

# HOW TO MAKE PAID SEARCH PAY OFF



## PAY PER CLICK MARKETING STRATEGY

Paid search marketing is one of the most effective marketing tools ever developed because of how targeted and flexible it can be. Google, Yahoo, and Bing — as well as other search engines — use this model to sell advertising in the form of sponsored listings in search engine results, but since Google AdWords is the dominant platform for advertisers, most of the examples in this white paper will focus on Google.

Google launched AdWords in 2000 based on the idea of presenting relevant ads to people based on the keywords they are searching on. The idea behind AdWords is that you bid to have your ad shown when people search on particular keywords. Google will present your ad to searchers based on your keyword bid, the click-through-rate (CTR) of your ad, and the quality score Google assigns to your ad. This system allows Google to keep advertisers striving to increase their bids against each other, while improving the quality of their ad copy and offers. This system works so well that advertisers currently spend \$28 billion per year with Google, up from \$66 million 10 years ago.

A key feature of this advertising system is that it allows for incredibly accurate targeting options. You can target specific keywords or phrases, focus your ads on Google's search page, their partner search pages, or thousands of other sites that show Google ads. You can also target based on geography, language, and a variety of other demographic characteristics.

Traditional marketing techniques target users based on demographics alone. If you are interested in reaching a certain demographic, say upper middle class women between 18 and 35, you could choose various radio, TV, website or magazine options. These advertising vehicles would typically run surveys to find out how much of their audience fall into each demographic. The challenge with these media platforms is that the user is generally doing something else when they are viewing your ad, such as reading an article or watching a TV program, so the response rates are often low. In addition, even through these media sources are targeted, they always have some users that fall outside of the demographic you want to reach. This traditional media is often referred to as "push" marketing, since you are pushing your message in front of an audience that may or may not be interested.

When people are searching on Google, they are actively looking for something. If an ad helps answer their question, then it's natural for them to respond to the ad to learn more. For example, if you are a college recruiter and you advertise in a magazine or website focused on young women, you are presenting your ads to the right audience, but at a time when they are reading about fashion or some other topic. The power of Google AdWords is that you are presenting your ad to searchers the moment they type in the query. For example, if someone searches on "nursing programs Cleveland, Ohio" this makes your ad not only much more relevant, but very timely. You can fulfill the searcher's need immediately with more information faster than you could with any print or traditional media. This is known as "pull" or "inbound" marketing, as you are pulling in an audience that has already — through their Google search — expressed an interest in your offering.

The screenshot shows a Google search for "nursing programs Cleveland, Ohio". The search results are displayed in a grid format. On the left side, there are navigation options: Web, Images, Maps, Videos, News, Shopping, and More. Below these are "Westborough, MA" and "Change location", and "Show search tools".

The main search results area is divided into two columns. The left column contains several organic search results, including:

- Online Nursing Programs | Chamberlain.edu**: Earn Your RN To BSN in 3 Semesters. Online, Affordable & User Friendly! Request More Information - Speak With An Advisor: 855-792-9066
- Become an RN - U.S. News Best Job of 2012**: nursing.hondros.edu/Cleveland-RN No Waitlist to Start Your Education
- Online Nursing Programs | WaldenU.edu**: www.waldenu.edu/Nursing Advanced Interactive Classrooms in a Modern Online Learning Community. 158 people +1'd or follow Walden University Online Nursing Degrees - Online Psychology Degrees
- Nursing Degree, Nursing Classes, Cleveland, Ohio**: www.tri-c.edu Home Programs The Division of Nursing consists of two nursing programs, the Associate of Applied Science Degree in Registered Nursing and the Certificate in Practical ...
- Cleveland Nursing Programs - Ohio Nursing School - Hondros ...**: nursing.hondros.edu/Contact/Cleveland.aspx Cleveland Nursing Programs. 4100 Rockside Road Second Floor Independence, OH 44131. Phone: (216) 524-1143. Fax: (216) 524-4809 ...
- Nursing schools in Cleveland Ohio and the Northeast Ohio region**: www.chanet.org/Workforce/NEONI/.../Nursing/SchoolsOfNursing.as... Listing of Nursing schools in Cleveland Ohio and the Northeast Ohio region who are ...

The right column contains targeted advertisements:

- Online Nursing Programs | Chamberlain.edu** (repeated)
- Nursing School**: www.fortis-college.net/ Further Your Career With a Diploma in Nursing, from Fortis!
- Nursing Career**: www.nursingcareerdirectory.com/ Become a Nursing Professional - Find a Program Near You Today!
- Practical Nursing Program**: www.northcoastmedicalacademy.com/ Day & Evening Schedules Available. Learn More About Our 1 Year Program
- University of Phoenix**: www.phoenix.edu/Degrees We Have a Campus Location Near You. See Available Degree Programs Now. 5005 Rockside Rd, Independence, OH (216) 447-8807 - Directions
- Nursing School in Ohio**: www.lincolncollege-usa.com/Nursing Lincoln College of Tech: Nursing Program: extended care, maternity
- Nursing Programs Online**: www.wgu.edu/ Top Rated Nursing Degrees - Low Tuition & Flexible. Learn More!

