertising in the United States. This book shows you how each piece of Google's advertising platform works, focusing on areas that impact the performance and cost of your ad campaigns.

Learn how to create an AdWords account, and then dive into the particulars of setting up your first campaign, optimizing keywords, writing effective ads, and tracking conversions. Most advertisers don't understand how AdWords works. This book gives you an edge.

- Learn the advantages of proper account structure based on tightly knit themes
- Understand AdWords auction and the importance of keyword Quality Score
- Determine your preferred bidding model and daily ad budget
- Evaluate campaign performance by timeframe, keyword, and other criteria
- Hone your keyword list whenever search queries trigger your ads
- Add negative keywords to filter out irrelevant queries
- Outperform competitors and organic search results with targeted ad copy
- Determine conversion goals, and use AdWords tools to track them

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US \$29.99 CAN \$31.99 ISBN: 978-1-449-30838-4





Google AdWords

Anastasia Holdren

Google AdWords

by Anastasia Holdren

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Published by O'Reilly Media, Inc., 1005 Gravenstein Highway North, Sebastopol, CA 95472.

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Editors: Simon St. Laurent and Courtney Nash

Production Editor: Teresa Elsey

Cover Designer: Karen Montgomery Interior Designer: David Futato Illustrator: Robert Romano

Revision History for the First Edition:

2011-11-01 First release

See http://oreilly.com/catalog/errata.csp?isbn=9781449308384 for release details.

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ISBN: 978-1-449-30838-4

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Foreword

Have you been online today?

Unless you live in the confines of a cave still not serviced by cellular or satellite, and regardless what day of the week or how early in the morning you might be reading this, the answer is very likely a resounding "Yes, I have." But it wasn't that long ago that car phones resembled NASA equipment fit for a mission to Mars and the Internet was something experienced on the family desktop computer, once everyone was done using the telephone for anything else.

Well, the world has changed, and with that change has come a veritable new frontier for the field of marketing. At the turn of the 20th century, John Wanamaker famously said, "I fully believe that half the money I spend on marketing is wasted. The trouble is, I don't know which half." And therein lies the fundamental problem of traditional marketing, which we've struggled to overcome since before Mr. Wanamaker uttered his famous words.

We've put our messages on the pages of newspapers and magazines, sent them out over the airwaves of radio, and made them dance in front of the eyeballs glued to the living room television. We've paid the postage for our mail drops, we've listed ourselves in all the colors of directory pages, and we've purchased lists of potential consumers of our products and services. And in the end, we've put forth our best, most educated guesses, and we've been left hoping that our target market just happens to be on the receiving end of our messages, just when they need us most.

But back to our question: Why were you online today? If you weren't checking your email, then, most likely, you were searching for something. And to an advertiser, that means you were exposing your *intent*; you were telling the marketers, in your own words, *exactly* what you wanted *at that very moment*. If only we as advertisers could get our hands on you right when you did that search...

... and that is exactly what Google AdWords has enabled us to do. As you read through this book, you'll see that we no longer need to guess, and we no longer need to waste our advertising dollars on prospects that have no interest in our products and services. If you're selling, say, sandwiches, then you're trying your hardest to seek out all those people who are hungry right now, actively on the prowl to solve that problem of theirs

with a sandwich. Wouldn't you love to be there just when someone nearby types "sandwich shop" into their phone so you could jump out with a big sign promoting your sandwiches? Well, that's exactly what we're doing here.

And it gets better than that. Not only can we go after our potential customers by the words they type, but also AdWords allows us to further refine our targeting by things like geography, device, day of week, time of day, networks, websites, demographics, and even interests that users have displayed as they traverse the Web. Wanna offer up a coupon to hungry people interested in food who are searching from a smartphone or a tablet using a signal from a wireless carrier somewhere within 5 miles of your location, only during your hours of operation? This book will show you how.

And how about scale? Through this platform, you can reach more than 80 percent of the entire Internet-using world, showing your ads across the Google properties that have become a staple of our everyday lives, as well as more than a million other websites. And all of this is available in an advertising medium that is remarkably accountable. Through flexible bidding options and the tracking mechanisms you'll learn about, through AdWords and tools like Google Analytics, you'll finally be able to control your costs, measure impact, and calculate the return on your advertising investment within a matter of hours of launching your campaigns.

Excited vet? You should be. The bottom line is that Google AdWords has seen such enormous success for one simple reason: for most advertisers, and in most situations, with an understanding of the tool and the right management, it just plain works. And this book is a foundational step towards refining or developing an AdWords strategy that works for you as well.

I met Stasia for the first time while on the road as a fellow Google Seminars for Success Leader, and it was immediately apparent that she was truly passionate about showing people how to take full advantage of this opportunity. It goes without saying that she maintains a vast array of knowledge and experience on the topic, but much more importantly, Stasia possesses that rare gift for being able to gracefully and effectively impart a practical—and usable—understanding of it to others.

In the years that have followed, I've had the pleasure of working with Stasia all around the world and seeing this firsthand. In every seminar, at every event, during every training, and inside every consultation, I have watched as she has proven this ability without fail, leaving behind a fresh wave of newly empowered marketers. As you'll see in the pages of this book, Stasia's ability to teach in person translates impeccably well to print, and you couldn't be in better hands when learning how to make Google Ad-Words work for you.

So whether you're a seasoned veteran looking to brush up your skills or if this is a new journey you're about to begin, get ready—you're about to find the other half of that marketing budget!

—David Booth Senior Partner, Cardinal Path, and Google Seminars for Success Leader, AdWords, Analytics, Urchin, and Website Optimizer Certified Partner

Preface

Since being selected as an AdWords Seminar Leader by Google in 2006, I've had the opportunity to teach thousands of businesses and organizations how to use AdWords, Google's advertising platform. I believe in the product; if used appropriately, it offers vast online exposure for advertisers. Unfortunately, most advertisers do not understand how AdWords works or hold it accountable to deliver value to their businesses. Some advertisers make money by dumb luck; others waste hundreds or thousands of dollars each month. I've met countless advertisers who gauge the effectiveness of their online campaigns based on gut feelings. I'm generally a proponent of trusting one's gut, but not in the case of online advertising. In this world, it's all about the data.

It's in Google's best interests for advertisers to use data to make decisions about their campaigns. If AdWords is working for a business, and the numbers prove it, that business is likely to continue advertising and potentially allocate more of its budget to AdWords. Conversely, advertisers can use this data to identify what's not working, so they can try something else or stop wasting money.

The AdWords platform includes free, simple tools to track and measure performance, down to the individual keyword level. This book is intended to help new and existing advertisers improve the quality of their advertising campaigns and quantify the value AdWords brings to their businesses.

So why Google AdWords? Why not other viable online advertising options like Bing or Facebook? No reason; you should try them all. Everyone has to start somewhere, and AdWords is the logical choice considering the popularity of search and Google's impressive market share of search volume, as seen in Figure P-1.

With AdWords you'll get a lot of bang for your buck ("bang" measured by potential ad exposure, "buck" by the effort and expenditure of setting up and managing campaigns).

In my classes I encourage businesses to promote themselves wherever target customers spend their time online. You may be able to get cheaper clicks or better conversion rates for some keywords on different advertising platforms, but Google AdWords provides the volume necessary to grow your business.

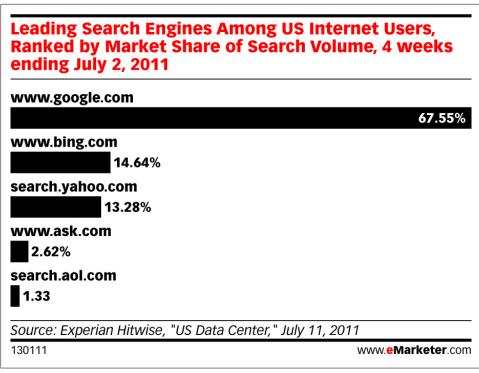


Figure P-1. Google.com is the leading search engine by market share of search volume in the United States, according to Experian Hitwise "US Data Center" from July 11, 2011, provided by eMarketer.

I've heard this question at every class I've taught for the past five years: do searchers really click on ads? It's an understandable question, because it's difficult to imagine search behavior differing from your own. If you always gravitate to Google's organic results, you might assume ads are irrelevant.

Google's 2010 annual report disproves this assumption. Gross revenue was \$29,321,000,000, and 96 percent of this was advertising revenue derived from Ad-Words and display advertising. In the third quarter of 2011, Google reported revenues of \$9.72 billion, a 33 percent increase compared to the third quarter of 2010. The numbers prove that people do indeed notice and click on ads to find products, services, or information they are looking for.

According to the digital research company eMarketer, growth for US online ad spending continues to rise. As you can see in Figure P-2, search is the leading category, claiming close to half of online ad spending. Total online ad spending will approach \$49.5 billion by 2015.

This is not to say that paid advertising is the best option for promoting a business online. After all, who doesn't want free exposure from the organic results? The process of optimizing for organic results is called search engine optimization (SEO), and this book

	2010	2011	2012	2013	2014	2015
Search	\$12.00	\$14.38	\$17.03	\$18.85	\$20.19	\$21.53
Banner ads	\$6.23	\$7.61	\$8.94	\$9.93	\$10.97	\$11.73
Classifieds and directories	\$2.60	\$3.00	\$3.35	\$3.65	\$3.98	\$4.29
Video	\$1.42	\$2.16	\$3.09	\$4.20	\$5.64	\$7.11
Rich media	\$1.54	\$1.66	\$1.73	\$1.74	\$1.73	\$1.68
Lead generation	\$1.34	\$1.42	\$1.45	\$1.47	\$1.50	\$1.52
Sponsorships	\$0.72	\$0.91	\$1.05	\$1.18	\$1.32	\$1.47
Email	\$0.20	\$0.16	\$0.16	\$0.17	\$0.17	\$0.18
Total	\$26.04	\$31.30	\$36.80	\$41.20	\$45.50	\$49.50

Figure P-2. U.S. online ad spending 2010-2015

doesn't cover it. Google's organic algorithm is completely separate from AdWords, and ad spending does not influence organic position in any way.

If high placement in the organic results is your primary objective, AdWords may still prove useful. If you are not sure which keywords to focus on for SEO, you can use AdWords to test and identify profitable keywords. It may take months of work before your website ranks well organically on the selected keywords; in the meantime, Ad-Words can provide interim exposure. Many businesses do both, because a bigger presence on the search results page improves the chance of connecting with a searcher.

No matter which advertising route you choose, the objective remains the same: help potential customers find your website. In this book, I show you how to connect with potential customers and spend your advertising budget wisely. My teaching philosophy is to keep it short and sweet; this book packs a great deal of AdWords information as succinctly as possible. I hope it helps existing advertisers fine-tune their accounts and new advertisers get off to the right start.

Terminology Used in This Book

If you are new to AdWords and online advertising, there are many terms to familiarize vourself with. The following list covers the most common terms used in online advertising, which are used throughout the book. Refer to the Glossary at the end of this book for a comprehensive list of terms and definitions.

AdWords

The brand name for Google's advertising platform. There is no such thing as an "AdWord."

Clickthrough rate (CTR)

The number of clicks on an ad divided by the number of times the ad is displayed (impressions), expressed as a percentage.

Conversion

When a click on an ad results in a desirable behavior, like an online purchase.

Impression

The appearance of an ad on a search results page, whether someone clicks on it or not.

Keyword

A word or phrase that can trigger an ad on a search engine results page. A keyword is not an AdWord.

Search engine results page (SERP)

The page presented to a searcher after typing a search query into a search engine.

Search query

The word or phrase a searcher types into a search engine.

Conventions Used in This Book

The following typographical conventions are used in this book:

Italic

Indicates new terms, URLs, email addresses, filenames, and file extensions.

Constant width

Used for program listings, as well as within paragraphs to refer to program elements such as variable or function names, databases, data types, environment variables, statements, and keywords.

Constant width bold

Shows commands or other text that should be typed literally by the user.

Constant width italic

Shows text that should be replaced with user-supplied values or by values determined by context.



This icon signifies a tip, suggestion, or general note.



This icon indicates a warning or caution.

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Acknowledgments

I would like to extend deep gratitude to the family, friends and colleagues who made this book possible.

I owe a huge thanks to technical editors Heather Cooan and Mike Small.

Thanks to the all the Googlers I've worked with, especially Vivian Leung, for putting your faith in me at the start, and Helen Schindler, for your unwavering support.

Thanks to David Booth, Corey Koberg, Justin Cutroni, and the entire Cardinal Path

Thanks to my clients who put up with my absence and graciously allowed me to reference their accounts: Tom, Kent, Clive, Leslie, Julia, Tyler, David, and Peter. You are all wonderful!

Last but not least, a huge thanks to my incredibly supportive, patient, enviably charming, and attractive editors: Courtney Nash, Simon St. Laurent, and Teresa Elsey.

Getting Started

Introduction to Google AdWords

AdWords is the name of Google's auction-based advertising platform. Launched in 2000, it evolved into a hotly contested marketplace for ad position on Google's search results pages. In this chapter I introduce basic AdWords concepts and how to create an account.

AdWords works because it doesn't seem like advertising. To Google's credit, the displayed advertising results are extremely relevant to the searcher's query. Ads are displayed at the moment someone is looking for something and presented as potential solutions to their search query. This relevancy is the key to the effectiveness of the system for both searchers and advertisers.

Ads can appear on Google.com (plus Google search with other country extensions: Google.ca, Google.co.uk, Google.fr, etc.), other websites owned by Google, and websites that are members of Google's advertising network.

AdWords also displays ads on web pages and other places. In the case of websites that display AdWords ads, the ads are not triggered by a search on a keyword; they are contextually targeted to the content of the web page. A person reading movie reviews on Pajiba.com might see ads for upcoming movies, while a person reading the Business section of NYTimes.com might see ads for insurance plans for employees. The most familiar ad format is the text ad, but advertisers can also place image, Flash, video, and other interactive ad formats on computers and mobile devices.

AdWords is not a "set it and forget it" platform. Campaigns should be regularly monitored, performance tracked and measured. A campaign that generated dozens of qualified leads last week may not perform well this week. The auction rules and user interface change frequently, a challenge for advertisers unaccustomed to online software. That being said, a minimal commitment to managing an AdWords account can reap benefits for all advertisers. Like anything, the more you put in, the more you'll get back.

1

Where Ads Can Appear

Let's review how Google organizes search results. Google displays ads on search results pages, abbreviated SERPs (search engine results pages). To keep things interesting, SERPs change search-by-search; Google frequently changes formatting, colors, and layout of results pages. Figure 1-1 shows an example SERP.

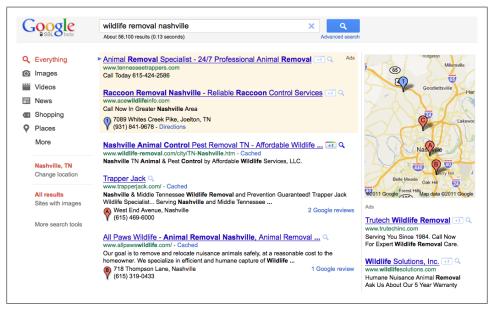


Figure 1-1. Google search engine results page (SERP)

A person went to Google.com and searched for wildlife removal nashville. This is called the search query. The search results page is created on the fly, displaying the most relevant results Google can identify for that particular searcher at that moment in time.

A single website can appear in multiple sections of the search results page, via AdWords or AdWords Express, Google Places, and the organic results. AdWords ads appear in the shaded box at the top of the page in the center section and the right column. Ads that appear in the shaded box are called top-ranked ads. This is a bonus given to advertisers whose keywords and ads closely match the search query, have a high clickthrough rate (CTR) on the ad and keyword, and meet a minimum bid threshold.

AdWords does not tell you what that threshold is; suffice it to say, aggressive bids are more likely to earn top-ranked positions. Advertisers cannot opt in or out of the topranked box; it's determined by algorithm. If no ads meet the quality and bid requirements for top-ranked placement, ads appear in the right column only.

If the shaded box does not appear on the SERP, the first AdWords ad appears in the right column. By default, there are up to 11 ads on a page. People can change this limit in their browser settings, but you should assume that the majority of searchers use the default settings.

Each business has a single opportunity to display an AdWords ad on a search results page—showing multiple ads for the same business, called double-serving, is not allowed. Advertisers are not charged when ads display (called an impression). Instead, advertisers pay when searchers click on ads. This is why AdWords advertising is often described as pay-per-click (PPC) or a cost-per-click (CPC) model.

AdWords advertisers compete in a blind, instantaneous auction. The prize is ad placement, and the winners' ads show in higher positions on the search results page. So, a Nashville-based company specializing in the humane relocation of bats might choose to bid on the example keyword wildlife removal nashville, in an effort to display an ad to the searcher.

Back to the center column. Below the shaded box appears another set of search results, the coveted organic or natural results. These results are generated by a separate algorithm. Organic rank cannot be bought or influenced by advertising spending. Clicks on organic listings do not cost money, but it's a misnomer to call them free.

The process of optimizing these organic results is a separate online marketing strategy called search engine optimization (SEO), and many companies devote significant internal and external resources to it. If your website does not appear in the organic results, you can use AdWords—at least as an interim measure—to promote the website on key terms.

Search queries that include location-specific keywords often result in SERPs with an additional section labeled Places, shown in Figure 1-2. These results are labeled with a red eyedropper icon. Sometimes Places results are integrated with the organic results, displaying the pin icon with the website's listing. These results have an associated Google Places page for the business.

You may also notice AdWords ads labeled with a blue pin icon. This is a hybrid of AdWords and Google Places called AdWords Express (formerly known as Boost).

Google's search results pages vary, pulling results from other Google websites and products. To take advantage of these opportunities, online marketing strategies may include promotion via Google Merchant Center, YouTube, Google Images, blogs, and more.

Google's Networks

AdWords ads are not restricted to Google's SERPs. Google offers access to a huge advertising network with three major components: Search, the Search Partners, and the Google Display Network (GDN). These networks are referred to as ad distribution preferences in an AdWords account. As you can see in Figure 1-3, ad distribution is managed in the Settings tab for each campaign. When creating a new campaign, it's

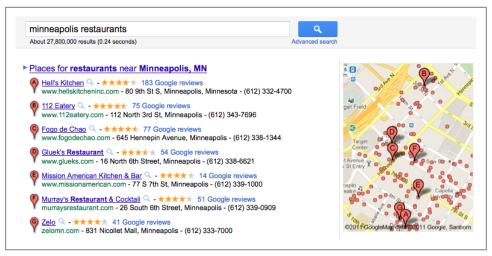


Figure 1-2. Separate section for Places results

Networks ②	O All available sites (Recommended for new advertisers) (● Let me choose Search Google search ✓ Search partners (requires Google search)
	Display Network ② Show ads on pages that match the broadest targeting method ② Example: Show ads if keywords match Show ads only on pages that match all selected targeting methods ② Example: Show ads only if both keywords and placements match
	Save Cancel

Figure 1-3. Ad distribution preferences in campaign settings

important to note that all networks are enabled by default. I discuss campaign settings in Chapter 4.

Search includes Google.com and all other Google search domains (Google.ca, Google.com.au, Google.com.mx, etc.). Search supports text ads only.

The Search Partners, sometimes referred to as the Search Network, comprises a set of websites that use Google's algorithm for their internal site search function (often labeled "enhanced by Google"). Network membership changes from time to time. As of this writing, the network includes websites like AOL.com and Virgin Media properties, plus Google Maps, Google Image Search, Google Groups, Google Product Search, and others. Figure 1-4 shows a few examples.



Figure 1-4. Search Partner examples

To show ads on the Search Partners, a campaign must also be opted into Google Search. The Search Partners is an all-or-nothing network, so you cannot include or exclude particular websites. From a competition perspective, the Search Partners network operates the same way as Google Search. A person must complete a search on a network website; the AdWords auction determines which ads display, based on the keywords selected by the advertisers. The only difference is that individual sites can change the visual presentation of the text ads. These ads typically display with two or four lines.

The third network, the Google Display Network (GDN), is very different from Search and the Search Partners. This network consists primarily of websites opted into Google's AdSense program. AdSense allows website publishers to show ads on web pages in exchange for a percentage of the profit when visitors click on the ads. The network includes more than one million website, video, gaming, and mobile partners that display AdWords ads. The network also includes YouTube, Blogger, Gmail, and other Google properties. These are collectively referred to as placements. In your AdWords account, automatic placements refer to placements selected by AdWords to display your ads. Managed placements refer to placements you manually select to display ads. You have the ability to exclude placements, including entire domains, subdirectories, or individual pages within a site.

So how is the GDN different? It's simple: there wasn't a search. The person who sees your ad happened to visit a web page that shows AdWords ads, with a topic related to your keywords. As you can see in Figure 1-5, a person visiting the Angry Birds fan site, AngryBirdsNest.com, might see an image ad for the Wii game Go Vacation. This ad is labeled "Ads by Google."

I recommend that inexperienced advertisers turn the GDN off when getting started with AdWords, because it is so different from search and requires separate strategy and optimization techniques. I discuss GDN strategy in Chapter 9.

Creating a Google Account

Before using Google's products, you are required to set up a Google account. This account operates as a universal login for all associated Google products. Having one login keeps things simple because you won't need separate usernames and passwords



Figure 1-5. A Google image ad, via the Google Display Network

for AdWords, Gmail, Google Places, Google Analytics, etc. Use your existing email address to create a Google account; a Gmail account is already a Google account.

Google accounts are free and take about one minute to set up. Figure 1-6 shows the registration form.

You are asked to provide:

- Your email address
- Password
- Location (country)
- Your birth date
- Word verification (CAPTCHA)
- Acceptance of Google's Terms of Service

Google Accounts	Google Accounts
◀ ▶ R F S goog	gle.com https://accounts.google ☆ ▼ C
Google acco	punts
Create an Accoun	t
If you already have a Goog	le Account, you can <u>sign in here</u> .
Required information	n for Google account
Your current email address	e.g. myname@example.com. This will be used to sign-in to your account.
Choose a password:	Minimum of 8 characters in length.
Re-enter password:	
	Stay signed in
	☑ Enable Web History <u>Learn More</u>
Location:	United States 🗼
Birthday:	MM/DD/YYYY (e.g. "9/21/2011")
Word Verification:	Type the characters you see in the picture below.
	Letters are not case-sensitive
Terms of Service:	Please check the Google Account information you've entered above (feel free to change anything you like), and review the Terms of Service below.
	Printable Version Google Terms of Service
	Welcome to Google!
	1. Your relationship with Google
	By clicking on 'I accept' below you are agreeing to the <u>Terms of Service</u> above and the <u>Privacy Policy</u> .
	I accept. Create my account.

Figure 1-6. Start by creating a Google account

To create a Google account, visit www.google.com/accounts.



One common issue advertisers experience is difficulty connecting Google products associated with different Google accounts (for example, connecting a Google Analytics account to an AdWords account). It's best to use the same Google account for all Google products used by your company. In this scenario, use the same username and password to log in to AdWords, Google Places, Google Merchant Center, Google Analytics, and so on.

Creating an AdWords Account

Once you have a Google account, you're ready to set up an AdWords account. You can do this at www.google.com/adwords.

Figure 1-7 shows the sign in/sign up screen. Click the "Start now" button.



Figure 1-7. Click "Start now" to create your AdWords account



Alternatively, call (877) 721-1738 Monday–Friday 9 a.m.–9 p.m. ET for help creating an account.

If you already created a Google Account, select the radio button that says "I have an email address and password I already use with Google services like AdSense, Gmail, Orkut, or iGoogle."

Now, select the radio button that says "I'd like to use my existing Google account for AdWords" and log in with your username and password.

As you see in Figure 1-8, you are prompted to enter your time zone and billing currency.

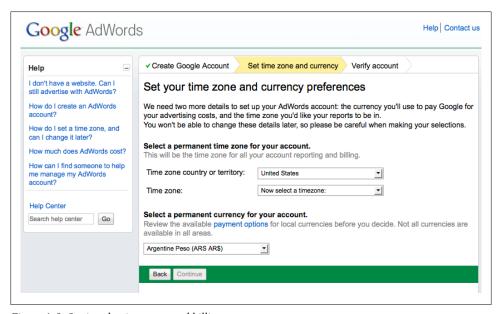


Figure 1-8. Setting the time zone and billing currency



Be careful to select the correct time zone and billing currency. These selections cannot be changed later, except by creating a new account.

Click Continue. Next, you'll receive an email to confirm the account setup. Once this step is complete, your AdWords account is officially created and you can log in (Figure 1-9). The new account is identified by the customer ID (CID), a ten-digit number formatted like a phone number, in the top right corner of the page. Occasionally a new account does not display the customer ID immediately; it should appear within 24 hours. Use this number to identify your account in any correspondence with Google.

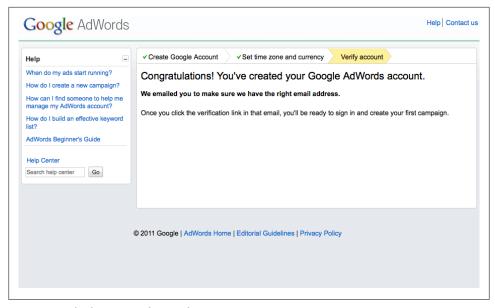


Figure 1-9. Check your email to verify your account

Managing Account Access

When creating an AdWords account, advertisers must provide a primary login email address. This email address cannot be changed or removed from the account. An email address can be associated with a single AdWords account.



Set up a company email address or Gmail account specifically for Ad-Words and other Google products (for example, google@mycompany.com or mycompany@gmail.com). Use this login for all the Google products associated with the company. Do not use an employee's personal email address; if she leaves the company, you'll have access headaches, because Google products cannot be transferred to other accounts.

Advertisers can create multiple logins for the same AdWords account and assign various access permissions. The access levels are as follows:

Administrative access

Can view, edit, and manage any part of the account. Can invite other users, change access levels, and disable access.

Standard access and Standard (managed) access

Can view, edit, and manage any part of the account. Cannot invite others, change access levels, or disable access.

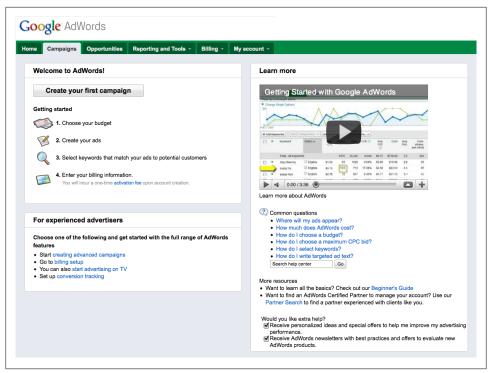


Figure 1-10. The new AdWords account splash screen

Read only access and Read only (managed) access

Can view the Campaigns and Opportunities tabs in read-only mode, as well as view and run reports.

Email only access

Cannot access the account but can receive account reports and other notifications via email.

An email address cannot be associated with more than one AdWords account. If you need to access multiple accounts, create multiple Google Accounts, one for each Ad-Words account.

Setting Up Your First Campaign

The first time advertisers log in to an AdWords account, they see the splash screen in Figure 1-10. Clicking on "Create Your First Campaign" initiates a three-step process to create a campaign. You can set up and launch a campaign in a matter of minutes, but new advertisers may not understand how the settings, keywords, bids, and creative impact performance in the auction. Let's look at the basic steps:

- 1. The wizard starts with campaign settings, including the campaign name, target location and language, and bids. I discuss campaign settings in more detail in Chapter 4.
- 2. Next, write an ad, select keywords and placements, and set bids. Chapter 6 covers keywords, Chapter 7 covers writing ads, and Chapter 11 covers bidding models.
- 3. Save changes by clicking the "Save and continue to billing" button or "Set up billing later." If you choose the latter, your campaign is saved, but ads do not run until billing information is added. Billing options are explained in Chapter 11.

And that's it! Setting up the campaign literally takes one minute, but there's no telling if it was set up well. This wizard walks you through a single campaign and ad group, with little explanation about the settings you selected or the effectiveness of the ads, keywords, and bids.

Now that the campaign framework is created, additional work is required to ensure that you set the account up for success. In the following chapters I'll provide an overview of different campaign aspects and strategies to make sure your ad dollars are well spent.



If you'd like to optimize the campaign before spending money, change its status to Paused until you're ready to go live.

Account Structure

How AdWords Accounts Are Organized

This chapter explains AdWords account structure and illustrates how important structure is to the success of your campaigns. All AdWords accounts are organized on three levels: account, campaign, and ad group, shown in Figure 2-1.

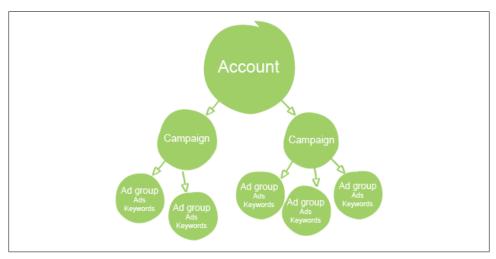


Figure 2-1. AdWords account structure

After you create an AdWords account, a setup wizard helps create a single campaign and ad group. Going forward, it's important to understand the difference between campaigns and ad groups. Campaigns control settings, including the daily budget, the networks where ads can display, geographic targets, and the like. Chapter 4 explains campaign settings in detail.

Ad groups fall within campaigns, and the campaign settings apply to all ad groups within a campaign. Ad groups contain the substance of your advertisement, including

the ads you show, the keywords you bid on, and the maximum amount you're willing to pay for a click on an ad (Max CPC bid). To recap:

Account level

Controls administrative information, such as account access and billing.

Campaign level

Campaigns specify settings that apply to all ad groups within them.

Ad group level

Ad groups are found within campaigns. Ad groups contain keywords, ads, websites (placements) that ads can appear on, and bids (the maximum you're willing to pay for a click on an ad).

Default account limits are as follows:

- 500 campaigns (paused and deleted campaigns don't count toward this limit)
- 20,000 ad groups per campaign
- 5,000 keywords per ad group (including negative keywords)
- 10,000 negative keywords at the campaign level
- 300 display ads per ad group (including image ads)
- 50 text ads per ad group
- 3 million keywords per account
- 5,000 managed placements (websites) per ad group
- 5,000 excluded placements per campaign

Why Structure Matters

Lack of structure is one of the most common issues with an AdWords account. Advertisers who understand and implement proper account structure have an enormous advantage over competitors who don't.

Poorly structured accounts are easily recognized, because they usually contain a single campaign with a single ad group. The ad group may contain hundreds of keywords that describe many aspects of the advertised products and services.

Successful AdWords accounts typically contain many ad groups, each focused on a single theme. Each ad group contains keywords and ad text relevant to the chosen theme.

Imagine this scenario: an advertiser uses AdWords to promote a nursery that sells plants and gardening supplies. The AdWords account has a single campaign and ad group, and the keyword list includes 2,000 keywords, ranging from the name of the nursery to Latin names of plants it sells. A sample of the keyword list might look like this:

- jasmine's nursery
- buy lavender plants
- thornless blackberry bushes
- beekeeping supplies
- tumbling compost bins
- organic black krim tomatoes
- lavandula x intermedia 'grosso'

The ad group includes one text ad:

```
Jasmine's Nursery
We Sell What Organic Gardens Need.
Plants, Seeds & Supplies - Buy Now!
example.com
```

Now, imagine a searcher on Google, looking for beekeeping equipment. His search query, beekeeping supplies, can trigger an ad based on this keyword list. But the corresponding ad is generic. To improve performance, the advertiser should create many ad groups, each focused on a single theme. The seven keyword examples might become the themes for seven separate ad groups. Creating this structure allows relevant ads to display, based on the theme of the ad group.

