



ADWORDS WORKBOOK

2017

JASON MCDONALD

ADWORDS WORKBOOK: ADVERTISING ON GOOGLE ADWORDS, YOUTUBE, & THE DISPLAY NETWORK

2017 EDITION

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AUGUST UPDATE

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Important Notice Regarding the “New” AdWords Interface

As of August, 2017, Google has “upgraded” many AdWords accounts to its new interface, now in “beta.” This book uses the **OLD** interface. To revert to the old interface, login to your AdWords account, click on the three dots in the top right hand corner, and then click “return to previous AdWords.”

- The 2018 edition of the AdWords Workbook will reference the “new” AdWords interface as by then (hopefully) it will be stable and out of “beta.”

If you have questions, please email the author as **j.mcdonald@jm-seo.net** or call 800-298-4065.

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INTRODUCTION

Welcome to the *AdWords Workbook, 2017 edition*! This book teaches you how to advertise your business via Google's proprietary ad system, *AdWords*.

AdWords is how to advertise on Google.

*The book explains - in plain English - how to use AdWords **effectively**.*

AdWords is **powerful**! AdWords is **complicated**! AdWords is **expensive**! AdWords is **fun**!

Three quarters of the above statements are true, and AdWords can be your best friend or your worst enemy. Indeed, many people don't realize that AdWords isn't just a way to advertise your product or service on the *Google search engine*. It's also a way to get your company, product, or service on Google's network of affiliated sites called the *Display Network* that includes blogs, parked domains, portals, newspapers and even YouTube and Gmail. And it's a method of *remarketing*, "tagging" your website visitors so you can show and reshow them your ad until they're ready to buy. It's even a method to advertise on apps on mobile phones.

This workbook will teach you the *lies* and *secrets*, *tips* and *tricks*, *tactics* and *techniques* that will help you leverage **AdWords** to get your company, product or service to the top of Google, in video ads on YouTube, into email ads on Gmail, and placed on a cornucopia of websites in the Google Display Network (GDN) as both images and text. It will also show you the power of *remarketing*, how to get your ads in front of potential customers by following them across the Internet. Our goal is to first understand how best to use AdWords, and then to set up AdWords advertising in the most efficient way possible, spending the *least* while getting the *most* from each advertising dollar.

A Love / Hate Relationship

I am a lover of AdWords, and I am a powerful critic of AdWords. I love AdWords, and I hate AdWords!

AdWords, you see, is like alcohol. Used wisely and with restraint, it can be quite fun and quite productive. Used poorly and with reckless abandon, it can burn through your budget and drive you to bankruptcy (and more alcohol).

ADWORDS IS LIKE ALCOHOL

I am not alone (*especially on the love part*). There are many books on AdWords, and there are literally thousands of AdWords advertising companies and consultants who have all drunk the *Google Kool-Aid* and will all spout the *Google Gospel* on AdWords. In Google's own words:

Be seen by customers at the very moment that they're searching on Google for the things you offer. And only pay when they click to visit your website or call. (<https://adwords.google.com/home>).

Sounds incredible, no? Be seen on the world's most prolific search engine at the moment of search, and only pay when they click.

Yes, AdWords is effective. AdWords is incredible.

The Dark Side of AdWords

But there's a dark side to AdWords that few people know about, and even fewer talk about, publicly. I am relatively alone in "going public" to educate the general public, especially small business owners and marketers, about the dark side of AdWords – the ways in which AdWords is full of traps, or what I call *gotchas*, that can literally waste thousands of your hard-earned dollars.

There is a bit of a conspiracy of silence around AdWords...

Friends don't let friends drive drunk, and friends don't let friends use AdWords without understanding its pitfalls and problems.

An Advertiser Walks into a Bar

Imagine you go into a bar, looking for a nice beverage to slake your thirst. You ask the bartender, “Hey, Bartender! Get me a Whiskey!” Now, perhaps you want the *cheapest* whiskey, or perhaps you want to spend no more than \$19.00 a glass (you have a taste for *Glenmorangie Milsean* whiskey). But, if you do not specify the whiskey, the bartender is incentivized to give you his most *expensive* whiskey, is he not?

GOOGLE IS LIKE A BARTENDER

Indeed, if you think about the business relationship between the bartender and you the patron in the cold, sober light of day, you'll realize that the bartender is incentivized to “get you drunk,” to “run up a big tab,” and he'll happily serve you his most profitable and expensive whiskey all night long. Then, if you get in your car, and crash against a tree, he may say, “it's not his fault.” Even worse, an unscrupulous bartender might “water down the whiskey” and serve you an inferior product yet charge you the full price.

The Bartender is incentivized to sell you the most expensive, profitable whiskey.

You, in contrast, may want the cheapest whiskey, or at least to make a pro-active choice as to what you want to drink on the continuum from cheap to expensive when it comes to whiskeys. Or maybe you don't drink, and you want an apple juice or diet Coke. That's OK, too.

And

The Bartender is “not responsible” if you drink too much and wreck your car.

You, however, would rather not wreck your car.

Google, you see, is like the bartender, and you are like the patron. Google gets paid by the *click*, whereas you get paid by the *conversion* (a *sale* on your eCommerce site or a *sales lead* such as a completed feedback form on your website).

Those are not necessarily the same thing, my friend. (More about this later).

AdWords is Powerful! Don’t Miss Out!

Lest you think I am completely against AdWords, let’s not throw the proverbial baby out with the bathwater, or search engine out with the pay-per-click advertising! I wouldn’t be writing this book, and I wouldn’t be explaining how to use AdWords, if I didn’t believe in AdWords as a powerful tool in our marketing toolbox.

Yes, AdWords is complex and confusing, and – to be blunt – rigged against the little guy, but it has **phenomenal opportunities** for a small business marketer who knows how to master its magic.

AdWords is powerful!

If you know what you’re doing, and you know how to harness AdWords effectively, yes, indeed, AdWords can be a key part of your Internet marketing strategy. AdWords can –

- Get your company, product, or service to the **top of Google** at the precise moment, for the precise keywords that your customers are searching for, just as they’re ready to buy a product or service.
- Get your company, product, or service onto **thousands of websites and blogs** that participate in the **Google Display Network**, allowing you to reach customers as they **browse** the Web for information.

- **Follow your customers “around the Internet”** through **remarketing**, showing them your ads on Google, YouTube, and thousands upon thousands of independent websites in the Google Display Network.
- Get your company, product, or service onto **YouTube**, the #1 video site on the Internet, and **Gmail**, the #1 free email service.
- Market your **App** to interested consumers through in-App advertising.

If you know what you’re doing, AdWords can be an incredibly effective tool in your advertising and marketing toolbox.

Enter the AdWords Workbook

To succeed at AdWords without wasting money, you need an expert guide and an expert guidebook. That’s what this Workbook is. It will teach you secrets, tips, tricks, and techniques to effectively use Google AdWords to market your product or service in the most efficient manner possible. We will proceed, together, “eyes wide open,” understanding that Google is like a bartender or a used car salesman that has good – *no great* – products to offer us as advertisers, even if he’s incentivized to oversell us just a tad.

AdWords is powerful, and you and I are going to learn, together, how to unleash its power to help your business in an effective and cost-efficient manner.

Isn’t that exciting? I think it is. I love AdWords, and use it for myself and my clients.

Let me repeat that:

I love AdWords!

And I am going to teach you how to use it safely and effectively.

Who is This Workbook For?

This workbook is aimed primarily at **small business owners** and **marketing managers**. **Non-profits** will also find it useful. If you have a product or service to sell, and you realize that your customers go to Google, to websites such as blogs or news sites,

to YouTube, or to Gmail, this workbook will help you understand how to use AdWords efficiently to “get the word out.”

If you are a person whose job involves **advertising, marketing,** and/or **branding**, this workbook is for you. If you are a small business that sees a marketing opportunity in online advertising of any type, this workbook is for you. And if your job is to market a business or organization online in today’s Internet economy, this book is for you. Anyone who wants to look behind the curtain and understand the mechanics of how to use Google AdWords (including the Google Display Network, remarketing, YouTube, and/or Gmail) will benefit from this book.

Anyone who sees – however dimly or skeptically – that online advertising could help their business, can (and will) benefit from this workbook.

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Use the Internet to Master the Internet

This workbook is meant to leverage the power of the Internet. Register your copy online to get a PDF copy of this book (with clickable links to make it easy to access online resources). You'll also get free access to my *AdWords Dashboard* and *AdWords Toolbook*, which identify my absolute favorite free tools all set out for you to use in easy click-to-go format.

Here's how to **register** your copy of this workbook:

1. Go to **<https://jm-seo.org/workbooks>**
2. Click on *AdWords Workbook 2017*.
3. Use this password: **2017adwords**
4. You're in. Simply click on the link for a PDF copy of the *Workbook* as well as access to the worksheets referenced herein.

Once you register, you get access to –

- **A PDF copy of this book.** Read it on your PC or tablet, and the links referenced in the book become clickable. This is a great way to extend the book into the myriad resources such as example websites or social media pages, FAQ's, support or help from the major vendors, and videos.
- **My AdWords dashboard** – an easy-to-use, clickable list of the best tools for AdWords by category (e.g., keywords tools, ad preview tools, etc.).
- **The AdWords Toolbook** – a collection of up-to-date social media tools in detail. While the *Dashboard* identifies my favorites, the *Toolbook* compiles the universe of free AdWords tools.

Jump Codes

Throughout the book, I reference the website JMLINKS.com (**<http://jmlinks.com/>**) plus various “jump codes.” If you're reading in PDF format, the links are clickable. If you're reading in hard copy or on the Kindle, I advise you to fire up your Web browser, bookmark **<http://jmlinks.com/>** and then enter the codes.


Here's a screenshot:

Search Engine Optimization, Social Media Marketing, and AdWords

Book Links

Welcome! My name is [Jason McDonald](#) and I provide consulting services in Internet marketing: SEO, AdWords, and Social Media Marketing.

BOOK JUMP CODES



Enter your JUMP code:

If you've landed here... you must be looking for links in my books on SEO, AdWords, and/or Social Media Marketing. In each of the books, there should be numeric links that will automatically forward you to important links on the Internet.

You should know the 'secret' URL. If not, send me an email by clicking on the box to the left. Be sure to mention the class or workshop which you attended and the date.

For example, <http://jmlinks.com/16s> would mean first go to <http://jmlinks.com/> and enter “16s” in the jump code box. Your browser will then “jump” you to the referenced resource.

VIDEO. Watch a video tutorial on how to use “jump” codes at <http://jmlinks.com/jump>.

» MEET THE AUTHOR

My name is Jason McDonald, and I have been active on the Internet since 1994 (*having invented the Internet along with Al Gore*) and taught SEO, AdWords, and Social Media since 2009 – online, at Stanford University Continuing Studies, at both AcademyX and the Bay Area Video Coalition in San Francisco, at workshops, and in corporate trainings across these United States. I love figuring out how things work, and I love teaching others! AdWords advertising is an endeavor that I understand, and I want to empower you to understand it as well.

I am AdWords Certified, and manage thousands of client dollars each month on AdWords as well as on Bing's advertising platform. I also manage ads on YouTube, Facebook, and LinkedIn plus do SEO (Search Engine Optimization) and SMM (Social Media Marketing). This makes me uniquely qualified to be objective about AdWords; AdWords is only one of the tools in our toolkit, and we want to use it when it's the best tool (but not when another tool like SEO, Facebook, or Twitter would be a better choice).

Learn more about me at **<https://www.jasonmcdonald.org/>** or at my corporate website **<https://www.jm-seo.org/>**. Or just call 800-298-4065, say something flattering, and my secretary will put you through. *(Like I have a secretary! Just call if you have something to ask or say).* Visit the websites above to follow me on Twitter, connect with me on LinkedIn, or like me on Facebook. *Sorry my Snapchat feed is so crazy it's for friends and family, only.*

» **SPREAD THE WORD: TAKE A SURVEY & GET \$10.00 OR A FREE BOOK!**

If you like this workbook, please take a moment to take a short **survey**. The survey helps me find errors in the book, learn from student questions, and get feedback to improve future editions of the book. Plus, by taking the survey, I'll be able to reach out to you and we can even become friends. Or, if not friends, at least friends on the Internet or Facebook which isn't quite the same thing, but it's still pretty good!

Here's how –

1. Visit **<http://jmlinks.com/survey>**.
2. Take a short **survey** about the book.
3. I will send you a **free** PDF / online copy of one of my other eBooks which cover AdWords, SEO, and Internet job search / personal branding – just indicate which one, and – in addition – I will rebate you \$10.00 via Amazon gift eCard.

How's that for an offer you can't refuse?

This offer is limited to the first 100 participants, and only for participants who have purchased a paid copy of the book. You may be required to show proof of purchase and the birth certificate of your first born child, cat, or goldfish. If you don't have a child, cat, or goldfish, you may be required to prove telepathically that you bought the book.

» QUESTIONS AND MORE INFORMATION

I **encourage** my students to ask questions! If you have questions, submit them via <http://jmlinks.com/contact>. There are two sorts of questions: ones that I know instantly, for which I'll zip you an email answer right away, and ones I do not know instantly, in which case I will investigate and we'll figure out the answer together.

As a teacher, I learn most from my students. So please don't be shy!

» COPYRIGHT AND DISCLAIMER

I knew you just couldn't wait for the legal stuff. Calm yourself down, and get ready for some truly fun reading.

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That's a *good thing*. This workbook is **independent**. My aim is to "tell it as I see it," giving you no-nonsense information on how to succeed at AdWords and online advertising.

In addition, please note the following:

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The information used in this workbook was derived at the time of publication. However, Internet advertising and marketing changes rapidly, so please be aware that scenarios, facts, and conclusions are subject to change without notice.

Additional Disclaimer. Internet marketing is an art, and not a science. Any changes to your Internet marketing strategy, including SEO, Social Media Marketing, and AdWords, is at your own risk. Neither Jason McDonald, Excerpti Communications, Inc., nor the JM Internet Group nor my Black Labrador, Buddy, assumes any responsibility for the effect of any changes you may, or may not, make to your website or AdWords advertising based on the information in this workbook.

Additional Additional Disclaimer. Please keep your arms and legs in the vehicle at all times, be kind to one another, and signal while turning left, especially on Thursdays.

» ACKNOWLEDGEMENTS

No man is an island. I would like to thank my beloved wife, Noelle Decambra, for helping me hand-in-hand as the world's best moderator for our online classes, and as my personal cheerleader in the book industry. Gloria McNabb has done her usual tireless job as first assistant, including updating this edition as well the *AdWords Toolbook*. I would also like to thank my Black Labrador retriever, Buddy, for countless walks and games of fetch, during which I refined my ideas about online advertising and about life. I would also like to thank my students and clients who have given me the trust and privilege to manage their accounts in AdWords. There is nothing quite like learning by doing, and I appreciate that opportunity.

And, again, a huge thank you to my students – online, in San Francisco, and at Stanford Continuing Studies. You challenge me, you inspire me, and you motivate me!

Let's get started!



1

ADWORDS GOTCHAS

Google AdWords is full of “gotchas,” misleading elements in the platform that can cause you to advertise on the wrong keywords, run on websites you don’t really like, pay more for clicks than necessary, and otherwise make your advertising inefficient and expensive. By their very nature, these gotchas are hidden to the average user. Note: we will circle back to the gotchas in the Chapters to come, but if you are currently advertising on Google, I strongly recommend that you either completely **stop all advertising** until you have completed this Workbook, or at least until after you have read this Chapter. After all, the first principle of using advertising to make money is to NOT waste money on advertising!

Let’s get started!

TODO LIST:

- » Understand the AdWords Contradiction
- » Gotcha #1: AdWords Alternatives
- » Gotcha #2: Bad Keyword Match Types
- » Gotcha#3: The Google Display Network
- » Gotcha #4 Conversions Across Devices
- »» Deliverable: An AdWords Gotcha Checkup

» UNDERSTAND THE ADWORDS CONTRADICTION

AdWords is a multibillion dollar source of revenue for Google. It’s how Google makes the lion’s share of its money, to the tune of 90% or more in any given quarter. In 2015, for example, Google generated about \$75 billion in revenue, with \$52 billion coming from ads on Google and another \$15 billion from ads on the Google Display Network. These

two sides to AdWords, ads on Google and ads on the Display Network, amounted to nearly 90% of Google's total revenue. (Source: <http://jmlinks.com/24y>). AdWords, in short, is how Google makes its money. AdWords is how Google funds all those incredible engineer dreams like self-driving cars, dreams that actually *lose* Google money.

Google loves AdWords!

Google, The Click, and The Conversion

At a structural level, however, there is a *tension* or even a *contradiction* between you (*the advertiser*) and Google (*the publisher*):

Google is paid by the *click*; accordingly, Google wants ads that create lots of *clicks*.

You make money by the *conversion* (usually an eCommerce sale or a sales lead via a web form on your website); you want ads that create a lot of *conversions*.

Google wants you to spend a lot of money on AdWords; Google wants you to *maximize your spend*.

You want to spend, as little as possible or as effectively as possible, to *maximize your ROAS* or *Return on Ad Spend*, that is, the profit you make from advertising efficiently.

Now, don't get me wrong. It's not that Google is totally evil and nefarious. But, despite what mountains of Google webinars, help literature, AdWords rep's and others will tell you, it's not true that Google has your best interest at heart. (This just in: *Google has Google's best interest at heart*).