Targeting ads based on what people are thinking and actually searching on is very powerful and can result in a cost per lead or cost per sale that is lower than almost any other type of paid media. The key to making the program work is to align all of the variables available to you in order to achieve your business goals. The main variables available to the advertiser are:

- Keywords
- Ad Copy
- Banner Ad Design and Copy
- Offers
- Landing Page Design
- Bids
- Budget
- Geographic Targeting
- Website Targeting

The power of the system is that you can run multiple ads featuring multiple offers on thousands of keywords at the same time, and make changes instantly to improve your results. These campaigns can be created and taken down very rapidly, and you can start very small and grow campaigns to be very large. In each of these categories you can create and test many options to give you the best results. For example, a campaign may contain 500 keyword variations grouped into 10 ad groups, testing 35 text ads and 8 banner (graphical) ads, that leverage 5 offers supported by dozens of very specific landing pages, showing ads in 16 countries across three continents. All of this can be managed through one user interface where changes can be made very quickly and easily.

The flexibility of the system serves the needs of large international advertisers, very small local advertisers, and everyone in between. Compared to any traditional media, it is easier to get started, less expensive to run and manage, easier to get results faster, and more conducive to testing and optimizing.

Because there are many variables that you can arrange in order to make a campaign work, sometimes people say that they tried Google AdWords, but it didn't work for them. Although it does not always work, most of the time it is because people use these tools poorly and do not optimize all of the variables properly to produce the desired results. Below are the key areas to consider when developing your PPC marketing strategy.



## SETTING GOALS

An effective campaign has clear goals and expectations, a strong offer or series of offers, and well designed landing pages. It is optimized continually through testing, targeting and optimization.

Several of the goals used for a Google campaign are:

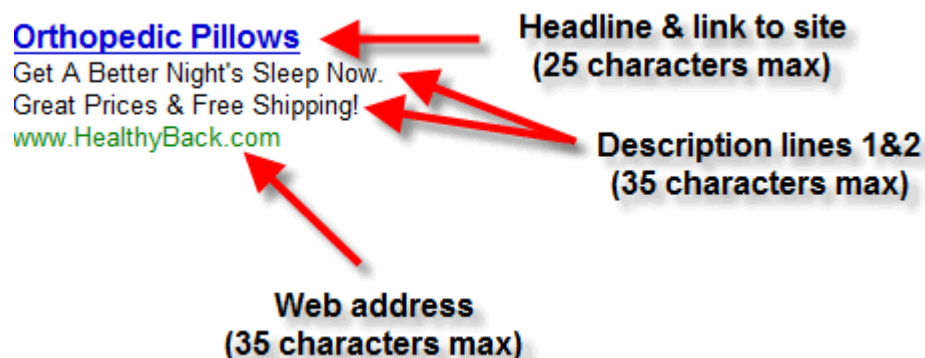
- **Brand Impressions.** Some companies simply want to be seen. Since Google presents your ad for free and only charges you when someone clicks on your ad, it can be very inexpensive to create ad impressions. In one of our recent campaigns we got over 1 million impressions for less than \$1,000.
- **Clicks to your website.** Since Google is a pay per click system, they charge you based on the number of clicks you get to your website or landing page. This can be a great way to generate traffic to your site at an attractive cost per click.
- **Conversions.** Most companies don't simply want impressions; they want leads or a sale, usually referred to as a "conversion." The power of AdWords is that if you align all of the variables properly, you can optimize the program to drive the most conversions at the lowest cost per conversion.
- **Sales.** If you are a B2B marketer, you are often driving leads that don't turn into sales instantly. Google AdWords integrates with popular CRM systems such as Salesforce.com which allows you to track a sale back to the keyword or ad that drove the lead, even if the sale was made months or years after it was first generated.

The beauty of an AdWords program is that you can focus part of your campaign on one goal, and another part of your campaign on another goal. For example, you may want to make sure your company or a product name is at the top of the search results page to make your brand more visible. You can

put your brand keywords in a campaign with a specific budget, and get the most impressions possible without disrupting your core lead generation campaigns. You can do the same thing with your other goals, creating specific budgeted campaigns to serve your website traffic or lead generation goals.

## THE OFFER

Many companies violate a basic principle of direct marketing and use AdWords to direct traffic to their website's home page. The offer in their ad is often something like, "We're great -- check us out." In test after test, we've discovered that ads are more effective when there is a strong offer and a specific call to action. Instead of just saying that you are "great," it's more effective to offer "20% off" or a "Free eBook" for example. These types of valuable offers deliver value to the user and drive higher click through rates than other, more self-focused ads.



The power of AdWords is that you don't need to use just one offer. You can feature a different offer for every keyword group to make offers more relevant. We've run campaigns with dozens of different offers to meet the needs of users who are searching on different keywords. The more relevant the offer is to the keyword you are advertising on, the higher your click through rate and conversion rate.