Once a theme is defined, additional related keywords can be added to each ad group. For example, an ad group focused on beekeeping supplies might contain keywords like these:

- beekeepers veil
- bee keeper helmet
- tulle veil for beekeeping
- beekeeper suit
- leather bee gloves

Now, when the searcher sees the ad, it could read:

```
Beekeeper Equipment
We Sell Everything Your Bees Need.
Bee Suits, Veils & More. Buy Now!
example.com
```

A click on the ad should not send the searcher to the nursery's homepage; instead it should land on the beekeeping section. Now it's up to the website to make the purchase process simple. If the searcher buys the veil—and maybe a matching pith helmet—the click on the ad resulted in a sale, and success for the advertiser.

In theory, each keyword can become a separate ad group with corresponding ad text and a destination URL. If someone searches for tulle veil for beekeeping, the ad text can read "Tulle Veil for Beekeeping" instead of "Beekeeper Equipment." A click on the ad can send the searcher directly to the product page for the tulle veil, rather than the page with all beekeeper products.

If your AdWords account has hundreds or thousands of keywords, this approach may be impractical, but you can apply this strategy to your most popular and profitable keywords.

Your Organization Strategy

There is no one right way to organize an AdWords account. When creating campaigns, review the Settings options to see if you need more than one campaign. For example, if you plan to run ads in English and Spanish, you'll want two campaigns, each targeting a single language. If you want to display some ads in the United States and other ads in Canada, you need separate campaigns with different geotargets. You may determine that a single campaign is sufficient.

Ad groups are a different story. Successful AdWords accounts typically include many ad groups, each focused on a single theme. Here are some ideas for developing and organizing ad groups within campaigns:

- Products
- Services
- Themes
- Your website structure
- Websites (you can only use one domain name per ad group)
- Brands
- Seasons
- Holidays
- Problems to solve
- Symptoms of problems
- Synonyms
- Misspellings

Review the settings for your existing campaign. If you'd like to apply different settings to the new ads, create a new campaign. If all settings will remain the same, you can create an ad group within that campaign, but if you'd prefer to keep the new ads separate, you can create a new campaign with duplicate settings. Remember, each new campaign requires a daily budget, which increases total potential ad spending. Ad-Words does not have an account-level budget cap, so your total budget is the sum of all campaign daily budgets.

Campaign or ad group?

Here's a typical scenario: an advertiser wants to use AdWords to promote a new product or service. He's unsure whether he should create a new campaign or a new ad group. To determine the best approach, consider the following questions:

Do the new ads require a separate budget?

If yes, create a new campaign with its own daily budget. To roll new ads into an existing budget, create ad groups within that campaign.

Do you want to use a different bidding model for the new ads?

If yes, create a new campaign. If not, create an ad group within that campaign.

Do the new ads target a different geographic area?

If yes, create a new campaign. If not, create an ad group within that campaign.

Are the new ads written in a different language?

If yes, create a new campaign. If not, create an ad group within that campaign. Google does not translate keywords or ads.

Do the new ads target different networks or devices?

If yes, create a new campaign. If not, create an ad group within that campaign.

Another question advertisers ask is how many keywords should be included in each ad group. I do not recommend a specific number. Instead, consider the theme of the ad group and review the selected keywords. If at any point, the themes of the keywords diverge, split them into different ad groups. Some ad groups may have just a few keywords; others may have thousands.

Develop an AdWords strategy focused on your online objectives. Here are some ideas to get you started.

Service Providers

For this example, let's set up a campaign for an irrigation company offering services in Burlington, Massachusetts, USA (see Figure 2-2). This company offers design, installation, and service, so each theme becomes an ad group. Set separate bids for each ad group, if desired. Service is this company's most profitable area, so the bid is set higher for that ad group. Notice the settings at the campaign level, and then notice how ad groups within focus on a single theme.

If the company wanted to advertise in more areas, it could add additional locations to the existing campaign. But what if the company wanted to use different settings for different areas—say, different budgets? In that case, it should create new campaigns within the account. Notice the difference in Figure 2-3; the new campaign has an identical structure, but the campaign settings target Amherst, not Burlington. The new campaign has its own daily budget: \$25/day. Remember that this impacts total ad spending: the advertiser can now spend \$40/day (Campaign #1 @ \$15 + Campaign #2 @ \$25).

Campaign: Irrigation Settings: Location: Burlington, MA Language: English Networks: Search and Search Partners Bidding Option: Focus on clicks, manual maximum CPC bidding Daily Budget: \$15 Ad Group: Design Ad Group: Installation Ad Group: Service Max CPC Bid: \$1 Max CPC Bid: \$.75 Max CPC Bid: \$2 Keywords: Keywords: Keywords: * irrigation system design irrigation installation * irrigation service * irrigation designer * install irrigation * irrigation system repair * irrigation design company irrigation installation company fix irrigation Ad Text: Ad Text: Ad Text: **Expert Irrigation Design** Irrigation Installation Irrigation Leak? Professional, Fast Installation We Create Lush, Green Lawns We Can Fix It Today. Call Today For a Free Quote! No Job Too Small, Call Us! No Job Too Small, Call Now! example.com example.com example.com

Figure 2-2. Campaign for a service provider

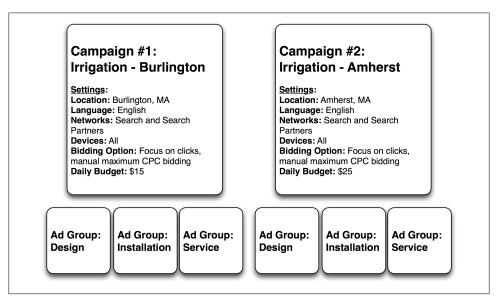


Figure 2-3. Multiple campaigns for a service provider

This service provider could also structure ad groups by the problems or symptoms being searched for or the desired outcome: help dying plants, grass turning yellow, make my grass green.

Brick and Mortar—Non-Ecommerce

For this example, let's set up a campaign for a high-end pet supply store with a brick and mortar store in Buffalo, New York, USA (see Figure 2-4). There are many ways this company could organize its account. Ad groups might include:

Types of animals

Dogs, cats, birds; or more specific (senior dogs, puppies, kittens); or breed specific (German shepherds, Siamese cats)

Types of food

Kibble, canned food, treats, chews

Product brands

Orijen, Greenies, PureVita, Nutro, Canidae, Felidae

Special dietary needs

Grain-free dog food, corn-based dog food formula, dog food for sensitive stomach, cat food hairball formula

Training needs

Martingale collar, electric dog fence, dog crate, agility equipment

Problems to solve

Chewing, spraying, house training, escaping, aggression

Branding/local awareness

Helping locals find the store

One of their campaigns might look like Figure 2-4.

Ecommerce

If the goal of your AdWords campaign is *direct response*—when a click on an ad results in an immediate conversion—you may have the greatest success using specific keywords, especially those that indicate purchase intent. For this example, let's set up a campaign for an ecommerce website selling rare or out-of-print books (see Figure 2-5). The campaign controls the settings; ad group ideas include the following:

- Product names (book titles)
- Product attributes (authors, publishers, first editions, signed books, etc.)
- Product model numbers (ISBN)

One of their campaigns might look like Figure 2-5.

Campaign: Dogs

Settings:

Location: Buffalo, NY Language: English Networks: All Devices: All

Bidding Option: Focus on clicks, automatic bidding, no CPC bid limit

Daily Budget: \$10

Ad Group: General Dog Food

Max CPC Bid: \$1

Keywords:

- * all-natural dog food
- * organic dog food
- * specialty dog food

Ad Text:

Premium Dog Food Buffalo's Premier Pet Supply Store Open 7 Days, Come In and See Us! example.com

Ad Group: Senior Dog Food

Max CPC Bid: \$1.50

Keywords:

- senior dog food
- * food for elderly dog
- * help old dog lose weight

Ad Text:

example.com

Senior Dog Diet Great Selection and Prices. Open 7 Days, Come In and See Us!

Keywords:

* premium puppy food

Max CPC Bid: \$1.50

Ad Group: Puppy Food

- diet for puppies
- * organic puppy kibble

Ad Text:

Champion-Grade Puppy Food Buffalo's Premier Pet Supply Store Open 7 Days, Come In and See Us! example.com

Figure 2-4. Campaign for a brick and mortar store

Campaign: First Edition Books

Location: United States and Canada

Language: English Networks: All Devices: All

Bidding Option: Focus on clicks, automatic bidding, no CPC bid limit

Daily Budget: \$150

Ad Group: Roald Dahl

Max CPC Bid: \$2

Keywords:

- * rare Roald Dahl books
- * first edition Roald Dahl
- * Fantastic Mr Fox first edition

Ad Text:

First Edition Roald Dahl 200+ Roald Dahl Books For Sale. Browse Our Rare Book Catalog Today! example.com

Ad Group: Joseph Heller

Max CPC Bid: \$2.25

Keywords:

- original Catch-22 book
- * Catch-22 first edition
- Signed Catch-22

Ad Text:

First Edition Catch-22 Joseph Heller's Masterpiece On Sale Browse Our Rare Book Catalog Today! example.com

Ad Group: Pearl S. Buck

Max CPC Bid: \$1.50

Keywords:

- * The Good Earth 1st edition
- * Pearl S. Buck original book
- * hardcover The Good Earth

Ad Text:

The Good Earth - Rare Pearl S. Buck First Editions. Browse Our Rare Book Catalog Today! example.com

Figure 2-5. Campaign for a Ecommerce website

Common Pitfalls

There are several pitfalls that advertisers run into when structuring AdWords accounts. Let's look at them, and how to fix them.

Pitfall 1: Duplicate Keywords

When an account has identical duplicate keywords across competing campaigns and ad groups, the duplicates compete against each other. Only one of your ads can appear on a search results page. Every time someone searches with Google, the AdWords system identifies advertisers who want to display ads for that query. Each advertiser is entered into an auction, and the winners' ads are displayed on the search results page. Entering the AdWords auction multiple times creates the following problems:

- 1. Identical duplicate keywords bid against each other, possibly raising the actual cost for the click on an ad.
- 2. Identical duplicate keywords associated with different campaigns and ad groups compete, but only one ad can display. This may not be the preferred ad for this search query.

How to fix the problem: The easiest way to identify duplicate keywords is using the AdWords Editor tool. This standalone application is accessed from the Reporting and Tools tab, the Tools page, or by visiting www.google.com/adwordseditor. AdWords Editor includes a Tools section with a Find Duplicate Keywords feature. This tool quickly identifies dupes across the account, across campaigns, and across ad groups.

Pitfall 2: Competing, Nonduplicate Keywords

A trickier problem to correct is when similar keywords compete against each other for placement in the AdWords auction. These keywords do not bid against each other; rather, they compete for the opportunity to participate in the AdWords auction. This becomes a problem if you want to associate a specific ad and landing page with a search theme but AdWords chooses another!

Let's say you advertise for a company offering HVAC installation and repair. You have three ad groups based on the themes HVAC, air conditioners, and heating units. The keywords in each ad group relate to the themes, but they are all broad match. Broad match keywords can trigger ads when the search query is similar (see "Keyword Match Types" on page 68). So what happens if the search query is repair heat and air unit? Which ad group will AdWords choose? It's possible that AdWords considers all three ad groups relevant; only one will enter the auction.

To control which ads are served for particular search queries, decide upfront which ad groups best fit keyword variations. Then, use negative keywords (see "Negative Keywords" on page 71) to funnel variations to the appropriate ad group. Table 2-1 shows how it might look.

Table 2-1. Using negative keywords with ad groups

Ad Group: HVAC	Ad Group: Air Conditioner	Ad Group: Heating	
Keywords:	Keywords:	Keywords:	
 HVAC installation HVAC units HVAC companies Negative Keywords:	 air conditioning installation air conditioner installation AC installation Negative Keywords:	heating unitheater installationheat installation Negative Keywords:	
-"air conditioner"-heating-heater	-HVAC-heating-heater	-HVAC-"air conditioner"-"air conditioning"	

Pitfall 3: Budget Hogs

You may have a set of ad groups falling under a single campaign with a \$100 daily budget. There are no issues with the campaign settings, but one ad group—perhaps a single keyword within that ad group—uses the majority of the daily budget. Because the extremely popular keyword shares the same budget with all ad groups in the campaign, many keywords miss opportunities to display ads because of the budget constraint.

Start by evaluating the performance of the popular keywords, to see if the traffic is valuable to your business. Chapter 12 covers conversion tracking, which allows you to see if a click on an ad triggered by a particular keyword resulted in a sale (or a sign-up, or a registration, or whatever constitutes success for your campaign). If you find that a popular keyword does not convert, look for ways to refine it. Chapter 6 covers keyword match types and negative keywords; these may help decrease unprofitable traffic.

If the keyword is a keeper, you can increase the campaign's daily budget to provide additional opportunities for impressions and clicks. But what if the increased budget is monopolized by the same keyword? To give other keywords a chance to compete in the auction, create a new campaign with its own, separate daily budget. Then, move the budget-devouring ad group or keyword into the new campaign. By separating it, you give other keywords a chance to run and you control the budget.

Navigating Your Account

Interface Overview

The AdWords user interface is organized into three sections: top navigation, left sidebar, and middle pane.

Spend a little time getting used to the interface, keeping in mind that AdWords changes frequently. Advertisers who log in on a regular basis can keep up with changes as they roll out.

The top navigation is shown in Figure 3-1.



Figure 3-1. Top navigation

The top navigation includes six sections:

Ноте

This tab provides a snapshot view of the account, including important metrics, alerts, and customizable data points, called modules.

The first two modules, "Alerts and announcements" and "Performance graph," cannot be moved or removed. The performance graph provides a visual representation of a metric. The graph displays fluctuations over time to help you identify dips and spikes. Change the graph to look at different metrics, including clicks, impressions, CTR, average CPM, cost, average position, and various conversion metrics. Use the graph to compare metrics. For example, you might want to compare cost to average position, or average position to conversions.

Below these modules, you can customize the page to display data that's important to the account. AdWords provides default modules, including "Keywords below first page bid." To customize the page, click on the "Customize modules" link at the top left side of the page, then select or deselect modules. Advertisers can create custom modules using saved filters.

You can rearrange modules on the page (see "How to Find Things in Your Account" on page 30) by clicking and dragging the dotted icon in the left corner. The icons in the right corner allow advertisers to customize the number of visible rows of data, select metrics to display, and minimize or remove the module.

Campaigns

This tab contains all your campaigns, ad groups, keywords, and placements. The middle pane displays a secondary navigation, called the roll-up tabs.

Opportunities

This tab provides optimization suggestions for the account, including budget and keyword ideas. There is also a handy "Analyze competition" feature that shows how the account performance compares to that of similar advertisers.

Reporting and Tools

This tab provides access to AdWords tools, including the Keyword Tool, My Change History, and the Ad Preview Tool.

Billing

This tab shows a billing summary, the account's method of payment, and billing details.

My account

This tab shows who has access to the account and the access level, email notification preferences, and general preferences, such as the default account display language. Advertisers can permanently close the AdWords account from the preferences tab.

Setting a Time Frame

The data displayed in AdWords is specific to a time frame. Figure 3-2 shows the time frame, displayed in the top right corner of the account.



Figure 3-2. Set a time frame

To change it, click on the down arrow icon to select the desired option. Presets include:

- Today
- Yesterday
- This week (Sunday–Today)
- This week (Monday–Today)
- Last 7 days
- Last week (Sunday–Saturday)
- Last week (Monday–Sunday)
- Last business week (Monday–Friday)
- Last 14 days
- This month
- Last 30 days
- Last month
- All time

Select the option labeled "Custom date range" to create a specific time frame (see Figure 3-3). The drop-down menu changes to two date boxes. Click on a box, and a calendar appears. Use the arrows to navigate to the desired month, then click on the desired date. Once the start date and end date are selected, click the Go button to see the custom view.

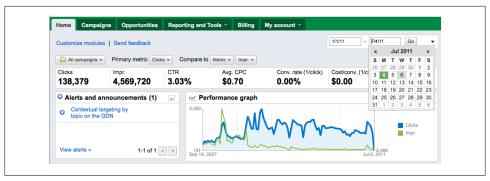


Figure 3-3. Set a custom time frame



If you're discussing an AdWords account with someone who's viewing the account on a different computer, you might see different data. The usual culprit is time frame. If you're viewing data for the last seven days and she is looking at data for all time, you'll see different numbers!

The Tree View

If an AdWords account has more than one campaign, a tree view appears on the left navigation bar under the Campaigns tab. As you see in Figure 3-4, this view displays a link for "All online campaigns." Folder icons appear, each representing a campaign. Click on a folder icon to see a list of ad groups associated with that campaign. To view a specific part of the account, click on the corresponding section of the tree view. This changes the middle pane data to reflect that area of the account.

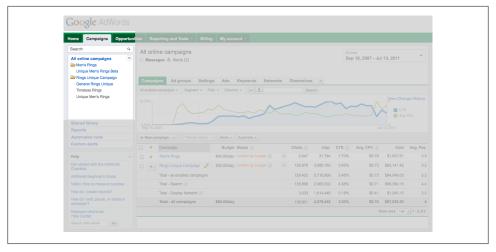


Figure 3-4. Account tree view

Minimize or fully display the tree view by clicking the arrow icon at the top right corner.

Roll-Up Tabs

Accessing and managing different aspects of campaigns is accomplished via roll-up tabs, shown in Figure 3-5. Start by selecting the campaign or ad group in the tree view. To see data for the entire account, click on "All online campaigns." The middle pane changes based on the selection.

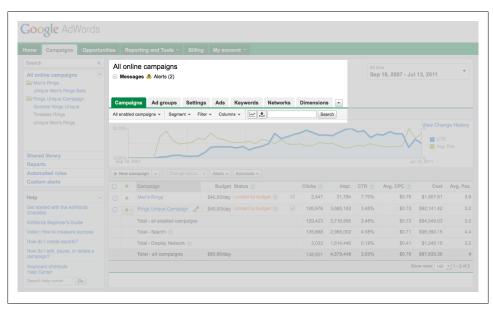


Figure 3-5. Default roll-up tabs

Default roll-up tabs include the following:

Campaigns

View data at the campaign level; create additional campaigns within the account Ad groups

View data at the ad group level; create additional ad groups within a campaign

Settings

View settings for each campaign (only accessible when a single campaign is selected on the tree view)

Ads

View data at the ad creative level; add, edit, or delete ad creative

Kevwords

View data at the keyword level; add, edit, or delete keywords; add negative keywords; view the search query report

Networks

View data at the placement level; add or exclude placements and manage placement bids

Dimensions

View and segment performance by the dimension of your choice across a campaign, ad group, or the entire account (for example, view statistics by month, hour, or geographic region in a single report)

Optional roll-up tabs, shown in Figure 3-6, include the following:

Audiences (for Display Network only)

Access interest-based advertising campaigns (remarketing)

Ad extensions

Automatically appears when an ad extension is enabled

Auto targets

View data for product listing ads, served via Google's Merchant Center

Topics (for Display Network only)

Manage and view data for topics, the AdWords term for specific industries or categories; ads can target web pages about those topics

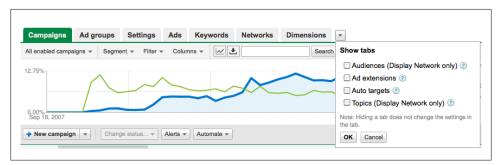


Figure 3-6. Optional roll-up tabs

How to Segment Data

The AdWords platform offers many ways to display ads, and advertisers may want to evaluate performance broken down by network, device, keyword, and the like. Under the Campaigns tab, data is displayed in the middle pane. This view is aggregate by default—advertisers can see specific campaigns and ad groups by selecting them from the tree view. The middle pane shows how the selected area of the account performed across all time, networks, and devices. To see a performance breakdown, click the Segment link on the roll-up tabs, shown in Figure 3-7.

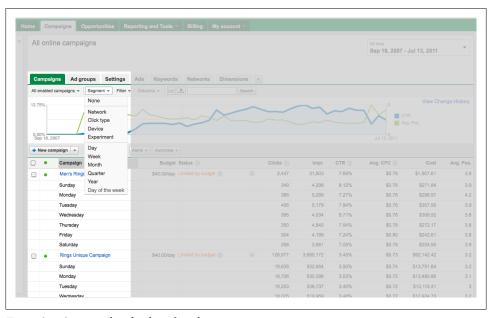


Figure 3-7. Segment data by day of week

Segments are available for campaigns, ad groups, ads, or keywords; the options vary depending on what roll-up tab is viewed. Example segments include:

- Campaign data by network, click type, device, and experiments
- Ad group data by day, week, month, quarter, year, or day of week
- Keyword data by search term match type

This data is used to optimize campaigns. For example, if performance differs significantly on a network, device, keyword, or day of week, advertisers can make adjustments to capitalize on profitable traffic and filter irrelevant traffic.

There is another way to view performance data, through the Dimensions roll-up tab shown in Figure 3-8.

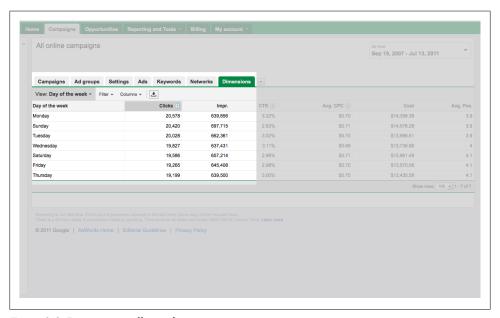


Figure 3-8. Dimensions roll-up tab

This is similar to the Segment option, except advertisers can view data at the account level rather than campaign by campaign. Add or remove columns by clicking Columns and selecting the appropriate metrics.

How to Find Things in Your Account

The Filter feature is a handy way to identify high and low performers across an Ad-Words account. Filters narrow visible data by text search, status, and performance criteria. The feature is accessible in the Campaigns tab, beneath the roll-up tabs. To streamline account management, create saved filters for frequent used views. Here are some ways to use filters:

- From the Campaigns roll-up tab, use a filter to display all campaigns where impressions are less than or equal to [insert your number].
- From the Ad groups roll-up tab, use a filter to display all ad groups where the total conversion value is less than or equal to [insert your number].
- From the Ads roll-up tab, use a filter to display all ads where the average position is worse than [insert your number].
- From the Keywords roll-up tab, use a filter to display all keywords with a Quality Score equal to [insert your number]. See this example in Figure 3-9.

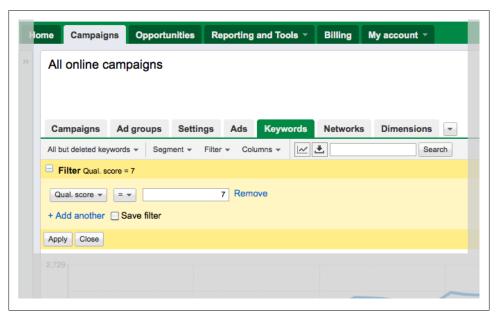


Figure 3-9. Filtering by keyword Quality Score

You can search for specific text using the search box below the roll-up tabs. This is essentially the same as running a filter looking for that text.

You can use saved filters as modules on the Home tab. Check the Save Filter options and give your filter a recognizable name. Then, go to the Home tab and click on "Customize modules." The saved filter appears in the list of options (see Figure 3-10). You can display and rearrange selected modules on the page.

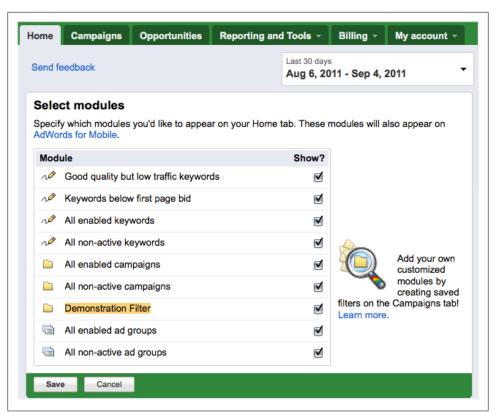


Figure 3-10. Customize modules on the Home tab

Campaign Settings

Intro to Campaign Settings

Campaign settings control administrative decisions for your AdWords account. Selected at the campaign level, they apply to all ad groups within that campaign.

Many advertisers struggle when deciding whether to create a new campaign or an ad group within an existing campaign. The answer is simple: if all the settings for the existing campaign are applicable, create a new ad group within that campaign. If different settings are required, including separating the budget, create a new campaign. This chapter explains how each campaign setting affects the ad groups within.

Each campaign requires a unique name. This name does not impact performance in the AdWords auction in any way, but it can make your life easier to use a logical naming convention. The default name for a new campaign is "Campaign #[numera1]." A better practice is to label each campaign by its defining attributes. For example, if the new campaign is destined to show ads to searchers in Nashville, Tennessee, on the Google Display Network only, an appropriate name might be "Nashville—GDN." Another campaign targeting Knoxville, Tennessee, and Google Search might be labeled "Knoxville—Search Only." The campaign name is up to you, but labels make account management easier.

Let's review campaign settings that impact the AdWords auction.

Language Targeting

The AdWords interface allows advertisers to select multiple languages for each campaign (see Figure 4-1), but it displays ads to searchers as-written. You can select English and Spanish as language targets, but the ads display in the language you wrote them in. For this reason, I recommend creating separate campaigns for each language.

☐ Arabic	German	Portuguese			
Bulgarian	Greek	Romanian			
Catalan	Hebrew	Russian			
Chinese (simplified)	Hindi	Serbian			
Chinese (traditional)	Hungarian	Slovak			
□ Croatian	□ Icelandic	Slovenian			
☐ Czech	☐ Indonesian	Spanish			
☐ Danish	☐ Italian	Swedish			
□ Dutch	Japanese	☐ Thai			
☑ English	Korean	□ Turkish			
☐ Estonian	☐ Latvian	Ukrainian			
☐ Filipino	☐ Lithuanian	Urdu			
Finnish	■ Norwegian				
☐ French	□ Polish				

Figure 4-1. Language options

The language displayed on Google's search results pages is a browser preference controlled by the individual searcher. For example, a searcher in Nashville, Tennessee, might search Google.com but set the interface language to Spanish, as in Figure 4-2. In this case, ads targeting Spanish should appear. If the campaign settings specify Spanish and the ad is written in another language, AdWords may display it, but it does not translate it.



Figure 4-2. Google.com with Spanish interface

A searcher on Google.com.mx with English browser settings should see ads targeted to English. As you can see in Figure 4-3, ads can display in different languages on the search results page.



Figure 4-3. Google.com.mx with English interface

Location Targeting

The Locations and Languages section shown in Figure 4-4 allows advertisers to specify where in the world ads are eligible to appear. The defaults vary; most of my U.S.-based accounts default to the United States or the United States and Canada.

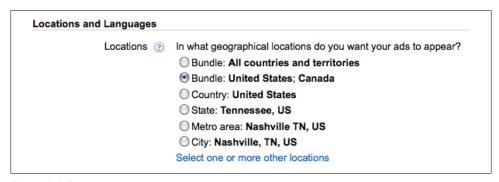


Figure 4-4. Location targeting

If none of the radio button options are appropriate for the campaign, click the link labeled "Select one or more other locations." This opens a window with four tabs at the top, shown in Figure 4-5. Each tab offers a different way to do the same thing: select areas where ads are eligible to appear. The options are Bundles, Browse, Search, and Custom.

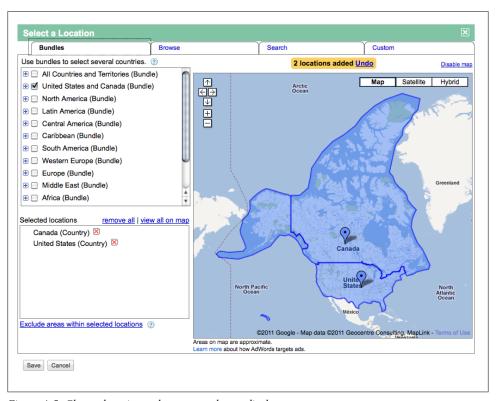


Figure 4-5. Choose locations where your ads can display

Within each of these options, you can click the plus symbol to display additional countries, states, provinces, metros, cities, and towns within the area. Checking the box next to a listed item adds it to your campaign's geographic target. Advertisers also have the option to exclude areas by clicking the "Exclude areas within selected locations" link, shown in the bottom left corner of Figure 4-6. For example, you might want to display ads to searchers in Tennessee, but not the city of Nashville; exclusions allow you to make these exceptions.

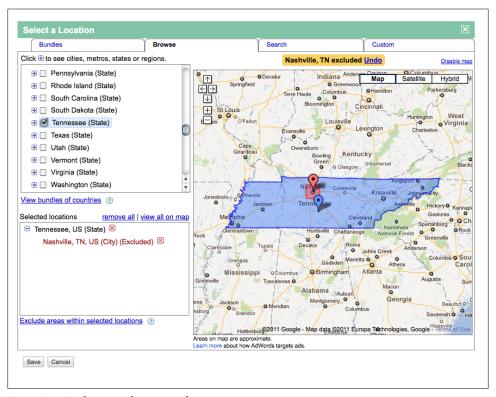


Figure 4-6. Exclusion within targeted area

In the Custom tab, shown in Figure 4-7, you have three options (soon to be two, as the custom shape option is scheduled to be phased out after 2011). Map point allows you to click on the map or enter a location or address to specify a radius. The recommended minimum radius is 10 miles or 16 kilometers; the maximum radius is 500 miles or 800 kilometers.

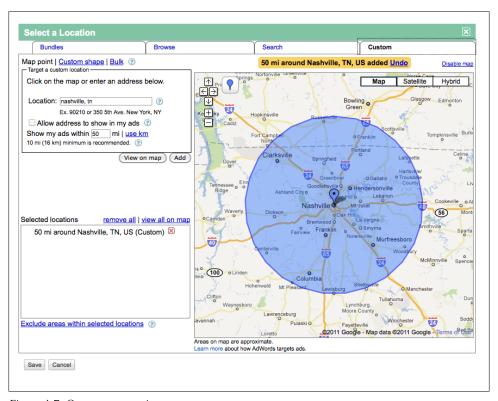


Figure 4-7. Custom: map point geotargets

The bulk option, shown in Figure 4-8, allows advertisers to type or copy and paste a list of locations. You can include any locations AdWords can identify, including zip codes. If zip codes are used, AdWords applies a 20-mile radius around the specified area.

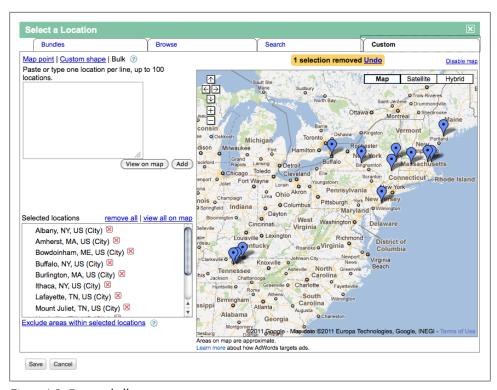


Figure 4-8. Custom: bulk geotargets

Advanced Location Options

AdWords allows advanced targeting and exclusion options for Google Search. These options are labeled "Advanced location options" and are shown in Figure 4-9. Advertisers who use the default inclusion option, "Target using either physical location or search intent (recommended)," can display ads to searchers physically located in the targeted area, as well as searchers who include location-specific search terms in their queries. Other options include targeting by physical location or search intent.

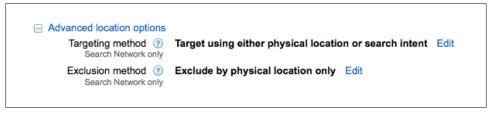


Figure 4-9. Advanced location options

So how can you use these options? Let's assume your campaign targets the state of Tennessee. The default option means that searchers within the state, as well as searchers who include Tennessee-specific terms in their queries (regardless of their physical location) are eligible to see the ads.