Your relationship to Google is a business one: it can be win/win, but it can also be win/lose.

GOOGLE GETS PAID BY THE CLICK; YOU, BY THE CONVERSION

Let's take an example. Suppose you are selling "Car Insurance" as an independent insurance rep in San Francisco, California. You want to attract customers who need to buy car insurance, and you know that many of them will turn first to Google, and type into Google search queries such as the following:

car insurance

cheap car insurance

car insurance companies

auto insurance companies

Etc.

You can view this cornucopia of search queries by using the Google Global Market Finder at <http://jmlinks.com/23b>. Just enter the phrase "car insurance" into the Keyword(s) box, type in the *Captcha*, and hit *find opportunity*. Next click on United States, then English, and finally "Show additional keyword suggestions from Keyword Planner."

The cost per click as indicated by the tool is approximately \$42.49 per click – meaning if a user clicks on your ad for "car insurance," you, as an advertiser, are going to pay Google – on average - \$42.49 per click. As an advertiser, you are highly motivated that the person who "clicks" is also likely to "convert," that is, become a paying customer. (Note: Because Google makes money by the click alone, whether or not that person becomes a paying customer, they are indifferent as to whether they actually convert – Google loves clicks and clicks and clicks at \$42.49 per click!).

Now, looking at the tool, you'll see that many people type into Google the phrase:

cheap car insurance

But it stands to reason that a person who types in *cheap car insurance* is likely to be poor, or at least value conscious, and less likely to buy and/or less likely to buy a premium policy. Looking to the future, you might want "cheap" to be a "negative keyword" (which

we'll explain later), but just understand a negative keyword to be hidden instructions to Google:

If they enter the word *cheap*, then Google please do NOT show my ad.

Similarly, Google would like you to advertise in a broad geographic area, perhaps not just the city of San Francisco, but the entire Bay Area or even all of California. That will generate the most clicks (and most revenue for Google). But, it stands to reason, that persons closest to your insurance agency may be more likely to perceive you as “local” and therefore actually buy. Google wants a wide geographic net, and you want to at least research whether a wide (or a narrow) geography will generate more conversions, at lower cost.

Google Rewards Ads that Get Clicks

Similarly, if you look at an ad on Google it has two lines of text, a URL and perhaps a few extensions such as your phone number or other text lines.

Here's a screenshot of an actual ad for “car insurance:”

[Esurance® Car Insurance - California Car Insurance - Esurance.com](#)

Ad www.esurance.com/ ▼ (877) 287-9070

Insurance for the Modern World.

Rewards For Driving Safe · Lightning Fast Claims · Fast 5® discount · Get Express Lane® quotes
Get A Quote · Find Discounts · Awarded Best in Class · Built to Save · Car Insurance 101

Imagine that that ad said “Cheap Car Insurance – Lowest Rates Around” or even better it said, “Free Car Insurance,” or even better it said “Free Car Insurance Plus a Free Pizza Just for Clicking,” what would happen?

You would drive up the clicks (making Google more money).

You would, however, attract many “tire kicker” customers interested in only “free” or “cheap” car insurance, or worse “free pizza” thereby reducing your conversions.

Google would be happy. No, Google would be more than happy. Google would be ecstatic! Indeed, there's a metric called Quality Score (<http://jmlinks.com/25x>), and Google would “reward” your ad with a high “Quality Score” because of its high click thru rate. You, however, would not be so happy as your AdWords advertising cost would go up (*more clicks*) and your *conversions* would go down (fewer quality people buying).

Google wants you to advertise on lots of keywords.

Google wants you to advertise on broad geographies.

Google wants you to write ad copy that says “free” or “free pizza” and “free beer.”

Now, to be fair, this is somewhat of an exaggeration. If you read the instructions to AdWords, Google does point out that you should create *relevant* ads on *relevant* keywords, but they bury this tension between “clicks” and “conversions” enough that most people, even many advanced practitioners and ad agency types, are unaware of this fundamental tension between Google and its advertisers.

Many people mistakenly assume that AdWords is about getting clicks, when really AdWords is about getting conversions. Indeed, one of the more popular books on AdWords says right on the cover, “Double your web traffic over night,” which could be completely useless when what you really want is to “Double your conversions” or “Increase the profit from your ad spend.”

That doesn't sound so sexy on a book cover, however.

The Google Propaganda Machine

In our Internet-infused times, you may have noticed a steady uptick in fake facts, fake news, and information of questionable validity. This is true also with respect to AdWords. With billions at stake, Google has a very loud propaganda machine explaining the benefits of AdWords. If you call into AdWords “tech support” or allow AdWords to “optimize” your account, you may find a strong preference for tactics that expand your reach, increase your clicks, and grow your budget over tactics that increase the effectiveness of your ads as measured by conversions. The Google propaganda machine, unfortunately, tilts towards you spending more money.

There's lip service paid to the importance of relevance and conversions, but most of the emphasis at Google is to a) get you to advertise, and b) get you to expand your budget and your ad copy to encourage clicks. In fact, a cynic would say that much of the keyword, conversion, and placement data is hidden in AdWords so that advertisers "trust" Google to be running ads in their interest as opposed to actually validating their performance with real data.

There's even a tool inside AdWords called Bid Simulator. Go to Campaign > Group and then hover your mouse over the bid. It will pop up a simulation, and (surprise, surprise, surprise), it will generally encourage you to increase your bid per click (often dramatically) to get just a few more clicks. Here's a real screenshot:

Bid Simulator

Use this tool to explore how bid changes could impact your typical weekly Search traffic. to your ad group. [Learn more](#)

Model and change bid on **Trust**

Max. CPC <small>?</small>	Impr.	Top impr. <small>?</small>
<input type="radio"/> \$77.90	28	22
<input checked="" type="radio"/> \$16.01 (current)	23	13
<input type="radio"/> \$4.07	12	3
<input type="radio"/> Use a different bid: \$ <input type="text"/>		

So, Google would like me to increase my bid from \$16.01 to \$77.90 per click?

Now, please don't think I am an extremist. I'm not. I wouldn't be writing a book about AdWords, if I didn't see the value in online advertising. AdWords can be incredible! But with an eye to the tension between Google's "hunger for clicks" and your own "hunger for conversions," we can learn, together, how to maximize our AdWords investment.

It's not that AdWords is evil. It's that you have to be smart in terms of how you use it.

Just remember – always remember – that Google makes its money on clicks, and you make your money on conversions.

With this contradiction in the back of our minds, let's dive into the four "Gotchas" lurking inside AdWords.

» **GOTCHA#1: ADWORDS ALTERNATIVES**

If you go on a Chevy lot, the car dealer will try to sell you a Chevy. He isn't likely to explain that a Toyota might be better for your needs, nor that using Uber or Lyft might be an even more effective way to secure your transportation.

Similarly, if you reach out to Google, you'll find that AdWords is the best alternative for any Internet marketing needs. Better than –

SEO or Search Engine Optimization, the art and science of getting your company to the top of Google for free. (See my *SEO Fitness Workbook* at <http://jmlinks.com/seo>).

Email Marketing or using email services like Constant Contact, Mail Chimp, or Aweber to build a following of interested customers.

Social Media Marketing, or using free marketing on Facebook, LinkedIn, Twitter, Snapchat and other social media networks (See my *Social Media Workbook* at <http://jmlinks.com/smm>).

Facebook Advertising. Paying to advertise on Facebook, the world's largest social media network.

YouTube Advertising. Paying to advertise on YouTube, Google's subsidiary focused on video.

Twitter Advertising. Paying to advertise on Twitter.

Optimizing on Amazon, eBay, or other specific websites. Some industries (e.g., books) are dominated by certain websites (e.g., Amazon), and Google advertising will do little, if anything, to influence them.

Doing Nothing at All and relying on word of mouth.

Gotcha #1 is to “**fail to consider alternatives.**” AdWords may not generate the highest ROI for your marketing investment. Generally speaking, SEO will usually far, far outperform AdWords in terms of ROI, while other tactics like social media marketing or advertising on Facebook, Twitter, or YouTube can be cost-competitive in many instances. Indeed, word of mouth and eWom (electronic word of mouth) will nearly always outperform every other marketing vehicle. So before you use AdWords, or simultaneously to your use of AdWords, be sure to maximize every other alternative that may generate a higher ROI.

Usually, a smart marketing effort will have some blood, sweat, tears, and budget in SEO, some in AdWords, some in WOM / eWOM, some in free social media marketing efforts, and some in other advertising venues such as Facebook or LinkedIn.

AdWords has a very loud and very powerful propaganda machine (compared, for example, with SEO or email marketing), but that loudness does not mean it generates the highest ROI for you as a small business. It just means that it has a lot of Google dollars behind it!

TODO. Consider all online publicity alternatives, both free and paid, and allocate your budget (both time and money) accordingly. Usually you want a mix of more than one advertising or marketing vehicle, looking for the highest ROI across media.

» **GOTCHA#2: BAD KEYWORD MATCH TYPES**

If you are advertising on AdWords, a very common problem is Gotcha #2, “bad match types” for your keywords. We will discuss this in detail in the Chapter 4 on the Google Search Network, but for now, let’s discuss this basic gotcha.

We’ll assume that you’ve done at least a little keyword research, and that you understand you want to run your ads on keyword queries that are “likely” to be your customers and “likely” to be those customers near the moment of purchase.

A San Francisco insurance agent, for example, would set his geotarget to San Francisco, California, and run on keywords such as:

motorcycle insurance

insurance for Harley-Davidsons

And not

motorcycle clubs (too broad)

motorcycle (too broad!)

insurance (too broad!)

In addition, you need to understand **keyword match types** in AdWords.

When you input keywords into Google AdWords to tell Google when to run your ad, be sure to enter either a plus “+” sign, a “quote”, or a bracket “[” in front of your keywords. If, for example, you want to run on the keywords “motorcycle insurance,” these should be entered into AdWords as follows:

“motorcycle insurance”

+motorcycle +insurance

[motorcycle insurance]

That is, phrase match, modified broad, or exact. NEVER EVER enter just the words as for example:

motorcycle insurance

Despite the official Google help explanation (<http://jmlinks.com/23d>), using broad match (just the words, without quotation marks, plus signs, or brackets) can produce many poor matches. In this example, Google might substitute

“scooter” for “motorcycle”

so that your ad would show for

scooter insurance

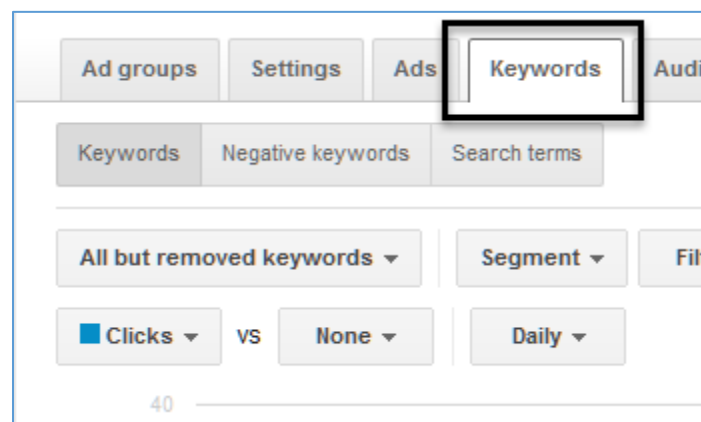
which you may, or may not offer. It can be worse and a keyword target for *cat insurance* can end up running on search queries like *dog insurance* if the words are inputted without a plus sign, quotation mark, or bracket.

TODO If you are currently running on broad match, I highly recommend you go through your keywords and immediately add at least plus “+” signs in front of all your keywords!

In addition, you want to pay attention to words that mean different things (e.g., “Joint repair,” meaning I need a new knee cap or “joint repair” meaning I need a new CV joint for my Toyota. Plus “negative keywords” that indicate people are just looking for free or cheap stuff, like the words “free” or “cheap.”

Find Out Your Actual Keywords

To see the keywords you are actually running on, login to AdWords, click down into *Campaign > Ad Groups > Keywords* tab. Then click on the tab *Search terms*. Here’s a screenshot:



You'll then see the *actual* terms people are typing into Google and in the column marked "clicks," you can see if they clicked (and you paid). If these terms do not make sense, you have a problem caused by "Gotcha #2," *bad match types*.

Immediately tighten up your keyword matches by adding quotation marks, plus signs, and/or brackets. You can also add **negative keywords**, if there are terms that clearly designate a non-customer. (More about this in Chapter 4 on the Search Network).

» **GOTCHA#3: THE GOOGLE DISPLAY NETWORK**

"Gotcha #3" is the Google Display Network or GDN. Many people do not realize that AdWords runs on two very different networks, the *Search Network* (primarily Google but also search-driven sites like Yelp or Comcast) and the *Display Network* (a network of sites such as YouTube and Gmail but also blogs, parked domains, web portals and many nefarious sites that seem to exist primarily to steal your money).

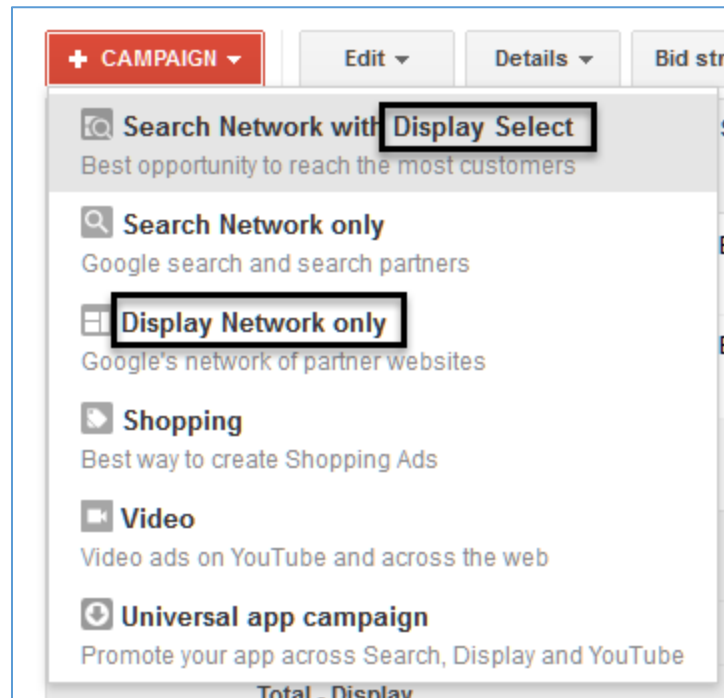
THE DISPLAY NETWORK IS PROBLEMATIC

You can watch an inaccurate and salesy pitch by Google on the Google Display Network at <http://jmlinks.com/23e>. This is akin to watching a movie trailer about Hollywood's latest horror movie or an introductory video on the latest Ford Mustang by Ford. It is NOT an independent, objective explanation of how the Google Display Network works! It is a sales piece!

The problem is that the GDN contains many badly matched and even fraudulent sites that exist solely to capture clicks, and take your ad dollars. If you are not experienced, DO NOT RUN on the Google Display Network!

Default Setting: On

Unfortunately, the default setting on Google is to run on both search and display. When you set up a new campaign in Google, you'll see:

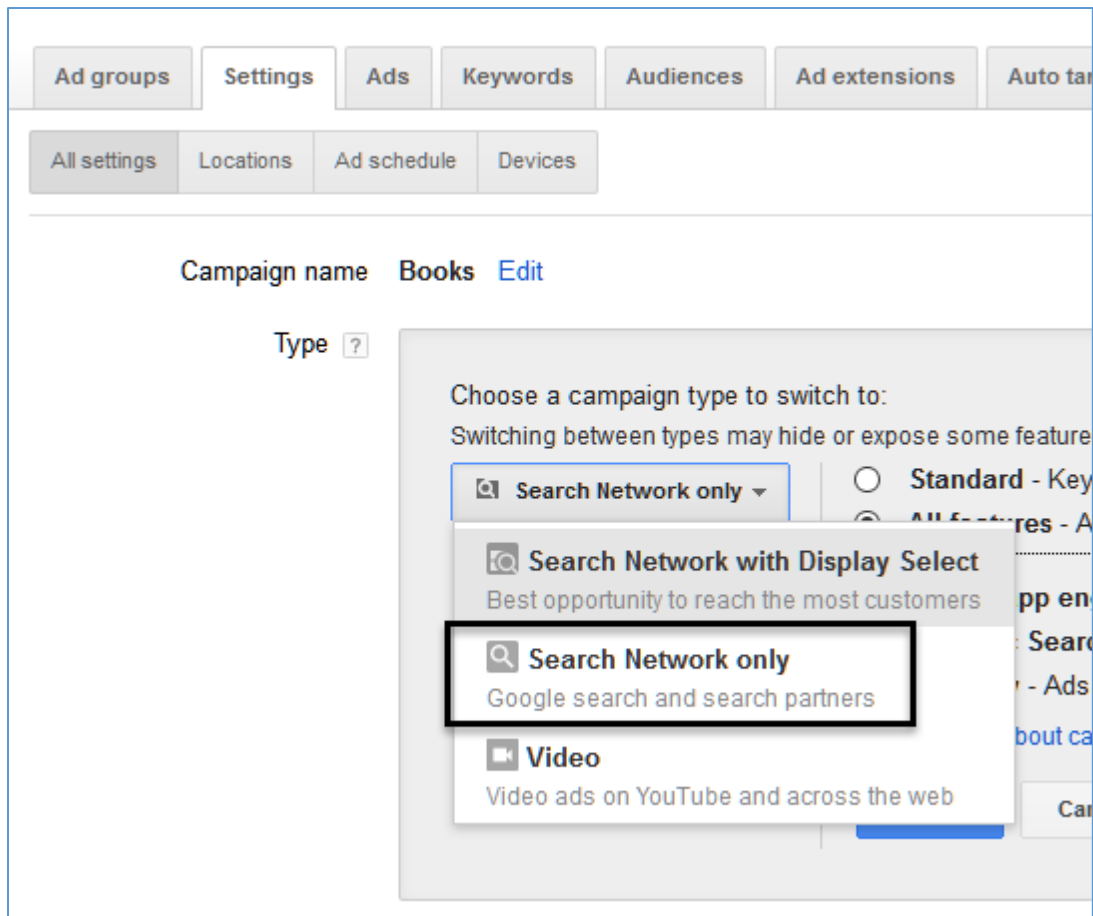


Note how it says “Best opportunity to reach the most customers” right beneath option one. And note how it does NOT say “Highest ROI for you the advertiser.” It is maximum reach, not maximum efficiency. (It probably should say, “Best opportunity for Google to make the most money”).