## LANDING PAGES

Once you have your offer strategy developed, you can create landing pages. Again, many companies make the mistake of taking their AdWords traffic directly back to the home page of their website. But your home page may not be relevant to the searcher on every keyword that you are advertising on. Additionally, your home page offers many navigation choices, and if your goal is to drive leads or a sale, the user will be distracted by all of these choices and less likely to do what you want them to do.

A landing page fulfills the goal of the searcher. When someone searches on a keyword and clicks on a specific ad, they expect to go to a place that fulfills their needs. If they don't see it within seconds, they will abandon your page and continue searching.



A well designed landing page makes it easy for the searcher to get what they want, while allowing you to get what you want. If your goal is to drive leads, then you want to make it easy for them to give you their contact information with a simple form that's easily visible when they arrive on the page. You'll also want to make it easy for the searcher to understand the offer by providing a clear headline with short copy and a picture of the offer. The call to action should be clear and simple so that the searcher can give you their contact information within seconds.

Good landing pages can make a significant impact on a campaign. I've seen a 500% improvement in results by creating a dedicated landing page instead of using the home page. I've also seen a 700% improvement in results by creating a well-designed landing page instead of a rambling, multi-page web site. These improvements in conversion rates can create a dramatic improvement in the ROI of a campaign.

### TESTING WITH ADWORDS

AdWords is a very powerful testing platform. You can use it to create and manage simple A/B tests or complex multivariate tests to get statistically significant results. And since it's easy, fast, and relatively inexpensive to get

many impressions on a campaign, many companies use Google to test ads, messages and landing pages, and then roll out the winners to less flexible media.

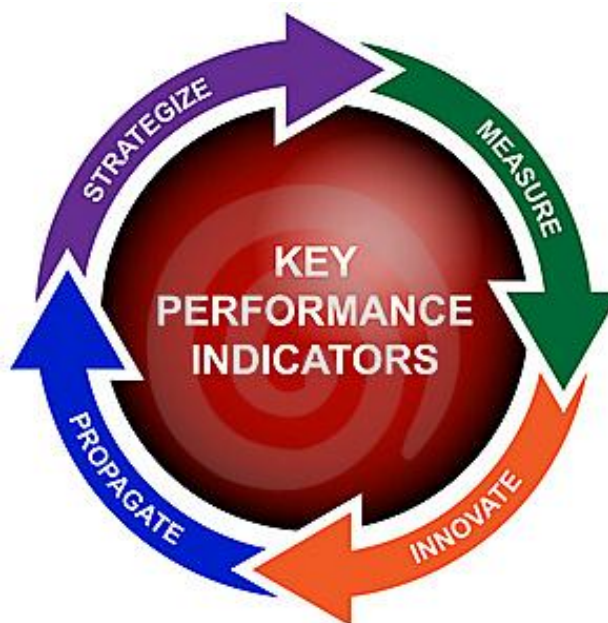
## TARGETING AND OPTIMIZATION

Once you create an AdWords campaign with well-designed offers, landing pages, keywords and Ad groups; your work has just begun.

The AdWords marketplace is always changing, with companies constantly competing on keyword bids in a live auction environment in response to searches by individuals every day. Because of this dynamic environment, campaign results can change rapidly when your competitors adjust their budgets, bids, or keywords. It's very important to constantly monitor your campaigns to make sure that the elements that were working last week are still working this week.

## KEY PERFORMANCE INDICATORS (KPI)

AdWords campaigns can produce a lot of data, but it's important to monitor the most important variables to keep a campaign in line. When we manage a campaign, the most important variables we focus on are the campaign budget, the number of conversion (leads), and the cost per conversion. In other words, are we spending enough money, driving enough leads or sales, and doing it at an acceptable cost per lead? If we achieve these goals, the rest of the campaign will be in line. It's important to do this review at not only the account level, but also at the campaign, ad group or even keyword level. By doing this, you can tell if each of your campaigns are effective.



An effective Paid Search marketing campaign will deliver winning results in a predictable and consistent way at a reasonable cost per conversion. The smart marketer will use all of the levers in the campaign to drive the best results possible.

## ABOUT THE AUTHOR



David Reske is the founder and president of Nowspeed, Inc. He founded Nowspeed in 2003 and is focused on delivering world-class Internet marketing services to clients across the US. David has over 15 years of Internet marketing experience in areas such as search (SEO and PPC), social media, email, and website marketing. He has personally worked with over 100 clients to optimize their marketing programs.

Before founding Nowspeed, David was also founder and CEO of Onward Technologies, a web marketing and systems integration firm, where he led the company to significant growth. In 1998, Onward Technologies was purchased by CSC Consulting Group, a division of CSC Corporation that provides information technology services to commercial and government markets. David is a graduate of Ohio State University and completed graduate work at Boston University.

## ABOUT NOWSPEED

Nowspeed's click-to-customer™ marketing solution drives, converts and nurtures leads—generating more high-value sales faster for our clients. We provide expert marketing strategy, search marketing, social media marketing, award-winning creative and flawless campaign execution across all our services. For more information, visit us at [www.nowspeed.com](http://www.nowspeed.com).