For example, a searcher in Nashville, Tennessee, can see the ads. A searcher in Burlington, Vermont, can also see the ads if her search query included Tennessee-specific terms (e.g., biking routes in tennessee).

If the "Target using physical location" option is selected, only searchers physically located in Tennessee can see the ad. A searcher in Burlington, Vermont, cannot see the ad, even if the search query includes Tennessee or exactly matches a keyword. See an illustration in Table 4-1.

Table 4-1. Target by physical location

Target Location	Keyword	Search Query	Searcher Location	Sees Ad?
Tennessee	TN bike routes	bike route tennessee	Nashville, Tenn.	Yes
Tennessee	TN bike routes	bike route tennessee	Atlanta, Ga.	No

Targeting by search intent means the search query must explicitly specify location, no matter where the search occurs. A searcher in Tennessee looking for bike route information cannot see the ad unless she includes "Tennessee" or a variant as part of the query. See an illustration in Table 4-2.

Table 4-2. Target by search intent

Target Location	Keyword	Search Query	Searcher Location	Sees Ad?
Tennessee	bike routes	bike route tennessee	Nashville, Tenn.	Yes
Tennessee	bike routes	bike route	Nashville, Tenn.	No
Tennessee	bike routes	bike route TN	Atlanta, Ga.	Yes

Location exclusion options are similar; advertisers can prevent ads from showing to searchers in a specific physical location or filter by physical location and search intent. So, how can you use these options?

The default, exclude by physical location, prevents ads from displaying to searchers physically located in excluded locations. This means that anyone searching outside the excluded areas is eligible to see the ad.

Let's assume an advertiser in Nashville, Tennessee, has a successful local marketing program but wants to use AdWords for promotion in areas beyond. This exclusion option prevents ads from appearing in the local area. A searcher in Memphis who includes Nashville in a query can see the ads; a searcher in the excluded location (Nashville) cannot. See an illustration in Table 4-3.

Table 4-3. Exclusion by physical location

Target Location	Excluded Location	Keyword	Search Query	Searcher Location	Sees Ad?
Tennessee	Nashville	bike route	bike route	Nashville, Tenn.	No
Tennessee	Nashville	bike route	bike route Nashville	Memphis, Tenn.	Yes
Tennessee	Nashville	bike route	bike route	Memphis, Tenn.	Yes

Excluding by physical location and search intent prevents ads from showing to searchers physically located in the excluded area, as well as searchers who use location-specific terms in the query. See an illustration in Table 4-4.

Table 4-4. Exclusion by physical location and search intent

Target Location	Excluded Location	Keyword	Search Query	Searcher Location	Sees Ad?
Tennessee	Nashville	bike route TN	bike route	Nashville, Tenn.	No
Tennessee	Nashville	bike route TN	bike route nashville	Memphis, Tenn.	No
Tennessee	Nashville	bike route TN	bike route	Memphis, Tenn.	Yes

Networks and Devices

The Networks and Devices section is perhaps the least newbie-friendly campaign setting. When creating a new campaign, the networks section is preselected to "All available sites" followed by this note in the interface: "(Recommended for new advertisers)." See Figure 4-10.



Figure 4-10. "Networks" defaults to all available sites

New advertisers should do the *opposite* and turn this network off. Here's why. The GDN is an entirely different beast than Google Search. Your keyword lists are different. Ads and bids may be different. And your expectations and goals should be different.

Consider this: A person has a colony of unwanted bats in his attic, so he searches Google for bat relocation Nashville. A business specializing in humane wildlife removal bids on that keyword and displays a relevant ad at the moment the searcher needs the service. Perfect! That business has a great chance of acquiring a new customer.

Now, consider the GDN. In this case, there wasn't a search for bat removal. In fact, someone might *love* bats, and visit www.HGTV.com for tips on attracting them (see Figure 4-11). In this case, the GDN can display ads contextually relevant to bats, but irrelevant for that visitor.

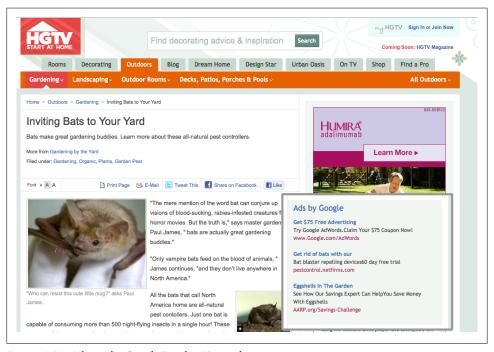


Figure 4-11. Ads on the Google Display Network

The point is, the person who sees the ad might not want what you have or might not be in the buying cycle at that moment. AdWords has millions of placements to display ads, so there is a very real potential to burn through your budget via the GDN. Many placements work well for long-term branding strategy campaigns; others may not generate profitable traffic and should be excluded. Monitoring and managing these placements is a lot of work, requiring attention and different optimization strategies.

For new advertisers, I recommend starting with the campaign setting shown in Figure 4-12. Start with just Google Search (and the Search Partners, if you want more exposure). Get comfortable using AdWords. Then create a separate, experimental campaign targeting the Google Display Network. Chapter 9 covers the GDN in more detail.

Networks ②	O All available sites (Recommended for new advertisers) • Let me choose
	Search ☐ Search partners (requires Google search)
	Display Network ② Show ads on pages that match the broadest targeting method ② Example: Show ads if keywords match Show ads only on pages that match all selected targeting methods ② Example: Show ads only if both keywords and placements match
	Your ads won't show on search partners. Your ads won't show on Google's Display Network. Learn more
	Save Cancel

Figure 4-12. Separate Search and Display by clicking "Let me choose..."

Devices controls where ads can display, including desktop and laptop computers, mobile devices with full browsers, and tablets with full browsers. Like networks, all devices are enabled by default, as shown in Figure 4-13. While this option isn't usually as costly as enabling the GDN, it also merits a separate campaign. Why? Consider how searching on a phone differs from searching on the full-size keyboard. Searches on mobile devices are usually shorter and more location-specific. A searcher on a phone is often looking for something nearby, a place to eat or shop. In this regard, the keywords, ads, and landing page (after all, it has to look good on a phone) may be different than non-mobile campaigns.



Figure 4-13. Separate computers and mobile devices by clicking "Let me choose..."

Clicking "Let me choose..." reveals all the device options, plus advanced options, including operating systems, carriers, and Wi-Fi, shown in Figure 4-14. Wi-Fi traffic shows ads on mobile devices when they are connected to Wi-Fi networks, and not to specific carriers.

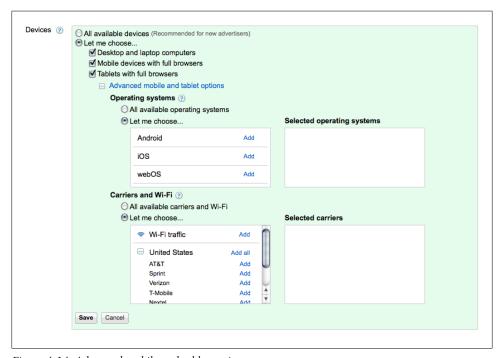


Figure 4-14. Advanced mobile and tablet options

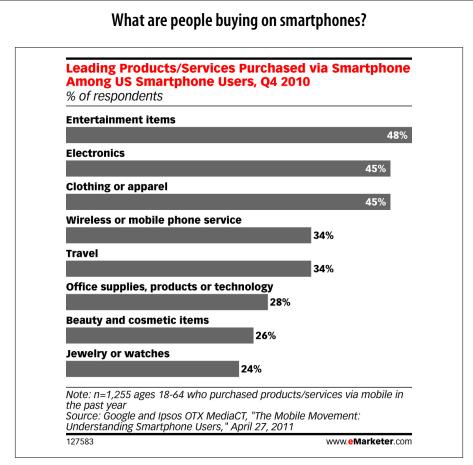


Figure 4-15. According to a Google and Ipsos OYX MediaCT report from April 2011, provided by eMarketer, entertainment items are the leading products purchased via US smartphones in the fourth quarter of 2010.

Bidding and Budget

Bidding and Budget allows you to specify your preferred bidding model and daily budget for that one campaign. Bidding options are covered in Chapter 11. New advertisers should select "Focus on clicks—use maximum CPC bids." Within that, I prefer to start with the "Manual bidding for clicks" option shown in Figure 4-16.

The budget is a whole dollar amount with a \$1 daily minimum. Keep in mind that this budget applies to this campaign only. If you have multiple campaigns running, the total daily ad spending is the sum of the spent budget across all campaigns. The higher the

Bidding option ②	● Focus on clicks - use maximum CPC bids
	Manual bidding for clicks
	 Automatic bidding to try to maximize clicks for your target budget
	Enhanced CPC ②
	Use my conversion tracking data and bids to optimize for conversions
	Unavailable because conversion tracking isn't set up. Setup conversion tracking.
	Focus on conversions (Conversion Optimizer) - use CPA bids
	Unavailable because conversion tracking isn't set up. Setup conversion tracking.
	Save Cancel

Figure 4-16. Bidding options

campaign budget, the more opportunities keywords within the associated ad groups have to display ads throughout the day. AdWords does not penalize advertisers with small budgets; a limited budget simply means the keywords compete in fewer auctions throughout the day.

Figure 4-17 shows a suggested budget based on the keywords in the campaign. (If you're just starting the campaign, there won't be a suggested budget.) If AdWords determines that the campaign is losing impressions because of budget constraints, it suggests an increased budget. Keep in mind that this number is not based on your business goals or conversion data but simply the number of impressions and clicks available for that pool of keywords.

Budget ②	\$ 40.00 per day (Format: 25.00)
	☐ View recommended budget Learn how budget affects ad performance
	Try a budget of \$127.00/day
	Your ads are receiving 48% of their eligible impressions due to your current budget settings. Increasing your budget to \$127.00 can maximize your ad exposure and help your ads receive 114% more clicks per month.
	If the recommended amount is too high, try raising your budget to a comfortable amount. Or, to make the most of your budget, try optimizing your campaign.
	Actual daily spend may vary. ②
	Save Cancel

Figure 4-17. Recommended budget

Delivery Method

Beneath the budget section is a subsection labeled "Delivery method (advanced)." Figure 4-18 shows the options: Standard (the default) and Accelerated.



Figure 4-18. Delivery method

Standard delivery means that AdWords tries to display ads as evenly as possible over a 24-hour period, working within the allocated budget. This 24-hour period is based on a midnight-to-midnight schedule, using the time zone selected when the account was created.

Let's assume the campaign contains keywords that can result in millions of ad impressions each day. Based on the average CTR for the keywords, AdWords estimates the number of probable clicks. If the campaign budget is sufficient to cover all estimated clicks, AdWords tries to display ads for every relevant search query. But what if the campaign budget isn't sufficient to cover the estimated clicks? What if the advertiser can afford only 25 clicks per day? In this case, AdWords staggers the ad delivery over 24 hours to ration the budget. This is a common reason why advertisers cannot see their ads when searching on Google—it's possible that the particular auction did not include the advertiser.

The other option is Accelerated delivery. This allows advertisers to show ads as quickly as possible, no matter how small the budget. In this case, AdWords shows ads until the daily campaign budget is depleted. Then, ads stop serving until the following day.

Additional Settings

The final settings fall into two sections: ad extensions and advanced settings. Chapter 8 covers ad extensions. If you're just getting started, skip this section for now. Beneath ad extensions you'll see advanced settings, which offer several ways to fine-tune the campaign. Let's walk through them.

Schedule: Start Date, End Date, Ad Scheduling

The first section, labeled "Schedule: Start date, end date, ad scheduling" allows you to select an end date for your campaign, if applicable. By default, the end date is set to none. The next option, ad scheduling, defaults to "Show ads all days and hours." Use this to turn ads on and off on specific days and hours of the day. For example, if you'd like to run ads only when someone is available to take a phone call, use this feature to turn off ad delivery when the office is closed. On any individual day, you can select up to six time blocks to display ads. This does not change the auction rules in any way; it simply limits when ads are eligible to participate in the auction. The time of day is based

on the time zone selected when the account was created, not on the searcher's time zone.

There are two modes for ad scheduling, basic and bid adjustment. Use basic mode to select hours and days. Bid adjustment mode, shown in Figure 4-19, offers the same features, plus the ability to adjust the percentage of the bid. For example, to bid more aggressively from noon until midnight each business day, increase the bid during those time blocks. This improves your chances of winning placement in the AdWords auction, with a higher position for the ads. If you'd like to show ads on Saturday, but ad position is less important, decrease the bid. You can turn your ads off entirely on any given day.

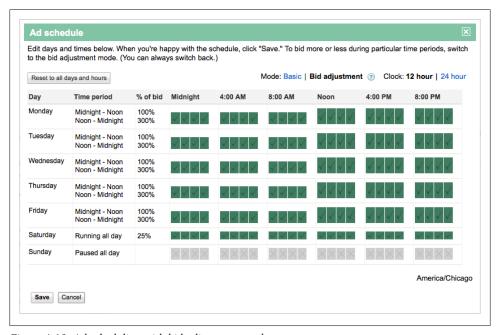


Figure 4-19. Ad scheduling with bid adjustment mode

Ad Delivery: Ad Rotation, Frequency Capping

The next section is labeled "Ad delivery: Ad rotation, frequency capping." Ad rotation offers three options shown in Figure 4-20:

Optimize for clicks (Default)

Show ads expected to provide more clicks

Optimize for conversions

Show ads expected to provide more conversions

Rotate

Show ads more evenly

Ad rotation ②	Optimize for clicks: Show ads expected to provide more clicks Optimize for conversions: Show ads expected to provide more conversions Rotate: Show ads more evenly

Figure 4-20. Ad rotation options

Ad rotation works by comparing performance of multiple ad variations within the same ad group. If AdWords determines that a particular version receives more clicks, it gradually serves it more frequently. Optimize for conversions weights ad delivery in favor of ad variations that provide more conversions. If AdWords doesn't have sufficient conversion data, the rotation is based on the default, optimize for clicks. These options are the easiest ways for new advertisers to optimize their ad groups. Advertisers who prefer to conduct their own tests can select the rotate option to serve ad variations evenly.

Frequency capping, shown in Figure 4-21, applies to the Google Display Network only. This feature is useful if you'd prefer to show your ads to a greater number of people, rather than many times to the same people. Use this feature to limit the number of ad impressions per unique person. The default is no cap on impressions, but AdWords allows limits per day or week, plus per campaign, ad group, or ad.

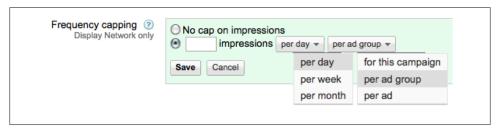


Figure 4-21. Frequency capping for the Google Display Network

Demographic Bidding

Demographic bidding (see Figure 4-22) allows advertisers to control the display of ads on certain websites in the Google Display Network.

If a website collects demographic information and shares it with AdWords (anonymously, of course), you can target or exclude based on that demographic. This does not work for Google Search or the Search Partners, because when you do a search your age and gender are not required. However, people who are members of a social media website or a dating website probably have revealed their age and gender, enabling this bidding feature. Websites in this group change frequently; the most up-to-date list is found in the AdWords Help Center. A few example sites:

- Friendster.com
- Mingleville.com
- Multiply.com
- Orkut.com
- Ratemybody.com
- Video.google.com
- Youtube.com

You have the ability to exclude by age or gender and to add a percentage of the bid if you wish. Before doing so, review past performance, if data is available. You might be surprised (or not) to see how different demographics have performed.

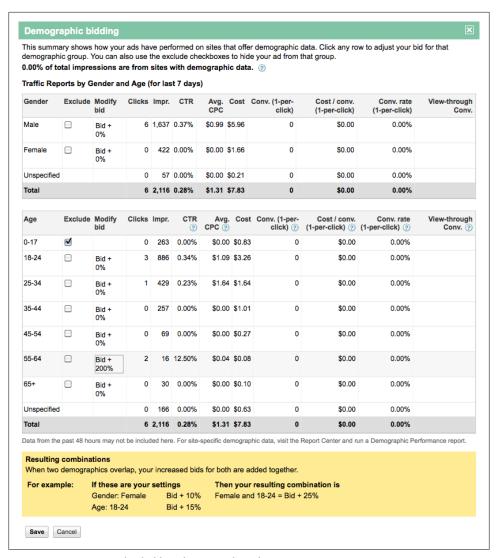


Figure 4-22. Demographic bidding, by age and gender

Social Settings

The most recent addition to campaign settings is social settings. Applicable to the Google Display Network only, it allows advertisers to specify whether Google's +1 button and +1 annotations can appear with ads on the Display Network.

If you're not familiar with Google's +1 button, do a search on Google and look at the results. Next to each result you see a subtle button labeled +1. If you are logged in to a Google account, you can click the button to endorse a particular search result or websites that include the button on their pages. After clicking the +1 button, your name and profile picture appear as a "personal annotation" when your online friends come across the same site. In Figure 4-23, you see I've +1'd the realistic 10-inch opossum sold on Amazon.com. If Amazon adds the +1 button to its website, the endorsement should appear there, as well.

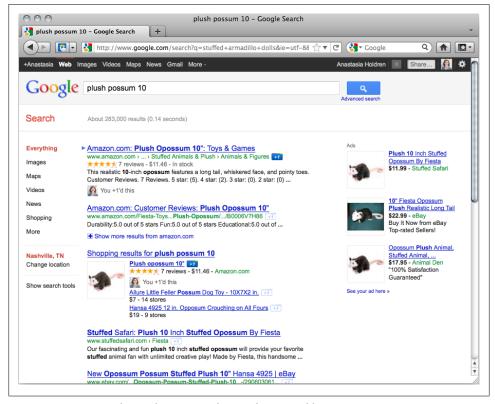


Figure 4-23. Use Google's +1 button to endorse websites you like.

As shown in Figure 4-24, the default is on; to turn it off, click the "Edit" link and select "Do not include the +1 button and the +1 annotations on my ads on the Display Network."

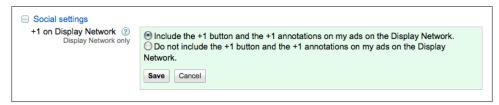


Figure 4-24. Social settings for the Google Display Network

This ad feature has yet to appear throughout the Google Display Network. Inside Ad-Words, the official AdWords blog, showed the example ad in Figure 4-25 to illustrate how ads display.

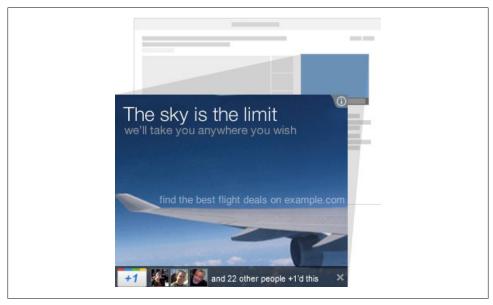


Figure 4-25. Example display ad with new social settings beneath

Experiment

The final option is experiment. Chapter 12 covers this feature in detail.

Understanding the Auction

How the AdWords Auction Works

Before discussing account optimization, it's helpful to understand how AdWords works. AdWords is an auction, conducted in real-time every time a person completes a search. Auction winners have their ads displayed on the top and right side of the Google search results page. The highest-placing winners achieve more prominent ad positions on the page, relative to other advertisers.

The auction calculations happen in milliseconds; searchers have no idea that AdWords has sorted through millions of keywords to determine which ads appear on the page. Here's how it works:

When someone searches on Google, AdWords compares the search query to every keyword in advertisers' accounts, identifying keywords that match or are closely related to the query. Each match represents an entry in the auction and an advertiser who wants to display an ad on the search results page.

AdWords then generates a real-time Quality Score for each keyword to determine which have sufficient quality to participate in the auction. The algorithm considers many factors, including the keyword's clickthrough rate, the relevancy of the ad text and search query, and the quality of the landing page. If the keyword's Quality Score is too low, AdWords will not display the ad, no matter how much the advertiser is willing to pay.

Once AdWords identifies keywords with passable Quality Scores, the auction resumes. Now, AdWords calculates Quality Score a second time. This calculation is similar to the first, except it does not factor in landing page quality. AdWords multiplies this second score and the keyword's Max CPC bid to calculate a rank. The highest ranking keyword wins first place in the auction, and the corresponding ad is displayed in the first ad position on Google's search results page. Ads for keywords with lower rank are displayed in descending order.



On October 3, 2011, Inside AdWords announced an "ads quality improvement" change that increases the weight given to relevance and landing page quality in determining Quality Score and how ads are ranked. The changes apply only to ads on Google Search and do not affect ads on Search Partners or on the Google Display Network. If you run AdWords campaigns now, monitor keyword Quality Score and average ad position.

Previously, Ad Rank was calculated using the following formula:

```
Ad Rank = (Quality Score) × (Max CPC bid)
```

Now, Ad Rank is described as "a combination of Max CPC bid and Quality Score."

The new formula looks like:

```
Ad Rank = f(Quality Score, Max CPC bid)
```

Bids are a big factor in the AdWords auction. However, advertisers cannot simply buy a position on the page; the Quality Score factor ensures that ads are relevant to the search query. It also serves to level the playing field for advertisers with limited budgets who compete against retail giants with significant resources. In some cases, it's possible to win a higher position in the auction with a lower bid.

The amount you pay for a click, called the actual cost per click, is determined by a formula, called the AdWords Discounter. The Maximum CPC bid indicates the most you'd have to pay to show your ad, but the actual CPC is often lower. Here's how it works:

```
Ad Rank of Competitor Below You ÷ Your Quality Score + 1 cent = Actual Cost Per Click
```

Consider this scenario. You won the AdWords auction. Your keyword has a Max CPC bid of \$.75 and a Quality Score of 9. The advertiser in second place had an Ad Rank of 6.25. The formula to calculate your actual cost per click looks like this:

```
6.25 \div 9 + .01 = \$.70
```

So, even though your Max CPC bid is \$.75, you pay \$.70 for the top ad position. The formula is applied to all advertisers. For the advertiser in second place, the formula might look like this:

```
4 (Ad Rank of third-place advertiser) ÷ 5 (Advertiser #2's Quality Score) + .01 = $.81
```

The advertiser in second pays \$.11 more than the auction winner! If the third-place advertiser does not have any ads below him in the auction, he pays a minimum price to appear on the search results page, a price determined by AdWords that cannot be seen in the account.

What Is Quality Score?

Quality Score is one of the most important numbers in your AdWords account. Google generally defines it as a measurement of the usefulness of your ads to the searcher, but there's a lot more to it. Quality Score is a dynamically generated variable; every single time someone searches Google and matches one of your keywords, AdWords recalculates Quality Score.

There are various Quality Scores associated with an account, but from an advertiser perspective, the only one you can see and optimize is keyword Quality Score. This score is not displayed by default, so start by enabling the column from the Keywords roll-up tab. Once it's enabled, you'll see Quality Score displayed as a whole number from 1 to 10. The higher the Quality Score, the better. As a general rule of thumb, a range of 1– 4 is poor, 5–7 is OK, and 8–10 is great.

The number you see in your account represents the general quality of your keyword when exactly matching a search on Google. Let's say a keyword ran for year with an average Quality Score of 2. In the last month you significantly improved the performance of the keyword, bringing the new average Quality Score to 8. AdWords won't penalize you for a year of poor performance; instead it displays the new average score so you can get a better picture of how you currently compete in the auction.

Why Does Quality Matter?

Quality Score impacts three important outcomes in the AdWords auction:

- Quality Score determines whether your keyword is eligible to compete in the Ad-Words auction.
- If the keyword is eligible, Quality Score is part of the calculation used to determine who wins the auction. Winners are ranked; this ranking system determines where ads appear on the page in relation to each other.
- If an ad wins a place on the page, Quality Score affects the actual amount you pay for a click on the ad.

Quality Score is also used to calculate first page bid estimates, an optional column visible under the Keywords roll-up tab. This metric ballparks the Max CPC bid required, per keyword, to show an ad on the first page of Google's search results. This estimate is based on the keyword's Quality Score and current advertiser competition. My experience is that this estimate is often high, and ads can usually display at a lower price. However, a high estimate is a red flag that the keyword's Quality Score needs improvement.

Here's how Quality Score factors into the auction on Google Search and the Search Partners: When a Google search matches one of your keywords, the AdWords system calculates the keyword's Quality Score. This calculation determines whether the quality is high enough to participate in the AdWords auction.

If the keyword's Quality Score is too low, the ad cannot be displayed, no matter how high the bid. You might be the only advertiser competing for the keyword, but if the keyword Quality Score is too low, AdWords will not show your ad.

If the keyword passes this initial test, it enters the AdWords auction, along with all other keywords that passed. Quality Score is calculated again; this score is part of the calculation that determines ad rank and the winners of the auction.

How Is Quality Score Calculated?

AdWords uses a variety of factors to determine the Quality Score for a keyword. You can improve some; others are out of your control. Google does not specify precise weightings of the factors, because the Quality Score models are complex, dynamic, and dependent on each unique advertisers' specific performance history for each query.

For ads appearing on Google search results pages, AdWords considers the following factors:

Clickthrough rate (CTR)

This is the most important factor used to determine Quality Score—the higher the CTR, the better. AdWords rewards ads and keywords that receive more clicks. A click is an indication that the ad and keyword are compelling and relevant (and clicks are how Google makes money). Think of each click as a vote for the ad and corresponding keyword.

Ad relevancy

AdWords compares the relevancy of the keyword to the ad text in the ad group. The more closely they match, the better. Relevancy tends to improve CTR as well. If a searcher wants to find organic dog rawhides and this phrase is the headline of the ad, the ad has a good chance of getting the click.

Search query relevancy

AdWords compares the search query to the keyword and matched ad.

AdWords account history

This is measured by the CTR of all ads and keywords in the account.

Display URLs

AdWords considers the historical CTR of display URLs in the ad group.

Landing page quality

This factor is considered in the first calculation only, to determine if a keyword can participate in the auction. It does not factor into the ad rank equation.

Geographic performance

The account's performance in the geographic area where the ads are displayed is considered.

Other relevance factors

Quality Score is also influenced by additional factors AdWords won't tell us about.

The Quality Score used to calculate first page bid estimates is based on the same factors, except it does not consider the ad relevancy or search query relevancy.

For the Search Partners, Quality Score is based on the same factors, except:

Clickthrough rate (CTR)

AdWords considers CTR for that particular site, in addition to CTR across the entire Search Network.

For the Google Display Network with automatic placements, Quality Score is based on the following factors:

Past performance

The ad's past performance on this website and similar sites.

Relevancy

The relevance of the ads and keywords to the website.

Landing page quality

Other relevance factors

Additional factors AdWords won't tell us about.

For targeted placements on the Google Display Network with cost-per-click bidding, Quality Score is based on the following factors:

Clickthrough rate (CTR)

The historical CTR of the ad on this website and similar sites.

Landing page quality

For ads appearing on targeted placements on the Google Display Network with CPM bidding, Quality Score is based on only one factor: landing page quality.

Where to Find Quality Score

There are three ways to see Quality Score for keywords in your AdWords account. Start by clicking on the Campaigns tab. Then select the part of the account you'd like to review from the tree view: "All online campaigns," a campaign, or an ad group. Now, select the Keywords tab from the roll-up tabs in the middle pane. Keywords appear in rows, with columns of associated data.

In the Status column, you can see if your keyword is active; you can also click on the small thought bubble icon () to see Quality Score in the box (see Figure 5-1). When you click on this icon, you see several important pieces of information: first, if ads are showing. For this example keyword, "unique wedding bands for men," ads are running and the keyword has a perfect Quality Score, 10 out of 10.



Figure 5-1. Viewing Quality Score from the status column

The status column option is great because it tells us if ads are running. But if you have hundreds of keywords in an ad group, it's inefficient to click on each keyword's Status column to review Quality Score. An easy fix is to enable the Quality Score column, which is curiously off by default. To do this, click on the Columns button and then "Customize columns" from the drop-down menu (see Figure 5-2). A list of optional columns appears. From the Attributes section, check the box labeled "Qual. score" and click Save. The Quality Score column appears in the middle pane view, with each keyword.

Click the "Qual. score" column header to arrange keywords high-to-low or low-tohigh.

A third option for viewing Quality Score is using filters. Let's say you wanted to review keywords with extremely high scores. You can create a filter to show keywords that have a Quality Score greater than or equal to 9 (see Figure 5-3). You can use this filter whether you've enable the Quality Score column or not; the filter shows all keywords that match your criteria.

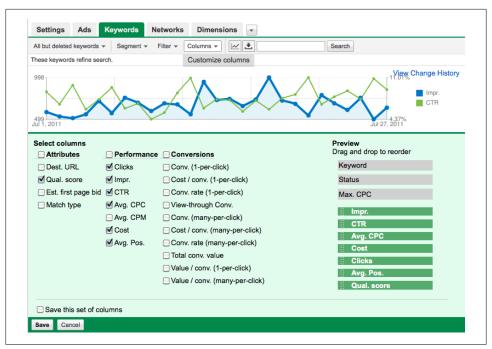


Figure 5-2. Enabling the Quality Score column

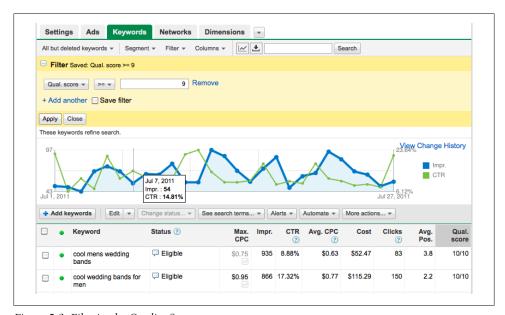


Figure 5-3. Filtering by Quality Score

There is one additional place to see keyword Quality Score, not in the AdWords account user interface but in AdWords Editor (see Figure 5-4). Open the AdWords account in the editor and navigate to the Keywords tab. As in the online user interface, you'll see columns with each keyword row. If Quality Score is not visible, you can turn it on by clicking the icon at the top right corner of the column headings and clicking on Quality Score from the drop-down menu.

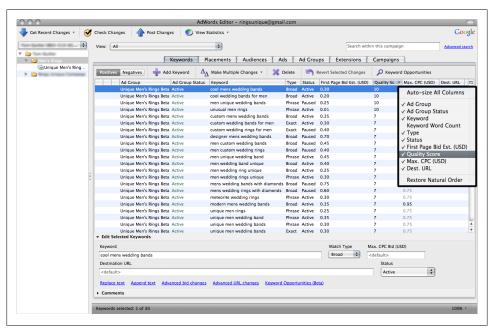


Figure 5-4. Quality Score in AdWords Editor

Ad Position, CTR, and Quality Score

Ads with higher rank show in higher positions on Google's search results page, often in the yellow box above the organic search results. Top-ranked ads typically receive more clicks than ads appearing lower on the page. This being the case, advertisers may worry that a lower position with a lower CTR hurts the Quality Score of associated keywords. AdWords actually accounts for this difference.

To determine Quality Score, AdWords compares the CTR to ads displayed in the same position. So, the CTR of an ad showing at the bottom of the search results page is not compared to the CTR for a top-ranked ad.

How to Improve Quality Score

Improving Quality Score is occasionally a frustrating exercise, but in most cases, a few simple tweaks will improve scores. Optimizing for Quality Score boils down to two primary objectives: improving CTR and increasing relevancy.

First, identify keywords with low Quality Score. You can do this in any of the ways described above; I like to use filters to isolate poor performers. Start by displaying all keywords with a Quality Score of less than or equal to 4. Low Quality Scores bring down overall ad group quality, so some action should be taken on these keywords. The simplest solution is to pause or delete them. But some of the keywords may be relevant to the advertised business, and deleting them sacrifices important impressions. What to do?