This setting is better than it used to be, however, as many older campaigns defaulted to run both on Search and the entire GDN at one time. In any case, if you are running on the GDN without understanding it, you may be running on many terrible placements up to and including fraudulent sites that do nothing more than generate spurious clicks and cost you money.

TODO. Turn off the Google Display Network and run only on the Search Network.

Click to your Campaign > Settings and make sure that you are running on the “Search Network Only.” Here’s a screenshot:



Browse Google Display Network Sites

If you have been running on the Display Network, you can see the sites you are running on by clicking:

Campaign > Display Network > Placements > See Details

Pull any referenced websites up in your web browser. If they look irrelevant, low quality, or downright fraudulent, you know you have a problem! For now, I recommend you turn OFF the Display Network and make sure you are ONLY running on the Search Network.

» GOTCHA#4: CONVERSIONS ACROSS DEVICES

You may have heard that Google is now “mobile first.” Google believes that most search activity will occur on mobile devices like phones and tablets (vs. desktop computer) in the near future, if not already. That may be so, but that does not mean that most of your *conversions* will occur on mobile devices. (Remember: Google gets paid off of *clicks*, and you get paid off of *conversions*).

For some businesses, it is highly desirable to reach consumers on their mobile devices, getting the click from Google, and then getting a conversion on a mobile device on your website. But for many businesses, the mobile experience isn’t very good and many customers click from Google on a mobile device to your website, only to bounce and fail to convert.

VERIFY THAT ADS ON PHONES CONVERT FOR YOU

“Gotcha #4,” accordingly, occurs when you’re running on phone, tablets, and desktops when you may be converting far better on only one of these platforms. In my experience, especially for complicated products like insurance, CPA service, hair transplants and the like, generally the desktop far outperforms the mobile phone or tablet. Your **TODO** here is to verify that your mobile conversions are as strong as your desktop conversions and turn each on or off, or adjust your bids up or down, accordingly.

The default setting is to run on –

Computers – PC’s and MACS on the desktop.

Tablets with full browsers – iPad and Android tablets

Mobile devices with full browsers – mobile phones like iPhones and Android phones

You can see your impressions and clicks across devices by clicking:

Campaign > Settings > Devices

Next, look at the columns marked:

Clicks = number of clicks by device type

Impressions = number of impressions by device type

Conversions = number of conversions by device type

You may not have conversions turned “on” yet. If not, you may show zero conversions across all device types. You can also go to Google Analytics (<https://www.google.com/analytics>), then click on Segments, next turn on “Mobile Traffic” and “Tablet and Desktop Traffic.” You can then compare your mobile phone traffic to your desktop traffic and look at the relative bounce rate and conversions.

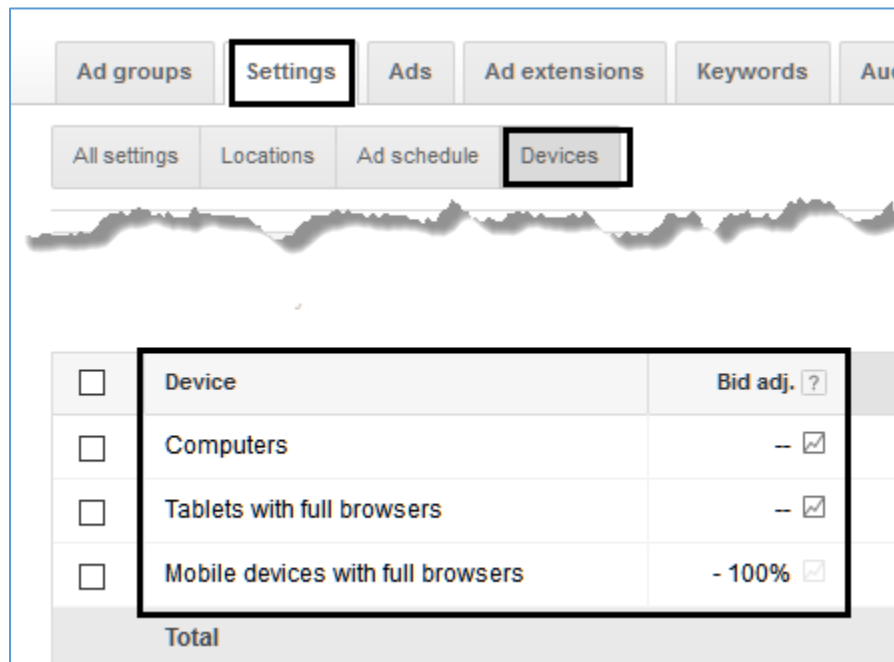
A Gut Check

Note: if you don’t have this turned on, or don’t understand. Don’t worry. Just do a “gut check.” Take out your mobile phone, and browse your website. Is it likely that a customer coming FROM Google on their mobile phone and landing ON your website will convert, meaning purchase your product on an eCommerce site, or fill out a registration form on a site that wants sales leads? If so, leave your mobile turned “on” in AdWords. If not, turn it off.

To turn off mobile, go to:

Campaigns > Settings > Devices

Then scroll down to the line that says “Mobile devices with full browsers” and set a “Bid adjustment” of -100% or “negative” 100%. This will terminate your ads from showing on mobile phones. (Make sure there is a minus sign “-” before the 100%!). Here’s a screenshot:



Do this, if, and only if, you believe (or know for a fact) that mobile traffic isn't converting for you. In some rare situations, the reverse may occur: the desktop traffic does not convert, but the mobile does. In that case, then turn OFF the desktop by setting a bid adjustment of -100%. The point is that you need to pro-actively decide which devices to run your ads on, not let Google think for you.

»»» DELIVERABLE: AN AdWORDS GOTCHA CHECKUP

Now that we've come to the end of Chapter 1, it's time for your **DELIVERABLE**, a completed *AdWords Gotcha* worksheet. This worksheet will query you as to the four "Gotchas" to make sure that you have pro-actively decided on your AdWords strategy as opposed to being led by the nose by Google against your own best interest.

For the **worksheet**, go to <https://www.jm-seo.org/workbooks> (click on "AdWords Workbook 2017," enter the code '2017adwords' to register if you have not already done so), and click on the link to the "AdWords Gotcha" worksheet.



2

KEYWORDS

When a user goes to the Google search engine, he or she inputs a keyword search query such as “motorcycle insurance” or “pizza near me.” Because **keywords** drive Google in a fundamental way, you, as an advertiser, must be very strategic and very systematic in how you use keywords to trigger your ads. Choose the *wrong* keywords, and you’ll waste money. Choose the *right* keywords, and you’re on your way to making money. Choose the *right* keywords, block *irrelevant* queries via negative keywords and proper match types, and create *tight* Ad Groups that structurally reflect your keywords... and you’ll be on your way to making a *lot* of money via AdWords. This Chapter is a deep dive into the art and science of choosing keywords.

Let’s get started!

TODO LIST:

- » Learn Some Keyword Theory
- » Brainstorm Your Keywords
- » Reverse Engineer Competitors’ Keywords
- » Use Google Tricks to Identify Possible Keywords
- » Use the Google AdWords Keyword Planner
- »» Deliverable: A Completed Keyword Brainstorm Worksheet
- » Identify Your Main Keyword Structural Patterns
- » Create Your Keyword Worksheet
- »» Deliverable: Keyword Worksheet

» LEARN SOME KEYWORD THEORY

Not all keywords are created equally! Let's take a hypothetical "cat grooming salon" here in San Francisco, which we'll call, "Jason's Cat Grooming and Cat Boarding Emporium, Inc." or "Jason's Cat Emporium" for short.

Cats only! No dogs allowed!

As a business, therefore, we are targeting San Francisco residents who have cats, who have money, and are interested in either our grooming services or our cat boarding services (or both). We also have an online store that sells cat toys and paraphernalia to customers across the USA. We know that our customers go to Google and type in search queries such as:

cat boarding

pet boarding

cat grooming

kitty boarding

kitty grooming

feline boarding

feline grooming

cat toys

cat collars

etc.

Now, as a potential Google AdWords advertiser, we need to know a little about **keyword theory**. We want to advertise to our best customer segment (rich people who have cats that they need to be groomed and/or boarded) and avoid our worst customer segments (poor or cheap people who can't afford quality cat boarding or grooming services, or (even worse) people looking for dog grooming, dog boarding, or exotic bird services). Our high

end cat toys target folks who love their cats possibly as much, or more than, their spouses and children and for whom money is no object.

AdWords is a Game of Words

You want to think of AdWords as a “keyword game” among you, Google, and your competitors to identify the most profitable keywords and eliminate money-losing keywords. It’s all about focus and strategy. Take a moment to review the theoretical constructs below. These will help orient your mind to see that a “word” is not “just a word” when it comes to AdWords.

Educational Search Query. This is a keyword query when a person is just starting out to learn something about something. Example would be “Siamese Cats,” “Where to buy a cat,” or “How to Cut a Cat’s Claws.”

Transactional Search Query. This is a keyword query when a person isn’t really in “learn mode” but rather is in “purchase” or “buy mode.” (Practitioners often call these “buy keywords” or “late stage keywords.”). Examples would be “Cat Boarding,” “Cat Boarding in San Francisco,” or even “Pet Boarding.” “Cat grooming” or “cat grooming service” would also be transactional keywords, albeit focused on the less valuable grooming service vs. the more profitable boarding service. Ditto for “cat collars” or “personalized cat collars.”

Micro Search Query. This means a very unique search query, such as “Cat Microchipping,” “Luxury cat boarding,” or perhaps “Iguana Boarding.” “Diamond cat collar” would also fit as a micro. These queries are just a few words, but so specific as to be a very precise search term.

Short- or Long-Tail Search Query. This is not my favorite way to conceptualize search queries, but basically a “short tail” is just a few words vs. a “long tail” which is more than a few words. A short tail would thus be “cat boarding” and a long tail would be “cheap cat boarding in the Castro District, San Francisco.” Here’s a tip: focus less on the number of words, and more on the user intent, be that educational or transactional.

Branded Search Query. Your company name, as in “Jason’s Cat Emporium” or “JM Internet Group.”

Reputational Search Query. This is when a user is seeking to research your “reputation” and usually appends the word “review” to your company name as in “Jason’s Cat Emporium Reviews.”

Negative Keyword. This is a keyword that is definitely NOT your customer. For example, if someone types in “cheap cat boarding” you might consider the word “cheap” as a *negative* keyword, as it indicates the person has no money or is very budget conscious. “Free” is a common negative keyword as it indicates a person who is not willing to pay.

Ambiguous Keyword. This is a keyword that could be your target customer but might include some folks who are decidedly not your customer. “Pet boarding” or “Animal boarding” would be examples, as these might include both “dog people” and “cat people.”

Transactions Are Where It's At

In general, as you build out your Keyword Worksheet you're looking for **transactional keywords** that are definitely your customer vs. educational keywords that might indicate a person with no money or no desire to spend. Be sensitive as well to **ambiguous** keywords that could be your customers AND some non-customers, and watch out for negative keywords like “cheap” or “free” that indicate poor people or people with no intention of spending money.

FOCUS ON TRANSACTIONAL KEYWORDS

Another way to think about keywords is to group them into “hot” keywords that are a) definitely your customers, and b) definitely ready to buy vs. “warm” or “cold” keywords that are a) probably not your customers, or a mix of desirable customers and non-desirable others, and/or b) persons in a frame of mind that are not quite ready to buy.

Volume vs. Value

Keyword **volume** has to do with how many search queries hit Google in a given time period; for example, a month. You can get this data from the *Keyword Planner* inside of AdWords, under the *Tools* menu. **Value** has to do with the estimated cost-per-click of the keyword. I like to think of volume and value using the analogy of “fish in a pond.”

Keyword = type of fish. Is it a salmon or a tilapia? A carp or a bass? Is it cat boarding or cat grooming?

Volume = number of fish in the pond. There may be 1000 tilapia in the pond, but only 100 salmon. There may be thousands of (low value) searches for *cat collars* and just a few for *luxury cat boarding San Francisco*.

Value = the price per pound in the fish market, or what people are willing to pay. Even if you know nothing about fish, the fact that organic salmon is \$19.99 a pound and farmed tilapia is just \$2.00 a pound is a strong clue that the former is “yummy” and the latter “not so much.” The fact that the cost per click in AdWords for *cat boarding* is more than for *cat collar* is a signal that the former has more money behind it than the later.

You can derive this data from the *Keyword Planner* (inside AdWords under Tools), the *Google Global Market Finder* (<http://jmlinks.com/23b>), and the SERPS.com *keyword research database* (<http://jmlinks.com/24z>).

VIDEO. Watch a video on how to use the Google AdWords Keyword planner at <http://jmlinks.com/25a>. **Note:** be aware that must have a paid AdWords account with some dollar spend for the tool to give detailed data! You can watch a separate video at <http://jmlinks.com/25b> that overviews alternative keyword discovery tools.

Riches are in the Niches

Generally speaking, you are looking for “high volume,” “high value” keywords that are transactional. So, if you board cats, groom cats, and sell cat stuff, you are looking to advertise on

cat boarding – YES! Definitely your customer. Plus variations like “luxury cat boarding” or “cat boarding in San Francisco” or “Castro District cat boarding,” etc.

pet boarding – Maybe! This is an ambiguous keyword (it could be dog people, after all).

cheap cat boarding – probably not, as a person who enters this into Google is indicating he has little or no money.

free cat boarding – definitely not, as a person who enters this into Google is indicating he has little or no money.

animal boarding – Maybe! This is an ambiguous keyword (it could be dog people, after all).

kitty boarding – Yes!

cat grooming – Yes!

feline boarding – Yes!

kitty grooming – Yes!

overnight cat boarding – definitely!

quality cat boarding – definitely!

dog boarding – No!

personalized cat collars – Yes!

diamond cat collars online – Yes!

personalized diamond studded cat collars money is no object – Yes, Yes!

If you were to board iguanas or exotic birds, then *iguana boarding* or *exotic bird boarding* would be excellent “riches in the niches” types of keyword queries.

» BRAINSTORM YOUR KEYWORDS

With a little keyword theory under your belt, it's time to begin to brainstorm your keywords in a systematic way. Sit down in a quiet place with a good cup of coffee or tea, or if you prefer, a martini, i.e. *anything to get your ideas flowing!* Brainstorm the **keywords** that a customer might type into Google that are relevant to your company, your product, and/or your service.

Ask yourself:

When a potential customer sits down at Google, what words do they type in?

Which keywords are DEFINITELY those of your customers?

Which keywords are CLOSE to a decision to buy? Which are farther away, earlier in the sales ladder?

Which customer segments use which keywords, and how might keywords differ among your customer segments?

Which keywords match which product or service lines as produced by your company?

Which keywords or helper words are definitely NOT your customer? Free or cheap, for example, are often markers of people who have little to no money, or no inclination to spend.

Be sure to capture your synonyms – lawyer vs. attorney, boarding vs. hotel, cat vs. kitten as well as your more ambiguous umbrella terms like law firm or pet boarding.

Conduct a Keyword Brainstorming Session

I highly recommend that you organize a formal keyword brainstorming session with your marketing team (it might be just you by yourself, or it might be your CEO, your marketing manager, and a few folks from the sales staff). Devote at least ONE HOUR to brainstorming keywords; close the door, turn off the cell phone, tell your secretary to “hold all calls” and start drinking (either coffee or martinis).

Brainstorm, brainstorm, brainstorm the keywords that customers are typing into Google. Try not to miss any possible keyword combinations!

Do this, first, individually – take out a piece of paper, and write keyword ideas down WITHOUT talking to the others in your group.

Don't be shy. Don't leave anything out. The goal is to get EVERYTHING on paper, no matter how ridiculous it might be.

Then have a group session and go over all the keywords each person has identified.

Drink some more coffee, or more martinis, and keep brainstorming – write all possible keywords on a white board, a piece of paper, or a Word / Google document.