Start by reviewing CTR. Keywords with low CTR often have low Quality Score. Good CTR varies by keyword. A generic keyword might be doing well to hit 1 percent. A more specific, long-tail keyword might hit double-digit CTR. Click on the CTR column header to sort and see. Once you've identified low-quality keywords with poor CTR, the challenge is to figure out why. Low CTR means the ad was displayed, but searchers did not click. So why not? Possible reasons include the following:

- The displayed ad was not relevant to the searcher's query.
- The displayed ad was relevant, but not compelling.

So, how do you fix the problem? For this example, let's use the keyword organic rawhide dog chews. It has a Quality Score of 3 and a CTR of .02 percent. Start by looking at the ads associated with the ad group. Your ad might read something like this:

```
Pet Supply Store
All natural products for dogs,
cats, fish, rodents and more.
example.com
```

Notice that the ad is not specific to the associated keyword. It mentions dogs, but it makes no reference to organic rawhide chews. AdWords is an algorithm, and as such, very literal. The ad itself is uninspired—nothing sets it apart, it has no specific theme or offer, and it lacks a call to action. A better ad would incorporate the keyword in the text of the ad, preferably as the headline and/or the Display URL. Some of the keywords can also appear in the Description lines (just take care that your ad does not appear too repetitive):

```
Organic Rawhide Dog Chews
Make Dogs Happy & Clean Their Teeth
Many Flavors Available, Order Now!
example.com/Organic-Dog-Rawhides
```

This ad is focused on the keyword, improving Quality Score from a relevancy perspective. This approach usually improves CTR, because searchers tend to click on wellwritten ads that prominently feature the search query.

Now the ad is specific to the keyword, but does it represent all the keywords in the ad group? Take a look at the keywords in the list. If all keywords are closely related to organic rawhide dog chews, the ad should be relevant for the entire group. But what if the ad group includes other keywords that do not match as closely? For example, the keyword list might include Greenies, a type of dog chew. But Greenies are not organic or rawhide, and the word "Greenies" does not appear in the ad text. What if the ad group includes the word Kong or dog de-shedding tool?

If you find keywords in the ad group that do not all fit the central theme, the account needs reorganization. In this case, you might create new ad groups for Greenies, Kong, and dog de-shedding. Then you'd write ads specific to those themes, and move the appropriate keywords to their new ad groups.

Now the keyword is relevant to the ad text, but what about the relevancy to the search query? Chapter 6 covers keyword match types in detail. In the meantime, know that a keyword's match type determines how closely the search query must match to trigger an ad. If your keywords are all broad match, the default, AdWords has tremendous leeway to determine which queries can match to keywords. For example, if your keyword is organic dog chews, AdWords could inadvertently show your ad for search queries like these:

- chew proof dog bed
- · why do dogs chew their feet
- dog muzzles for chewing
- · organic chewing gum

In this case, your ad may be shown on search queries that are unrelated to the theme of the ad group. A searcher wants organic chewing gum, and she sees your ad for organic dog chews!

To correct the issue, you must prevent ads from showing on unrelated queries. There are two ways to accomplish this: make keyword match types more restrictive or build a negative keyword list to filter irrelevant search queries. Chapter 6 covers the pros and cons of each approach; for the purposes of the Quality Score discussion, the point is that you don't want your ad to show when searchers are looking for something else. Searchers will probably skip your ad, which hurts your CTR. If they do click on your ad, it helps your CTR but probably not your business, since the searchers were looking for another type of product.

Keywords

How Keywords Fit Into the AdWords Auction

Keywords are the basis of the AdWords auction. The auction is a competition between all advertisers who want ads to appear when a searcher types in the keyword or similar words. AdWords advertisers specify the maximum amount they are willing to pay for a click on an ad (designated in the account as Max CPC, which stands for *maximum cost-per-click*). With AdWords, winners are not always the highest bidders, because quality is an important factor. The keyword bids and quality combined determine the winners of the auction, as well as the actual cost of individual clicks. So how do you begin building a keyword list that competes well in the auction and results in profit for your business?

The first thing to keep in mind when building a keyword list is that you cannot force people to search in a particular way. In class, I often ask the group how they learned to search on Google, or if anyone knows how to use advanced operators. The vast majority stare with blank faces or shake their heads ruefully. This line of questioning illustrates that the majority of people never learn to search—they simply try words and phrases and look for a hit.

If searchers don't find a relevant result, they try different keyword combinations until they find the results they want. The limitless combinations of search queries make keyword building a challenge for advertisers who want to include every possible way to connect with likely prospects.

Consider why people search Google in the first place; once the probable motivations are identified, keyword research begins and the account is organized accordingly. Let's look at a few reasons why people search and how advertisers can apply motivations to account structure:

A searcher wants to buy something online. He is shopping for the best price, the fastest shipping, the best warranty, the most trustworthy website, etc.

To capitalize on this search behavior, advertisers can organize accounts by products, focusing on product-centric keywords. The ads should include the keyword

and send the searcher to the most relevant product or category pages on the website. For example, an ecommerce website might bid on the keyword Rush tshirts and direct the searcher to a category page featuring every Rush T-shirt style available. If the keyword is more specific, say Rush 2112 T-shirt, advertisers can send the searcher to a specific product page.

A searcher wants to find a brick and mortar location near his location, or near a location he plans to visit.

To help a searcher find the physical location, advertisers might include location with keywords: golf in Franklin TN or golfing near Franklin TN. Google uses various geotargeting techniques to display ads on search queries and the searchers' geographic location. Locally focused keywords, combined with features like location extensions and call extensions, help local listings stand out on the search results page. Ad extensions are covered in Chapter 8.

A searcher has a question and wants to find the answer.

To capitalize on this search behavior, an advertiser can use questions as keywords: how do i make blueberry bush produce fruit?, best temperature for snake tank? The displayed ad should entice the searcher to learn more on the landing page, which should answer the question. At the very least, this establishes your website as a resource. The searcher may not convert on this visit, but he may return to the site for additional information, return to make a purchase, or refer the website to friends. If you sell fertilizer and supplies for fruit bushes or heaters and equipment for reptile tanks, promote the products on the landing page, alongside the answer to the searcher's question.

A searcher experiences symptoms and wants to identify the problem.

Start by asking yourself how the advertised products or services help solve problems. Searchers use Google to find answers or solutions to issues they experience. Queries like why does my back hurt when sitting at desk? or toes numb elliptical machine identify problems that need to be solved. If the AdWords campaigns promote ergonomics information, back supports for chairs, or better exercise shoes, include these keywords to connect to searchers who may need your product, but don't know it yet.

A searcher identifies a problem and wants to find a solution.

The searcher has a problem: a family of mice lives inside his Weber grill. Every time he grills burgers, he has to chase them out (and clean up their mess). After the fourth mouse eviction, he searches Google for a solution: mouse removal, mouse extermination, how to kill mice. This is a great opportunity for advertisers with ultrasonic mouse deterrents, exterminators, or cat adoption organizations to display ads.

A searcher wants help with a purchase decision.

A searcher decides to upgrade his ancient television set for a newfangled highdefinition model. With so many available options, the query might be: plasma vs LCD or 3D TV reviews, or top 10 television brands. Advertisers should use care when bidding on these keywords because the searcher is in the early stages of the buying cycle, gathering information. But these searches provide advertisers an opportunity to develop relationships with potential customers early on.

Organizing Keywords

Once keyword themes have been identified, the next step is to organize them. Each keyword theme becomes a separate ad group. The associated ad text can closely match the keyword theme, increasing relevancy and the likelihood of a click (both increasing Quality Score). In addition, the ad can send searchers to different landing pages that fit the theme.

In theory, an AdWords account can be structured with a one-to-one relationship between each keyword and ad group; hundreds or thousands of keywords make this approach impractical. An easier approach is to monitor traffic at the keyword level; if a particular keyword receives a disproportionate amount of search volume, place it in its own optimized ad group.

Let's look at an example. Someone identified a problem: bald-faced hornets (Dolichovespula maculata) created a huge nest under the eaves of his shed. A quick visit to Wikipedia: "The bald-faced hornet will aggressively attack with little provocation" and he's convinced that professional services are in order. His next step is to search Google for a local exterminator. A pest control company using AdWords might have an ad group that includes keywords like:

- wasp nest removal
- hornet nest removal
- yellowjacket removal

If this advertiser noticed significant ad traffic on hornet-related keywords, he might remove them from the existing ad group and create a new hornet ad group. Keywords in the new ad group might include:

- hornet nest removal
- bald-faced hornet removal
- hornet exterminator

Now, the ad text can focus on the word "hornet" (ad headline: "We Remove Hornet Nests"). This keyword-focused approach results in a more relevant ad, and typically a higher CTR. Relevancy and CTR result in a higher Quality Score. If the advertiser sends the searcher to a compelling landing page with an easy path to conversion, he can seal the deal: "Bald-faced hornets are more aggressive than yellowjackets and it is not considered safe to approach the nest for observation. Let us remove the nest for you! Book an appointment online or call us at (800) 123-4567!"

Keyword Match Types

Keywords are categorized into two groups: keywords that trigger ads and keywords that prevent ads from showing. New advertisers often neglect the latter, called *negative* keywords. Negatives are a critical component of a successful AdWords account. In some cases, the number of negative keywords exceeds the number of positive keywords in a particular ad group. A thoughtful approach to building a keyword list helps ads show in higher positions, at lower prices, to the most likely prospects. It also prevents ads from displaying on irrelevant searches.

There are different levels of targeting control for both positive and negative keywords. Many new advertisers are unfamiliar with these options, called match types. Match types control how closely the keyword must match the search query. By default, keywords are broad match, giving AdWords maximum flexibility to display ads on related queries. Unfortunately for advertisers, broad match keywords can result in ads being displayed on irrelevant search queries.

For example, the keyword custom framing might be used to advertise a business that frames photos and art. But if someone needs a carpenter to frame a new home and searches for custom home framing, he might see the picture framer's ad.

Best case, this scenario results in an ad impression without a click. The impression did not cost money, but it did negatively impact clickthrough rate, decreasing Quality Score over time.

Worst-case scenario, the searcher inadvertently clicks on the ad, only to realize the business does not offer the type of framing he needs. A click on the Back button and he's gone, costing the advertiser a click without a conversion. This situation can often be avoided by using keyword match types. Let's review the options.

Broad Match

Broad match is the default match type for keywords. When a word or phrase is added without any special designation, AdWords treats it is as broad. With broad match, AdWords can display ads if the searcher's query matches the keyword exactly, on variations like singular and plural, stemmings, misspellings, as well as related words. These related words are identified by Google's "expanded match technology."

In a nutshell, search queries do not need to match keywords, as long as they are related. Word order does not matter with broad match keywords, and additional words can be included in the search query.

The broad match keyword custom made shoes, for example, can trigger ads on search queries like these:

- custom made shoes
- shoes custom-made

- remove shoes for customs?
- origami horseshoe crab pattern

Broad match has pros and cons. On the upside, it helps advertisers show ads on many related queries with minimal effort. One broad match keyword, custom made shoes, can match to a wide range of relevant search queries, like handmade boots, bespoke pumps, pairs of shoes made custom. The same pro is a con if ads are shown on queries like decorative horseshoes, personalized shoelaces, or custom made orthotics. These queries may seem related based on expanded match technology, but they may not be relevant to the advertised business.

To prevent ads from showing on irrelevant queries, advertisers must develop corresponding lists of negative keywords to operate as filters. Read on to learn about negative keywords.

Broad Match Modifier

Broad match modifier allows advertisers to restrict Google's expanded match capabilities. To use it, select some or all of the words in the keyword you'd like to restrict. Add a plus symbol (+) before each selected word, without a space between. Tagged words must match part of the searcher's query or be a close variant.

For the example keyword +University of +Massachusetts +jobs, acceptable variants include the following:

```
Obvious misspellings
    University of Massachussetts jobs
Singulars and plurals
    University of Massachusetts job
Abbreviations
    University of Mass jobs
Acronyms
    UMass jobs
Stemmings
    e.g., universities, interuniversity, nonuniversity
```

The modifier does not allow expanded match to substitute words like careers for jobs, or college for university. Broad match modifier has pros and cons similar to those of standard broad match keywords. Words that are not marked with a plus symbol (+) are treated as standard broad match keywords. Additional words can still be included with the search query, and word order does not matter (so Steve Jobs UMass speech can trigger an ad).

Phrase Match

Phrase match can be applied to a single-word or multiple-word keyword by enclosing it in quotes ("keyword"). With phrase match, the keyword must appear in the search query, character-for-character, in the same order. The search query can include additional words before and after the keyword. A keyword cannot be partial phrase match it's all or nothing. In other words, this keyword is valid: "dupioni silk curtain". This keyword is invalid: "dupioni silk" curtain.

If the phrase match keyword was the single word silk, ads could appear on these queries:

- silk
- silk curtains
- charmeuse silk wholesale

Ads *could not* appear on these searches, because the phrase match keyword is altered:

- silks
- silkworm
- cornsilk

If the phrase match keyword included multiple words, for example, "silk curtain", ads could appear on these search queries:

- silk curtain
- silk curtain panels
- want to buy silk curtain
- buy silk curtain for stage

Ads could not be triggered on these searches, because the phrase match keyword is altered:

- silk curtains
- curtain silk
- silk kitchen curtain

Phrase match has pros and cons. From the pro perspective, it gives advertisers much more control in determining which search queries can trigger ads. On the con side, the restrictive nature of the match type eliminates potentially profitable impressions if misspelling and variations are not explicitly included. Since phrase match allows additional words in the search query, it should be used in conjunction with negative keywords, to prevent ad impressions on irrelevant queries.

Exact Match

Exact match is the most restrictive match type option. It can be applied to a single word or a phrase by enclosing it in square brackets ([keyword]). To trigger an ad, the search query must match the keyword exactly, character-for-character, with no additional characters or words.

If the exact match keyword is [broadway plays], ads can trigger only on the search query: broadway plays.

Ads *cannot* trigger on any other query, no matter how close:

- broadway play
- plays on broadway
- braodway plays

A keyword cannot be a partial exact match—it's all or nothing. This keyword is valid: [broadway plays]. This keyword is invalid: [broadway] plays.

From the pro perspective, exact match gives advertisers absolute control over which queries can trigger ads. Negative keywords are unnecessary, because queries must match exactly. And you'll likely receive high marks for relevancy, since the search query and keywords are identical. On the con side, the restrictive nature of the match type eliminates potentially profitable ad impressions if you do not include all misspellings and variations.

Negative Keywords

Negative keywords operate as filters, preventing ads from triggering on search queries that contain them. A negative keyword is a single word or a phrase, prefaced by a single minus symbol (-keyword). Like positive keywords, negatives have different match type options. Let's start with the default, simply called "negative keywords."

If the negative keyword is a single word, for example, -rent, ads cannot trigger on this search query: cabin for rent.

Unlike with positive broad match keywords, there is no expanded match technology applied for negatives. To prevent your ads from showing on irrelevant queries, all variations of a negative keyword must be included:

- -rents
- -rental
- -rentals
- -renter
- -renting
- -renters

If the negative keyword includes more than one word, the filter only works if all words appear in the search query. The words can appear in any order, but they must match character-for-character. For example, the negative keyword -black pearl prevents ads from triggering on these queries:

- black pearl replica
- black tahitian pearl
- pearl black touch-up paint

It does *not* prevent ads from triggering on these example queries:

- black ship replica
- black tahitian pearls
- pearly black paint

Negative Phrase-Matched Keywords

Negative phrase-matched keywords combine the minus symbol and quotes: (-"phrase in here"). These keywords prevent ads from appearing when multiple words appear in a specific order in a searcher's query. For example, the negative phrase-matched keyword -"black pearl" does prevent ads from triggering on these queries:

- necklace black pearl
- black pearl model ship

It does *not* prevent ads from triggering on these example queries:

- black model ship
- black tahitian pearls
- pearl jewelry

Negative Exact-Matched Keywords

Negative exact-matched keywords combine the minus symbol and square brackets: (-[word or phrase in here]). These keywords prevent ads from appearing when a search query matches the negative keyword exactly. The search query cannot include any additional characters or words, the words must be in the same order, and the characters must match exactly. So, the negative exact-matched keyword -[black pearl] prevents ads from showing only on the search query black pearl. It does not work for pearl black, black pearl necklace, or any other variation.

This particular match type is useful for virtually every advertiser because some keywords are too generic (or have too many different meanings) to be profitable. Excluding them as standard or phrase-matched negative keywords could prevent ads from

appearing on relevant search queries, but a negative exact-matched keyword fits the bill. Here are a few examples:

- A jeweler sells Tahitian pearl jewelry. He discovers that most searches for black pearl do not convert (perhaps searchers are looking for Captain Jack Sparrow's ship). This AdWords account might benefit from the exact-matched negative keyword - [black pearl].
- A bridal boutique notices a spike in AdWords traffic without corresponding conversions. The advertiser excludes - [Bridesmaids], because searches for the popular movie may be resulting in irrelevant impressions and ad clicks.
- A wholesale distributor of fine silk excludes the keyword -[silk]; the keyword has too many other meanings (soy milk, restaurants, salons, R&B group, etc.) to assume the searcher is a likely prospect. Some prospects may be lost, but the overall cost savings outweighs the lost impressions.

Which Match Types Are Best?

There is no specific formula for using keyword match types; to some extent it depends on the preference of the advertiser. Some ad groups include a single broad match keyword, with many, perhaps hundreds, of negative keywords. Other ad groups include only exact match keywords, in many iterations.

Although Google officially discourages this approach, many advertisers include the same keyword in all three match types within the same ad group. In this scenario, queries that match the keyword are credited to the exact match version; queries that include additional words are credited to the phrase match version, and broad match is the catch-all.

You can use this technique to assign higher bids to more specific match types (based on the assumption these queries are more likely to convert). The disadvantage of this approach is that managing the account can become unwieldy with so many keywords to deal with. Your account is not penalized for including all three match types, and keywords in the same ad group do not compete against each other.

Keyword Rules and Editorial Guidelines

There are several rules to keep in mind when creating keyword lists. This section provides tips that apply to all keywords.

A keyword is a keyword, not an AdWord.

AdWords is the brand name of Google's advertising platform.

A keyword is a single word or a phrase.

Keywords are limited to 80 characters and cannot contain more than 10 words.

Keywords are not case-sensitive.

The keyword JELLYCAT BASHFUL BUNNY is the same as jellycat bashful bunny and Jellycat Bashful Bunny.

Most symbols are not allowed in keywords.

The following characters result in an error if included when adding a keyword: ! 0% * () = {}; ~ ` <> ? \ |. Ampersands (&) are allowed in keywords.

Periods, commas, and hyphens are treated as spaces.

For example, if the keyword is www.example.com, AdWords treats it as three separate words: www example com. One exception to this rule is apostrophes that indicate possession.

Diacritics (accent marks) are treated as unique characters.

For example, the keyword resume is not the same as resumé. Include all variations in your keyword list.

Advertisers are responsible for selected keywords, and in most countries AdWords does not restrict the choice of keywords.

In effect, you can include competitors' trademarked terms in a keyword list. The rules vary by country; in most regions Google does not disable an account or keyword if a trademarked term is used as a keyword. As of the writing of this book, AdWords allows U.S. advertisers to include trademarked terms as keywords. Ad text is another story—in most cases, advertisers are not allowed to use competitors' terms in ads. This should not be construed as legal advice, so please chat with an attorney if you have any questions.

How to Manage Keywords

To manage keywords in your AdWords account, start on the Campaigns tab. Then, select the campaign and ad group from the tree view. Click on the Keywords roll-up tab from the middle pane. There are two places to manage keywords in this view. At the top you'll manage keywords that trigger ads. At the bottom, under the link labeled Negative Keywords, you'll manage negative keywords, which prevent ads from displaying.

To add keywords to an empty ad group, click the button labeled "+Add keywords" (shown in Figure 6-1); to add additional keywords to an ad group, click the "+Add keywords" button (shown in Figure 6-2).

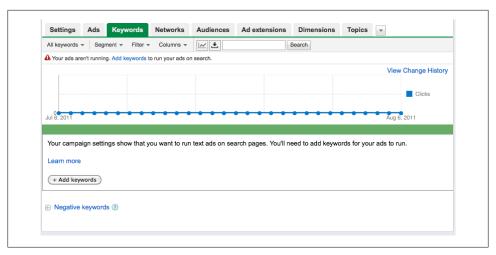


Figure 6-1. Add keywords to an empty ad group

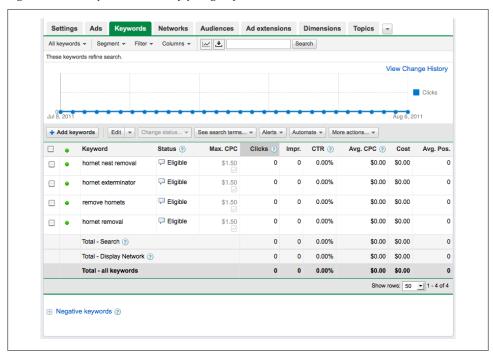


Figure 6-2. Add additional keywords to an ad group

AdWords may display additional keyword ideas, shown in the box in Figure 6-3. You can manually type or paste new keywords or click to add keyword suggestions from the right column.

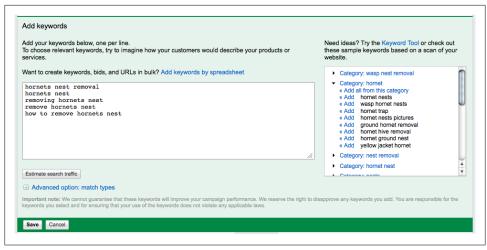


Figure 6-3. Type or copy and paste keywords into the box; additional suggestions may appear in the right column.

There are two ways to edit existing keywords, via inline editing and via Google Spreadsheets. To use inline editing, click on the keyword, make changes directly in the row, and save. Before edits are made, AdWords displays the rather menacing warning box shown in Figure 6-4.

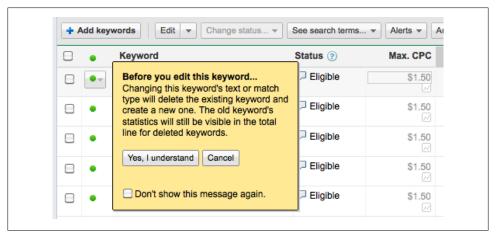


Figure 6-4. A dire warning

The warning means that if keyword text or match type are edited, AdWords treats the keyword as new. Visible statistics for the keyword are reset to zero. This does not mean that AdWords erases the history of the keyword's performance in the account. If you want to keep the visible statistics, pause the keyword and create a new keyword with

the desired changes. Edit a single keyword by clicking on it. You can edit multiple keywords inline by selecting the checkboxes and clicking Edit → "Edit in table." See Figure 6-5.

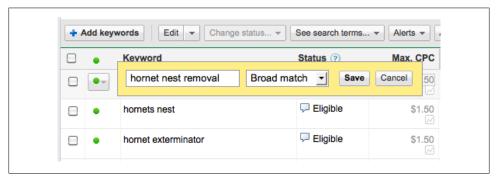


Figure 6-5. Editing a keyword inline

Editing with Google Spreadsheets

The second option is editing with Google Spreadsheets (shown in Figure 6-6). Spreadsheets offer an additional handy feature: the ability to set destination URLs at the keyword level. Keyword-level URLs override the matched ad's destination URL. The feature is useful if a particular keyword has a more relevant landing page than the default matched ad. Rather than create a new ad group, advertisers can use keyword-level destination URLs to send searchers to the best landing page.

For example, an ad group for the removal of stinging insects includes keywords like yellowjackets, wasps, and hornets. The destination URL specified in the ad text sends searchers to a page about the removal of all stinging insects.

If there is a better destination URL for a particular keyword, set it here rather than create another ad group.

Se	ttings Ads Ke	eywords Netw	vorks Audiences	Ad extensions D	imensions Topic	s 🔻		
Sı	readsheet edit							
	•							
US	Use Google Spreadsheets to add, edit, delete, or pause your keywords. You can also set or edit unique keyword bids and Destination URLs. Learn more							
	👼 🗠 🥱 🛅 🛅 🏲 🗸 🍳							
	Α	В	С	D	E	F	G	
1	Keyword	Status	Max. CPC	Destination URL	First Page CPC	Clicks	Impressions	CTR
2	hornet nest							
	removal	enabled	\$1.50		\$1	0	0	
3	wasp nest removal	enabled	\$1.50		\$1	0	0	
4	yellowjacket nest			http://www.example.				
	removal	enabled	\$1.50	/yellowjackets	\$1.25	0	0	
5								
6								
7								
-								

Figure 6-6. Edit keywords with Google Spreadsheets

Keyword Status

Keywords have three status options: Enabled, Paused, or Deleted. To toggle between enabled or paused, click on the green dot shown in Figure 6-7 (enabled) or gray paused icon (paused).

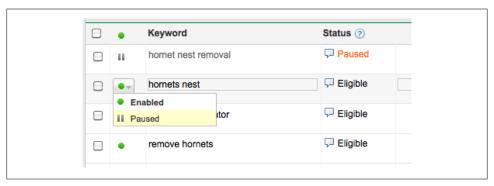


Figure 6-7. Pause or enable keywords

To delete a keyword, you must select the corresponding checkbox, click on the Change status button, and select Deleted (see Figure 6-8).

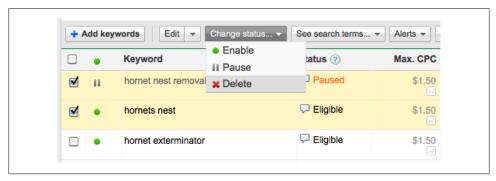


Figure 6-8. Delete keywords

Managing Negative Keywords

Negative keywords are managed separately, in a section at the bottom of the page. Note that there are two types of negative keywords: ad group level and campaign level. Ad group-level keywords apply to the corresponding ad group; campaign-level keywords apply to all ad groups within the campaign.

To add negative keywords, click on the "+Add" button and type or paste words in. To edit a negative keyword, click on it for inline editing. To edit multiple negative keywords, select their checkboxes and click Edit or Delete.

The same options are available for campaign-level negative keywords, plus an additional feature called keyword lists. A keyword list is a campaign-level exclusion list created and managed from the "Control panel and library" section of the account, found under the tree view (see Figure 6-9).

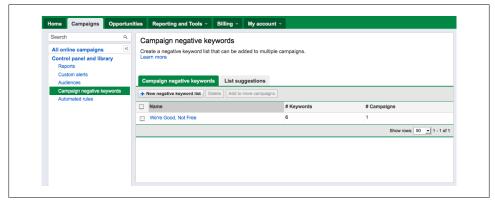


Figure 6-9. Negative keyword lists are created and managed from the Control panel and library

You can save negative keyword lists and use them for multiple campaigns. This makes account management more efficient, because updates happen at the list level, not for each individual campaign or ad group (Figure 6-10).

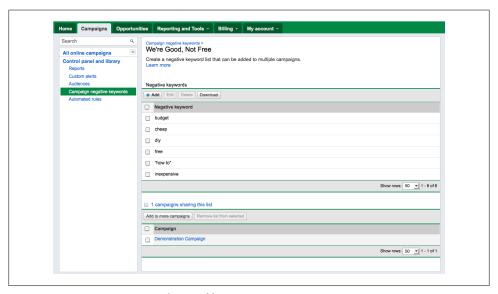


Figure 6-10. Managing negative keyword lists

How to Use the "See Search Terms" Report

One of the handiest features in an AdWords account, labeled "See Search Terms," is found under the Keywords roll-up tab. It's useful because it identifies the search query—the actual words typed into Google by the searcher—that resulted in a click on an ad. Unfortunately, the report does not identify search queries that result in impressions without clicks, but it's still a great place to start optimizing a keyword list.

Use this report to find out if the search queries make sense. Let's say you sell high-end event supplies, using keywords like:

- dome tent
- canopies
- banquet tables

With broad match keywords, similar search queries can trigger ads. But what if a similar word or phrase, or the nuance of a word or phrase, is irrelevant to your business? In most cases, clicks on irrelevant search queries result in a wasted click. In this example, the report tells you that you paid for clicks when ads where shown on these queries:

- coleman 4-person dome tent
- tree canopy zipline tour
- rent banquet tables

If you do not sell camping tents, operate zipline tours, or rent equipment, these clicks most likely did not result in a sale. When you run the report, ask yourself, did each search query make sense for the business? If yes, add the query to the keyword list (if it's not there already). For irrelevant queries add to the negative keyword list.

Be sure to review the conversions column—it's possible that a seemingly irrelevant keyword is generating conversions, too. The interface—albeit clunky—allows you to do just this. You can see search queries for an individual keyword, a set of keywords, or all keywords. Let's review an example report, shown in Figure 6-11.

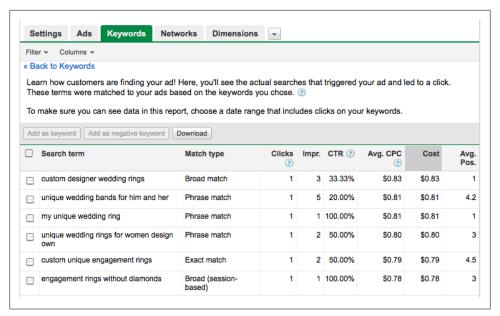


Figure 6-11. The "See search terms" search query report

The first column, labeled "Search term," shows the search query that triggered an ad. The second column, labeled "Match type," reports how closely the search query matched a keyword. This is *not* the same as the match type of the keyword that triggered the ad. If the value is "Broad match," it means that query does not appear in the keyword list, but AdWords triggered the ad because it's a related term. If the match type is "Phrase match," it means the search query matches part of a keyword, "Exact match" means the search query matches the keyword exactly (even if the keyword is broad or phrase match). The last value, "Broad (session based)," means the search query is a variation of a keyword, and ads were triggered based on previous searches by the same person during that session. Table 6-1 shows a few examples.

Table 6-1. Understanding the search query report's "Match type" column

Search Query	Corresponding Keyword	Match Type in Report	Why?
custom designer wedding rings	unique custom made rings	Broad	The search query is a variation of the keyword. It applies to broad match keywords only.
unique rings for couples	unique rings	Phrase	The search query contains the keyword. It does not matter if the keyword is broad or phrase match.
custom unique engagement rings	custom unique engagement rings	Exact	The search query matches the keyword. It does not matter if the keyword is broad, phrase, or exact match.
engagement rings without diamonds	unique engagement rings	Broad (session- based)	Various search queries from the searcher's session are related to a keyword in the ad group.

Now, its time to review the actual queries. Row-by-row, examine the search query and ask, Does this makes sense? Was it relevant? If you have conversion tracking set up for the account, you can review conversion statistics per keyword. Add relevant keywords by checking the corresponding boxes and clicking the button labeled "Add as keyword." Now, do the opposite. Check the boxes associated with irrelevant keywords and click the button labeled "Add as negative keyword," shown in Figure 6-12.

The next step is to save the word or phrase as a negative keyword. You can apply it to an ad group or a campaign. Note that AdWords puts the entire search query in as an exact negative match by default. I often edit the search query so the filter is less restrictive. For example, if you decide to create a negative keyword from the search query unique wedding bands columbus ohio, the system default is to put this entire phrase in as an exact match. This filters a single query: those exact words, in that order. It does not filter a search for columbus ohio unique wedding bands. If the irrelevant words are "Columbus" and "Ohio," edit the keyword to make the filter more effective, adding negative ohio and columbus. You may need to add/edit several times to get all the combinations you want. Remember, ohio is not the same keyword as oh, and columbus is not the same as colombus.

If you save the entire search query as-is, it will be labeled "Excluded" in red (see Figure 6-13). If you edit the search query before saving it as a negative, it omits the red flag, but it's still saved.



Another small annoyance: after saving, the checkboxes beside the rows do not deselect. Remember to deselect before working on additional rows.

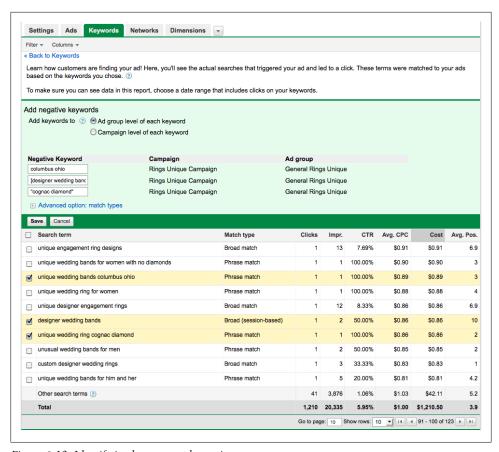


Figure 6-12. Identify irrelevant search queries

If you see search queries labeled broad, phrase, or broad session-based, they do not appear exactly as keywords in your account. You can use this report to add them to the account (which should increase the Quality Score for future matching queries). Again, select the appropriate queries, and then click the button labeled "Add as keyword." The entire search query appears, with a default broad match type. Edit the search query or change match types as desired, then click Save. If the search query exceeds 10 words or 80 characters, it must be shortened before being saved; otherwise, it displays an error that prevents saving any checked rows.

If you've never reviewed this report on an active account, there may be hundreds or thousands of rows to review. Work on this project in manageable chunks, perhaps 100 rows at a time, until you've gone back to the beginning of the account history. Then, run the report on a regular basis to see recent activity and make updates to the keyword list (see Figure 6-14).

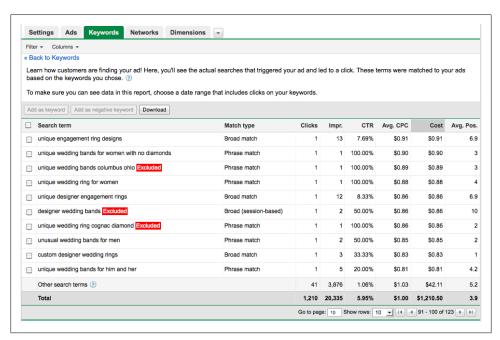


Figure 6-13. Red labels indicate the search queries are saved as negative keywords

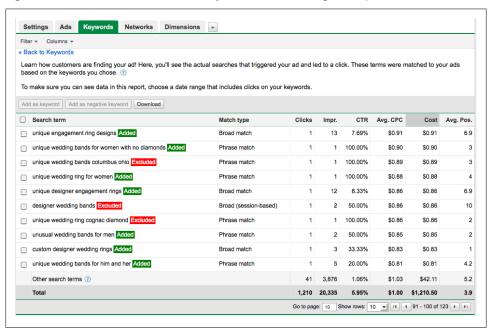


Figure 6-14. A search query report with keywords added and excluded

How to Use the Keyword Tool

One of the most popular keyword research tools in the search marketing industry is free and built into every AdWords account: the Keyword Tool. You can access this feature from the Reporting and Tools tab in the top navigation. The keyword tool is useful for identifying keywords to include and exclude from the account.

Start by entering a word, phrase, or website with relevant keywords, and then click Search. The report displays up to 800 related keywords to consider. You can refine results in several ways. To restrict results to ideas that include the original search terms, check the box labeled "Only show ideas closely related to my search terms." You can add filters, displaying ideas for specific countries and languages, adult ideas, devices, and categories like search volume, competition, and approximate CPC.

The report shows ideas by row, with associated information. Competition does not show the raw number of advertisers competing on the keyword, but give you an idea of how competitive the keyword is in comparison to its search volume. Local Monthly Search Volume shows the average number of search queries in the last year, based on specified location.

Review the list for keywords to add. You can select multiple rows, but all selections must be saved into a single ad group. Work in stages, selecting themed keywords and saving them in batches to the appropriate ad groups. Alternatively, create a draft ad group with a paused status. Then, save all keywords into this draft group for future organization. Another option: select rows, and then download the report. Open in Excel or Numbers and add to ad groups later.

In this example, the seed keyword ring shows 376 ideas. If you're working on a jeweler's account, you can find relevant keywords like engagement ring. You can also identify irrelevant keywords, like free ring tones and ring worm. Many advertisers neglect negative keyword lists; this tool is handy for eliminating lines of search behavior you may not have considered.

To add negatives, hover your mouse to the right side of the keyword idea; an downwardfacing arrow icon appears (Figure 6-15). Clicking on that icon displays a list of various negative keyword options. Pick the appropriate version and the keyword idea changes to the selection. Then, select the row and add to an ad group or download.

Using Google Insights for Search

Google offers a free, external tool designed for advertisers and researchers called Insights for Search, shown in Figure 6-16. Insights compares search volume patterns across specific regions, categories, time frames, and Google properties (Products, Images, News, and Web). The tool shares the same data as Google Trends, but the interface facilitates research beneficial to AdWords advertisers.

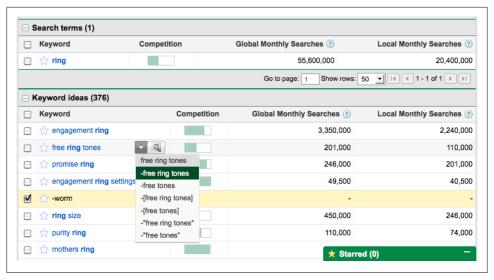


Figure 6-15. Use the Keyword Tool to identify negative keywords.

For example, advertisers can use this tool to research the popularity and seasonal fluctuations of particular search queries they'd like to use as keywords. A comparison of the terms "south beach diet," "weight watchers," and "atkins diet" reveals an unsurprising surge in related searches every January. The tool also reveals smaller, yet regular spikes in search volume every April or May and September. Advertisers can use this information to make sure campaigns have appropriate conversion incentives and budgets during peak search times.

Insights displays activity back to 2004 as well as a forecast of future traffic. You can view data for different countries, subregions, and metros, and in 40+ languages. You can compare the popularity of a search term with others, and see a list of "rising searches," searches with significant growth during the viewed time period.

Insights may also display a Breakout section to highlight queries with 500 percent growth or higher. Insights does not provide raw search volume numbers, but instead a graph representing popularity on a scale from 0–100.

Another neat feature: enabling "News headlines" shows headlines from the selected time period, as shown in Figure 6-17. This can provide insight into the fluctuations shown in the report. Click on the letter labels to see the corresponding news stories in the right column.

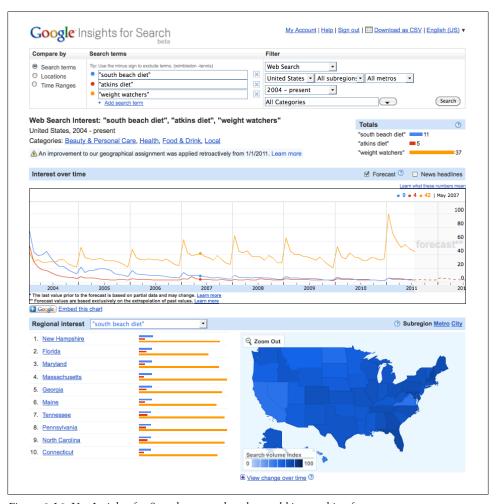


Figure 6-16. Use Insights for Search to see what the world is searching for.



Figure 6-17. Use Insights to see news headlines during traffic fluctuations.

Writing Ads

Ad Text Requirements

For many AdWords advertisers, writing ads is their least favorite account management activity. Yet ad text is critically important. The searcher is looking for an answer to a question, a solution to a problem, a way to fulfill a need or desire. If you've got what the searcher needs, the ad text is your opportunity to convince him to visit your website.

It's difficult to present a compelling case for your product or service within the meager 130 character limit (95 if you don't count the Display URL). You're not only competing against other AdWords advertisers, you're competing against the organic results, and sometimes against local business (Google Places) results. On a crowded search results page with many options, your ad needs to set you apart and convince the searcher that your website has what he's searching for.

This chapter reviews technical and editorial specifications, and then provides tips for writing and testing ad variations.

AdWords text ads include four distinct lines. The first line is the headline or title of the ad. It allows up to 25 characters, including spaces. The next two lines, called Description Line 1 and Description Line 2, allow up to 35 characters each, including spaces. The fourth line, called the Display URL, allows up to 35 characters. There is one additional field to complete, the Destination URL. This specifies where a click on the ad "lands" on the website; sometimes this page is called the landing page.

Ad text specifications

Headline 25 characters maximum, including spaces
 Description Line 1 35 characters maximum, including spaces
 Description Line 2 35 characters maximum, including spaces

Display URL 35 characters maximum

Destination URL 1,024 characters maximum

An ad looks like this:

```
This is the Headline
This is Description Line One.
This is Description Line Two.
www.this-is-the-display-url.com
```

And sometimes like this:

```
This is the Headline
www.this-is-the-display-url.com
This is Description Line One.
This is Description Line Two.
```

Ads that appear in the yellow box above the organic search results, called top ads or top-ranked ads, can have a slightly different presentation. Instead of four distinct lines, Description Line 1 may appear with the headline, separated by a hyphen. AdWords does this if each line appears to be a distinct sentence and ends in proper punctuation. In other cases, the display URL appears with the headline. As a result, some top placement ads have longer headlines.

Top ad variations can look like this:

```
This is the Headline - This is Description Line One.
www. this-is-the-display-url.com
This is Description Line Two.
```

Or like this:

```
This is the Headline - www. this-is-the-display-url.com
This is Description Line One.
This is Description Line Two.
```

Let's review some ad formatting and style rules.

- You cannot skip lines. All five lines of your ad text must have a value.
- Ad must be written with *proper spacing*. Your ad may not be approved if you omit spaces or add extra spaces or characters between words. These examples violate Google's guidelines:

```
CallUsToday!
Call Us Today!
Call--Us--Today!
```

- Punctuation and symbols must be used properly in a sentence in the ads, not as a way to attract attention or replace words. AdWords does not allow repeated punctuation, and it limits exclamation points to one per ad (and only in the description lines, not in the headline or Display URL). "Texting" language is not allowed, so "2 Hot 4 U" won't fly.
- AdWords does not allow ad text with unnecessary repetition. "Sale Sale Sale" doesn't pass.

• Ads must use proper capitalization. You cannot write an ad with all uppercase letters (although all lowercase may pass). You are allowed to capitalize the first letter of each word, if you wish. These examples pass Google's guidelines:

```
30% Off All Summer Clothes!
30% off all summer clothes!
```

These examples violate Google's guidelines:

```
30% OFF ALL SUMMER CLOTHES!
30% off ALL summer clothes!
```

The Display URL is subject to additional rules. First of all, AdWords does not display http:// or https:// in ad text, so these characters do not count toward the 35 character limit. The www. is optional; if you choose to include it, the four characters do count toward the character limit. If the Display URL is longer than 35 characters, it's truncated. For example, if the Display URL is www.mypetrabbitsarenamedbootsandratatouille.com, it is displayed as www.mypetrabbitsarenamedboots...com.

The Display URL must be a website and the Destination URL must be an HTML page. It doesn't matter what the file extension is (.htm, .html, .asp, .php, .jsp; any will do). You cannot display or link to an email address or a non-HTML file (PDF, MS Word, JPG, etc.).

The domain of the Display URL must match the domain of the landing page URL. You are permitted to use a redirect, like a URL shortener, as long as the final destination domain matches the displayed domain. In other words, if you advertise a website, you must send visitors there, not to a different site. This applies to subdomains as well; you cannot advertise flowers.example.com and send visitors to www.example.com. However, you can use the Display URL example.com and send visitors to flowers.example.com. Some advertisers circumvent this rule by using redirects; even if the ad is approved initially, it may be disapproved eventually.

While the domain must be accurate, anything that follows does not! In other words, you can add words or phrases after the Display URL's domain name. This can improve the relevancy of your ad, even if the additional words don't represent actual web pages or directories. You might add keywords, or the location, or a phone number to help the ad stand out or be more relevant to the search query.

For example, if you were advertising for a pet supply store in Buffalo, New York, your Display URLs could look like this:

```
www.example.com/Buffalo-NY
example.com/800-123-4567
example.com/Pet-Supply-Store
example.com/We-Carry-Orijen
```

The Destination URL does not need to match the displayed URLs. Select any page within the displayed website; the URL character limit is 1,024 characters. One caveat: if a searcher decides, for whatever reason, to copy and paste or manually type the Display URL, and it's not a real page, this may result in a "Page Not Found" or 404 page. So, if a searcher sees this ad:

Premium Dog Food Buffalo's Premier Pet Supply Store Open 7 Days, Come In and See Us! example.com/Pet-Supply-Store

And if he manually types in the Display URL, example.com/Pet-Supply-Store, he sees a page like Figure 7-1.



Figure 7-1. Google.com's 404 or page not found error page

Yuck.

Your options are: create a friendly 404 page with navigation and a search box to help visitors find what they are looking for; automatically redirect 404s to a real page, like the homepage; or (best scenario) set up redirects so displayed URLs redirect to the corresponding destination URLs.

One final note about Display URLs: AdWords automatically displays the root domain (everything from the www. to the domain extension) in lowercase when ads are displayed on Google. Even if the ad is written with caps, Example.com, searchers see example.com. However, if you include additional words or characters after the root domain, AdWords does allow capitalization. Here are a few examples of ways Display URLs may appear on Google search results pages:

www.example.com example.com example.com/More-Words example.com/more-words example.com/MoreWords

This rule does not apply to ads shown on the Search Partners or the Google Display Network; there, your Display URL capitalization is typically preserved in the visible ad.

Advertising in Asia? You're probably using double-byte characters

If you are advertising in a language such as Chinese, Korean, Japanese, or other East Asian languages, you're probably using double-byte characters. Double-byte characters use almost twice the amount of display space as single-byte characters, so the limits are different. The headline has a 12-character maximum; the description lines and display URL have a 17-character limit. For ASCII symbols, like punctuation marks, and alphanumeric characters (the numbers 0–9 and letters A–Z), use single-byte characters. If your AdWords interface is set to display in a single-byte language, like English, the displayed character limits are incorrect. You need to manually count characters to comply with the double-byte limit.

AdWords Ad Policies

Along with technical requirements, ads are subject to an extensive list of editorial guidelines. Most are common sense, but it's a good idea to review the policies before running ads. It's best not to get on "the list" of accounts with frequent ad policy violations. If an ad violates a policy, it's labeled "disapproved" and cannot be displayed. Once you correct the issue and resubmit the ad, it is eligible to participate. However, if Google determines that a violation is an extreme policy breach, or if your ads are repeatedly disapproved, Google can suspend your account or ban you from AdWords!

Occasionally you see an ad that violates one or more editorial policies. The ad probably slipped through the automated quality control. AdWords uses a human team to manually review ads, and eventually the ads may be disapproved. Let's review guidelines that impact most advertisers.



You can see the most up-to-date rules in the AdWords help center, in the AdWords Policy Center.

Rules About Ad Content

Don't mislead people

AdWords requires ad text to accurately represent the content on the landing page. If a searcher looking for "wooden children's toys" clicks on an ad for "Handmade Wood Toys, "the landing page should present the expected products. If the landing

page promotes something different, say, an ebook about parenting skills, the ad may be disapproved. The policy requires that ads and landing pages display real, accurate information about the advertiser.

Be polite

Don't swear or self-censor (F*ck, *sshole, sh*t) in ad text.

Support competitive claims

Don't say you're better than a competitor unless your landing page clearly explains why. This might be a chart comparing products or services or a competitive analysis.

Support superlative claims

Don't say you're the best unless someone else has said so (and this does not include customer testimonials or praise from your mother). If you use a superlative claim in your ad, a credible third party must be cited on your landing page. For example, if your business was voted a "Best of Nashville" winner in the local newspaper's reader poll, your ad can use that verbiage. The landing page must include a reference to the award and preferably a link to the referenced claim.

Avoid generic calls to action

AdWords does not allow calls to action that could apply to any ad, regardless of content. For example, generic phrases like "click here," "visit the website," and "select this ad" don't pass. Examples of acceptable ad verbiage include "buy now," "order today," "learn more," "browse our catalog," and "preview 2012 styles."

You can use phone numbers

You can display a phone number in your ad, with two exceptions: not in the Headline or in a Sitelinks extension.

Some topics are limited or off-limits

AdWords restricts some topics, including abortion, sexual services, alcohol, casinos and gambling, drugs and drug paraphernalia, endangered species, counterfeit documents, fireworks, hacking, health care and medicines, illegal products and services, solicitation of funds, tobacco products, trade sanctions and restricted parties, traffic devices, underage and nonconsensual sexual acts, and weapons. There are various nuances to these topics. For example, you cannot advertise hard alcohol, but it is permissible to advertise beer, wine, and champagne. Refer to the Restricted Products and Services section within the AdWords Policy Center to get information about each topic.

Prices, discounts, and offers

The AdWords policy states that if an ad promotes a price, discount, or offer, it must be found within two clicks of the landing page. For free offers, you're not required to explicitly say "free," but it should be obvious to the site visitor. To avoid approval issues, I recommend putting this information on the landing page. This may also improve your conversion rate, since the searcher presumably expects to find that offer after reading your ad. If you use the words "guarantee" or "warranty" in your ad, AdWords requires that you provide the details and any major limitations.

Pleas for popularity

Your ads can't encourage or incentivize searchers to click on the Google +1 button.

Rules About Ad Functionality

Malware (malicious software)

Advertisers cannot promote software that steals, spams, commits fraud, disrupts usage, or the like. Malicious or not, advertisers cannot trick people into installing software.

Deception

Advertisers cannot promote products or services that mislead people for financial gain. AdWords also prohibits deceptive practices like phishing.

Personal information security

Advertisers must use secure servers when collecting personal or financial information. In addition, advertisers must clearly disclose when they do this and request permission from visitors. Sites collecting payment or financial information must disclose prices and billing practices in an easy-to-understand way. Permission must be obtained before processing payments.

Ad spam

Advertisers cannot promote exploitation for financial gain. Examples include artificial ad traffic; pay-to-read, pay-to-surf, and pay-to-click programs; traffic exchange programs; pyramid schemes; and claims of a special relationship with Google.

Arbitrage

Advertisers cannot advertise websites designed to persuade visitors to click on more ads.

Bridge or doorway pages

Advertisers cannot promote *bridge pages* that send visitors to a different site. Bridge pages are sometimes used to comply with AdWords policies; the page sends visitors to a different website with noncompliant content. Affiliate websites with minimal content may also be considered bridge pages.

Mirroring and framing

Advertisers cannot promote websites that use techniques known as mirroring and framing. Mirroring refers to websites with multiple copies across servers or domains. Framing refers to the use of HTML framesets to display the information from one website within another website.

Parked domains

Advertisers cannot promote parked domains or websites under construction. These sites typically present a list of related links and ads unrelated to the search.

How to Create and Edit Ads

Ads are associated with ad groups, and thus tied to the keywords and placements within that ad group. When you create a new campaign or a new ad group, the setup wizard includes a "Create an ad" section, shown in Figure 7-2.

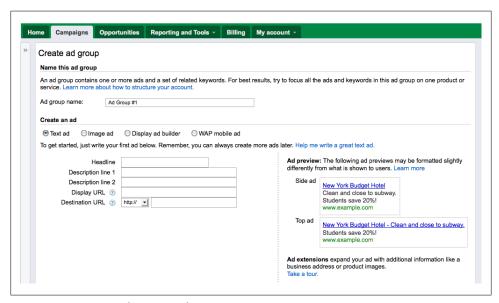


Figure 7-2. Create an ad in a new ad group

To create or edit ads for existing campaigns and ad groups, start by selecting the desired ad group from the tree view. Then, navigate to the Ads roll-up tab. From there, click on the +New Ad button and select "Text ads" from the drop-down menu (shown in Figure 7-3).

Now, edit or rewrite the ad displayed in the edit space (shown in Figure 7-4). You can see a preview of the new ad on the right side. When you're satisfied, click Save.

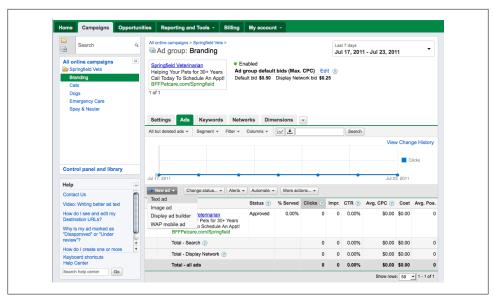


Figure 7-3. Create an ad in an existing ad group

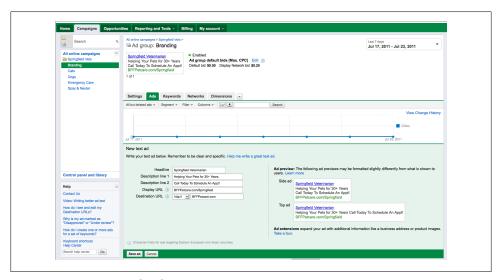


Figure 7-4. Write a new ad and save

You can also edit existing ads. Start by moving your mouse to the top right corner of the ad. Look for the pencil icon (shown in Figure 7-5).

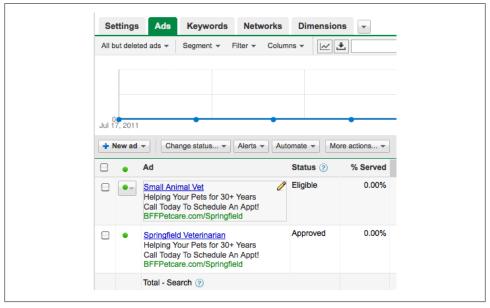


Figure 7-5. Edit an existing ad

When you click on the pencil, the warning box shown in Figure 7-6 appears: "Before you edit this ad... Changing the ad deletes the existing ad and create a new one, which will be submitted for review. The original ad's statistics will still be visible in the total line for deleted ads." You must click the "Yes, I understand" button before proceeding.

Many advertisers stop at this point, worried about losing valuable information. Here's the deal: If you want to keep the original version of the ad and its associated statistics, don't edit. Pause it and create a new ad. If you don't need the original version with its data, edit the existing ad. Either way, historical data is included in the "totals" row. However, the edited ad is considered new, and its statistics reset to zero.

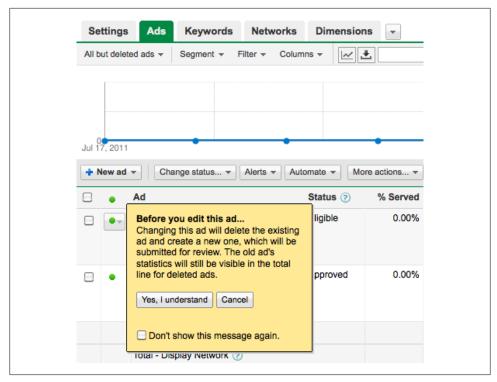


Figure 7-6. Edit an existing ad

How to Write Powerful Ads

Effective ads are clear, simple, and relevant. You have a very small amount of space, 130 characters (including the Display URL), to convince a searcher to click on your ad and learn more. With so many other websites vying for the searcher's attention, how can you help your ad stand out in a crowd?

First of all, stay relevant. The ads you write should closely reflect the theme of the keywords or placements in the ad group. For example, if the ad group is focused on custom-made purses, the ad text should, too. AdWords does not usually work well when generic ads are displayed for specific searches. If you can present the searcher's query (or something close to it) in the text of the ad, you have a greater chance of winning the click.

When you write an ad, consider the two ways you'll sell it: benefits and features. What's the difference? Benefits tug at the searcher's heartstrings, convincing him that the ad provides the solution to a problem, fulfills a need, or delivers happiness (whatever that may be for the searcher). Strong ads often open with benefits, to connect with the searcher and convince him to learn more.

Features describe the "nuts and bolts" aspects of the offer. That might be free shipping, or a money-back guarantee. Use features to help close the decision process for the searcher, to convince him to use your company.

Ideas to try

Call to action

This is perhaps the easiest way to increase clickthrough rate and conversion rate. If you tell the searcher what's supposed to happen after a click on an ad, you'll increase the likelihood that she does it. Ironically enough, AdWords does not allow the verb "click." Even though in most cases all a searcher will do is click on an ad to learn more, the call to action must use another word, like "Buy Chocolate for Mother's Day," "Order Holiday Hams Today," or "Download a 30-Day Trial."

Different capitalization

AdWords does not allow excessive capitalization in ad text, but it does allow ads to be rendered with uppercase and lowercase letters. Compare these ads:

```
Jasmine's Nursery
    We Sell What Organic Gardens Need.
    Plants, Seeds & Supplies - Buy Now!
    example.com
and
    Jasmine's Nursery
    We sell what organic gardens need.
    Plants, seeds & supplies - buy now!
```

Without testing, it's impossible to tell which capitalization style will prove more effective for the advertiser. Each ad group allows multiple versions of ad creative. You can create two variations to test which results in a higher clickthrough rate (and conversion rate, once conversion tracking is set up).

Different Display URLs

example.com

The Display URL is a factor in the AdWords Quality Score calculation. The algorithm tracks whether particular variations are stronger than others. In 2011, Ad-Words changed how Display URLs are shown on Google Search results pages. Prior to the change, ads could show a Display URL like this:

```
ExampleWebsite.com
```

Now all characters in the root domain are displayed as lowercase, no matter how they are written in the AdWords account. So, in the example above, the searcher would see:

```
examplewebsite.com
```

Advertisers do have the ability to append additional text after the display URL. Interestingly enough, this text does not have to represent a real web page or directory, nor does Google lowercase it. If you are advertising for a nursery, the Display URL could be:

example.com/Lavender-Plants

AdWords automatically changes example.com to lowercase, but any subsequent words will follow the capitalization convention you specify.

Different conversion incentives

These include offers, coupons, and discounts. Conversion incentives are a critical way to convince searchers to learn more about your company. It's a good idea to review what competitors are saying in their ads on important keywords. Now think, How can I make my ad different and more compelling? What can I provide that will convince a searcher to pursue my business rather than my competitors?

Contrasting conversion incentives include: convenience versus shipping costs, free returns versus money-back guarantee, 25 percent off versus \$50 coupon.

Experiment with different conversion incentives to see which variations perform best in various markets. You may find that an ad that performs well in one metro may flop in another. You may find that conversion incentives for rural searchers varies from those for searchers in metro areas. The ability to add multiple ad variations to a single ad group enables testing ad variations; many advertisers continually test ad variations, because subtle differences can have a huge impact on ROI.

Try numbers

Number often work well in ad text. Experiment with text like "Top 10 Tips" or "50 Style Ideas."

Try prices

Prices can serve two purposes. If you sell a product at a competitive price, test ad copy with the price included. This technique can work if the searcher is truly costconscious and your prices are lower than competitors. But what about the opposite scenario? If you are selling a high-end product or service, publishing the price may discourage clicks from consumers searching for lower-cost items. In this scenario, you can add negative keywords that operate as budget qualifiers, keywords like cheap, inexpensive, and low-cost.

Advertisers should run ongoing tests as long as they use AdWords. It takes a minute to create a second variation, and the algorithm can help determine which variation is the strongest performer.

How to Use Dynamic Keyword Insertion

Dynamic keyword insertion (DKI), sometimes referred to as "wild card," is an ad text trick that can make an ad seem more relevant to a search query by inserting the keyword into the ad text. So who uses this, and why?

Let's assume you have a website that sells cable and wire. You have tens of thousands of products in various categories, including coaxial cable, computer cable, industrial cable, fire alarm cable, and the like. Each of these categories has subcategories, with products identified by codes. To include the keyword in the ad text, you'd have to create a separate ad group for each product. With the sheer number of products you have to work with, it's impractical to create a separate ad group for each individual product. But DKI makes this manageable.

With dynamic keyword insertion, you place a piece of code in the ad text. This tag can be placed in any or all lines. When someone searches Google for one of the keywords in your ad group, the tag is replaced by the keyword that triggered the ad. The tag looks like this:

```
{Keyword: The Default Text}
```

Let's go over the elements of the tag.

The body of the tag is enclosed by curly brackets: { }

Within the curly brackets, include the word "Keyword." The capitalization of this word determines how the ad renders to the searcher.

keyword

all words appear in lowercase.

The first letter of the first word is capitalized. all others are lowercase.

keyWord

the First Word Is Lowercase. For Additional Words, The First Letter Of Each Word Is Capitalized.

KeyWord

The First Letter Of Each Word Is Capitalized.

KEYWORD

ALL LETTERS ARE CAPITALIZED.

KEYword

THE first word appears in all capitals

KeyWORD

The FIRST WORD STARTS WITH A CAPITAL. ALL ADDITIONAL WORDS APPEAR IN ALL CAPS.

KEYWord

THE First Word Appears In All Caps. For Additional Words, The First Letter Of Each Word Is Capitalized.



A note on match type and dynamic keyword insertion. If the keywords in the ad group are broad match, AdWords can trigger an ad based on related terms, but it displays the bid term, not the search query. So, if your ad group contains the broad match keyword marine wire, and a searcher types in cable television for houseboat, that may trigger the ad, but the ad text will say "Marine Wire" because that's the keyword in the ad group that triggered the ad.

After "Keyword" comes a colon (:). There are no spaces before or after the colon.

After the colon follows the default text. The default text is a backup, in case the keyword that triggered the ad does not fit into the AdWords character limits. For example, if the keyword triggering the ad is "High Voltage Coaxial Cable," it exceeds the 25 character limit for the ad title. In this situation, AdWords shows the ad, but substitutes the default text for the bid term. The default text must adhere to the AdWords character limits; the only word you cannot use is "default."

Let's go back to our cable and wire example. In the AdWords account, you create an ad group promoting high voltage coaxial cable. Within this subcategory, there are 50 different cable products. Rather than create an ad group for each individual product, you use DKI to insert the product code for each type of cable in the headline of the ad.

Some of the keywords in this ad group might look like this:

- R5743-1
- R5234-1
- 2R1032-4
- R1006-1

You want to use dynamic keyword insertion to insert this keyword into the title of the ad. Your tag looks something like this: {KEYWORD:High Voltage Coax Cable}. You use this tag as the title line in your text ad. Dynamic keyword insertion replaces the tag with the bid term.

Written out in the account, your ad looks like:

```
{KEYWORD: High Voltage Coax Cable}
All Types of High Voltage Coaxial
No Minimum Order, Ships Today!
example.com
```

Now, let's assume a searcher's query was R5743-1. If you won a place in the auction, the searcher sees this ad:

```
R5743-1
All Types of High Voltage Coaxial
No Minimum Order, Ships Today!
example.com
```

If the search query was R5234-1, the searcher sees this ad:

R5234-1 All Types of High Voltage Coaxial No Minimum Order, Ships Today! example.com

DKI can apply to all lines, including the destination URL. For the biggest advantage, work with your developer to set up redirects that send searchers directly to the product pages associated with keywords. So, if your destination URL was:

http://www.example.com/products/{KEYWORD:High-Voltage-Coax-Cable}

And it rendered as:

http://www.example.com/products/R5234-1

It should send the searcher directly to the corresponding product page on the website. Next-best scenario: send the searcher to the category page for that set of keywords. But, as with everything in AdWords, the more specific you are, and the easier you make it for the searcher to convert, the more successful the campaign will be.



Be careful when creating keyword lists using DKI. You must be sure that the rendered text reads well and makes sense. Have you ever noticed ads that don't make any sense? The text might say something like "Save on Buy Live Chickens" or "All About Buy Live Chickens." It's a good bet a human did not write that ad; it's probably sloppy DKI work.