Don't censor yourself because there are no wrong answers. The goal of this exercise is to get the complete “universe” of all possible keywords that customers might type into Google.

BRAINSTORM ALL POSSIBLE TARGET KEYWORDS

For your first **TODO**, open up the “keyword brainstorm worksheet” in either Word or PDF, and begin to fill it out as completely as possible. For the worksheet, go to **<https://www.jm-seo.org/workbooks>** (click on “AdWords 2017,” and enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “keyword brainstorm worksheet.”

Again, for right now, don't worry about the *organization* of your keywords. Don't police your thoughts. Write down every word that comes to mind - synonyms, competitor names, misspellings, alternative word orders. Let your mind wander. This is the keyword discovery phase, so don't exclude anything!

» REVERSE ENGINEER COMPETITORS

After you've completed this first wave of brainstorming, let's you and your group members do some searches on Google for target keywords. Take a few of the keywords you've already identified, and type them into Google. As you search Google, identify your “Google competitors,” that is, companies that are on page one of the Google results and therefore doing well in terms of SEO (Search Engine Optimization). Even though this Workbook focuses on AdWords, you can use the organic results to **reverse engineer** their keywords for *SEO*, and use these as possible keywords for *AdWords*.

Here's how.

Method #1: Source Code

First, click over to their home page or whatever page is showing up on page one of Google for a search that matters to you. Next, view the HTML source code of this page. To do this, in Firefox and Chrome, use *right click*, then **View, Page Source**. In Internet Explorer, use **View, Source** on the file menu. Finally, find the following tags in the HTML source code:

```
<Title>
<Meta Name="Description" Content="...">
<Meta Name="Keywords" Content="...">
```

If you have trouble finding these HTML tags, use CTRL+F (on a PC vs. Command+F on a Mac) on your keyboard, and in the dialog box type *<title, description, or keywords*

For each, write down those keywords your competitor has identified that might also be applicable to you. Here's a screenshot of **<http://www.globalindustrial.com/c/hvac/fans>**, one of the top Google performers for the search "industrial fans" with the three critical tags highlighted in yellow -

```
13
14
15
16
17 <!DOCTYPE html PUBLIC "-//W3C//DTD XHTML 1.0 Transitional//EN" "http://ww
18 <html xmlns="http://www.w3.org/1999/xhtml" xml:lang="en" lang="en">
19   <head>
20     <meta http-equiv="Content-Type" content="text/html; charset=iso-8859-
21     <meta http-equiv="Content-Language" content="en-us"/>
22     <title>Pedestal Fans | Agricultural Fans | Blower Fans | Ceiling Fans
23
24     <meta name="category" content="Fans"/>
25
26
27     <meta name="keywords" content="Fans - Agricultural, Loading Dock, Ped
28     Styles & Sizes At Global Industria"/>
29
30     <meta name="description" content="Pedestal Fans - Agricultural Fans,
31     From Hundreds Of Styles & Sizes At Global Industrial"/>
32
```

Read each tag out loud to your group members. Notice how each tag in the source reveals the “thought process” behind this page, showing the synonyms “fan” for “blower,” plus the “types” of fans people might search for - pedestal, agricultural, ceiling, etc. The goal of viewing the source of your competitors’ pages is to “steal” their keyword ideas, and write down any relevant keywords onto your “keyword brainstorm” document.

VIDEO. Watch a quick video tutorial on how to use “view source” to reverse engineer competitors at <http://jmlinks.com/5k>.

Method #2: Ads on AdWords

Do searches that you have already brainstormed, and read the ads out loud that you see on the Google screen. Here, for example, are ads returned from the search “San Francisco Cat Boarding:”

San Francisco Cat Hotel - Large suites, all day play & love

Ad www.thepawington.com/ ▼

Plus Free SFO Airport Parking 24/7!

Highlights: Luxury Experience, Friendly Resort, Grooming And Spa Services...

Grooming · Daycare · Reservations · Boarding

SF Premier Pet Boarding - Try Us, Tour Us, Love Us - 24/7/365

Ad www.waghotels.com/ ▼ (888) 924-5463

First time offers call 888-WAG-LINE

San Francisco · Make A Reservation · Services · Faq's · Contact Us · About Us

📍 25 14th St, San Francisco, CA - Open today · Open 24 hours ▼

Rover.com - Cat Boarding - Find Cat Lovers Near You

Ad www.rover.com/Cats ▼

4.9 ★★★★★ rating for rover.com

In-Home Trusted 5-Star **Pet Boarding**

Get Stay Photos · 24/7 Emergency Support · Avg. Price \$15 - \$40 · In-Home Dog Sitting

Sleep soundly with premium insurance and photo updates – Today.com

Premium Insurance · Sit A Dog, Save A Life · Free Rover Mobile App · Search Sitters · Jobs At Rover

Kitty Charm School - Private Bedrooms, Loads of Love

Ad www.kittycharmschool.com/ ▼

Rooms Start at just \$27. NO CAGES

As you read this out loud, you'll see synonyms (e.g., *cat* vs. *kitty* vs. *pet*) and helper words such as *premier*, *private*, *hotel*, *boarding*, and points of difference such as "large suites" or "private". Write these down on your list. For example, notice how the first ad has a headline of "Cat Hotel." Bingo! You've found a new word, *hotel* as in *cat hotel*. Be sure to click over to the companies who are advertising, and View Source looking at their TITLE, META DESCRIPTION, and KEYWORD tags.

Use Keyword Spying Tools

As you research your keywords, you can avail yourself of free / paid tools that "spy" on competitors. One of the best is SpyFu at <https://spyfu.com/> and another is Keyword Spy at <http://www.keywordspy.com/>. I am partial to Keyword Spy because if you sign up for just a free account, they give you a lot of information on competitors. Simply enter a keyword and see who's advertising, what their ads say, and some research on their keyword targets.

By entering *thepawington.com* into Keyword Spy for example, I learn that they are advertising on:

San Francisco pet hotel

San Francisco dog hotel

Pet hotel San Francisco

Pet grooming

Cat resorts

By doing this, I get some great synonyms to “cat boarding” such as “cat hotel” or “cat resort.” Who knew?

For your second **Todo**, open up your “keyword brainstorm worksheet,” and jot down the top five competitors who appear at the top of Google for your target keywords, use the tactics above to view their source, and then write down keyword ideas taken from their TITLE, META DESCRIPTION, and META KEYWORDS tags. Be sure to input them into Keyword Spy or SpyFu as well.

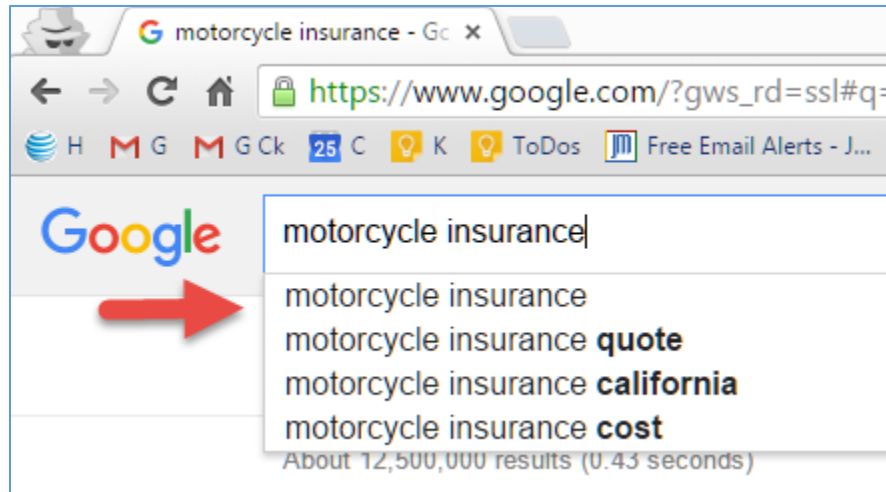
Did you discover any keywords you left out in your first brainstorming session? If so, be sure to write those on your list.

» USE GOOGLE TRICKS TO IDENTIFY POSSIBLE KEYWORDS

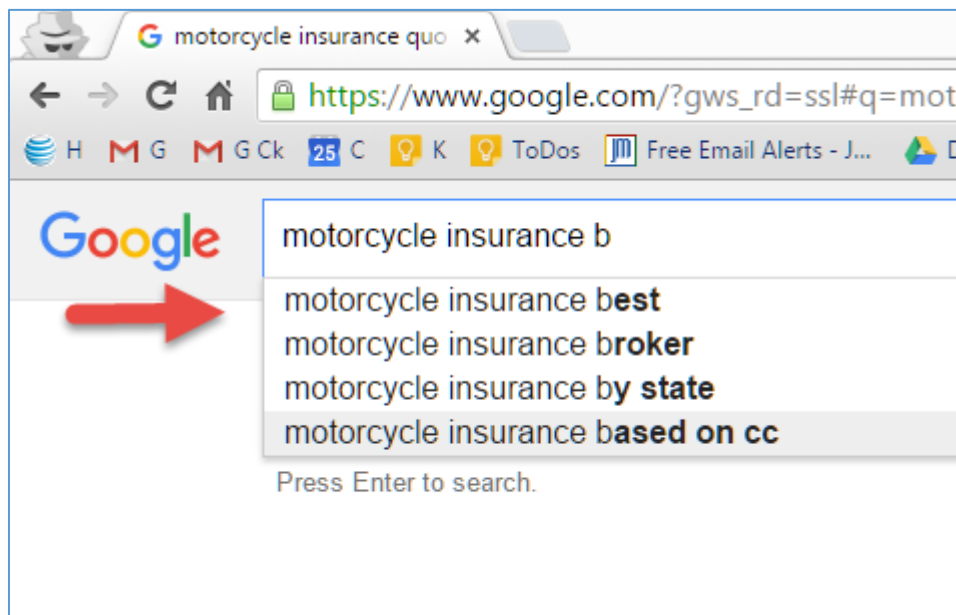
After you have brainstormed keywords and used View Source to view the keywords of competitors, it’s time to use free Google tools for keyword discovery. You can find a complete list in the companion *AdWords Toolbook (Keywords Chapter)*, but here are my favorite strategies starting with Google’s own free tools.

First, simply go to Google and start typing your keyword. Pay attention to the pull down menu that automatically appears. This is called **Google Suggest** or **Autocomplete** and is based on actual user queries. It’s a quick and easy way to find “helper” words for any given search phrase. You can also place a space (hit your space bar) after your target keyword, and then go through the alphabet typing “a”, “b”, etc.

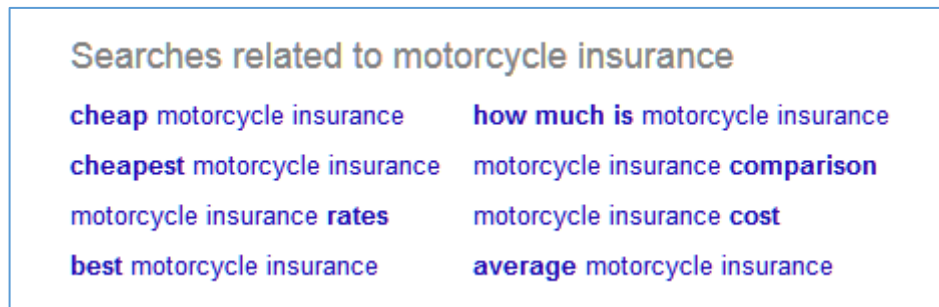
Here’s a screenshot of **Google Suggest** using the key phrase “motorcycle insurance”



Hit your space key after the last letter of the last keyword (e.g., after *motorcycle insurance*) and more keyword suggestions appear. You can also type the letters of the alphabet – a, b, c, etc. and Google will give you suggestions. Here’s a screenshot for the letter “b”:



Second, type in one of your target keyword phrases and scroll to the bottom of the Google search page. Google will often give you **related searches** based on what people often search on after their original search. Here's a screen shot for "motorcycle insurance" -



Note the **helper words** it tells you people use to search: cheap, rates, best, "how much," comparison, cost, and average. Are these not wonderful clues as to how customers search Google? As you look at Google autocomplete and related searches, add these keywords to your master list.

SEO Chat's Autocomplete Tool

A third party tool that pulls data from search queries is SEO Chat's tool at <http://jmlinks.com/25y>. Simply enter your core keyword phrase such as "cat boarding" or "industrial fans" and this tool polls Google, Bing, YouTube, and Amazon for related phrases. Here's a screenshot:

Google Keyword Suggest Tool

Enter a query phrase
cat boarding

☒ Google
☒ Bing
☒ Amazon
☒ YouTube

☐ Select All Results (You may select all, but Part 3 will process a maximum of 100 keywords!)

408 unique suggestions found.

original abcdefghijklmnopqrstuvwxyz	original abcdefghijklmnopqrstuvwxyz	original abcdefghijklmnopqrstuvwxyz	original abcdefghijklmnopqrstuvwxyz
Google Results	Bing Results	Amazon Results	YouTube Results
cat boarding	cat boarding	cat boarding	cat boarding
<input type="checkbox"/> cat boarding cleveland <input type="checkbox"/> cat boarding near me	<input type="checkbox"/> cat boarding near me <input type="checkbox"/> cat boarding	<input type="checkbox"/> cat boarding <input type="checkbox"/> cat boarding kennels	<input type="checkbox"/> cat boarding <input type="checkbox"/> cat boarding business

Another good tool is Keywordtool.io at <http://jmlinks.com/25z>. It basically types through the alphabet for you, and gives you nifty keywords. Spend some quality time with the Google tools as well as these two suggestion tools, using your “starter” keywords and looking for synonyms and helper words.

VIDEO. Watch a quick video tutorial on how to use Google autocomplete and related searches to generate keyword ideas at <http://jmlinks.com/18n>.

For your third **TODO**, open up your “keyword brainstorm worksheet” and write down some keyword ideas garnered from these free tools. You want a messy, broad and complete list of the “universe” of possible customer keywords via your own brainstorming process, via reverse engineering your competitors, and now via Google and third party keyword tools. The objective is to get everything down on paper.

» USE THE GOOGLE ADWORDS KEYWORD PLANNER

Now it's time to use the most comprehensive keyword tool of them all: Google's own official **AdWords Keyword Planner**. It's free, but you'll need an AdWords account to use it fully.

VIDEO. Watch two quick video tutorials on how to use the Google AdWords Keyword Planner *in general* at <http://jmlinks.com/17j> and *to brainstorm keywords* at <http://jmlinks.com/18m>.

Sign up for AdWords

To sign up for AdWords, go to <http://adwords.google.com/>. You'll need a credit card to set up an account, and the Google interface will attempt to get you to start advertising right away. (*You're not actually going to advertise yet; you're just getting around Google's restrictions on how to access the Keyword Planner*).

AdWords will FORCE you to set up your first campaign, with groups, ads, and keywords. Simply follow their instructions "as if" you were going to set up an ad, and immediately set your first campaign to "pause." To pause your campaign, follow the AdWords set-up instructions to set up your account and then click on the "campaigns" tab, select the checkbox to the left of your first campaign, click "edit" in the menu, and then "pause." (You can even call AdWords at 866-246-6453 and ask them for help on how to set up your advertising campaigns, and then *sneakily* ask them to **pause your campaigns** – just explain that you are just setting things up, right now, and you do not want to turn on any advertising at this time). The point of all this is to use a credit card to set up an active AdWords account, and then use this account to access the Keyword Planner.

Note: do NOT let the "helpful" Google employees "help" you set up your AdWords Campaigns, as they will run wild and you'll overspend. We want to be much more focused and selective than the Googlers would lead us to be.

New for 2017: Google Goes Evil

Google is now requiring that you spend money to get accurate data out of the Keyword Planner. Sadly, Google as a monopoly is acting as a monopoly and refusing to provide accurate keyword data to those who do not have established AdWords accounts spending money. In my opinion, this is a violation of the public trust the Google has as a near monopoly on search, but absent government regulation, it's Google's world – we just live in it! This also creates problems if you are just starting out, in that you won't have as much data to work with as an established advertiser.

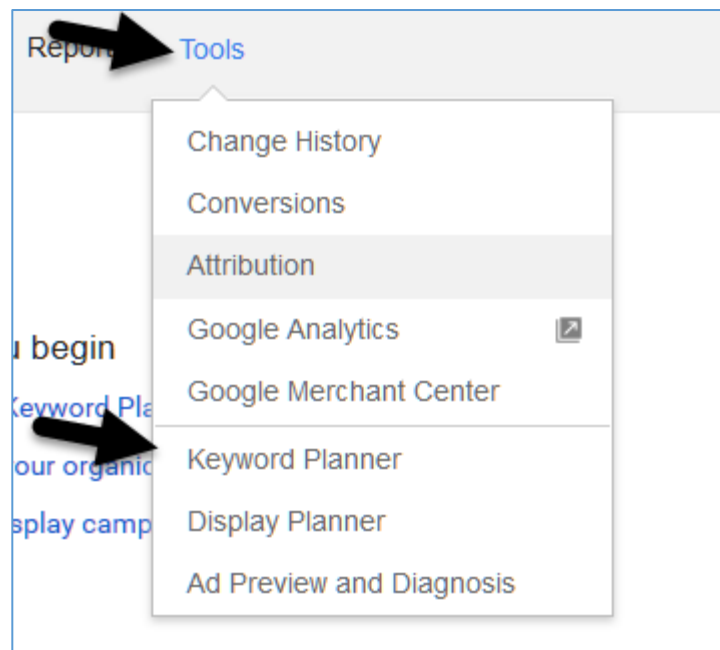
Accordingly, you may need to allocate a few hundred dollars and run some actual ads before you'll get accurate keyword information out of the tool. Alternatively, some good competitive tools are the Bing Webmaster Tools' Keyword Tool (<http://jmlinks.com/19g>), the SERPS.com keyword tool (<http://jmlinks.com/19e>) and Google's global market finder (<http://jmlinks.com/19f>).

VIDEO. Watch a video tutorial on alternatives to the Google AdWords Keyword Planner at <http://jmlinks.com/19d>.

I know it's a bit of a pain, but once you have an operational AdWords account, you can use the Google AdWords Keyword Planner as a wonderful way to research keywords. Let's return to the Keyword Planner.

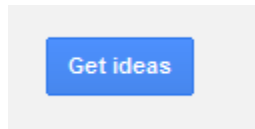
Use the AdWords Keyword Planner Tool to Identify Keywords

Now that you're signed in to your AdWords account, next, go to the "Tools" tab at the top, and scroll down to "Keyword Planner." Here's a screenshot:



Here's how to use it.

First, get past the “welcome screen” by typing your keywords underneath “Search for new keywords using a phrase, website or category” and hitting the blue “Get Ideas” button. This will get you into the actual tool. Here’s a screenshot:



This gets you into the tool’s real interface. This is where you’ll do most of your work, and it looks like this:

A Poor User Interface

A note to the wise: The Keyword Planner is not going to go down in Google history as the best-designed user interface! To be blunt, Google has done a pretty terrible job with the user interface but because of Google’s search dominance it remains the data source for keyword research. Google has the data, and you have to master the Keyword Planner! Just be patient, and click around on the tool to learn its operation and secrets.

For purposes of our example, let’s assume we are a New York orthopedic surgeon specializing in knee surgery, and so we’ll enter “knee pain.” After you click “get ideas,” you’ll see a tab called “Ad group ideas,” and one called “keyword ideas.” Scroll down under the “ad group” ideas and click “into” the various suggested groups. Google will give you good ideas for related keywords here.

For instance, if you type in “knee surgeons,” Google will give you these suggestions:

Ad group ideas		Keyword ideas
Ad group (by relevance)		
Knee Surgeons (20)	knee surgeons, knee replacement surgeons,...	
Best Knee (11)	best knee surgeons, best knee replacement ...	
Cost Knee (13)	knee replacement cost, knee replacement s...	
Orthopedic Surgeons (33)	orthopedic surgeon, orthopedic surgeons, ort...	
Knee Arthroscopy (7)	knee arthroscopy, arthroscopy knee, arthros...	
Orthopedic Doctors (30)	orthopedic doctors, orthopedic doctor, what i...	
Reconstruction (7)	knee reconstruction, acl reconstruction, kne...	










Click on any group, and Google will drill down into more related searches. All of these give you great ideas for possible keywords. Note that it also gives you volume information; a rough approximation for how frequently a keyword phrase is actually used.

Don't Miss Your Synonyms!

Returning to *knee surgeons*, notice how the tool gives you both *helper* words and *synonyms*. For example, you get *best* knee replacement, telling you that *best* is a helper word, and you get *doctor* as well as *surgeon*, *orthopedic* as well as *knee*. The tool is telling you how people search: some people search for *knee doctors*, and others for *orthopedic surgeons*. Many people search for *best* knee surgeons (and to the contrary, few search for *worst* knee surgeons). Because to Google *a word is just a word*, you want to be sure to capture ALL your key synonyms. A search for “best knee doctor in San Francisco” is different from a search for “best orthopedic surgeon in San Francisco,” even though the latter may include the former, i.e. many people searching for orthopedic surgeons who do knees. This is true across all domains; a *lawyer*, to Google, is not the same as an *attorney*.

In summary be sure to identify all your helpers and synonyms, and write these down on your Keyword Brainstorm Worksheet.

Next, click on the tab “Keyword ideas,” you should see something like:

Keyword (by relevance)		Avg. monthly searches 
knee surgeons		320
best knee surgeons		210
knee replacement surgeons		140
top knee surgeons		210
best knee replacement surgeons		390
best knee surgeon		90
knee surgery		18,100
knee replacement		60,500

Again, Google is giving you great ideas of related or helper words (e.g. “best”) as well as synonyms (e.g., “knee replacement” for “knee surgery”). Note the ones down that make sense, and write them onto your keyword brainstorm worksheet.

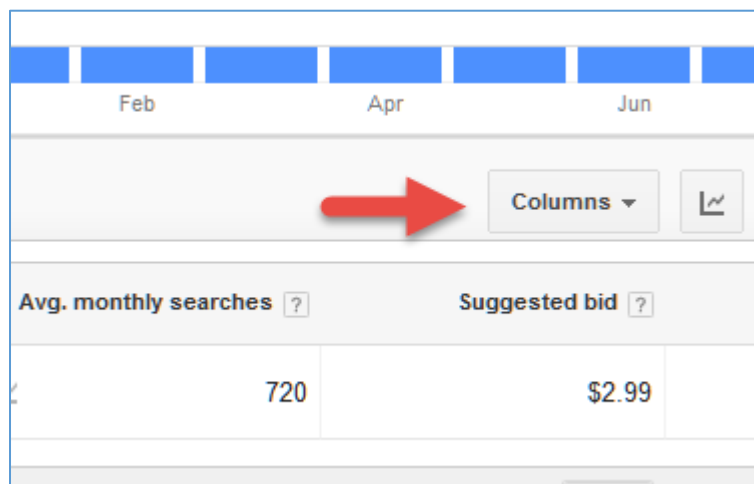
Next, you’ll want to play around with the tool and understand some of its more advanced features. Let’s start with the columns and pull-outs menu. Starting on the left column, take a look at “Targeting.” You’ll see here it will default to “All locations” or perhaps “United States.” If you click the pencil to the right of “United States,” you can drill down to specific states or even cities by typing their names into this space and then clicking “remove” on other entries. This is useful if you’d like to know keyword search volume for specific states; at the city level, the tool isn’t very useful as the search volume is often insufficient, however. Alternatively, you can “remove” the United States and target “All locations” which is “Google speak” for the entire world. Note that to activate a change just

click elsewhere on the screen or hit enter. (The brilliant engineers at Google failed to clarify how to enter data into the tool!)

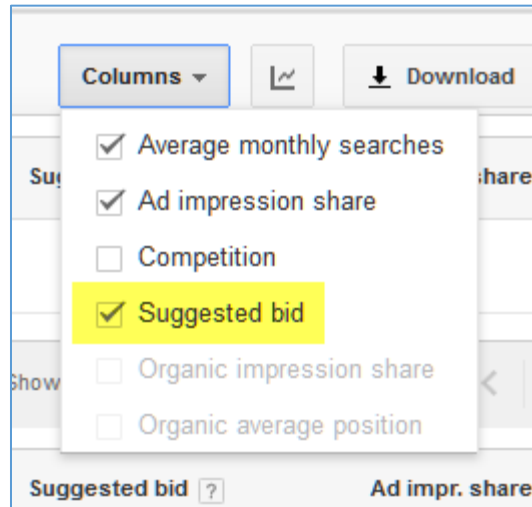
Generally speaking, you'll need a broad geography: so choose "United States" rather than "Tulsa, Oklahoma" to research "industrial fans," "cat boarding," or "knee surgeons" as you brainstorm keywords. If a search is too narrow, the tool returns zero data. Zero data does not mean that there is no volume; the tool is just a bit bizarre, and at low volumes just gives up. That's Google for you.

The **Negative keywords** feature also has some utility. You can filter "out" keywords that don't matter to you. For example, if we type in "exercises" it then filters out keyword phrases that contain the word "exercises." Many companies want to filter out words like "free" or "cheap," so use negative keywords for any desired refinement.

Columns. On the middle of the page, find the Columns button and click on the downward chevron. Here's a screenshot:



Be sure to click the box next to "Suggested bid" as you definitely want this one to show.



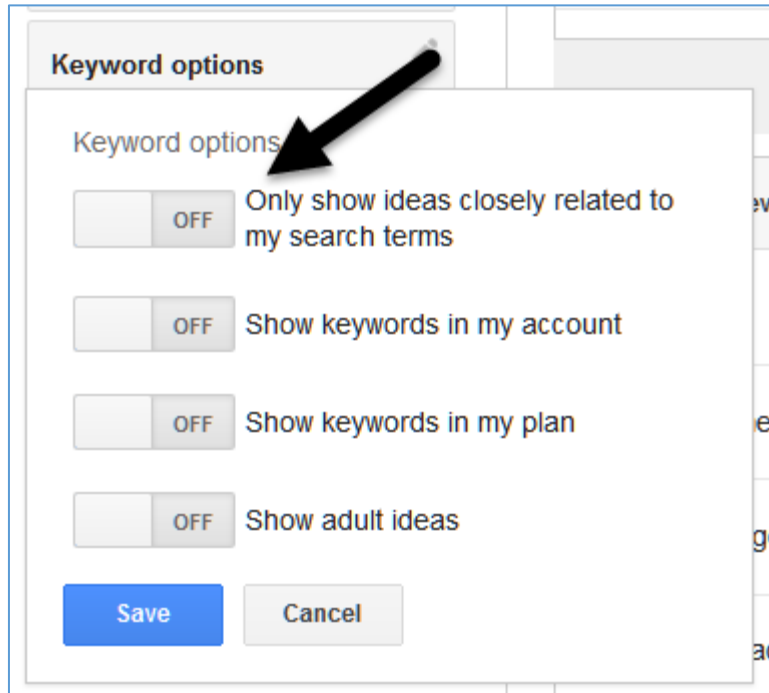
We'll discuss what "suggested bid" means in a moment, but basically it's the average amount competitors are willing to pay Google to get a click from Google to their website via AdWords advertising. I think of it like the "price per pound" of fish at the fish market.

If the "suggested bid" is \$2.99 for "knee pain" this means advertisers are willing to pay Google \$2.99 for each and every click FROM Google TO their website.

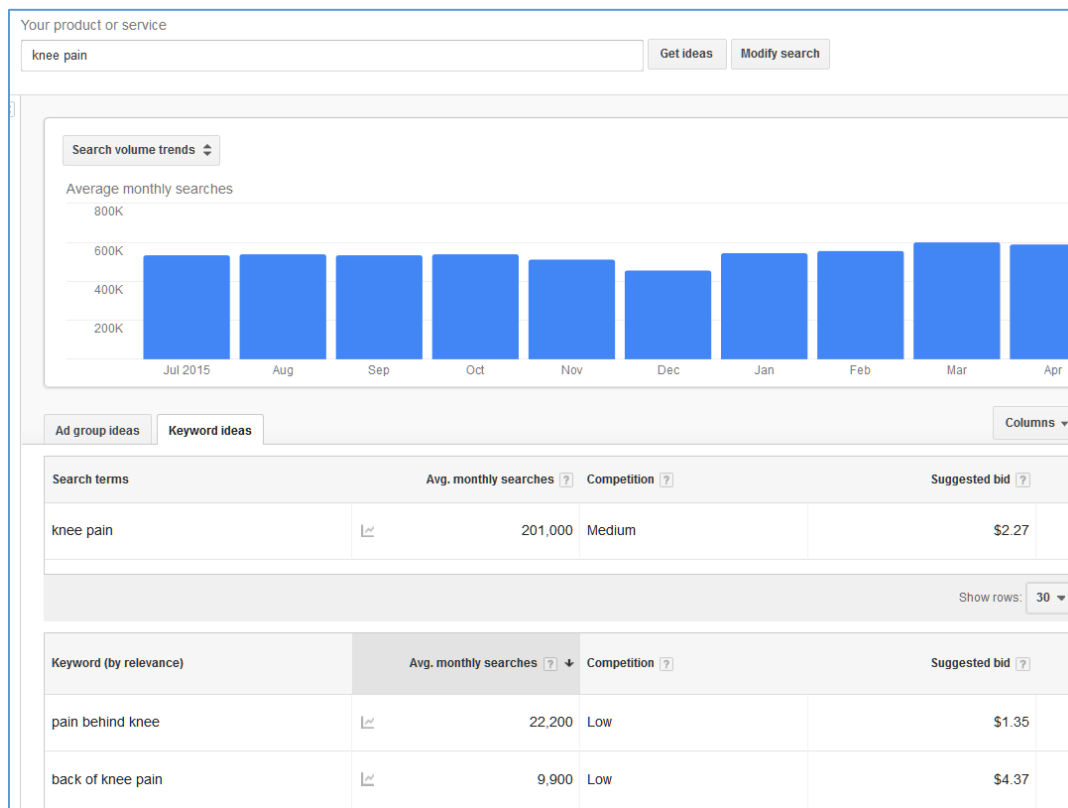
Generally, the higher the "suggested bid," the more transactional and the more likely a keyword is to generate a high ROI.

Refocusing the Keyword Planner

You may notice that the tool gives you very broad and often irrelevant keyword suggestions, so I often recommend that you refocus it to just your target phrase and related phrases. To do this, on the left-hand column where it says "Keyword Options," click there, and then select "Only show ideas closely related to my search terms" by moving the blue button to "on" and clicking on the blue "save" button. Here's a screenshot:



Once you click “off” to “on” for “Only show ideas closely related to my search terms,” you’ve reset the Keyword Planner to zero in on more specific keywords. Once you’ve done that, you should see something like this:



Now click on the column “Avg. monthly searches,” and the tool will sort your keywords by volume (the number of searches per month for your target geography). The above screenshot is for “knee pain” after having focused the tool by entering “knee pain” with location set to “all locations,” and “Keyword filters” set to “Only show ideas closely related to my search terms”:

You can see the average monthly search volume for “knee pain” for “all locations” is 110,000. The number 1 phrase is “pain behind knee” at 22,200 followed by “back of knee pain” at 14,800. **Note that these search volumes refer to exact match only: they take into account only when a searcher enters that phrase and nothing more.** For example, 8,100 people entered “back of knee pain” and no additional words. Similarly, 110,000 people entered the phrase “knee pain” in the last thirty days and no additional words. If they enter “sharp knee pain” that does NOT count in this total.

(**Note:** the volumes you see may differ from the above, or you may see a “range” of volumes if you have not spent enough money in AdWords. Take all the volumes in the tool as illustrations only – despite Google’s public brand persona, the tool seems to be incredibly inaccurate! Use it more to get a sense of range, which keywords are more popular than others as opposed to a scientific treatise on actual keyword volumes).

If you'd like to drill down to a phrase, then you have to re-enter it in the top. Enter "back of knee pain" and Google will give you the related helper words such as "pain behind knee cap," "sharp pain behind knee, etc."

Exact Match Data Only

Unfortunately, the Keyword Planner gives only "exact match" data, so you have to manually enter a bunch of related keyword phrases and then tally them up to get a total for phrases.

The Keyword Planner has been strongly criticized by the AdWords community for this flaw, because the old Keyword Tool did allow such functionality, but to no avail. So, so far you can only get keyword volumes for exact match. And, the data that it does provide seems to be rather inaccurate. So for now, to compare keyword volumes you are left with manually "guessing" related phrase and entering them into the tool.

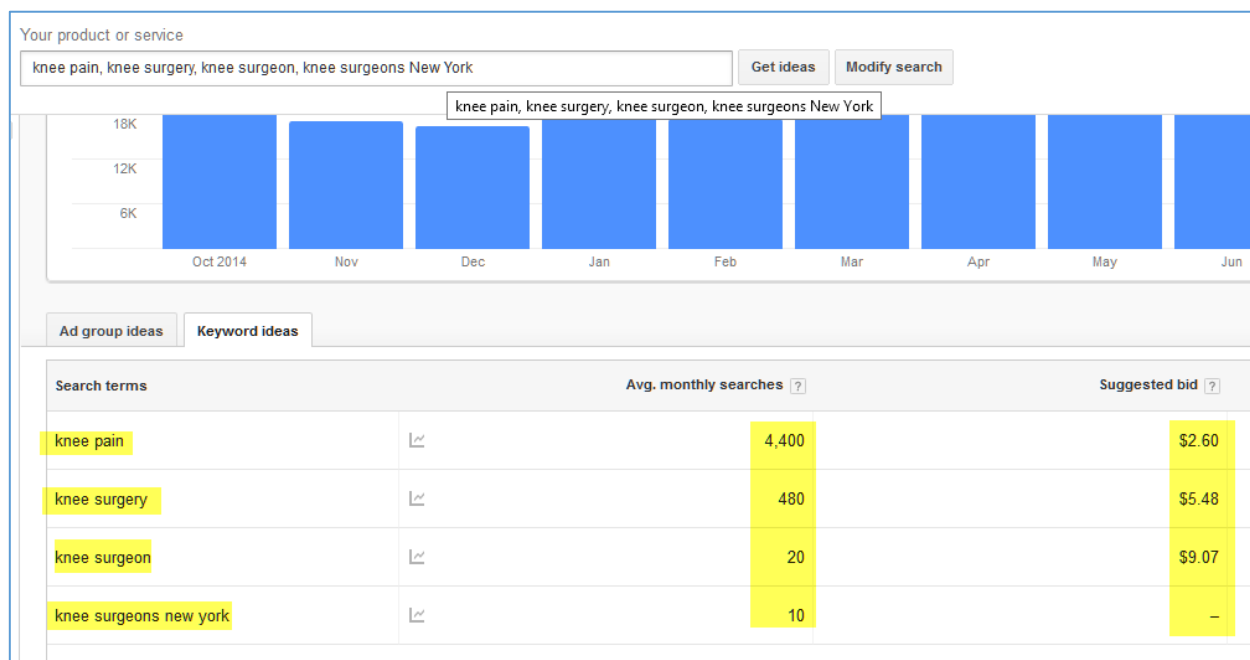
You can, however, enter multiple phrases and compare them. Let's set our location to New York, NY, and let's take these keywords:

knee pain
knee surgery
knee surgeon
knee surgeons New York

To compare phrases, enter them as a comma separated phrase as follows and click "Get ideas":

knee pain, knee surgery, knee surgeon, knee surgeons New York

Here's a screenshot:



Keyword Volume vs. Value

To understand what this all means, let's use an analogy: **fishing** and **fish**. As the AdWords technician, you're the **fisherman** of course.