A worse scenario: the ad makes sense but it's (accidentally) offensive. If your store sells high-end toys, the ad headline might read "Buy {KEY-WORD: Toys for Babies}". The keyword list presumably includes all the names of the toys. But what if the keyword list included words like babies, infants, kids and, children? Now, the ad says "Buy Babies" or "Buy Infants." Yuck. Use your imagination to come up with the million ways to stick your foot in your proverbial mouth.

Making Ads Stand Out

Ad Extensions

There are up to eleven AdWords ads on a page. Lucky advertisers have few competitors, but for most of us, at least some keywords cause ten competing ads to appear on the search results page. In this situation, the challenge is not only to win a desirable position on the page, but to make the ad noticeable and compelling. Higher position on the page often helps improve clickthrough rate, but relevancy is a huge factor. Even if the ad appears in the last position on that page, it has a chance of winning the click if it's the most relevant result for the searcher.

Optimizing ads begins with proper account organization. If the ad group is focused on a specific theme, the ad text can reflect that theme. But what happens if all your competitors do this well, too? How can you make your ad stand out? An AdWords feature called ad extensions lets you do just that.

Extensions are "add-ons" that make ads appear more relevant or useful for a searcher. They can also occupy a larger area on the search results page. There is no additional cost for using extensions, but if the extension connects a searcher with the advertiser, the advertiser is charged. Advertisers can implement multiple extensions for each campaign, but not all extensions are applicable for every situation. There are four types of extensions: location, sitelinks, products, and call. This chapter explains each option.

Ad extensions are available at the campaign level. I wish they were available at the ad group level; until that happens, you may need to adjust your account organization to associate different extensions with specific ad groups. Ad extensions are created and managed in two places. For new campaigns, ad extensions are set up with the campaign settings, as shown in Figure 8-1.

For existing campaigns, ad extensions are managed from an optional roll-up tab labeled "Ad extensions." If you do not see it, click on the arrow symbol to the right of the roll-up tabs to display the menu of optional tabs, shown in Figure 8-2. Check the box labeled "Ad extensions" and the roll-up tab becomes visible in the account.

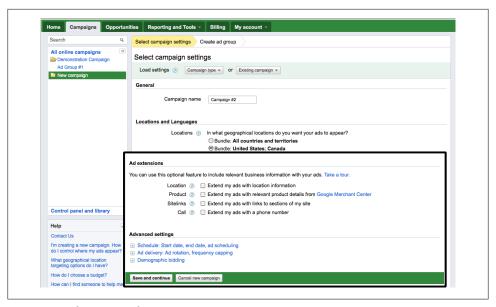


Figure 8-1. Ad extensions for a new campaign

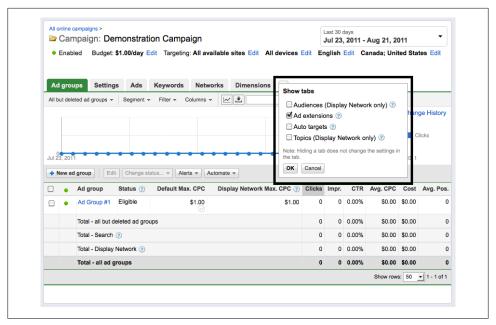


Figure 8-2. Ad extensions for an existing campaign

Within the Ad extensions tab, the navigation is subtle. See Figure 8-3. In the top left corner you see a gray area labeled "View: [Extension Name]." Click on this box to see the menu of extensions and select the option you'd like to manage.



Figure 8-3. Selecting extension categories to manage

Let's review each ad extension in more detail.

Location Extensions

A location extension improves a text ad by displaying the business address beneath, as well as a link to directions from Google Maps. Figure 8-4 shows an example. Occasionally the search results page displays a map below the ad, usually for top-ranked ads. To set up location extensions, advertisers can manually enter an address or connect the AdWords account with a Google Places account.

Location extensions can appear on ads in Google Search and some sites in the Search Partners and Display Network, on both computers and mobile devices. Location extensions are extremely helpful for local businesses with brick and mortar locations. If you operate a web-based business or if customers do not visit your location, you will not use this extension.

```
Chicago Dog Walkers - Voted #1 by Chicago Reader. .
www.chicago-dogwalkers.com
Rescue Discount, Call Us Today.
2215 West Cortland, Chicago - (773) 904-2567 - Directions
```

Figure 8-4. Example ad with location extension

So, how do you set this up? Start by creating a Google Places account, preferably using the same login as AdWords. Google Places is a free business directory. Results are displayed on Google.com and other properties, including Google Maps. Many businesses already appear in the Places directory without any work; the directory was prepopulated with data from other sources. Business owners can create a new listing or claim an existing listing. Once the business listing is claimed, associate the listing with an AdWords account to display business details with ads.

For a new campaign, specify the location extension with the campaign settings. Under the "Ad Extensions" section, check the box that says "Extend my ads with location information." Select "Use addresses from a Google Places account" to connect to your Google Places account. If the Places account login is the same as the AdWords account, you do not need to enter the password; it automatically connects, as shown in Figure 8-5.

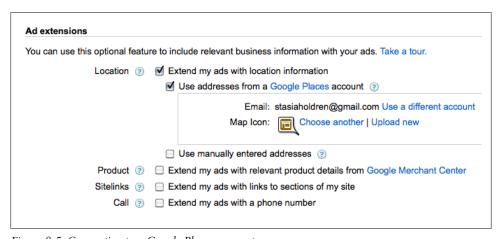


Figure 8-5. Connecting to a Google Places account

If you are associating the AdWords account with a different email address, you need the password, too. Businesses have the option to specify an icon from the AdWords library or upload a custom icon to accompany the listing. Icons should be $16 \times$ 16; .gif, .png, and .jpg formats are accepted.

If you do not have a Google Places account, you can manually enter an address, add an icon, and add a business image (Figure 8-6).

u can use this optional feature	e to include relevant business	information with your ads. Take a tour.
Location ②	✓ Extend my ads with location	n information
	Use addresses from a	Google Places account ②
	✓ Use manually entered a	ddresses ②
	Country or territory	✓ United States
	Company name	
	Phone numbe	(Optional)
	Address line 1	
	Address line 2	2
	City/Towr	1
	State	_
	Zip	
	Map icor	Choose another Upload new
	Business image	Choose another Upload new (Optional)
	If you have enabled click-to-	call, this ad extension works with that feature. Learn more
	Save Cancel	

Figure 8-6. Manually enter a location extension

If a searcher requests directions from the link below an AdWords ad, the advertiser is charged the same price as a click.

If your Google Places account includes multiple locations, AdWords automatically selects the closest location to the searcher's physical location or search intent.

Location Extensions versus AdWords Express (Formerly Known as Boost)

You may notice ads that have a blue pin icon, address, phone number, and directions link below (see Figure 8-7).



Figure 8-7. AdWords Express ad (top ranked)

Many of these ads are not created via location extensions, but with a simplified version of AdWords called AdWords Express. Formerly known as Boost, this advertising option allows businesses with Places Pages to create ads from their Places accounts. There are pros and cons.

On the pro side, AdWords Express offers an easy entry into AdWords. Businesses create or claim a Places Page, select categories, write a single text ad, and set a budget. The minimum budget is \$50 USD per month. If the Google account has an associated Ad-Words account, the advertising cost is charged to the AdWords credit card. If the account does not have an associated AdWords account, a credit card is required. And that's it.

On the con side, AdWords Express does not allow you to set a maximum bid or change any part of the ad group besides the ad creative. You sacrifice control over the campaign for simplicity.

AdWords Express automatically creates ad groups, keywords, and bids. You can review AdWords Express campaigns in your AdWords account, but you cannot edit them there (see Figure 8-8). From the Places account, you can edit ad text, categories, and budget, but all other advertising decisions are handled automatically by the algorithm.

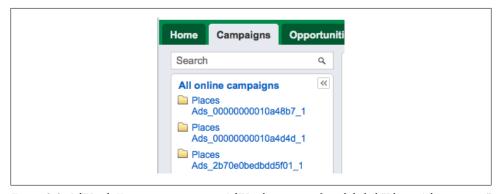


Figure 8-8. AdWords Express campaigns in AdWords user interface, labeled "Places Ads_xxxxxxx"

To create an AdWords Express campaign, log in to your Google Places account and click on the "Set up AdWords Express ad" link (shown in Figure 8-9).

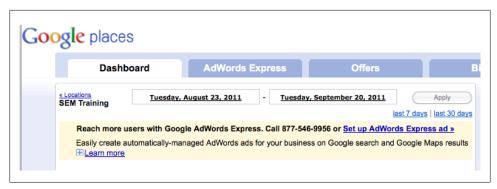


Figure 8-9. Create an AdWords Express ad from the dashboard of a Google Places account.

Now, there are five fields to complete before the ad can run. Start by selecting a category for the business. Next, write the ad title (headline) and two description lines. Next, specify where a click on the ad should take the searcher. You can choose your website or the Google Places page. You cannot pick a specific landing page on your website. See Figure 8-10.

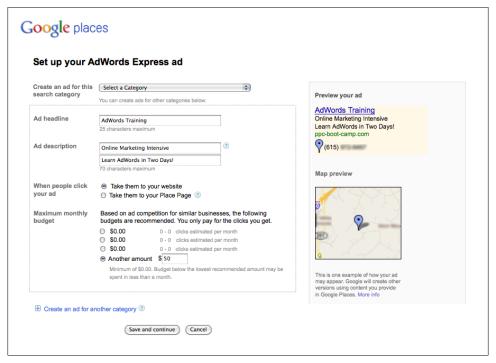


Figure 8-10. Enter five fields of information to create the AdWords Express ad.

Once your campaign is set up, monitor AdWords Express activity from the AdWords Express tab in the Places account. In Figure 8-11, ads stopped running because the advertiser reached the monthly budget limit.

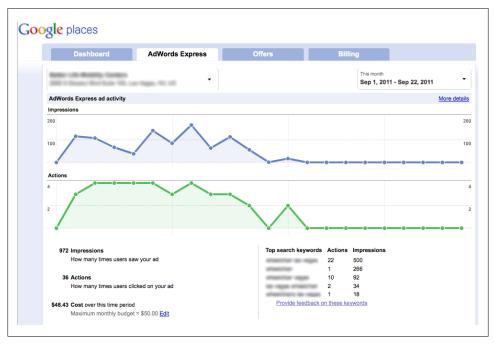


Figure 8-11. AdWords Express report in a Places account



You can use an AdWords Express account to get a jump start on account structure in a standard account. First, create a campaign using AdWords Express (make sure it's associated with a standard AdWords account, too). Then, open the standard account in AdWords Editor. From here, you can see the AdWords Express campaigns. Create duplicate campaigns, copying the AdWords Express campaigns. Now you can edit them as standard campaigns. Then turn off AdWords Express from Google Places to complete the switch.

Product Extensions

Product extensions allow advertisers with ecommerce websites to display product images with AdWords ads. To do this, the advertiser must have a Google Merchant Center account and feed products into it. The Merchant Center account is free; it allows a business to upload products into Google's Shopping database. Connecting AdWords with the Merchant Center is simple if the login emails match; otherwise, you'll need to provide the username and password. Product extensions appear on Google Search only, on all devices.

The extension appears as a set of thumbnail images below the ad text, including the title and price of the product.

Product extensions may be shown in plusbox format, visible when the searcher clicks the plus symbol to view associated products (see Figure 8-12). Advertisers are not charged when the plusbox is expanded, only when a product is clicked on. As with most extensions, the price for a click on a product thumbnail corresponds to a click on the text ad.

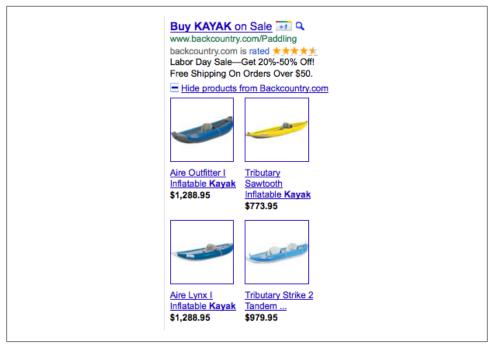


Figure 8-12. Product extensions with expanded plusbox displayed

To select products to display, the AdWords system compares the searcher's query to product attributes. If it can match attributes to the search query, the product may appear beneath an AdWords ad. To help AdWords identify appropriate products, advertisers must include specific attributes with each product in the Merchant Center feed. The minimum attribute requirements are as follows:

condition [condition]

The condition of the item. There are three accepted options: new, refurbished, and used. New products must be brand-new and in original, unopened packaging. Refurbished products must be restored to working order. "Used" applies to everything else, including products whose original packaging has been opened.

description [description]

The description identifies the product. It can be up to 10,000 characters, but the recommended length is 500-1,000 characters. The description should be very specific to the product and not include special offers or information about the seller.

id [id]

A unique identifier for each product in the Merchant Center account. Use any sequence of numbers and letters. The sequence must be unique, even across multiple feeds.

link [link]

The URL of the product page on the website. A searcher lands on this URL when the item is clicked as a product extension or in Google's Product Search. The landing page cannot require a username or password, have pop ups or pop unders, or be a direct link to a file or email address.

image link [image link]

A URL of a product image. Do not submit a thumbnail image; the recommended minimum image is 400×400 pixels. Apparel images must be 250×250 pixels or larger. Placeholder images, brand logos, and store logos are not acceptable.

price [price]

The product price.

title [title]

The title of the item. It should include brand, product name, characteristics (size, color, etc.), and category. The title is limited to 70 characters.

Product Extensions versus Product Listing Ads

Product listing ads are a separate, standalone ad format available to some advertisers in the United States, in the English interface only. Like product extensions, product listings display a thumbnail product image, title, and price, plus the merchant name, as shown in Figure 8-13.



Figure 8-13. Product listing ads (top ranked)

Product listing ads are not triggered by bidding on keywords, but by comparing the searcher's query to product attributes in the Merchant Center account. Advertisers are charged on a cost-per-click basis. Bids are defined at the ad group level or for particular product targets. So, how does AdWords rank product listing ads? Ads are ranked on bid, relevancy to the search query, and historical performance.

Product extensions are managed through an optional roll-up tab labeled "Auto targets" (Figure 8-14). Auto targets allow you to specify which Merchant Center products are eligible for display and to set specific bids for each target. Auto targets support filters, to exclude particular products from your feed.

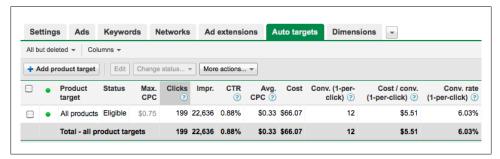


Figure 8-14. Auto targets for product listing ads



The {adtype} valuetrack parameter separates clicks from Product Listing ads and Product Extensions. To set this up, edit the product's clickthrough URL in the Merchant Center account to track how a visitor got to the website.

{Adtype} is replaced with a value showing which ad type a visitor saw. For example, if a product listing ad is clicked, the URL:

www.example.com/product.php?origin={adtype}

is replaced with:

www.example.com/product.php?origin=pla

If a product extension is clicked, the URL is replaced with:

www.example.com/product.php?origin=pe

Sitelinks

Sitelinks are one of the simplest ways every advertiser can improve ads. A standard text ad offers a single landing page option, associated with the headline and the display URL. Sitelinks allow advertisers to display up to six additional display URLs below the ad, to connect searchers to the most interesting pages or sections of the website.

Sitelinks can drive special promotions, reinforce conversion incentives, and promote additional areas of the website.

Figure 8-15 shows an example ad with sitelinks. Sitelinks are displayed for top-ranked ads only. Each sitelink includes a display URL (up to 35 characters) and a destination URL (up to 1,024 characters). The user interface allows up to ten sitelinks to be asso-

```
▶ REI Labor Day Sale - Save Up To 30% On Gear & Clothing | REI.com 💷 🔍
 www.rei.com - rated *** * 4,327 reviews
 Early Bird Gets the Gear!
    Clearance: Save Up to 50% 15% Off All BOB Strollers
    Free Shipping on $50+ Orders 25% Off Select Bikes
    30% Off Sandals & Flip-Flops 20% Off All Yakima & Thule
```

Figure 8-15. Sitelinks example

ciated with each campaign, but the search results page displays a maximum of six. If you upload more sitelinks than available placements, AdWords will select randomly.

Advertisers pay the same for clicks on sitelinks as for the ad headline or display URL. The AdWords interface allows you to create a separate set of sitelinks for each campaign or to share a single set across multiple campaigns. If you edit the shared set, all campaigns are updated.

There are three types of Sitelinks:

Two and three-line format

shown when the ad offers an ideal answer based on the search query, usually triggered on brand terms.

One-line format

shown on generic terms, occasionally brand terms.

Embedded format

links appear in ad text, no additional lines appear below ad. Will appear when ads don't meet the requirements for other Sitelink formats.

Embedded sitelinks appear when the ad doesn't quality for additional lines, but the text in the sitelink Display URL exactly matches text in the ad. For example, if the ad reads:

```
Beekeeper Equipment
We Sell Everything Your Bees Need.
Bee Suits, Veils & More. Buy Now!
example.com
```

And the campaign includes the following Sitelinks:

- Display URL: Bee Suits; Destination URL: http://www.example.com/bee-suits.php
- Display URL: Veils; Destination URL: http://www.example.com/bee-veils.php

AdWords embeds the links in the text of the ad. There are no additional lines. To embed links, some text in the ad (Description Line 1 or 2) must exactly match the Sitelink Display URL. In this example, the ad looks like this:

```
Beekeeper Equipment
We Sell Everything Your Bees Need.
```

Call Extensions

Call extensions allow advertisers to associate a trackable phone number with text ads. AdWords offers two options: call-only and Call Metrics (United States and Canada only). Figure 8-16 shows the interface.

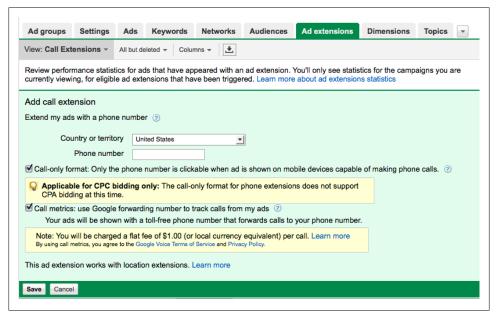


Figure 8-16. Call extensions

Call-only applies to ads on mobile devices using CPC bidding. With this extension, the destination URL is replaced by a clickable phone number. Instead of sending visitors to a website, a click triggers a phone call to a number specified by the advertiser.

Advertisers can use most types of phone numbers, including local, toll-free, sharedcost, and vanity phone numbers (e.g., 877-ADWORDS instead of 877-239-6737). A call from the ad is the same price as a click on the ad. The extension does not appear on desktop and laptop computers. It can appear on tablet computers like iPads, but a click on the phone number sends the visitor to the landing page, since the device isn't a phone!

AdWords displays the number of impressions, clicks (calls), average CPC, cost, and average position for ads with the call-only format (Figure 8-17).

Call Metrics applies to all devices but is available in the United States and Canada only. Using Google Voice technology, Call Metrics displays a unique phone number that

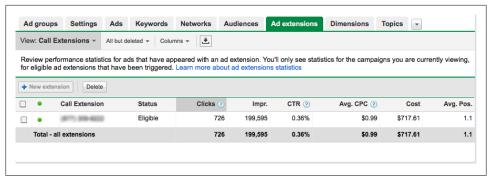


Figure 8-17. Call-only format

forwards calls to a number specified by the advertiser. Caller ID works even though the phone call is routed through Google.

Unlike other extensions, pricing is set at \$1 USD per phone call. Advertisers are charged for redialed or manually dialed calls for 48 hours after the number is displayed with an ad. Advertisers cannot keep the number, and Google may eventually reassign or discontinue it.

Call activity currently does not factor into ad rank or Quality Score. To see activity reports, visit the Dimensions roll-up tab to see start time, end time, status (missed or received), duration, cost, and area code (Figure 8-18).

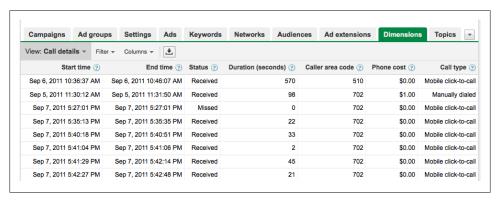


Figure 8-18. Reports from the Dimensions tab.

Disregard the last three paragraphs...

On October 25, 2011, AdWords announced a new bid-per-call model rolling out soon for advertisers in the United States and the United Kingdom.

The fixed \$1 fee will be replaced with the option to set a bid equal or greater than the \$1 minimum. The bid-per-call model uses a *maximum cost-per-phone call* (Max. CPP) to set a bid you're willing to pay when someone calls by manually dialing the Google forwarding number.

Today, Ad Rank is determined by Quality Score and max CPC bid. With bid-per-call, Max CPP bid and "phone call Quality Score" can factor into Ad Rank, too. Phone call Quality Score is a separate calculation from Quality Score for clicks. The most important factor is historical phone-through rate (the number of phone calls received divided by the number of times the phone number is displayed).

The actual CPP is calculated similarly to click pricing, with an additional averaging step. For each ad auction, Google calculates a cost-per-call for every advertiser. This cost is influenced by bids and Quality Score (clicks and calls), relative to other ads. Google then averages the calculated call costs over the last few auctions to determine actual call cost. Bid-per-call does not apply to ads on mobile devices, which use a costper-click model.

The Google Display Network

Intro to the GDN

Google Search works splendidly when a searcher knows what she wants. Her search query identifies what she wants to find, so advertisers have a chance to present their offers on the search results page. But what about the searcher who wants what you sell but doesn't know it yet? You might have the greatest product in the world, but if the searcher doesn't know it exists, how can she find it?

Or what if your product is extremely visual? A searcher might pass by a text ad, but an image or video has a much greater chance of catching someone's eye.

Enter the Google Display Network. This network is made up of millions of "placements," locations where AdWords ads are eligible to appear. Placements are websites, online games, web feeds, and online video sites like YouTube. Ads are contextually targeted. In other words, advertisers specify keywords or themes (called *topics*) and the AdWords system identifies relevant placements to show the corresponding ads. Advertisers also have the option to hand-pick placements, called *managed placements*. Unlike Google Search, the Display Network offers many ad formats, including text, image, Flash, and video ads.

If the differences between Search and Display are not yet clear, consider this scenario.

A searcher visits Google because her pet bearded dragon has outgrown its terrarium. After researching options, she searches for "Exo Terra PT 2613" to find sellers. In this case, the search query identified what she wanted at that moment in time. An AdWords advertiser selling the terrarium has an opportunity to make an immediate sale.

Compare this to someone visiting a bearded dragon forum, reading up on dietary information for her baby dragon. In this situation, the visitor may not need a new terrarium. But what about 6 months from now? As the dragon grows bigger, so do the housing needs. If the pet owner has seen ads for Exo Terra terrariums for the last six months, the ads might influence her research and decision process.



Some advertisers are using a beta product called Display Campaign Optimizer, a new tool that increases conversions by automatically managing targeting and bidding for campaigns appearing on the Google Display Network. Stay tuned!

The Networks Tab

The campaign settings tab controls ad distribution preferences, but the actual placements are managed from the Networks roll-up tab.

The Networks tab is composed of four sections: a summary, showing comparative performance across the various networks; "managed placements," for placements specified by the advertiser; "automatic placements," for placements identified by Ad-Words; and "Exclusions" to prevent ads from displaying on particular placements.

Use these reports to review each placement on the GDN and performance statistics.

You can find more placements via the Placement Tool, found under the Reporting and Tools tab. Placements identified and selected will appear in the managed placements list in the Networks tab. Similar to the Keyword Tool, the Placement Tool generates a list of possible placements based on keywords, URLs, and filters you specify, as shown in Figure 9-1.

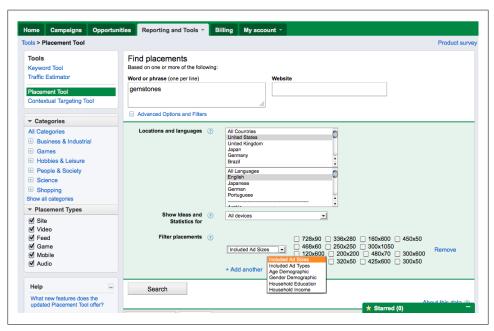


Figure 9-1. Find additional placements using the Placement Tool, filtering by location, language, devices, ad types and sizes, age and gender demographics, household education and income.

If you cannot decide which placements are appropriate for your campaign, one strategy is to use the automatic placement option, at least for a period of time. With automatic placements, AdWords selects placements to show ads. AdWords uses the theme and the keywords to find appropriate placements. It's important for advertisers to understand this difference. A GDN keyword list is often much shorter, because you are not competing for opportunities to show on variations, but opportunities to show ads on a theme. If the ad group contains many keywords, it increases the difficulty for the algorithm seeking appropriate placements. If the theme is "henna tattoo," add only a few highly focused keywords about that product.

As AdWords displays ads on placements in the network, you see the results reported in the Automatic Placements section. Review performance; if a placement is relevant and performing well, you may decide to add it to the managed placements list. If a placement is not performing well, consider adding it to the exclusions list.

The Networks tab provides the ability to review each URL where ads were displayed. Advertisers can see, down to the page level, where ads were shown. The results of the report are actionable: advertisers can manage or exclude a placement, or simply let it run in the automatic list.

The Topics Tab

An alternative to selecting placements to display ads is to specify relevant topics. The roll-up tabs include an optional tab labeled Topics that lets you do just that. Simply select the campaign and ad group you wish to manage from the tree view, and then, click on the Topics roll-up tab to view available categories. You can add multiple categories for a single ad group.

For example, if you are advertising a henna tattoo kit, you might select the "Body Art" category, shown in Figure 9-2.

Now AdWords will look for pages relevant to the selected themes in order to display ads.

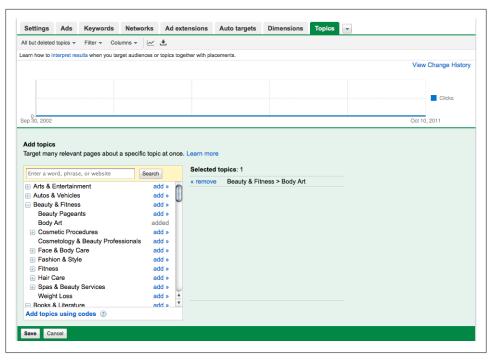


Figure 9-2. Select relevant topics to target ads on placements.

The Audiences Tab

The audience tab controls an exciting new AdWords feature called *remarketing*, basically the equivalent of online stalking. From an advertiser perspective, remarketing is a dream come true; the trick is to not scare people away!

Here's how it works. A person visits your website, including a page that you tagged with remarketing code. This person may or may not have searched Google or clicked on an ad. All we know is that the person visited a web page and a cookie was placed on his computer.

Now, enter remarketing. If AdWords knows that a particular computer visited a tagged webpage, it can show ads on pages in the Google Display Network, based on the prior visit. Think of remarketing as a reminder that follows your website visitors around the Internet.

To use remarketing, the campaign must be opted into the Google Display Network. Advertisers create audience lists in the Audiences roll-up tab, shown in Figure 9-3.

Each audience describes a prospect (people who visited products A-G, people who signed up for an email newsletter, etc.).

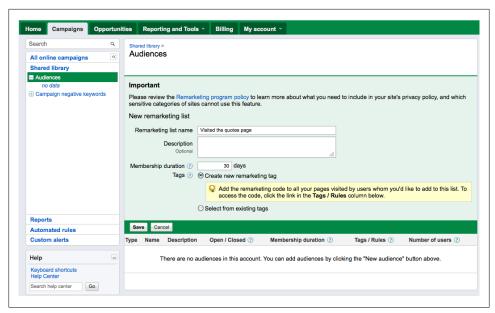


Figure 9-3. Define your remarketing lists in the Audiences tab.

Next, a piece of code called a remarketing tag is embedded on the target page in the website. This code tells AdWords to save these visitors to an audience list you created. When people visit a tagged page, their cookie ID is added to a corresponding remarketing list. Once the remarketing tag is in place, create ads that target people on the lists while they browse the other websites. Remarketing ads are not shown to people who aren't on the list.

Remarketing allows you not only to show ads to people who visited your website, but also to exclude ads from the audience who already converted. For example, you might set up a remarketing list for an ecommerce website. You want to show ads to people who came, but did not buy. To do this, create a second remarketing list recording visits to the purchase confirmation page (the "Thank You" page).

Then, create a custom combination, showing ads to people who visited, minus those who converted. Custom combinations and interest categories can define specific audiences in "and," "or," or "not" relationships.



Learn more about interest-based advertising and audiences at the Ad-Words Help Center.

Top 10 GDN Tips

Here are 10 tips for using the Google Display Network effectively.

- 1. If you're brand new to AdWords, save the GDN for later. AdWords turns the GDN on by default for new campaigns. If this is your first time using AdWords, turn this network off in the campaign settings (Networks section). Once you are comfortable using AdWords and interpreting the results, try the GDN to see if you can make it work for your advertising goals.
- 2. Create separate campaigns for the GDN. Your advertising strategy for the GDN is very different than the strategy for search. Keyword lists will be shorter, to help AdWords determine an appropriate theme. Ad creative may be different. Bids may be lower, or you may choose CPM bidding. I prefer to separate GDN campaigns so all these differences can be managed and monitored. It's also helpful because I can assign a specific budget to the GDN, which cannot cannibalize search campaigns.
- 3. Make image and video ads stand out. Use bright, colorful ads that instantly communicate the intent of the ad (or are so enticing that the visitor simply has to click to learn more). Do not count on a visitor watching a video ad for any extended period of time. Communicate the most important messages early on. For specific placements, consider creating ads that complement the design and palette of the website. Your hot pink ad might work well on some websites; on others, the colors might clash and turn off prospects.
- 4. Try CPM bidding. CPM bidding can increase opportunities for image and video ads with a placement targeted campaign. CPM bidding ensures that Google is paid when ads are delivered, whether someone clicks or not, so CPM may help increase exposure for image and video ads on competitive sites.
- 5. Filter unwanted placements using exclusions. At the bottom of the Networks rollup tab, you'll see a link to Exclusions. This allows advertisers to exclude particular websites or pages within a website at the ad group and campaign level. Under the campaign-level exclusions, you'll find an option labeled "Exclude by category" (see Figure 9-4).
 - Use this option to select types of pages, defined by content or page type, that you would prefer not to display ads on. For example, if you prefer not to show ads on web pages about "crime, police & emergency," you can add that exclusion. If you prefer not to show ads in a video or on parked domains, you can select those exclusions as well.

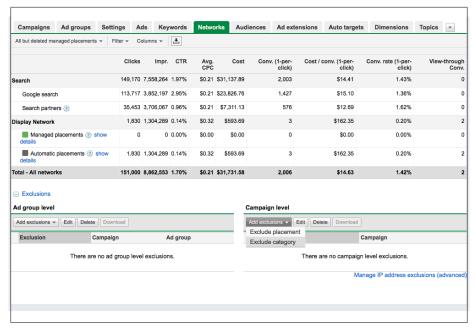


Figure 9-4. Exclude ads from pages that fall into certain categories.

- 6. Use negative keywords. Just as you would in a search campaign, include negative keywords to help AdWords prevent ads from showing on irrelevant web pages.
- 7. Use campaign settings. Most campaign settings applicable to search can refine GDN campaigns. For example, you can apply geotargeting so only visitors from your target area are eligible to see your ads.
- 8. Ad all creative variations. If AdWords identifies an ideal placement for your campaign but you don't have the right creative, you're out of luck. For example, Ad-Words might identify the perfect website to display your ads, but the site only accepts 728 × 90 image ads. If your creative includes 468 × 60 image ads only, you lose the advertising opportunity because your creative did not fit the website. Check out the Display Ad Builder, which allows advertisers to export ads in multiple sizes.