First, you want to “fish where the fish are.” This is the column “Avg. monthly searches” showing you that there are 4,400 searches in New York, NY, for “knee pain” vs. only 20 for “knee surgeon” and even fewer for “knee surgeons New York.” However, you want to catch yummy fish and the price per pound as set by the market gives you a strong clue as to their value: *tilapia* at \$1.00 a pound isn't as tasty as organic *halibut* at \$22.00 a pound. Similarly, *knee pain* is worth only \$2.60 per click, while *knee surgeon* is worth \$9.07.

Volume vs. Value

There is, in short, a see-saw between **volume** (*fish where the fish are*) and **value** (*catch yummy fish*); the AdWords marketplace is telling you that “knee surgeon” is worth MORE than “knee pain” even though “knee surgeon” has far less volume.

Why? Well, think about what each search query tells you about the customer need.

A search for “knee pain” might be someone who needs an aspirin (a \$1.00 sale at best), while a search for “knee surgeon” is probably someone who is looking for surgery (easily \$50,000).

“Knee pain” is an “educational” search by someone who is using Google to learn vs. “knee surgeon,” which is a “transactional” search by someone who is using Google to find a surgeon to buy knee surgery from.

In general, “educational” searches will have lower average costs-per-click indicating lesser value than “transactional” searches; AdWords is giving you strong clues as to “where the fish are,” and “which fish are yummy to eat.”

Your competitors using AdWords, in short, are bidding up the keywords that are likely to end in sales and thus telling you which keywords are valuable for your own AdWords efforts!

UNDERSTAND THE VOLUME / VALUE TRADE-OFF

More on Educational vs. Transactional Keywords

Another way to look at this is that keywords that are *early* in the sales ladder occur usually when a person is just learning, just educating himself about an issue and not likely to buy something. Remember, these are called **educational keywords** and generally have low cost-per-click in AdWords. Keywords that occur *late* in the sales ladder are when they are looking to buy something, or make an engagement. These are called **transactional keywords** and generally have high cost-per-click in AdWords. In general, you want to optimize for transactional keywords if possible.

VIDEO. Watch a quick video tutorial on distinguishing educational vs. transactional keywords, volume vs. value at <http://jmlinks.com/18k>.

Your **best AdWords advertising** occurs at focused, transactional keywords, not educational keywords. You're looking for the "sweet spot" between volume and value, education and transaction.

Let me emphasize this:

Identify and advertise on transactional, late stage, high value keywords.

A knee surgeon wants to advertise on Google for "San Francisco Knee Surgeons" and not for "knee pain," because the former are potential patients looking for knee surgery and the latter could be practically anyone with a sore knee and just needing an aspirin.

Don't Believe Everything Google Tells You

Note here that if you call into AdWords Tech Support, they will often advise you to "go broad" and advertise on high volume, early stage, educational search terms. Don't do it! Similarly, inside AdWords you will sometimes get "suggested keywords" via the AdWords interface. Either you'll be prompted inside of AdWords, or you can click on the "Opportunities" tab in AdWords to see these autosuggestions. Next click on the "View opportunities" button.

Remember that Google gets paid "by the click" and you make money "by the conversion." Not surprisingly, these "Opportunities" are almost always overly broad. Here's a screenshot:

Opportunities for you

We created a list of opportunities customized for your account. View an opportunity to see how it could potentially impact your campaign account. These are refreshed often, so check back regularly. [Learn more](#)

What you can do

What you might get each week

Add **new keywords** to get your ads in front of more potential customers

[View opportunities](#)

Why add more keywords?

Adding additional, relevant keywords to your keyword list can help you reach people who are interested in what your business offers but may not currently be seeing your ads.

[Learn more](#) | [Close](#)

Generally, I strongly advise against adding these autosuggested keywords. They are, at best, useful for keyword brainstorming and, at worst, harmful to your account since they are generally badly matched keywords that will generate frivolous but expensive clicks.

Don't fall for Google's so-called opportunities!

That said, you still need to rely on your instinct to determine your best keywords and then bolster that with real data from your Google Analytics, which we discuss in the Chapter 7. The Keyword Planner is only a tool, and the art of AdWords still means a lot of head-scratching to identify those keywords that are not just high volume but also high value.

Riches are in the Niches

Back to fishing, if you want to “fish where the fish are” (*high volume keywords*) and “catchy yummy fish” (*high value keywords*), you also want to find “secret fishing holes.” These are keyword phrases that tend to yield good customers yet your competitors have not discovered. They are less expensive in AdWords, and easier to optimize for via SEO (because they are undiscovered). If you discover a “secret fishing hole” vs. one everyone knows about, you have struck gold (to mix metaphors). Don't tell anyone! **Riches**, in sum, are in the **niches** when it comes to keywords and AdWords.

For “knee pain,” the niche search is “knee surgeon” or better yet, “best knee surgeons in the Bay Area.”

Here's another example. Let's assume you sell *auto insurance*. The generic "auto insurance" keyword query will have a lot of volume, and a lot of value, and be pretty difficult to show up high on Google AdWords without paying a bundle because of intense competition. In this case, look for "niche" keywords such as "auto insurance for teens," or "auto insurance for high risk drivers," or even "auto insurance for classic cars." You may find that highly profitable niches of your business reflect highly profitable keyword queries for your AdWords advertising, and – to the extent that your competitors are ignorant – a "secret" niche keyword is the best of all.

Get ALL Your Keyword Ideas Down on Paper

For your final **TODO**, open up your "keyword brainstorm worksheet," and jot down keyword volumes and the CPC values of relevant keywords. Again, don't worry about being organized. Just indicate – in general – which keywords are higher volume vs. higher value, which ones are educational vs. transactional. It won't be a perfect map, but you will start to see patterns as to volume and value.

»» DELIVERABLE: A COMPLETED KEYWORD BRAINSTORM WORKSHEET

Now we've come to the end of this process, and you should have the first Chapter **DELIVERABLE** ready: your completed **keyword brainstorm worksheet**.

Remember the "Keyword Brainstorm" document will be messy. Its purpose is to get all relevant keywords, helper words, and keyword ideas about volume and value down on paper. In the next step, we will turn to **organizing** our keywords into a structured **keyword worksheet**. This will be our blueprint for setting up our AdWords campaigns and groups.

» IDENTIFY YOUR MAIN KEYWORD STRUCTURAL PATTERNS

After you complete your **keyword brainstorm** worksheet, your head may be spinning (*especially if you and your team were using martinis rather than coffee as the drink of choice during the brainstorm exercise*). Now it's time to shift gears and to organize those keywords into "structural patterns" with an eye to both keyword volume and value.

Here's where we're going:

Brainstorm your keywords > ***organize*** them into a keyword worksheet > ***organize*** your AdWords account into **keyword-centric Ad Groups**.

Let's look at some example websites.

Most businesses have a few different product or service lines, and often a few different customer segments. Take a look at Progressive Insurance (<https://www.progressive.com/>), for example, and you'll quickly realize that they have different types of insurance offered such as auto insurance, motorcycle insurance, RV insurance, and even Segway insurance. Take a look at <https://www.progressive.com/insurance-choices/> to see the organizational structure of their website, and you'll quickly realize that the "structure" of the website reflects the "structure" of how people search for insurance. Those who are on a Harley-Davidson motorcycle are searching in one way, and those looking to insure their Segway are searching in another.

So in terms of **keyword structural patterns** and **match Ad Groups** (and website landing pages), we have:

motorcycle insurance =

a group of keywords around *motorcycle insurance* like *cheap motorcycle insurance*, *motorcycle insurance quote*, etc. =

an Ad Group in AdWords =

a landing page on the website.

Car insurance =

a group of keywords around *car insurance* like *cheap car insurance*, *automobile insurance*, *car insurance quote*, etc. =

a Ad Group in AdWords =

a landing page on the website.

etc.

Or, take a look at Industrial Fans Direct (<http://www.industrialfansdirect.com/>) and you'll see that they have product categories such as blowers, man coolers, ceiling, bathroom fans, etc., and that these reflect the "needs" of consumers who "search Google" using words that reflect those needs.

blowers =

a group of keywords around *blowers* =

an Ad Group in AdWords =

a landing page on the website.

roof exhaust =

a group of keywords around *roof exhaust* =

an Ad Group in AdWords =

landing page on the website.

etc.

With those examples in mind, it's time to look at your own keyword patterns.

Take a look at your own **keyword brainstorm document**, and circle the "core keywords" that reflect your basic product or service categories. Usually you'll see a one-to-one correspondence of a "product group" that matches a "core keyword," as you see in the examples above. And you'll also see a bunch of helper words like *cheap*, *best*, *San Francisco*, *quote*, *rate*, etc., that are often entered alongside the core keyword. People often mistakenly think that they have "hundreds" of keywords, when in fact they usually have only about five to ten **core keyword groups** or **structural patterns**, and these then form hundreds of possible keyword queries. As on *Progressive.com* and *IndustrialFans.com* as listed above, you'll see that a core keyword should become one, and only one, landing page on the website.

In terms of AdWords, this means:

One *core keyword* will (ultimately) become one *group* in AdWords account.

To return to Jason's Cat Emporium, we'd have:

A cat boarding Ad Group

A cat grooming Ad Group

A cat toys Ad Group

Looking to the future, however, if *luxury cat boarding* generates a really strong ROI, then we'd break out luxury cat boarding into its own unique Ad Group. We'd also have an Ad Group for *pet boarding*, recognizing that this is an ambiguous pattern vs. *cat boarding*. AdWords **strongly rewards** a **tight match** between a *core keyword*, a corresponding *Ad Group*, corresponding *keyword triggers*, and a corresponding unique *landing page* on your website. Your keyword worksheet should group your target keywords into this structure.

Keyword Volume and Value

As for keyword *volume* and *value*, you'll then see that you take a core keyword and you can look at the volume of the entire "group" of keywords around it, as well as the value as measured in Google's Keyword Planner that reflects the "value" of these keywords in the sense that they are likely, or not, to end in a sale.

Volume = are there a lot, or just a few, searches on Google that reflect the core keyword?

Value = if a searcher enters this search query is it of high, or low value, to your company, as measured in the likelihood that it can become a sale, and if it becomes a sale that that sale makes you a lot (or just a little) of money?

For your next **TODO**, download the **keyword worksheet**. For the worksheet, go to **<https://www.jm-seo.org/workbooks>** (click on ‘AdWords 2017,’ and enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “keyword worksheet.” Note this is a Microsoft Excel document.

VIDEO. Watch a video tutorial on how to create a Keyword Worksheet at **<http://jmlinks.com/17m>**. Note: this video is focused on SEO, but many of the same rules apply to AdWords.

Inside the document, list each major pattern of your keywords (which reflect a product or service grouping of your company) on a line all by itself in the first column. Return to the Google AdWords Keyword Planner and note both the keyword volume and keyword value (suggested bid) that correspond to each core keyword.

» CREATE YOUR KEYWORD WORKSHEET

Now it’s time to fill out your keyword worksheet in more detail. In your spreadsheet, you’ll be filling out columns for the following:

Core Keywords. These are the minimum words necessary to create a relevant search. If you are a watch repair shop servicing high-end watches, for example, your core keywords would be phrases such as “watch repair,” “Tag Heuer Repair,” “Rolex Repair,” etc. This is the first column, and reflects the core, structural keyword patterns and indicates volume and value.

Note. If, to your business, a phrase is important enough (e.g., *Rolex watch repair* vs. *Tag Heuer watch repair* vs. just *watch repair*), then break it out into its own core keyword group / line item on your keyword worksheet. Do this even if these words are closely related (e.g., *Rolex repair* vs. *Hamilton repair* vs. *Tag Heuer repair* for watches).

Helper Keywords. Common helpers are geographics like San Francisco, Berkeley, and Oakland. In the watch examples above, other helpers would be “best,” “authorized,” “NYC” etc. that combine with the core keywords to make the actual search query (e.g., “Best watch repair NYC”).

Sample Search Query Phrases. Take your core keywords plus your helpers and build out some "real" search queries that potential customers might use. Group these by keyword family. For example, you'd have a keyword group called "Rolex Repair" and underneath, related keyword phrases such as "Rolex Repair NYC," "Authorized Rolex Repair Midtown," or "Best Rolex Repair Shop New York," etc.

Search Volumes. Indicate the volume of searches (where available) as obtained from the Google AdWords Keyword Planner.

Search Value. Indicate whether a given keyword family is of high, low, or negative value to you and your business. Does it indicate a searcher who is probably a target customer? If your answer is strongly yes, then this is a "high value" search term! Does it clearly indicate a non-customer? If so, this is a "low value" or even a "negative" search term. I often mark "hot," "warm," or "cold" next to a keyword group.

Competitors. As you do your searches, write down the URL's of competitors that you see come up in your Google searches. These will be useful as mentors that you can emulate as you build out your SEO strategy.

Negative Keywords. Are there any keywords that indicate someone is definitely not your customer? Common examples are *cheap* or *free*, as these are often indicative of people with little or no money, or little or no intention to buy something. *(These negative keywords are not so important for SEO, but for AdWords it is CRITICAL to brainstorm your negative keywords.)*

Priority Order

Not all keywords are created equally. Some are **high volume** (*lots of searches*), and some are **high value** (*they are customers ready to buy something, or take an important action like filling out a feedback form, or calling with an inquiry*). With respect to your business, take a look at your keyword worksheet and think about which queries are a) the *most likely* to be a potential sale, b) the *most likely* to be a high value sale, and c) the *least likely* to be ambiguous. (An ambiguous or problematic keyword is one that has several meanings, that might cross business products or services, and is, therefore, more difficult to optimize on than an unambiguous keyword. Compare *fan* for example, which could be a *hand fan*, an enthusiast for a *sports team*, or an *electrical appliance* to *blow air* with *insurance* which refers to one, and only one, type of product. *Pet boarding* or *animal boarding*, for example, are ambiguous vs. *cat boarding* or *dog boarding*.)

VIDEO. Watch a video tutorial on educational vs. transactional, volume vs. value keyword theory at <http://jmlinks.com/17n>.

Prioritize Your Keywords: Hot, Warm, or Cold?

Prioritize your keyword families on the spreadsheet from TOP to BOTTOM with the highest priority keywords at the top, and the lowest at the bottom.

Remember the *volume* vs. *value* trade-off. “Transactional” keywords (those close to a sale) tend to have higher *value*, but lower *volume*; “whereas educational” keywords (those early in the research process) tend to have lower *value*, but higher *volume*.

However, here’s the rub: because of the see-saw between value and volume, there is no hard and fast rule as to what should be your top priority. It can’t be just *volume*, and it can’t just be *value*.

In fact, I recommend you use a column on the far left and call it “hot / warm / cold.” Sit down with the CEO or sales staff, and play a “hot / warm / cold” game by asking IF a customer entered such-and-such into Google, would it be hot (*definitely our customer*), warm (*probably our customer*), or cold (*not our customer*)?

Prioritize the “hot” keywords at the top of the Keyword Worksheet, and the “warm” keywords towards the bottom. I often throw out the “cold” keywords entirely. This will help you see the complexity of keyword patterns as some keywords will be “easy” to see as hot / warm / cold and others might be more challenging – perhaps they have a lot of volume, but are ambiguous, or perhaps they are high value but just so little volume, or the customers don’t know to search for them.

The art of AdWords is targeting the keywords most likely to generate high ROI, which is a function of BOTH volume and value as well as whether a keyword is unambiguously your customer or ambiguously your customer plus others.

The Art of AdWords

Don’t stress your keyword organization too much!

Your keyword worksheet is a *living* document. As you build out your AdWords campaigns and groups, and measure your rank and results, you will “tune” your advertising to work on those keywords that are high value, high volume, and you can actually outcompete the competition for. It’s a process, not a static result. Online advertising, like cooking great

food or preparing for a marathon, is as much *art* as *science*. Don't fall prey to ***analysis paralysis***, and endlessly analyze your keywords as opposed to implementing them.

Get a rough idea of your keywords, and then move on to implementation.

In summary, the **keyword worksheet** for your company should reflect keyword *volume*, *value* (as measured by the “fit” between the keyword search and what your company has to offer), and the *structural search patterns* that reflect the “mindset” by which people search.