- 9. Allot time for approvals. Image and video ads must be manually reviewed and approved by Google, to ensure content is "family-safe." If you're planning a timesensitive campaign, upload the ad as soon as it's ready, with a Paused status. Ad-Words now reviews paused ads. With any luck, your ad will be preapproved to go live on the appointed date.
- 10. Always be testing. As with anything in AdWords, advertisers should constantly test campaigns to make improvements. For GDN campaigns, try different colors and layouts for ads, different ad text variations, and different placements and topics. Experiment with different calls to action and conversion incentives to see if you can improve conversions.

Additional Ad Formats

The Google Display Network offers many additional places for ads to appear and ad formats like image, Flash, and video. In this chapter we'll review additional ad formats, including technical specifications, editorial guidelines, and tips for success.

Image and Flash Ads

AdWords accepts .gif, .jpg, .png, and .swf files in the following dimensions (measured in pixels):

- 300×50 (mobile leaderboard)
- 468 × 60 (banner)
- 728 × 90 (leaderboard)
- 250 × 250 (square)
- 200 × 200 (small square)
- 336 × 280 (large rectangle)
- 300 × 250 (inline rectangle)
- 120 × 600 (skyscraper)
- 160 × 600 (wide skyscraper)

Let's review the technical and editorial rules for image and Flash ads. First, the file size is limited to 50 KB. The accepted dimensions vary site-to-site, depending on the website publisher. For example, if a website accepts 728×90 ads, it's up to the advertiser to provide an appropriately-sized leaderboard ad. AdWords does not resize images. Each ad is accompanied by a display URL and a destination URL; the rules for text ad URLs apply to these formats, too.

AdWords is specific about what advertiser can and cannot do with image and Flash ads. The point of the rules is to make it clear that an ad is indeed an ad. (Example rules: the ad cannot mimic a dialog box or system warning, it must fill the ad space completely, and it cannot "segment" to appear like multiple ads.) All ads fall into one of three

categories: Family Safe, Non-Family Safe, and Adult Sexual Content; image and video ads must be Family Safe to be approved. Visit the AdWords Policy Center to see the most recent requirements.

Flash ads are subject to the same rules as image ads, with additional technical rules. Ads must be published for Flash Player version 4-10; ActionScript versions 1-3 are accepted. AdWords uses the clickTAG variable to track Flash ads, so this must be included exactly as AdWords specifies. For more information and parameter code examples, see the Additional Requirements for Flash Ads section in the Policy Center. AdWords checks code when Flash ads are uploaded: if they do not adhere to all rules. the ads won't be accepted and you'll see an error message like "Encountered Flash error —ad cannot have a URL."

To create an image or Flash ad, visit the Ads roll-up tab in an ad group and click on "+New ad," as shown in Figure 10-1.

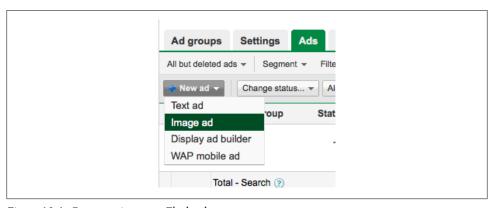


Figure 10-1. Create an image or Flash ad

Now, upload the file from your computer (see Figure 10-2), give it a name to identify it in the account, a display URL, and a destination URL. Click "Save ad."

The new ad is listed as "Under review" (see Figure 10-3) until someone at AdWords reviews the creative to make sure it complies with the editorial guidelines. If the ad is disapproved, upload a different file for reconsideration. Occasionally a perfectly acceptable image is disapproved because of human error during the review process. If you're sure the ad complies with all rules, resubmit, and it may be approved on the second round.

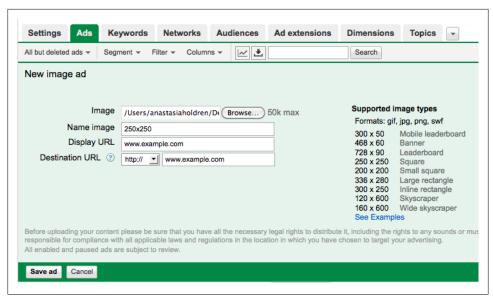


Figure 10-2. Upload the image

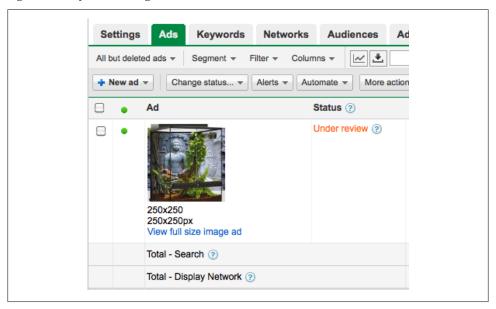


Figure 10-3. Image ad pending review

Video Ads

AdWords offers several video ad formats, including "click-to-play," in-stream video, in-video static image ads, and others. Video ads are created via the Display Ad Builder in the "+New ad" drop-down.

Click-to-play videos are initiated by the website visitor. People who see the ad must click to view a video. If the viewer clicks a second time or on the Display URL, she is taken to the ad's destination URL. Pricing depends on the model selected by the advertiser, CPC or CPM. With CPC, advertisers do not pay when someone plays the video; the charge occurs when the viewer clicks through to the destination URL.

With CPC bidding, clickthrough rate is an important factor in the auction, so ads with low CTR may have a difficult time winning placements. With CPM bidding, advertisers pay for every 1,000 impressions the ad's opening image receives. With this pricing model, CTR is not as important because clicks are not part of the equation.

To create a video ad, select the Display Ad Builder option from the "New ad" dropdown menu. (See Figure 10-4.) Click the Video category, under the "Media and Channels" section. Then, select the template for the video ad you'd like to make. For clickto-play, you need an opening image and a video file. You can add an optional closing image. The image ad file size is limited to 50 KB, with two dimensions options: 336 × 280 or 300 × 250. The video file must be 75 MB or less, with a runtime of four minutes or less.

AdWords accepts the following video file formats: ASF, AVI, MP4, MPEG, Quicktime, and Windows Media. Visit the AdWords Policy Center to see the complete technical requirements.

In-stream video ads places a 15- or 30-second video ad within video content on websites. Some placements run a 300 × 60 or 300 × 250 companion banner with the video ad. An in-video image ad places a 480 × 70 image over video content on websites. Some sites run a 300 × 250 companion banner. Visit the AdWords Policy Center to see the complete technical requirements for these formats.

Mobile Ads

AdWords offers text and image ads for mobile devices. People who see the ads are sent to a mobile webpage or click to initiate a phone call. The requirements for running these ads vary depending on whether the device has a full Internet browser or it's a WAP device. For full browsers, the requirements are identical to text ads on desktop and laptop computers, except that the landing page cannot use Flash. Flash image ads are not allowed for any mobile devices.

WAP mobile text ads appear on Google's search and Display Network; mobile image ads appear on the mobile Display Network only. With WAP ads, there are differences

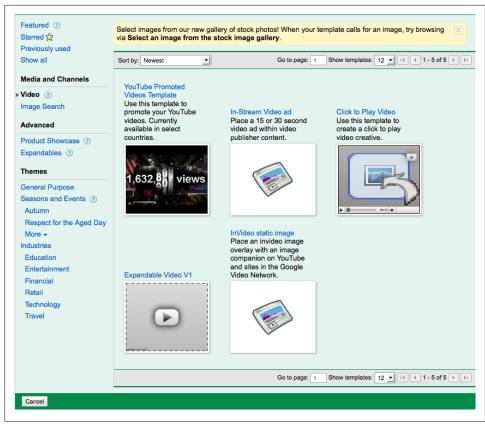


Figure 10-4. Display Ad Builder

for both text and image ads. Text ads are three lines. Headlines are limited to 18 characters (12 characters for Japanese, 9 characters for Chinese), 18 characters for the description line (12 characters for Japanese, 9 for Chinese), and 20 characters for the display URL. WAP image ad options vary depending on the device's aspect ratio.

For 6:1 aspect ratio, available formats include 300 × 50 (7.5 KB max), 216 × 36 (4.5 KB max), and 168 × 28 (3 KB max). For devices with 4:1 aspect ratio, available formats include 300×75 (7.5 KB max), 216×54 (4.5 KB max), and 168×42 (3 KB max).

WAP ads require a mobile-compliant landing page. AdWords supports WML (WAP 1.x), XHTML (WAP 2.0), CHTML (imode, etc.), and PDA-compliant HTML.

If you plan to run mobile ads, it's a good idea to set them up in a separate campaign targeting only mobile devices (see Figure 10-5). There will be differences in the keywords selected and the bids you choose. Keywords on mobile phones may be shorter than those you choose for desktops and laptops; after all, the keyboard is much smaller, so the queries are often shorter. Separating the campaigns allows you to write ads specifically targeting mobile devices (e.g., "Call Us Now!")



Figure 10-5. Select mobile devices only

To create a WAP ad, visit the Ads roll-up tab in an ad group and click on "+New ad," as shown in Figure 10-6.

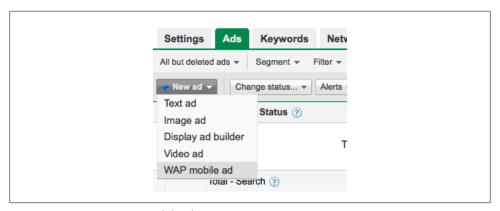


Figure 10-6. Create a WAP mobile ad

Now, select the type of WAP ad you'd like to create, text or image. With the text version, you can link to a mobile webpage or make clicks initiate a phone call. (See Figure 10-7.)

And that's it! A few additional rules for WAP click-to-call ads: calls must connect customers to the business, and the number must be local or domestic to the targeted country. International calls must include the national direct dialing (NDD) prefix, but not the country code. AdWords does not allow telephone numbers that require additional payment by the caller, fax numbers, or emergency phone numbers.

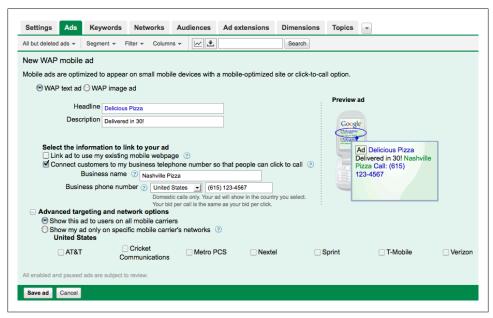


Figure 10-7. Create a WAP text ad

Bids, Budgets, and Billing

How Bidding Works

Cost-per-click bidding (CPC) is also referred to as pay-per-click (PPC). It's a pricing model where the advertiser pays only for clicks on an ad. The ad can display one million times, but if no one clicks, it does not cost the advertiser. Naturally it's in Google's best interests to show ads that receive clicks; keywords with higher CTR are rewarded with better Quality Scores.

There are several bidding models available to advertisers. This chapter explains how each model works, how AdWords calculates actual costs, and what billing options are available to advertisers.

Manual Maximum CPC bidding

The default bidding option is *manual maximum CPC bidding*, shown in Figure 11-1. This model allows advertisers to specify the maximum amount they are willing to pay for a click on an ad. Bids are set at the ad group level and the keyword level.

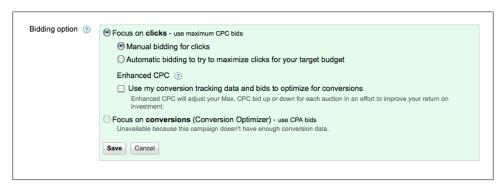


Figure 11-1. Manual bidding gives you control over the Max CPC bids.

Automatic Bidding

Automatic bidding allows AdWords to manage your bids. This model tries to generate the most clicks possible within the budget. By default, the system automatically chooses whatever bids it determines will earn the most clicks.

The automatic bidding model finds clicks, nothing more. It does not help achieve higher conversions, profitable ad positions, or better click costs. If you use this model, I recommend specifying a bid limit by checking the box labeled "CPC bid limit," and entering an amount, as shown in Figure 11-2. Otherwise, you may pay far more for a click than makes sense for your business. The bid limit applies to all ad groups in the campaign, and prevents AdWords from showing ads in extremely competitive, expensive auctions.

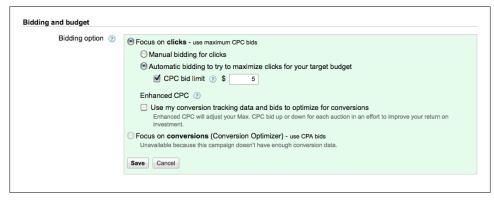


Figure 11-2. If you use automatic bidding, it's a good idea to specify a CPC bid limit.



If you are brand-new and have no idea what price range to bid on keywords, using automatic bidding for a short period of time can help you learn what clicks cost. You can then switch to manual bidding with that data.

Enhanced CPC Bidding

One easy way to improve your campaign's conversion performance is to enable enhanced CPC bidding, shown in Figure 11-3.

To use it, you must have conversion tracking set up in the account (see Chapter 12). The feature does not require a minimum number of conversions, so you can turn it on immediately. If the campaign does not have any recorded conversions, enhanced CPC has no effect on the bids. But, once conversions start recording, enhanced CPC can use the data to raise or lower bids if a conversion is more or less likely.

Bidding option ②	● Focus on clicks - use maximum CPC bids			
	O Manual bidding for clicks			
	 Automatic bidding to try to maximize clicks for your target budget 			
	☐ CPC bid limit ② \$			
	Enhanced CPC ②			
	✓ Use my conversion tracking data and bids to optimize for conversions			
	Enhanced CPC will adjust your Max. CPC bid up or down for each auction in an effort to improve your return on investment.			
	Focus on conversions (Conversion Optimizer) - use CPA bids			
	Unavailable because this campaign doesn't have enough conversion data.			
	Save Cancel			

Figure 11-3. Enable Enhanced CPC to use conversion tracking data to dynamically adjust bids.

Enhanced CPC can raise a bid as much as 30 percent if a conversion is likely. If AdWords data shows a conversion is less likely, it can reduce the bid with no bottom limit. The campaign's daily budget still applies, so overall costs do not increase.

CPM Bidding

Unlike CPC bidding, CPM bidding works on a pay-per-impression model. Advertisers specify a maximum price they are willing to pay for every 1,000 times an ad is displayed, whether it is clicked on or not. A click on an ad does not incur an additional cost to the advertiser.

CPM bidding is available for the Google Display Network only. If Search is selected in the campaign's settings, the CPM option does not appear as a bidding option. Figure 11-4 shows CPM bidding, labeled "Focus on impressions—use maximum CPM bids."

Bidding option ②	Focus on clicks - use maximum CPC bids				
	Manual bidding for clicks				
	O Automatic bidding to try to maximize clicks for your target budget				
	Focus on conversions (Conversion Optimizer) - use CPA bids Unavailable because this campaign doesn't have enough conversion data.				
	Focus on impressions - use maximum CPM bids				
	Set an initial maximum CPM bid This bid will apply to every ad group in the campaign.				
	When you click 'Save', your default bid will be set for all ad groups in this campaign. To edit your bids later, navigate to the ad group you wish to update.				
	\$ Max. CPM				
	Save Cancel				

Figure 11-4. With CPM bidding, advertisers specify a maximum bid for every 1,000 ad impressions.

Base your CPM bid on the value of ad exposure to your business. Experiment with bids to see what price ranges work for your campaigns. CPM bids vary depending on the targeted sites. If the campaign's managed placements include extremely competitive websites, like www.nytimes.com, bid aggressively to win placement in the auctions. If you don't want placements on competitive sites, set lower bids.

The Networks tab shows which websites, and which pages on those sites, displayed your ads. Based on this data, you can manage or exclude particular placements.

CPM bidding works well for advertisers who want to show image and video ads. These formats are often more competitive and expensive, particularly with CPC bidding. There is a handy feature available in the Networks roll-up tab that can help improve the positions of the ads. Click the Exclusions link at the bottom of the page, then select Category Exclusions under campaign-level exclusions, as shown in Figure 11-5.

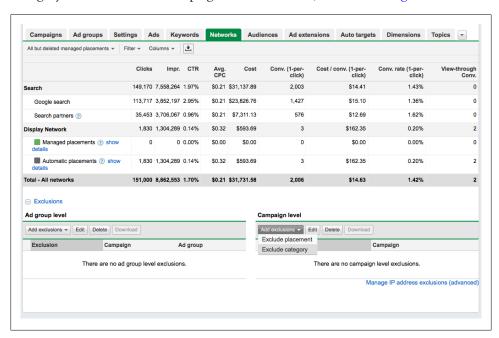


Figure 11-5. Exclude by category from the Networks roll-up tab, under Campaign level exclusions.

Now, a window appears showing filters available for ads on the Google Display Network. You can prevent ads from appearing on pages with specific types of content, like "death and tragedy," "profanity," or "sexually suggestive content." You can exclude formats like in-game ads, and page types like parked domains and error pages.

For CPM campaigns, you pay if an ad appears on the page, whether someone sees it or not. If the ad appears at the bottom of a long web page, the impression counts, whether someone scrolled to the bottom or not. To increase the likelihood that the ad is seen, try the "Below the fold" exclusion shown in Figure 11-6. This prevents ads from ap-

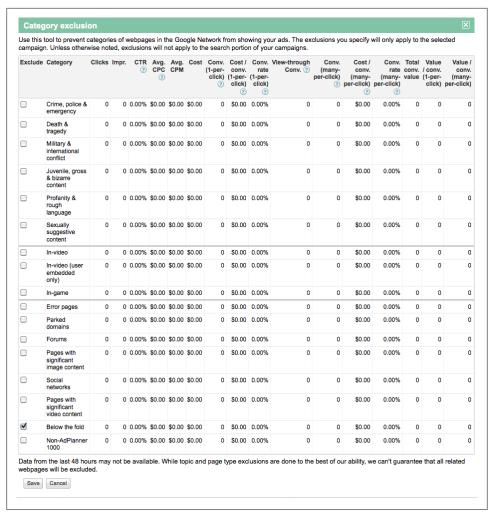


Figure 11-6. Category exclusions prevent ads from appearing alongside particular categories of content, on particular types of web pages, or on particular areas of web pages on the Google Display Network.

pearing on pages where people need to scroll down to see the ads. AdWords considers an ad above the fold if it is 100 percent on-screen when the browser window loads. AdWords considers individual user settings and preferences like web browser, monitor size, and screen resolution to make this determination.

Conversion Optimizer

My favorite bidding model is Conversion Optimizer. It enables intelligent bidding, because it has access to multi-dimensional data you can't see with manual bidding. Many accounts experience double-digit increases in conversions and decreases in overall cost per acquisition with this bidding model.

So how does Conversion Optimizer work?

Unlike other bidding models, Conversion Optimizer works toward a cost-per-acquisition (CPA) goal that you specify. Rather than giving AdWords a maximum bid, advertisers provide a maximum or target CPA. Max CPA represents the most you're willing to pay for a conversion. Target CPA represents the average amount you're willing to pay for a conversion.

Advertisers still pay per click, but Conversion Optimizer manages the bids in real time. Using historical information about the campaign, Conversion Optimizer dynamically generates a unique CPC bid for each auction. This bid reflects the predicted likelihood of a conversion, based on the account's conversion history, the keyword's broad match query, the searcher's geographic location, browser and language, time of day, and historical conversion rates on Google Search, the Search Partners and the GDN.

Actual CPA depends on factors outside of AdWords, since conversion rate is affected by ad changes, website changes, and increased advertiser competition. If the actual conversion rate is lower than the predicted conversion rate, actual CPA may exceed the bid specified in AdWords.

Incidentally, the GDN is not required to use Conversion Optimizer. The only requirement is that conversion tracking be enabled, with a 15 conversion minimum in the last 30 days in that campaign. AdWords recommends running conversion tracking for a two-week minimum before enabling Conversion Optimizer.

In general, the bidding option works best for campaigns with a relatively steady conversion rate. If the keywords have significant seasonal fluctuations, Conversion Optimizer may not be able to make appropriate conversion predictions when traffic changes.

Conversion Optimizer tips

- 1. Be sure to track meaningful conversions. Visits to the landing page are not conversions.
- 2. Give it some time. Conversion Optimizer needs to "learn" what works and what doesn't work. When you turn it on, there may be an adjustment period where costs increase and conversions decrease. I recommend at least a day or two to adjust.
- 3. As long as you maintain 15 conversions in a single campaign in the last 15 days, you can switch back and forth between manual bidding and Conversion

- Optimizer. It's best to use Conversion Optimizer for campaigns that have been tracking conversions for at least 14 days.
- 4. More is more. The more conversion data you have, the better Conversion Optimizer's predictions can be.
- 5. Experiment with the CPA bids to learn where profits are maximized.
- 6. Be careful making changes to conversion tracking and significant campaign changes while using Conversion Optimizer.

Figure 11-7 shows Conversion Optimizer, labeled "Focus on conversions (Conversion Optimizer)."

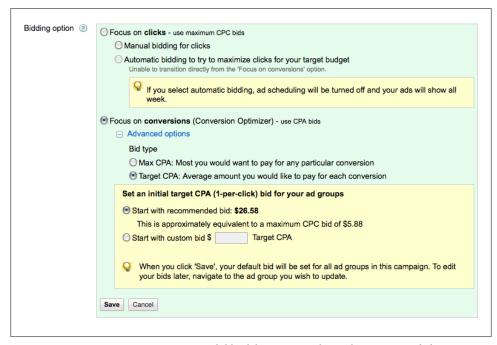


Figure 11-7. Conversion Optimizer is available if the campaign has at least 15 recorded conversions in the last 30 days.

AdWords Discounter and Smart Pricing

AdWords includes two automatic pricing discount features, the AdWords Discounter and Smart Pricing. Advertisers cannot turn these features on or off, but their effect is seen in the actual costs per click.

The AdWords Discounter is applied automatically. You'll notice that in many cases actual cost-per-click is lower than the maximum cost-per-click. After ads are ranked, AdWords Discounter adjusts actual CPCs so advertisers pay the minimum amount

required to exceed the ad rank of the next advertiser. This does not mean the actual cost-per-click will always be lower than the Max CPC bid, but it is often the case.

Smart Pricing automatically reduces the actual cost per click if a click from the Google Display Network is less likely to result in a conversion. The likelihood of the conversion is based on AdWords' historical conversion data for the types of keywords in the ad group and the type of website on the GDN.

How to Decide What to Bid

If you are not sure how much to bid on a keyword or how much you can spend per day on the selected keywords, use the Traffic Estimator tool found in the Reporting and Tools tab. This tool helps forecast a keyword's price range, level of competition, and daily search volume. The data can also help you decide on a budget for the campaign. It does not guarantee a particular cost per click or traffic volume, but it can provide some sense of the keyword's potential.

To use the tool, enter the proposed keyword or a set of keywords, a Max CPC, and a daily budget, as shown in Figure 11-8. The tool shows you, keyword by keyword, the average estimated CPC, the total number of estimated clicks, and the total estimated costs per day. Global monthly searches shows the approximate 12-month average of search queries for the keyword on Google Search, specific to the match type entered.

You can use the Advanced Options and Filters to refine results by target location and keyword match type. If you select a country or language, the local monthly searches column shows the 12-month average for that selection, specific to your keyword match type selection.

The sidebar displays a summary per day for all the keywords you selected.

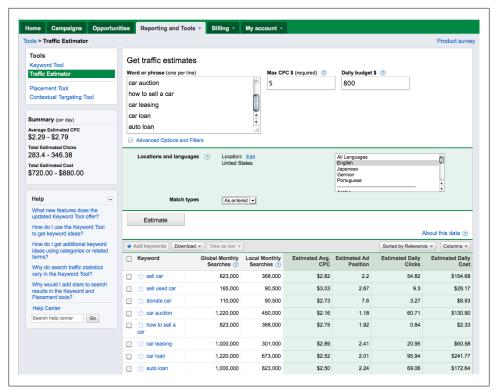


Figure 11-8. The Traffic Estimator

Bid Simulator

AdWords does not tell you the minimum bid required for a top-ranked ad, but there is one feature that can help make an estimate. Called the Bid Simulator, it appears in the Max CPC column for keywords. You see it displayed as a small icon below the bid; click on the symbol to access it (\$\frac{\section{200}}{\infty}\$). Once you click on the symbol, a window opens, as shown in Figure 11-9.

The feature is not always available: if the campaign reached or nearly reached the daily budget at least once in the past week, it does not display. So how does it work? Bid Simulator recalculates all AdWords auctions on Google and the Search Network from the past seven days for that keyword. Using internal auction data like Quality Score, the simulator displays estimates the impressions an ad might have received with different (usually higher) Max CPC bids.

The estimates are separated by all impressions and top impressions. "Top impressions" refers to top-ranked ads that appear in the shaded box above the search results, and applies to Google Search only. The estimator does not consider performance on the Google Display Network. Advertisers can change bids from the simulator interface.

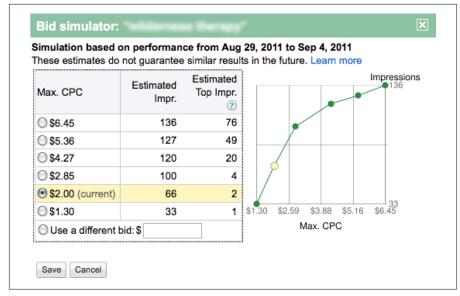


Figure 11-9. Bid Simulator

One important note: Bid Simulator reports on the last seven days, but it cannot predict future performance. If the next week is expected to be different from the previous week, in regards to traffic and competition, you may want to adjust bids accordingly.

Understanding Billing Options

Billing options vary depending on the advertiser's country and currency. In the United States, advertisers have two default billing options, postpay and prepay. These options may be labeled "Automatic payments" and "Manual payments."



Use this form to see which payment options are available for your country/currency: https://adwords.google.com/select/AfpoFinder.

For postpay or automatic payments, advertisers pay Google after ads run. Advertisers are charged when they reach their credit limit (called the "billing threshold"), or in 30 days, whichever comes first. You can use a credit card, a debit card, or directly debit from a bank account. If it's critical that ads run at all times without interruption, it's a good idea to add a backup credit card. This prevents potential downtime if AdWords cannot charge the primary card.

For prepay or manual payments, shown in Figure 11-10, advertisers pay in advance before ads can run. Payment options include credit card, debit card, and bank transfer.

I prefer postpay. With prepay accounts, the interface constantly delivers warnings that the prepaid balance is low. And if advertisers forget to add funds when the balance is depleted, ads stop appearing.

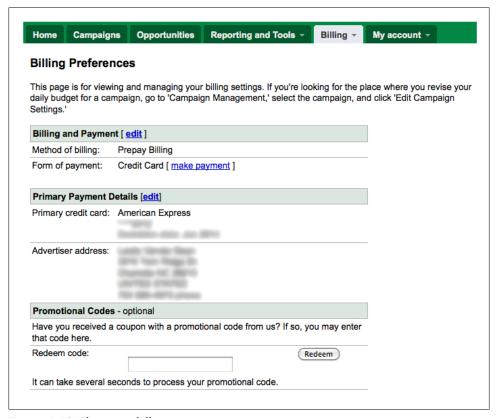


Figure 11-10. The prepay billing option



Once you select a billing model, it cannot be changed.

Applying Promotional Credits

Google occasionally distributes AdWords advertising credits. Credits are usually restricted to "new" accounts, defined as having been created within the last 14 days. An account older than 14 days is not considered new, even if billing details were not provided or if ads never ran. Some promotional codes are applicable to existing accounts—when in doubt, try to apply it.

To apply an advertising credit to a new account, complete the following steps:

- 1. Log in to AdWords.
- 2. Click on the Billing tab and select "Billing preferences" from the drop-down menu. From here, enter billing information.
- 3. Select the country or territory where the billing address is located.
- 4. Next, specify how ads will be paid for, postpay or prepay.
- 5. Agree to Google's terms and conditions, which vary depending on the country or territory selected for the billing address.
- 6. Now, enter billing information, either a credit or debit card or bank information for direct debit.
- 7. On this page, look for the line item that reads: "Do you have a promotional code? Click here." Click on the link and enter the promotional code.
- 8. Click "Save and Activate" and you're done!

To apply a credit to an existing AdWords account, the steps are different.

- 1. Log in to AdWords.
- 2. Click on the Billing tab to see the Billing Summary page.
- 3. Under the "Current balance" section, note two options: "Make a payment" and "More actions." Click on "More actions" and select the drop-down item "Apply a promotional code."
- 4. Enter the promotional code and click "Submit."

Troubleshooting promotional codes

Many people have trouble applying promotional codes. Here are some troubleshooting

- If you received the code electronically, copy and paste the code rather than manually typing it. Do not include extra spaces before or after the code.
- If you received the code via print material, be sure not to type the letter O for a zero, or vice versa. If your code doesn't work, try switching these characters to see if that corrects the problem.
- You cannot apply a promotional code to an account before providing payment information (a credit card, a debit card, or bank account information).
- If your account is on monthly invoicing terms, you cannot apply advertising credits to your account. Your Google client representative can apply credits to your account on your behalf.
- If your account is set up through the Google Grants program, you cannot apply an advertising credit (your advertising is already free). To take advantage of a

- promotional credit, consider opening a second, standard AdWords account. You can use this account to advertise on the Google Display Network, an option excluded from Google Grants accounts. Google Grants caps bids at \$1; you can use the standard account for keywords that require higher bids to compete effectively in the AdWords auction.
- You cannot apply promotional codes when logged into a manager account (called My Client Center). You must log in with an individual account's username and password. If you manage accounts for clients and do not have their passwords, ask your client to apply the promotional code or request temporary access as a user with Standard or Administrative access.

Monthly Invoicing

Some advertisers with large monthly advertising budgets prefer monthly invoices rather than prepay or postpay billing. With monthly invoicing, sometimes referred to as credit terms or invoicing terms, Google extends a line of credit for serving ads, and advertisers receive an invoice each month. Payment for ad delivery is by check or wire transfer.

Advertisers must apply and be approved for monthly invoicing.

A handy perk: unlike standard AdWords account, where the daily budget is the sum of all campaign budgets, invoicing accounts can use account-level budgets. Account budgets do not replace campaign budgets; they simply serve as a spending cap. This feature also allows advertisers to specify when ads can start and stop, control costs accrued in a set time period, and assign a PO number for invoices.

To apply for monthly invoicing, contact AdWords via their contact form or talk to your AdWords account representative.

Click Fraud

Click fraud, discreetly referred to as "invalid clicks" or "invalid activity" in the Ad-Words Help Center, is a reality of online advertising. Occasional fraudulent clicks are the cost of doing business online. If your unhappy ex decides to click once on your ad, AdWords may not be able to recognize that the click stemmed from petty retribution. If your ex is really unhappy with you and clicks on the ad multiple times, AdWords can recognize invalid behavior and removes that activity and associated costs from your account.

Google takes click fraud very seriously, because the success of the AdWords business model depends on happy advertisers. If advertisers believe that budgets are wasted on competitors and enemies, they will be understandably reluctant to continue advertising.

To combat click fraud, AdWords analyzes each click, considering various data points like IP address, the time of the click, duplicate clicks, and click patterns. AdWords uses this data to try to isolate and filter potential fraudulent clicks before they appear in account reports. AdWords filters and discards suspicious activity, like repetitive clicks, as well as clicks and impressions from known sources of "invalid activity."



If you see suspicious activity in AdWords, follow up with AdWords to find out what is going on. Start at the Invalid Clicks Troubleshooter.

Measuring Success

Conversion Tracking

Before spending a dime on Google AdWords, ask yourself this question—why am I doing this?

It seems obvious, but many new advertisers mistakenly consider the appearance of an ad, or a click on it, a measure of success. Advertisers pay Google for leads, typically measured by clicks on ads. From Google's perspective, a click on an ad is indeed success—AdWords delivered the lead to the advertiser, and Google made money. As shown in Figure 12-1, Groupon is willing to pay a specified amount if a person clicks on its top-ranked ad, but the click is not the goal.

The real objective is what happens *after* the click. Advertisers pay Google to display ads, so it makes sense to want something tangible in return. The broad goals may be obvious—grow the business, drive traffic to a website, acquire members, etc. With AdWords, advertisers can track if a click on an ad results in a desirable behavior, called a *conversion*. In Groupon's case, a conversion might be counted when someone registers, as in Figure 12-2.

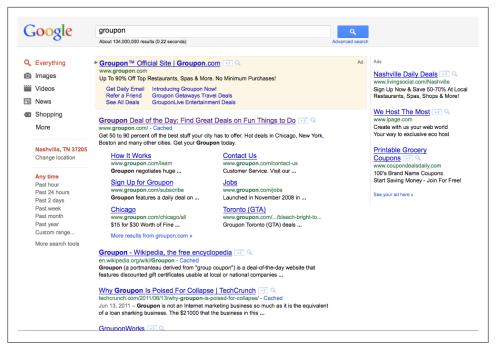


Figure 12-1. Advertisers pay money for clicks on ads.

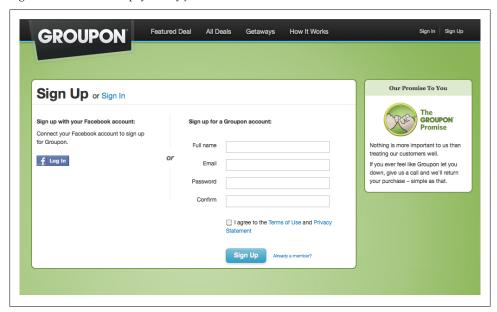


Figure 12-2. Advertisers can track if the clicks they paid for delivered conversions, such as a registration.

Start by defining your goals. Do you want to increase registrations by a certain percentage? Do you want to sell 100 products each week? Your goal might be to receive five phone inquiries each day from AdWords or display an ad 1,000 times for a certain price on a specific website. Advertisers can track multiple conversions in the same AdWords account.

In the Groupon example, AdWords can track if a click on an ad resulted in a registration, as well as a purchase, shown in Figure 12-3. Whatever the desired outcome, hold AdWords accountable and make changes to optimize performance.

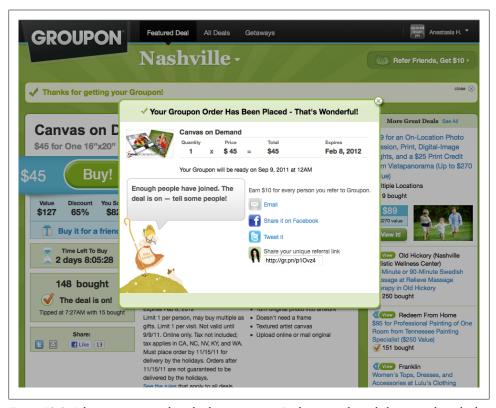


Figure 12-3. Advertisers can track multiple conversions. In this example, a click on an ad resulted in a registration and a sale.

Once you know what you want, the next step is to track it and measure it. Let's review some options to track performance.

Conversion Tracking

One of the simplest ways to track success is a feature called *conversion tracking*. Conversion tracking shows whether a click on an ad resulted in a desirable behavior on the website. It places a cookie on the searcher's computer after a click on an ad. This cookie expires in 30 days.

If at any point during that 30-day period a conversion page is reached on that computer, it is recorded in AdWords. The conversion is credited to the keyword that triggered the ad, on the date of the click. Conversions do not appear in the AdWords account immediately; there is a full 24-hour reporting delay.

AdWords recently rolled out a new conversion tracking option, labeled "Call." With this option, the code displays a trackable phone number for searchers visiting your mobile website via a mobile device. Conversion tracking allows you to track calls in AdWords.

Setup is simple. Access conversion tracking from the Reporting and Tools tab. Create a conversion by clicking on the "+New conversion" button. The wizard walks you through the setup.

1. Give the conversion a name to identify it in the account, as shown in Figure 12-4. Select the conversion location, Website or Call. Website sets up conversion tracking code for pages on your standard website. Call sets up conversion tracking code for your mobile website.

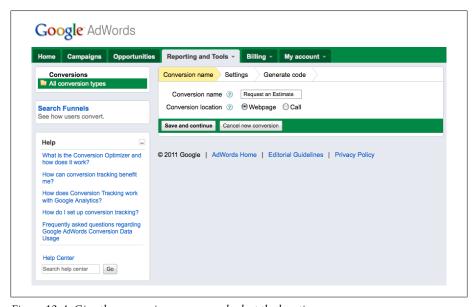


Figure 12-4. Give the conversion a name and select the location.

- 2. Specify a category (purchase/sale, signup, lead, view of a key page, or other).
- 3. Specify a page security level: http or https. If you're not sure, use http.
- 4. Specify the markup language of the conversion page (HTML, CHTML, XHTML, or WML).
- 5. Specify the conversion value (optional). This field allows you to specify a monetary value for the conversion. The value cannot include a currency symbol and must have the decimal separator that corresponds to the interface language. For example, if the value for the conversion is \$19.99 and the interface language is English, the correct value for the field is 19.99. Advertisers with ecommerce websites can use dynamic variables, like the total value of the purchase.
- 6. Google encourages advertisers to inform site visitors if their actions are being tracked on a website. My preferred way to do that is to create a privacy policy/ terms of use page that discloses this information. If your website does not include a privacy policy, you should use the optional "Tracking indicator." When a conversion is completed, a site visitor sees a Google Site Stats box. This box informs them that their actions were tracked. You can select a one- or two-line format and a custom background color.



You are asked to select a notification language for the Site Stats box. The interface defaults to the first language in the list (Arabic), so be sure to change this to the language you're targeting with your ads.

- 7. Advanced options "View-through conversion window" allows you to change the time frame for tracking view-through-conversions. A view-through conversion occurs when a person views an image or rich media ad on the Google Display Network and did not click, but later converts. The default window is 30 days; you can change that to whatever time frame you like.
- 8. Advanced options "View-through conversion search de-duplication" determines how conversions are counted for people who saw an image or rich media ad on the Google Display Network and clicked on a text ad from Google Search. The default is disabled, which counts conversions as both view-through and clickthrough conversions. When enabled, conversions are counted only as clickthrough conversions. These steps are all shown in Figure 12-5.

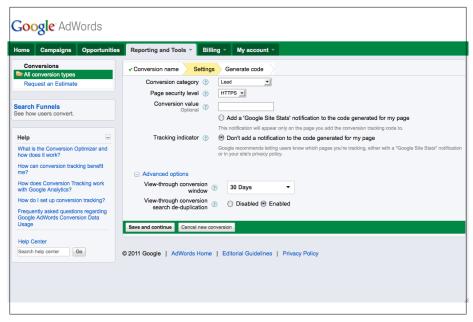


Figure 12-5. Specify conversion tracking settings

- 9. Click "Save and continue."
- 10. Now, select who makes changes to the website. As shown in Figure 12-6, the options are "Someone else makes changes to the code" and "I make changes to the code."



"Someone else" sends an email to an address you specify with the code and implementation instructions. The problem with this method is that email clients can change line breaks in the JavaScript snippet and break it. I prefer to copy the code, save it as a plain text document, and email to the webmaster as an attachment.

11. Click "Done" and conversion tracking is ready to go!

Once the code is placed on the conversion success page, tracking begins. Until a conversion is recorded, the new conversion is labeled "Unverified" in the account. Once a conversion occurs, the account shows conversion stats throughout the account. If you do not see conversion stats, customize the columns to enable them.

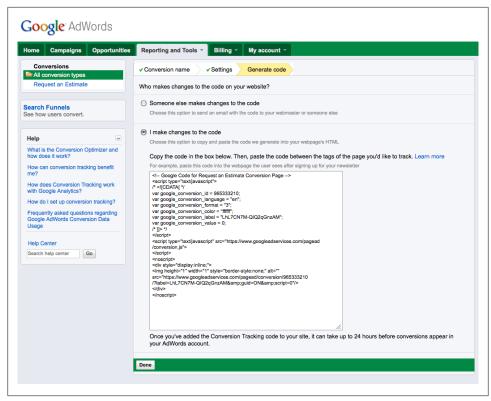


Figure 12-6. Generate the tracking code

Search Funnels

Search Funnels is a set of eight reports showing Google.com search ad click and impression behavior leading up to a conversion. Conversions in AdWords are attributed to the last ad clicked before the conversion. Search Funnels gives advertisers data on how keywords assist conversions before that last click. It enhances basic conversion reporting for AdWords. Conversions reported in this tool are tracked by the AdWords Conversion Tracking tag or imported from Google Analytics. See Figure 12-7.

The reports include:

Top Conversions

Top conversions for the account

Assist Clicks and Impressions

Shows performance based on how many assisting clicks and impressions there are for each keyword, ad group, or campaign

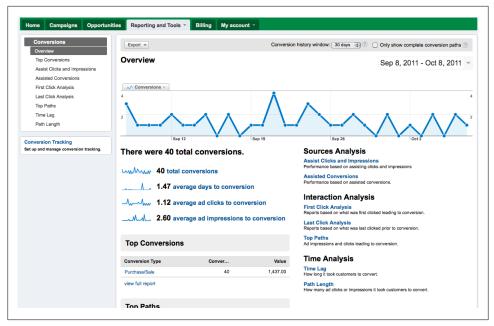


Figure 12-7. Search funnels reports

Assisted Conversions

Shows performance based on how many conversions were assisted by each keyword, ad group, or campaign

First Click Analysis

Lets you filter conversion reports based on what was first clicked leading to the conversion

Last Click Analysis

Lets you filter conversion reports based on what was last clicked prior to the conversion

Top Paths

Shows the sequence of keywords clicked by customers prior to converting and the frequency with which each path occurred

Time Lag

Shows how long it took customers to convert after first seeing the ad

Path Length

Shows how many ad clicks or impressions it took customers to get to conversion

Google Analytics

This section is a nod to Google Analytics. A book unto itself, I recommend Justin Cutroni's Google Analytics (O'Reilly, 2010). In this section we'll cover the basic steps for setting up Google Analytics and connecting it to your AdWords account.

The easiest way to create an Analytics account is to start from the Reporting and Tools tab in your AdWords account. Click on the link labeled Google Analytics to access the setup wizard.

1. If you plan to create a new Google Analytics account, click on "Create my free Google Analytics account" and then Continue, shown in Figure 12-8.

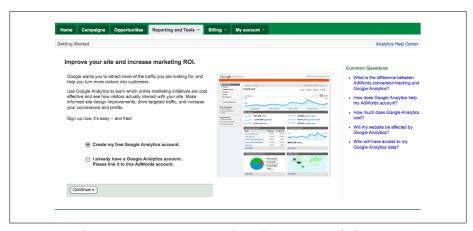


Figure 12-8. Advertisers can create a new Google Analytics account or link to an existing account.

2. Next, specify the website's URL and an account name to identify it in your reports. The third item is destination URL auto-tagging, on by default. Auto-tagging automatically appends a tracking ID to AdWords destination URLs. This ID allows Analytics to report details, including the campaign, keyword, and cost for the click. Alternatively, advertisers can manually tag Destination URLs with the Google Analytics URL Builder. These steps are all shown in Figure 12-9. When you're finished, click Continue.

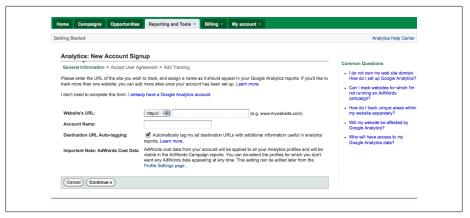


Figure 12-9. Set up the new Google Analytics account.

3. Now, agree to the Terms of Service, shown in Figure 12-10. Click "Create New Account."

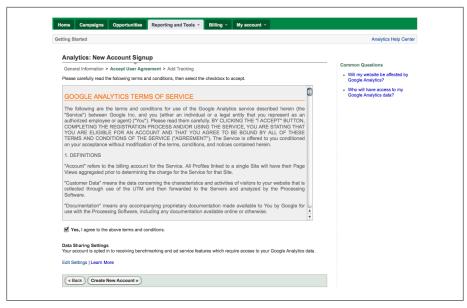


Figure 12-10. You must agree to the Google Analytics Terms of Service.

4. Finally, you see the Google Analytics tracking code, shown in Figure 12-11. This piece of JavaScript is placed on every page of the website. If you do not place it on every page, your understanding of visitor behavior will be incomplete.

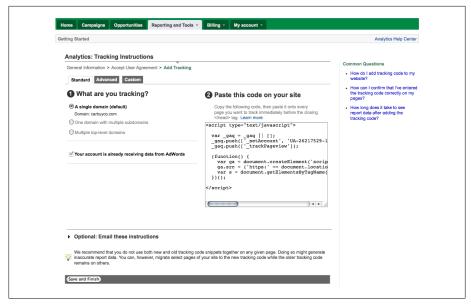


Figure 12-11. Copy this tracking code and place it on every page of your website.



Place the GA tracking code after the close head tag on every page of your website.

5. Click "Save and Finish" and Google Analytics is ready to go!

After tagging your pages, you'll see reports like Figure 12-12 within 24 hours.



Similar to conversion tracking, Google Analytics allows you to track conversion events, called goals. With Analytics reports, you can see a funnel visualization report, showing how visitors progressed on your site toward a conversion. The funnel is the path you expect visitors to take; tagging these pages allows you to see where visitors abandon the goals.

You can import Google Analytics goals into AdWords conversion tracking, as shown in Figure 12-13.

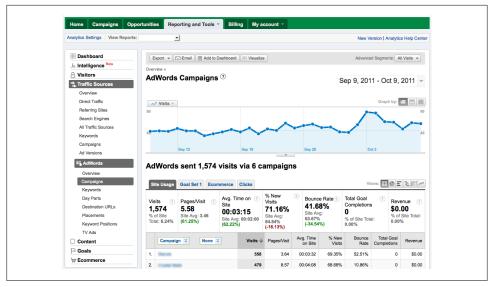


Figure 12-12. Example Google Analytics report

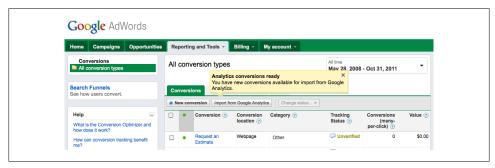


Figure 12-13. Import Google Analytics goals into AdWords as conversions

Glossary

The following glossary should help you understand the most commonly used terms in AdWords and online marketing.

Ad Group

An ad group is part of the AdWords account structure. Each ad group defines a set of keywords or placements (or both), the default bid (or individual bids for keywords and placements), and the associated ad creative. Campaigns may include up to 20,000 ad groups. Successful AdWords accounts typically have many ad groups focused on specific themes. The relevancy of the keywords to the ad text in each ad group is an important factor in the AdWords Quality Score calculation.

See also Campaign.

Ad Rank

Ad rank represents your "place" in the Ad-Words auction. The highest-ranking ad wins first place, and therefore the first ad position on the page. The formula for determining Ad Rank is: *Ad Rank* = *f*(*Quality Score, Max CPC bid*).

See also Maximum Cost-Per-Click (Max CPC), Quality Score.

AdSense

AdSense allows website publishers to display AdWords ads. AdSense members are part of the Google Display Network. Publishers earn revenue when visitors view or click on the ads. When displaying ads with AdSense for content, publishers receive 68

percent of the amount Google collects from advertisers. When using AdSense for search, publishers receive 51 percent of the amount collected from advertisers. See http://www.google.com/adsense.

AdWords Application Programming Interface (API)

Allows developers to build applications that interact directly with AdWords. These applications enable efficient management of complex AdWords accounts. The API can automate keyword generation, dynamic ad text and destination URLs, integrate AdWords data with inventory systems, and develop custom tools to manage accounts. The AdWords API SOAP interface is supported by many programming languages, including Java, PHP, Python, .NET, Perl, Ruby, and JavaScript. Visit the API microsite to learn more.

AdWords Certified Partner

Non-Google employees certified by Google to manage AdWords accounts. To become qualified, partners must demonstrate an indepth understanding of AdWords by passing exams, and manage at least \$10,000 USD in advertiser spend through a My Client Center within 90 days. Partner must have at least one individually qualified employee and agree to Google's terms and conditions. Certified partners can be located via Google's Partner Search. To learn more

about the program, visit the Google Certification Program microsite.

See also My Client Center (MCC).

AdWords

AdWords is the name of Google's advertising platform. There is no such thing as an "AdWord"

AdWords Editor

A free, separate Google application that allows advertisers to manage AdWords accounts offline. It offers significant advantages, including the ability to save backups, collaborate with a group, make bulk edits efficiently, and easily identify duplicate keywords. You can download the Editor from the Reporting and Tools section of an AdWords account or at Google.com/intl/en/adwordseditor/.

Automatic Placements

A placement is a place on the Google Display Network where AdWords ads can appear. A placement is typically a website or a page on a website. Automatic placements are those identified by Google, based on keywords in an ad group. AdWords uses contextual targeting to identify appropriate placements to display ads.

See also Google Display Network (GDN), Managed Placements.

Average Cost-Per-Click (Avg. CPC)

The average amount paid each time someone clicks an ad. Average CPC is determined by totaling the cost of all clicks and dividing it by the number of clicks received.

Average Position (Avg. Pos.)

A statistic attributed to each keyword that indicates the average position of an ad on a search result page when triggered by that keyword. Position 1 is the highest position on the first page of search results, relative to other advertisers. There is no bottom position. Keywords with an average position of 1–8 generally display ads on the first page of search results. Keywords with an average position of 9–16 generally display ads on the second page and beyond. An average posi-

tion of 1.6 means the ad usually appears in position 1 or 2. Average positions are not fixed; they vary depending on various performance factors, including the keyword that triggers the ad.

Bid Simulator

An AdWords feature that recalculates auctions from the last seven days to show how a keyword might have performed with different Max CPC bids. Bid Simulator uses internal auction data, including Quality Score, to estimate where ads would have appeared and how frequently they would have been clicked with different bids. The simulator estimates click, cost, and impression data for Google Search and the Search Partners, not the Google Display Network.

See also Maximum Cost-Per-Click (Max CPC).

Bounce Rate

Bounce rate is the percentage of single-page visits to a website.

Broad Match Keyword

Describes the default AdWords keyword match type. A broad match keyword can trigger ads when a searcher's query matches the keyword, includes the keyword, or is a variation of it. Keyword variations include synonyms, singulars and plurals, and variants.

Campaign

A campaign is part of the AdWords account structure. Each account can contain up to 500 active campaigns; paused and deleted campaigns don't count toward this limit. Campaigns control administrative settings, including the geographic areas where ads can display, the default language, ad distribution preferences and devices, and the daily budget.

See also Ad Group.

Click

A click is counted when someone clicks on an AdWords ad after a search or when coming across an ad on a website in the Google Display Network. A phone call initiated from an ad on a mobile device also counts as an AdWords click. With the pay-per-click model, advertisers pay when people click on their ads.

Clickthrough Rate (CTR)

Clickthrough rate is the number of clicks an ad receives divided by the number of times it is displayed (impressions). CTR is the most important factor in the AdWords Quality Score calculation.

See also Quality Score.

Conversion

When a click on an ad results in a desirable behavior by the visitor. Conversions are the true measure of success for advertisers. Example conversions include an online sale, a signup, a form submission, or a download. Advertisers can track conversions using Conversion Tracking, found in the Reporting and Tools tab, or by setting up goals in Google Analytics.

See also Google Analytics (GA).

Conversion Optimizer

An AdWords bidding option that uses conversion tracking data to dynamically manage bids toward a CPA goal. Advertisers still pay for clicks, but do not adjust bids manually; Conversion Optimizer automatically finds the optimal equivalent cost-per-click bid by calculating a predicted conversion rate for each auction.

See also CPA Bidding.

Conversion Rate

Conversions divided by total clicks. If conversion tracking is set up, AdWords shows one-per-click and many-per-click conversion rates. Many-per-click can credit a keyword with more than one conversion per click, resulting in a conversion rate that exceeds 100 percent.

Cost-Per-Click (CPC)

A pricing model where advertisers pay for clicks on ads, usually at a price they specify. CPC is also called pay-per-click (PPC).

See also Pay-Per-Click (PPC).

Cost-Per-Conversion

The total cost divided by conversions. This metric can report costs for 1-per-click and many-per-click conversions.

CPA Bidding

Stands for cost-per-acquisition (CPA). This bidding model is available for advertisers using Conversion Optimizer, which allows maximum or target CPA bids for each ad group. A maximum CPA bid specifies the upper limit advertisers are willing to pay for conversions. Target CPA specifies the average amount advertisers are willing to pay for conversions.

See also Conversion Optimizer.

CPM Bidding

Stands for cost-per-thousand impressions. This pricing model is available for placement-targeted campaigns on the Google Display Network only. Advertisers specify the maximum amount they're willing to pay for every 1,000 ad impressions.

See also Placement Targeted Campaign.

Customer ID (CID)

A 10-digit number used to identify each Ad-Words account. The CID is found at the top right corner of an AdWords account, formatted like this: xxx-xxx-xxxx. When viewing an account via a My Client Center account (MCC), the CID (labeled Client ID) appears in the left corner, and the MCC's Manager ID is listed in the right corner.

See also My Client Center (MCC).

Delivery Method

A campaign setting that determines how quickly ads are shown each day. The default, standard delivery, distributes ads as evenly as possible within the budget, over a 24-hour period. Accelerated delivery displays ads as quickly as possible until the daily budget is spent. With accelerated delivery, ads stop serving until the next day.

Destination URL

The web page that people actually end up on after clicking on an ad.

Display Ad Builder

A tool in an AdWords account that provides templates for creating image and video ads. Advertisers select templates and customize the content with text, images, and links.

Display URL

The website address that's displayed with an ad.

Distribution Preference

A campaign setting that determines which AdWords networks can display ads. The networks include Google Search, the Search Partners, and the Google Display Network.

See also Search Network or Search Partners, Google Display Network (GDN).

Double-Serving

Describes displaying more than one ad for the same company on a single search results page. Google does not permit advertisers and affiliates to double-serve ads across multiple accounts for the same or similar businesses or the same or similar keywords.

Exact Match Keyword

A match type that restricts the delivery of an ad to a search query that matches a keyword exactly, character-for-character. To specify exact match, surround the keyword with square brackets, as in [example exact match keyword]. In this case, only a search for example exact match keyword is eligible to trigger an ad.

First Page Bid Estimate

An estimate intended to show advertisers what bid is required to display an ad on the first page of Google's search results. The estimate is based on a search query that matches the keyword exactly. It considers the keyword's Quality Score and advertiser competition.

Frequency Capping

A campaign setting applicable to the Google Display Network only. Frequency capping limits the number of times ads can be shown to a unique person in a specified period of time. Use frequency capping to limit the

number of impressions allowed per day, per week, or per month. The cap can apply to ads, ad groups, or campaigns.

Google Account

A single email and password used to access multiple Google services, including Ad-Words, Gmail, Google Groups, Google Alerts, Google Product Search, and Google Apps. A Gmail account is already a Google account; any email address can be used to create a free Google account. If you are not sure if an email address is already a Google account, use the password recovery feature to see if Google recognizes the email address. To create a Google account, visit https://goo.gl/dl0NF.

Google Analytics (GA)

A free analytics program that shows how people found a website and what they did there. Google Analytics (GA) integrates with AdWords, showing activity on the site derived from specific campaigns, ad groups, and keywords.

Google Display Network (GDN)

An advertising network that allows Ad-Words advertisers to show ads on websites, called placements. The GDN accepts text, image, video, and rich media ad formats. Advertisers can target ads based on keyword themes, topics, and specific web pages.

See also Automatic Placements, Managed Placements.

Impression

The number of times an ad is displayed, whether it is clicked on or not.

Impression Share

A metric that represents the percentage of times ads were shown out of the total available impressions for which ads were eligible to appear. Eligibility is based on the ads' targeting settings, approval statuses, and bids.

Keyword

A keyword is a word or phrase that can trigger an ad. Keywords are limited to 10 words and 80 characters, including spaces. Each ad

group can contain 5,000 keywords, including negative keywords.

Keyword Insertion

A technique used to dynamically update ad text with keywords from an ad group. The technique is also called Dynamic Keyword Insertion (DKI) and wildcard. To use DKI, place a tag in the ad text where the keyword should appear when it triggers an ad. Ads are still subject to AdWords advertising policies.

Landing Page

The web page searchers see after clicking an AdWords ad. The landing page is specified in the Destination URL field when writing an ad.

Managed Placements

Specific sites or pages in the Google Display Network where ads can appear. A campaign can include both automatic and managed placements or be restricted to managed placements only. This campaign setting is specified in the Networks section. Placements can be found via the Placement Tool in the Reporting and Tools tab.

Many-Per-Click Conversions

A metric that records a conversion for every ad click resulting in a conversion within 30 days. It can count multiple conversions per click.

See also One-Per-Click Conversions.

Match Type

Determines how closely the search query must match the keyword to be eligible to trigger an ad.

See also Broad Match Keyword, Phrase Match Keyword, Exact Match Keyword, Negative Keyword.

Maximum Cost-Per-Click (Max CPC)

A bid in the AdWords auction, specifying the highest amount an advertiser is willing to pay for a click on an ad.

Maximum Cost-Per-Phone Call (Max CPP)

Available for advertisers using Call Metrics, Max CPP specifies the bid, the highest price

an advertiser is willing to pay each time a visitor manually dials the Google forwarding number shown with ads on desktop and tablet devices.

My Change History

A feature that shows changes made to an AdWords account, back to January 1, 2006. View changes by time or types of changes. If multiple users with separate logins have access to the account, the feature shows who made the changes.

My Client Center (MCC)

A free umbrella account used to manage multiple AdWords accounts. An MCC allows a single login to access all managed accounts, view selected statistics across accounts, and run reports across multiple managed accounts. MCC owners can create new accounts and link existing AdWords accounts. MCC accounts can link to five additional MCCs. An MCC is a requirement for becoming an AdWords Certified Partner. Sign up at http://goo.gl/CzHr7.

Negative Keyword

A word or phrase that prevents ads from appearing when included in the searcher's query. Negative keywords applied at the ad group level count toward the 5,000 keyword limit. Advertisers can apply up to 10,000 negative keywords at the campaign level, per campaign.

One-Per-Click Conversions

An account metric that records a conversion for every ad click resulting in a conversion within 30 days. It counts one conversion per unique user, per ad click. If the same user completes more than one conversion after the single ad click, conversions after the first will not count.

See also Many-Per-Click Conversions.

Pay-Per-Click (PPC)

A pricing model where advertisers pay for clicks on ads, usually at a price they specify. PPC is also called cost-per-click (CPC).

See also Cost-Per-Click (CPC).

Phrase Match Keyword

A match type that restricts the delivery of an ad to a search query that matches a keyword exactly, character-for-character, but allows additional words before and after the keyword. To specify phrase match, surround the keyword with quotes, as in "example phrase match keyword". In this scenario, a search for example phrase match keyword is eligible to trigger an ad. A search for another example phrase match keyword here could also trigger an ad, because the keyword phrase is intact. A search for phrase match keyword example cannot trigger an ad.

Placements

Locations on the Google Display Network where ads can appear. Placements include websites, subsets of websites (such as a selection of pages from that site), or individual ad units.

See also Automatic Placements, Managed Placements.

Placement Targeted Campaign

A campaign that displays ads on the Google Display Network, using managed placements only. This setting is selected from the Networks section in the campaign settings. Placement targeted campaigns have the option to use CPM bidding.

See also CPM Bidding, Automatic Placements, Managed Placements.

Quality Score

There are several Quality Scores associated with an AdWords account. The score that matters most in the AdWords auction is at the keyword level. Every keyword in an Ad-Words account has a separate Quality Score. It's a dynamic variable calculated every time a search query matches the keyword. In an account, it's represented as a number between 1 and 10. The higher the Quality Score, the better. Scores from 7 to 10 are great; 5 to 6 are OK; and 1 to 4 mean the keyword may have trouble winning the ad auction. Quality Score is an important component of the auction, used to determine ad rank and actual cost per click.

See also Ad Rank, Clickthrough Rate (CTR).

Return on Investment (ROI)

The ratio of the cost of advertising to the profit generated from conversions. ROI indicates the value to your business gained in comparison to the advertising costs. To calculate ROI, take revenue from sales, subtract advertising costs, then divide by total advertising costs: (Revenue – Cost) ÷ Cost. To get the best results from AdWords, it's important to determine the ROI per keyword via conversion tracking, Google Analytics, or both. Once you know the value of each keyword, you can bid strategically, focusing on your best performers and cutting back on poor performers. These adjustments can improve your return on investment.

Search Network or Search Partners

An advertising network available to Ad-Words advertisers made up of a group of websites that use Google's search technology. The Search Partners are subject to change; as of this writing, partners include AOL.com, Virgin Media properties, and Google properties like Google Maps, Google Groups, Google Images, Google News, and others. Ads are keyword targeted and limited to text. The one exception is Google Images; the text ad is accompanied by a 160 × 160 pixel image. To display ads on the Search Network, the campaign must also be opted into Google Search.

Text Ad

The primary type of AdWords ad, text ads show on Google search, the Search Partners, and the Google Display Network. Ads include 25 characters for the headline, two 35character description lines, and 35 characters for a Display URL. Each ad includes a destination URL with a 1.024 character limit.

Top-Ranked Ad

Ads that appear above Google's organic search results, in the center well of the search results page. To qualify, ads must exceed a Quality Score and bid threshold determined by the AdWords algorithm (but not published).

View-Through Conversion

View-through conversions show the number of online conversions that happened within 30 days after a person saw, but did not click, a display ad on the Google Display Network. If a click on a GDN display ad precedes the conversion, the conversion is treated as a click-conversion. View-through conversions are not reported for text ads on the GDN or search campaigns. The account must have conversion tracking enabled, and Google Analytics goals are not compatible.

AdWords counts all conversions not associated with a click and attributes them back to the last impression in the last 30 days. Consequently, a single impression can be associated with multiple view-through conversions. In cases where a conversion follows both a search click and a display impression, both a clickthrough conversion and a viewthrough conversion are counted. Viewthrough reporting uses last click, last impression attribution. So, conversions are credited to the last click on an ad. If there are no clicks in the last 30 days, conversions are credited to the last impression preceding the conversion.

About the Author

Anastasia Holdren is president of SEM Training, providing training and consulting for Google AdWords advertisers. Stasia is one of two Authorized AdWords Seminar Leaders. Working with Google, she piloted the Seminars for Success program in 2006. Since then, she has trained thousands of advertisers around the world.

Stasia has fifteen years of experience managing web technology projects and online marketing programs. Prior to leading the seminars, she was senior vice president for Sitening, the creators of Raven Internet Marketing Tools.

Stasia's career began in the Boston area. Before moving to Nashville, she worked for the Boston Globe's website, Boston.com, and a Boston-area web consulting agency.

Stasia has worked for a wide range of clients, including Osram Sylvania, Harvard Business School Executive Education, eMarketer.com, NashvillePost.com, Cannondale, Air Jamaica, the National Federation of Independent Business, Psychiatric Services, and TravelCenters of America.

Stasia earned degrees in English literature and journalism from the University of Massachusetts, Amherst. She lives in Nashville, Tennessee, with her family. When she is not online, she finds balance offline practicing yoga, gardening, and training her dogs.