»»» **DELIVERABLE: YOUR KEYWORD WORKSHEET**

After some brainstorming, hard work, and organization, you should have your **DELIVERABLE** ready: a completed **keyword worksheet** in an Excel or Google spreadsheet. The first “dashboard” tab should be a high level overview to relevant keywords, reflecting the structural search patterns that generate the **keyword groups**, next the keyword volumes as measured by the Google keyword tool, and finally the values measured by the Google cost-per-click data and your own judgment as to which search queries are most likely to lead to a sale or sales lead. Other tabs (which you will fill out over time) include a tab for reporting, a tab to measure your rank on Google vs. keywords, a tab for local search rank, and a tab for landing pages.

***Note:** I recommend one Keyword Worksheet for both your SEO project and your AdWords project. If for now, you are only working on AdWords, it may be more Spartan, but – long term – you want to think of both SEO and AdWords as working together for an effective Google strategy. Ditto for Bing / Yahoo.*

Your keyword worksheet is your blueprint for successful AdWords, but don't think of it as a static document! Rather, think of your keyword worksheet as an evolving “work in progress.”



3

ADWORDS BASICS

If you were lucky enough to plan a vacation to Brazil, you'd probably buy a guidebook to the South American country such as Lonely Planet's *Lonely Planet Brazil* (<http://jmlinks.com/23f>). You'd probably read the book on the plane ride down, and before you planned out your itinerary for what's *fun at Carnival* or a trip to *Encontro das Aguas* (where the Amazon and the Rio Negro rivers combine at <http://jmlinks.com/23w>), you'd want a general overview to the country. Your goal would be to “not get lost” in Brazil (e.g., inside the Amazon jungle), to “not get robbed,” and in a positive sense, to make the most out of your investment of time and money for your Brazilian vacation. You'd marvel at the beauty, success, and intrigue of Brazil, but you'd also realize that – like all countries – Brazil has its bad neighborhoods and weird cultural quirks. *AdWords is like Brazil*: enormous, complicated, with a scary jungle, key cities, different regions, wonderful honest people, and scary thieves, etc. Read this Chapter on “AdWords Basics” “as if” you were on a plane ride from your home city to the country of *AdWordsLandia*.

Let's get started!

TODO LIST:

- » Search vs. Browse
- » Keyword Targeting
- » Bids and the Quality Score Conundrum
- » Why Use AdWords?
- » Elements of Ads on AdWords
- » AdWords Organization
- » Getting Online Help with AdWords

» SEARCH VS. BROWSE

AdWords is not one, but two, very different networks. Like the muddy *Rio Negro* in Brazil and the relatively clear *Amazon* at the *Encontro das Aguas*, it is two rivers – yes they meet and interact, but it is two – not one – products. Google does its best to muddy the waters and confuse businesses into just throwing money at AdWords, but your advertising dollars will be much more effective if you keep in mind that Google AdWords is two distinct and different networks, and have a clear head as to “which network” you are targeting at which time.

A good way to understand the two networks is to distinguish between “search” vs. “browse.” We’ll take our example of *Jason’s Cat Emporium* of San Francisco, California. Remember our business value proposition is that we board cats and kittens, as well as offer cat grooming and feline veterinarian services plus have a high-end online store for cat lovers. *We don’t do dogs, and we certainly don’t do iguanas!* It’s cats 24/7.

Turning to our target customers, we realize that there are two very different scenarios that are relevant to Google advertising.

Scenario #1 Search. The customer is pro-actively **searching** for “cat boarding.” He’s leaving San Francisco on a ten-week tour to Brazil, and he wants someone to take care of his prize cat, Kittles. He pro-actively searches on Google, entering in search queries such as *cat boarding San Francisco, quality cat hotels, cat sitters*, etc. This search methodology corresponds to what Google calls the “Search Network,” which is Google.com plus sites like Yelp.com or Comcast.net (called “Search Partners”) that have a strong search orientation. In some situations, YouTube search also functions in this way (e.g., “How to potty train a kitten” as a YouTube search).

Scenario #2 Browse. Here, the customer is not pro-actively searching for “cat boarding.” Rather, he is reading up on blogs on cat-related issues, such as CatBehaviorAssociates.com (<http://jmlinks.com/23h>) or an article on the ChicagoTribune.com entitled, “The Last Free-ranging Cat library in Illinois” (<http://jmlinks.com/23j>). Note that he is not entering in keywords to search; rather, he is just reading blogs and newspaper sites that may, or may not, be about cats and cat care. This pattern of **browsing**, but not searching, corresponds to

what Google calls the Google Display Network (“GDN” or just “Display Network” for short), which is not Google.com at all but partner sites like CatBehaviorAssociates.com and ChicagoTribune.com that agree to allow Google to place ads on their websites.

VIDEO. Watch an official video tutorial on the Google Search Network as well as the Google Display Network at <http://jmlinks.com/23g>. **Note:** be aware that it’s overly positive and fails to explain the relevant gotchas!

Pro-actively Choose Your Network

You, as an advertiser, should be **pro-active** about which network you want to run ads on, and it really is a function of how strongly you feel people “search” for your products or services or whether you feel that they are more likely to be “browsing” for something similar to your product or service. Note that if someone is pro-actively searching for your product or service they are much more likely to convert, as opposed to if they are just browsing blogs, websites, and YouTube and just “happen” to see an ad for your company.

VIDEO. Watch a video from Google on Campaign Types and Google Networks at <http://jmlinks.com/26d>.

As explained in Chapter 1 on “Gotchas,” Google defaults you into *both* the Search and the Display Network, but – for most advertisers – the Display Network is much more difficult and has a *much, much, much, much, much, much, much* lower ROI (return on investment). Among the reasons (as we will explain in detail in Chapter 5 on the Google Display Network) is that the GDN has many nefarious or I might argue, even fraudulent, websites that do nothing but generate spurious clicks. An example would be what is called a “Parked Domain” such as CatsKittens.com (<http://jmlinks.com/23k>). (Note that official Google policy bans ads on Parked Domains (<http://jmlinks.com/23m>), but Google seems to do little, if anything, to police this problem – perhaps because it, like the Parked Domain, makes money off of the spurious clicks!)

TODO. If you are running on the Display Network, I recommend that you **immediately** turn it off until completing Chapter 5. You do this by going to

AdWords > Campaigns > Settings. Change your Campaign type to “Search Network only.”

» KEYWORD TARGETING

Keywords function very differently on the two different networks! The reason for this has to do with user behavior and what Google “knows” about the user in the different scenarios.

Scenario #1 Search. The user is pro-actively searching on Google by typing in search queries. Google “knows” **user intent** (he’s looking for *cat boarding*) because it “knows” the actual search term typed into Google. For this reason, keyword matching on the Search network is **tight**: you, as the advertiser, can very tightly control when your ad appears by using the attributes of quotes (“”), brackets ([]), and plus signs (“+”).

Note: you, the advertiser, enter a “keyword trigger” such as *+cat +boarding* that Google matches to the search query entered by the searcher, *cat boarding*. Keyword matching on the Search Network is **tight**, meaning that (if you know how to correctly enter your keywords into AdWords), you can create a very tight match between what the searcher enters and when your ad displays on Google.

Scenario #2 Browse. Here, the user may be reading the *Chicago Tribune* online. He is NOT entering search terms. The most the Google knows is the content of the page he is on, but for a sites like *ChicagoTribune.com*, *ESPN.com*, *USAToday.com* etc. (all of which run Google Display Ads), Google does NOT know the user intent and is forced to compare the “page content” vs. the “keyword triggers” you as the advertiser enter into AdWords.

Note: Let’s take an example like the article “10 Biggest Missteps in the Bears’ Decade of Decline” (<http://jmlinks.com/23p>). Here, the question for Google is, is the relevant keyword *sports* or *Bears* or *NFL* or *football* or *Super Bowl*, etc., and is *Bears* a sports team or an animal (remember: Google is just a machine, not a person). Accordingly, keyword matching on

the Display Network is **loosey-goosey**, that is, not at all tight, as Google has to “guess” at user interests, creating many nefarious possibilities that your ads will be placed on non-relevant websites. (Note: there are other forms of targeting your ads, such as *remarketing*, but for now we’ll keep it simple).

TODO. Depending on the network you are running on, you will need to understand how to control keyword match types and adjust accordingly when Google will show your ads and on what websites.

For now, just realize that keywords drive matching on AdWords, and that keywords are **tight** on the Search Network and **loosey-goosey** on the Display Network (*despite what Google indicates in its contradictory official documentation!*).

» BIDS AND THE QUALITY SCORE CONUNDRUM

How are ads shown on AdWords? Generally speaking, it’s a cost-per-click (CPC) network, meaning that you compete against other advertisers in an online auction to “buy” the click, and you “pay,” if, and only if, a user clicks on your ad. Bids function the same on both the Search and Display networks; advertisers pay per click.

Let’s take a simple scenario. *Jason’s Cat Emporium* is competing against other cat boarding establishments to get clients who have cats, and need boarding, in San Francisco as well as folks who just want cat grooming.

The Ad Auction: A Simple Model

So, imagine that Joe User goes to his computer and types into Google, *cat boarding*. At the speed of light, that query is sent to the Google algorithm in Mountain View, California, and the auctioneer (Google), says:

Incoming! I have a query, *cat boarding*, coming out of San Francisco, California.
Opening bid is \$1.00 for the click, do I hear \$1.00?

I pipe up and say, “I’ll bid \$1.00 to get that click!”

The auctioneer says, “Do I hear \$1.25?”

Charlie of *Charlie’s Cat Boarding Inc.*, says, “Yeah! I’ll bid \$1.25.”

The auctioneer says, “Do I hear \$1.31?”

Joanie of *Joanie’s Cat Boarding Inc.*, says, “Yes! I’ll bid \$1.31. In fact, I’ll bid \$2.01!”

The auctioneer says, “Do I hear \$2.10?”

Silence...

The auctioneer says, “Sold! For \$2.01” to Joanie’s Cat Boarding.

He repeats this procedure of asking the potential advertisers for bids, having them bid against each other, until he fills the top three or four slots on the Google search screen.

At the speed of light, Google then populates the Google search screen and Joe User sees on his computer a Search Engine Results Page (or SERP), which places Joanie’s ad in position #1, and positions #2, #3, and #4 on Google are populated by those who bid just a bit lower.

In reality, it’s a little more complicated than this simple model because Google not only looks at advertisers’ bids per click but also at their Quality Score, which is an estimation of the click thru rate for their ad (how likely it is to get more clicks) plus factors such as ad format, and the landing page experience.

VIDEO. Watch a video tutorial on how the Google bid-per-click / pay-per-click auction works by Chief Economist Hal Varian at <http://jmlinks.com/26a>.

Here’s a screenshot of the Google results page for “cat boarding San Francisco” with the ad (appearing at the top), the local snack pack (appearing in the middle), and organic (appearing at the bottom) marked. In most cases, you’ll see ads at the top marked as “Ads” and the organic or free results at the bottom. For searches with a local character you’ll sometimes see the “local snack pack,” and for product searches such as for “red dresses” you may see product ads on the top or far right.

Google


cat boarding san francisco

All Maps Shopping News Images More Settings Tools

About 2,010,000 results (0.55 seconds)

Ads

SF Cat Boarding - thepawington.com
www.thepawington.com/
 24/7 Pick-up & Drop-off near SFO. Feel confident with 24hr petcams!
 24/7 Pick-up and Drop-off · 24 hour petcams · Skilled & Loving Staff · Free SFO airport parking
 Highlights: Dog And Cat Boarding, Spa Services...
[Boarding](#) [Reservations](#)
[Grooming](#) [Daycare](#)



Local

Feline Wishes & Caviar Dreams
 5.0 ★★★★★ (4) · Kennel
 600 Bryant St · (415) 543-5365
 Open until 5:00 PM
[WEBSITE](#) [DIRECTIONS](#)

Organic

Mission: Cats: Cat Boarding, Hotel & Sitting East Bay San Francisco ...
www.missioncats.net/
 Mission: Cats is a one-stop shop for exclusive cat care services in San Francisco, CA. We are proudly serving the whole East Bay Area. Check us out today!
[Services and Rates](#) · [Contact Us](#) · [Reservations](#) · [Wonder Cat Rescue](#)

Pet Camp | Cat Boarding Camp and Safari | San Francisco, CA
<https://www.petcamp.com/cat-safari/cat-camp-safari/>
 Our cat boarding services at Pet Camp's Main Campground in San Francisco offer the diversions cats

Who's on Top? Ad Position

In this simple model, position #1 on Google goes to the highest bidder, position #2 to the next highest, and down to position #4. These fill the top slots. In some cases, there are additional slots at the bottom of the page, #5, #6, #7.

If or when Joe Users clicks on an ad, then that advertiser pays one penny MORE than the bid of the person just below him. So, if for example, Joanie bid \$2.01 but Charlie bid just \$1.10 for position #2, then Joanie would pay not \$2.01 but \$1.11 for that click.

That's the *simple* model. Advertisers compete against each other in the “click auction” and pay just 1¢ more than the person below them. Of course, it's more complicated than this, and Google doesn't share all the data as to what's happening behind the scenes. We are forced to trust that Google is honest and accurate with the click data, and cost per click charges.

Here's the process from both the perspective of the searcher and of the advertiser.

1. The searcher types a **search query** into Google such as “cat boarding San Francisco.”
2. Advertisers **bid** against each other to “get the click” for this search query by bidding higher to get a higher position on the page. Generally, there are three to four paid ads at the top of the page, followed by organic results (both the snack pack and organic), with a few ads at the bottom.
3. Google assembles a search engine results page (**SERP**) based on advertising (in which advertiser bid what for the click in the auction), plus organic results such as the local snack pack and regular organic results, and returns this to the searcher in the blink of an eye.
4. If a user **clicks on ads**, then whichever ad they click on pays a fee to Google called the “cost per click.” (*Of course much of the time, users ignore ads and go to the organic results, which is why you must focus not only on AdWords but on SEO!*).
5. Users land on the advertiser's website and either “bounce back” to Google, or “convert” and the process repeats.

Quality Score

Ad position, and the cost-per-click auction isn't quite that simple, however, because Google calculates **Quality Score**, a mysterious part of the AdWords algorithm. Basically, if you write a “better” ad (more tightly connected to the user search query), then Google will “reward” you with a lower CPC. So if Joanie bids \$2.01 but her ad is poorly written (not very relevant), and Charlie bids \$1.10, his ad may outrank her (be in position #1 not position #2) even though he bid less. In fact, if Joanie's ad is bad, Google may refuse to show her ad entirely.

QUALITY SCORE REWARDS ADS

THAT GET CLICKS

The components of Quality Score will be discussed in Chapter 4 in more detail, but for now, just be aware that a) advertisers compete against each other in the “click auction” and “pay by the click,” and b) Google rewards a better quality score with a lower cost-per-click (CPC).

The Quality Score Conundrum

There is, however, a conundrum in Quality Score which Google does not explain. Remember that Google gets paid *by the click*, while you make money *by the conversion*, which is not the same thing! So, if you write an ad that says “Cheap Cat Boarding” or even “Free Cat Boarding” or “Free Cat Boarding Plus Free Pizza for Owners” you will a) get a lot of clicks, b) improve your Quality Score, and c) pay less per click.

Google will be VERY happy!

But you will get a lot of cheap customers who are coming just because you’re cheap (and you provide free pizza), that is few conversions and/or conversions from people who are not willing to pay full price for your quality cat boarding services.

The conundrum is that you are competing against advertisers who may not understand this, who follow Google’s official playbook, and whose ads (*for free pizza and free cat boarding*) “crowd out” your more honest, more relevant ads.

You are forced to overbid just to stay in the game!

We’ll return to this problem in Chapter 4, but for now just realize that advertisers “pay by the click” on Google and that there is a tension inherent in Quality Score between your interests (*to get the conversion*) and Google’s interest (*to get the click*) plus you are often competing against a few dumb advertisers who think it’s all about clicks and thereby hijack users to their pages with ads that overpromise.

Minimum Bids

In addition, Google has minimum bids which mean even if you are the ONLY advertiser bidding on a specific keyword phrase, you can't just bid one cent for the click. There is a non-published "minimum bid" which you must find out through trial and error. Despite what Google officially says, you don't exactly pay just .01 above the person below you, and you can't just optimize for clicks to improve your so-called Quality Score.

Bear with me on this, as we'll return to bid strategy in the next Chapter. For now, just realize that generally speaking, you bid per click against other advertisers, and you pay just .01 above the advertiser below you. All of this is mediated by Quality Score, with Google rewarding advertisers that write ads that get a lot of clicks.

» WHY USE AdWORDS?

At this point, you may be wondering, *"Gosh, why use AdWords at all? It sounds very complicated and seems to have quite a few 'gotchas' inserted there to take my money."*

I understand that frustration, but (*back to our analogy of a trip to Brazil*), there are many wonderful things to see, do, and take advantage of in the country of AdWordsLandia, if you know where to look, and know how to avoid the bad neighborhoods and cultural gotchas that can cause trouble.

VIDEO. Watch a video from Google on defining your goals for advertising on AdWords <http://jmlinks.com/26c>.

Here's a rundown of reasons why AdWords should have a place in your online marketing strategy:

1. **Time to Market.** AdWords can get your company, product, or service to the top of Google, quickly. You can literally set up an ad campaign in just a few hours, and be up and running on Google. This allows you to react quickly to market events, and get your message out and up in a much, much faster way than search engine optimization(SEO) which takes considerable time and effort.
2. **Geotargeting.** AdWords is very effective at targeting consumers in just a specific area. You can target ONLY people in San Jose, California, for example, and you can target people in San Jose with one ad and people in Tulsa, Oklahoma, with another ad. Indeed, you can also show your ad only during certain times of the day or week through scheduling.

3. **Short Tail Queries.** You may be able to rank via SEO for a very specific search such as *quality cat boarding in the Mission district, San Francisco*, but be unable to rank for a *short tail* query such as *cat boarding*. Using AdWords you can strategically advertise on short tail queries that you do not rank for via SEO. Combined with geotargeting, this can be a very powerful complement to search engine optimization.
4. **Keyword Broad Match.** While SEO works well on very focused keywords, AdWords can get your ads to show on broader, adjacent keywords. For example, you can combine a geotarget (people in San Francisco) with an “educational search term” such as “how to groom a cat” to showcase your cat grooming services. You can also get detailed reporting in AdWords to identify relevant keyword targets for your SEO that you cannot get in any other way. When used with skill and caution, AdWords can get your message to a broader audience than pure SEO.
5. **Keyword Research.** Google no longer provides detailed keyword data to organic or SEO users, but it does provide keyword data to AdWords advertisers. By advertising, you can invaluable research into the actual keywords used by users and their behavior “after the click,” which you can feed back into your AdWords and/or SEO strategy.
6. **Mobile Phone Targeting.** It’s no secret that people spend more and more time on their mobile phones. The screen is very small, and Google has “crowded out” the free listings by pushing them down with ads. Using AdWords, you can effectively advertise on mobile phones, only, again adding a powerful complement to an effective SEO strategy. You can turn “off” AdWords on the desktop (where you rank well in the organic / SEO results), and turn “on” AdWords on the mobile phone (where you rank poorly in the organic / SEO results).
7. **Remarketing.** Using *remarketing* (explained in Chapter 5), you can “follow” your customers around the Internet as they go to sites like *YouTube, Gmail, Chicago Tribune, New York Times*, etc., showing and reshowing them relevant ads about your product or service. Remarketing is very powerful for products or services with long sales cycles like *cruises to Latin America, choosing a tax CPA*, or even *applying to law schools*.
8. **Browsing / Interrupt.** While SEO works if, and only if, the person is pro-actively searching Google, AdWords can show your ads through the Google Display Network and YouTube to people who are NOT pro-actively looking for your product. You can “interrupt” their experience with ads on YouTube, or get your ads on relevant blogs and news sites via the Google Display Network.

I like to think of SEO as the art and science of getting a company to the top of Google for free and, as the world’s cheapest man, I ALWAYS seek to get as much as I can get for free

from Google. Then, using tactics such as geotargeting, short tail keyword matches, mobile phones or remarketing, I blend in AdWords for a killer online marketing strategy.

*It's not AdWords OR SEO. It's AdWords **** AND **** SEO!*

I hope that this seven-point list has fired up your enthusiasm for AdWords!

» ELEMENTS OF ADS ON ADWORDS

Remember that AdWords is two primary networks, Google Search and the Google Display Network. With that in mind, let's overview the elements to ads. What do ads look like on each network?

The Search Network

Ads on Google have the following components:

Headline 1 – 30 characters

Headline 2 – 30 characters

Description – 80 characters

Path (“Display URL”) – 15 characters each

Here's a screenshot of a simple ad triggered by motorcycle insurance:

Motorcycle Insurance CA - Lowest Rates, \$6/Month - mis-insurance.com

Ad sr22.mis-insurance.com/ ▼

Free Quotes. Speak To Live Agent. Print Your ID Card Online

Note that in 2016, Google transitioned to what are called “expanded text ads” which are a little different than the older ad format. So if you have legacy ads, you may see different character limits than those listed above.

Ad Extensions

In addition to the headline, description, and path, ads on Google can also have “extensions.” These can be:

Sitelinks – these are blue-highlighted bits of text that can appear below an ad, and link to specific subsections of your website such as “contact us” or “cat grooming,” etc.

Callouts – these are non-clickable text elements that can appear below an ad, usually mean to “call out” something special such as “Valentine’s Day Specials” or “ask about our kitty services”.

Structured Snippets – you select a predefined header like “Product” or “Service category” and then add call outs to specific subsections of your website.

Call extensions – these allow your phone number to appear in ads.

Message extensions – these appear on mobile phone ads, and allow customers to text message you directly from the ad.

Location – this extension type allows users to see your store’s physical address.

Affiliate location – similar to the above.

Price extensions – allow users to browse products and prices in an ad, and then click directly to them on your website.

App extensions – allow you to link from your ad to your mobile app for download and installation.

Reviews – this extension type allows you to pull reviews from third party websites and thereby enable review stars on your ads.

To read the official Google help file on ad extensions, visit [**http://jmlinks.com/23q**](http://jmlinks.com/23q).

Here’s a screenshot of an ad with clickable sitelink extensions:

GEICO Motorcycle Insurance - Quoting is Fast and Free - geico.com

Ad www.geico.com/ ▼ (888) 475-3540

Bike and accessories coverage for the extras that make your bike your own.

Free Quotes · 75+ Years of Savings · 24/7 Service & Claims · Mobile App

Ratings: Selection 9.5/10 - Ease of purchase 9.5/10 - Service 9/10 - Website 8.5/10

[Get a Quote](#)

[BIG Savings](#)

[Switch & Save](#)

[Save 15% or More](#)

And here's a screenshot of an ad with a location extension and stars (coming from their Google reviews):

DeVry Accounting Degree - DeVry.edu

Ad www.devry.edu/ ▼ (855) 604-8442

Year-Round, Accelerated Classes. Earn Your Degree At DeVry, Get Info

Degrees in Growing Fields · Merit-Based Scholarships · Locations Nationwide

Degree programs: Accounting, Business Administration, Business Management, Technical Management

📍 6600 Dumbarton Cr, Fremont, CA - 4.3 ★★★★★ 6 reviews

Notice how DeVry has added their phone number of 855-604-8442 as a call extension, and how the location extension shows their address.

And here's a screenshot with a review extension, again getting the advertiser those nifty, eye-catching stars:

Warehouse Industrial Fans - In Stock. Ships Today - uline.com

Ad www.uline.com/Warehouse-Fans ▼

4.6 ★★★★★ rating for uline.com

ULINE - Over 31,000 Items in Stock. Huge Catalog! Same Day Shipping.

Fast Delivery · 11 Locations · 31,000+ Products

Ratings: Shipping 9.5/10 - Quality 8.5/10 - Website 8.5/10 - Selection 8.5/10 - Add-on services 8/10

[Floor Fans](#)

[Pedestal Fans](#)

[Wall Mount Fans](#)

[Drum Fans](#)

Notice how this ad has a display URL that contains a keyword (*Warehouse-Fans*), as well as call out extensions and structured snippet extensions.

The Display Network

Ads on the Display Network can be text and appear similar to the above. Or they can be graphic images. You can either upload your own, or use Google's Ad Gallery to have it pull images from your website and create a cornucopia of possible image sizes for your ad. Here, you can run ads that are

Dynamic Ads – rich media ads that match the device / format a person is on.

Lightbox Ads – interactive ads that can allow users to pull needed information right from the ad.

Video ads – ads that display a video about your company, product, or service.

Animated ads – ads that are images that may, or may not, be animated.

Gmail ads – ads that appear in the promotions tab on Gmail.

To read the official Google help file on the AdWords Ad Gallery, visit **<http://jmlinks.com/23r>**. Note that if you are not running on the Display Network, then you can ignore these ads format as they are not available on Google Search. Also be aware that YouTube has specific ad requirements and formats; you can read the official Google help file on YouTube ads at **<http://jmlinks.com/23s>**. Suffice it to say at this point that there are many more formatting options for ads on the Google Display Network than on the Search Network.

» ADWORDS ORGANIZATION

AdWords is a hierarchy. Remember that Google is a company founded by, and run by, engineers. These are stereotypically the guys with the pocket protectors, the over organized desks, and the Sheldon Cooper personality types that need to always “sit in their spot.” (To learn more about Sheldon Cooper and ponder whether this personality type is overrepresented in the GooglePlex, visit **<http://jmlinks.com/23t>**, but we digress).

AdWords is a hierarchy! The more organized you are, the better you will do!

Accordingly, you will get your best performance by understanding and following AdWords strict hierarchical rules:

Account. This is the master category, and contains your email login, password, and billing information. I recommend that you set up two-step verification (<http://jmlinks.com/23v>) for your AdWords account, as thieves target AdWords accounts because there is money to be stolen!

Campaigns. Think of a campaign as a “bucket” that holds your budget, bid strategy (but not your actual bids), network choice (Search vs. Display), geotarget, device target (mobile, desktop, tablet), bid strategy and a few other odds and ends such as scheduling.

Ad Groups. Groups are the workhorses of AdWords, and should reflect your product or service categories and tightly correspond to your core keywords. Bids are also set at the group level, or at the interrelated keyword level. An example of group organization would be “cat boarding” vs. “cat grooming”; different customer needs create different search queries and should be reflected in corresponding, unique AdWords groups

Cross-Views in AdWords: Confusion Alert!

AdWords is a hierarchy at a structural level. However, you can “view” across the structure in different ways. For example, you can log in to your Account, click on the “Keywords” tab and view ALL the keywords across ALL the groups of your account. However, “Keywords” live at the group level, only, so any edits that you make must be done at the group level.

Imagine, for example, a glass building called “Account,” that had two floors, called “Campaigns” and “Groups.” At any moment you could see “through” the building in any direction, but, for example, the “budget information” would “live” on the “Campaign floor.” While you could be on the “group” floor and “see” the budget, you couldn’t touch it (or edit it), without moving to the “Campaign floor.”

AdWords is like a glass building. You can “see” many things in many different ways, but you can only manage or edit them at the correct level. For example:

Budget can be edited only at the Campaign level.

Ads can be edited only at the Ad Group level.

Bids can be edited only at the Group or keyword level

Geotargeting can be edited only at the Campaign level

and so on and so forth...

This is confusing to people as you can “view” things in AdWords in ways that do NOT reflect the structural organization. I recommend you ask yourself “what level does this live at?” when you’re having a problem editing something, and go to that level by clicking on the appropriate tab.

VIDEO. Watch an official video tutorial on best practices for AdWords account organization at <http://jmlinks.com/23u>.

At this point, don’t freak out about the organizational issues at AdWords. Like working in a big, fancy glass building in San Francisco, over time, the organization will make sense to you and become second nature.

» GETTING ONLINE HELP WITH AdWORDS

My companion *AdWords Toolbook* has a cornucopia of resources on AdWords, including tools and help documentation. That said, here are the official resources where you can “ask a question” of AdWords.

Help. Help is hidden in AdWords under the “Gear Icon” in the top right of the screen. Click on the “Gear Icon” and then select “Help.” Type your question in there and hit enter.

Live chat and Email Help. These can be found in the “help” section as indicated above.

Phone Support. Click on the “Gear Icon” and you should see a phone number. In the United States, the number is 866-246-6453. Live technical support is available 9 am – 8 pm Eastern Time.

You can also access the AdWords help files at <https://support.google.com/adwords>. You can post questions to the Google AdWords Community at <https://www.en.advertisercommunity.com/>. Throughout, be aware that Google has a vested interest in your spending MORE (not less) money on AdWords, so the technical support at all levels can be a bit salesy.

DELIVERABLE: AdWORDS STRATEGY WORKSHEET

The **DELIVERABLE** for this chapter focuses on the Big Picture. Why are you interested in advertising on AdWords? Which network (Search or Display) makes the most sense for your products or services?

For the **worksheet**, go to <https://www.jm-seo.org/workbooks> (click on “AdWords Workbook 2017,” enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “AdWords Strategy” worksheet.



4

SEARCH NETWORK

When people say they want to “advertise on Google,” they generally mean that when a customer searches on Google for *such-and-such* product, service or company by keyword, they want their ad to appear on the Google search engine, and nowhere else. As we’ve learned so far, however, Google is actually two distinct networks (*Search* and *Display*), and if you’re not careful, Google can place your ads on the Display Network as well as the Search Network without your pro-active understanding. In this Chapter, we’ll exclusively focus on tips, tricks, and best practices for the **Google Search Network** so as to show your ads when (*and only when*) you want them to appear on Google and its Search Partners like Yelp or Comcast.

Let’s get started!

TODO LIST:

- » Review Basic Set Up Best Practices
- » Identify Transactional Keywords
- » Organize Your Campaigns & Ad Groups
- » Use Correct Keyword Match Types
- » Write “Attract / Repel” Ad Copy
- » Use Ad Extensions
- » Follow CEA on Landing Pages
- » Set Your Bids
- » Set Logical Campaign Settings
- » Choose Your Geotarget Settings Wisely

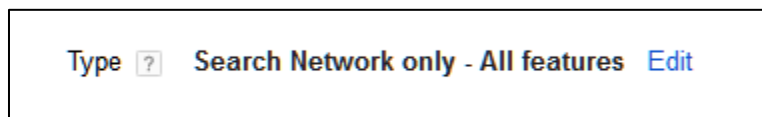
- » Monitor Your Bids and Performance
- » Shoot Your Dogs, and Let Your Winners Run
- » Learn about a Special Type of Search Ad: Google Shopping Campaigns
- »» Deliverable: Search Network Worksheet

» REVIEW BASIC SET UP BEST PRACTICES

We'll assume you've set (or reset) at least one Campaign to run *exclusively* on the Search Network. Let's review those steps here:

1. Log in to your AdWords account.
2. For a new Campaign, click on the Red *+Campaign* button.
3. Select "Search Network Only."
4. Follow the steps to set up an at least one Ad Group that matches one of your Core Keywords, at least one ad inside that Ad Group going to a matching landing page on your website, and keywords (as indicated below) using "+", "'", or "[]" around your target keywords. (*We'll return to this, in detail, later in this Chapter*).

If you have an existing Campaign, click into the Campaign, and then click on the *Settings* tab. Where it says *Type*, change it until you see "Search Network only – All Features." Here's a screenshot:



You can choose to run on Search partners like Yelp or Comcast, or if you like, you can opt out of those websites by unchecking the box that says "Include search partners." Here's a screenshot.

Networks ? To choose different networks, edit the campaign type above, or create a new campaign.

✓ Google Search Network ?
☒ Include search partners

Here's a (not-so) fun fact. Nowhere does Google publicly identify the companies in the Search Network. We know it's Yelp and Comcast, for example, but there isn't a clear list of all sites in the Search Network, nor does AdWords identify where your ads appear if you leave the box checked. So, if you're cynical, I'd uncheck this box to be sure your ads run only on Google.com.

Say No to the Display Network (For Now)

If you see "Display Network" anywhere, you've done something wrong. Sometimes if you've set up a Campaign running on the "Display Network," AdWords will not let you convert it to the "Search Network." In that case you have to pause that Campaign, and create a new one in the correct fashion. At the end of this process, you want at least one Campaign that is set to run on *only* the Search Network.

VIDEO. Watch a video from Google on the Google Search Network at <http://jmlinks.com/26d>.

» IDENTIFY TRANSACTIONAL KEYWORDS

Let's revisit your keywords and explain how to input them into your Search Campaign > Ad Groups. Keywords drive search, and – therefore – *keywords* drive AdWords on the Search Network. Here are the steps from the perspective of a customer

Customer need > search query on Google > click on ad > landing > sale / sales inquiry

Or, translated into our scenario of a San Francisco residents who needs cat boarding for Fluffy, during his vacation to Cabo San Lucas:

I need to have my cat taken care of on vacation > keyword search on Google for “cat boarding San Francisco” > see / click on ad for Jason’s Cat Emporium > land on Jason’s website > fill out inquiry form to check out the Emporium for my cat, Fluffy > Agree to sign up Fluffy, and the deal is done.

Using this simple process model, you can see that your steps on AdWords begin with defining the best **keywords** to advertise on.

Step #1: Identify the search keywords that you want to advertise on.

It all starts with the keyword. The customer need “becomes” the keyword, and the keyword that the customer enters into Google needs to find a match in the keyword that you enter as a **keyword trigger** into AdWords.

Customers enter **keywords** into Google.

Advertisers enter **keyword triggers** into AdWords.

While Google calls both of these *keywords*, it’s helpful to distinguish between the *keywords* that are entered by the searcher, and the *keyword triggers* that you, as an advertiser, enter into AdWords. Keyword triggers as we shall see, need to be notated in AdWords in one or more of three distinct ways:

Plus Signs

+*cat* +*boarding* = telling Google to run your ad on any variations of the words *cat* and *boarding*, but no substitutions.

Quotation Marks

“*cat boarding*” = any keyword query by the searcher that includes that phrase.

Brackets

[cat boarding] = the exact phrase, only, as entered into Google.

No Plus Signs No Quotes No Brackets

The “sucker choice” is to enter in the words *cat boarding* into AdWords with no “+” sign, no “quotation,” and no “[” bracket.

NEVER JUST ENTER KEYWORDS INTO ADWORDS!

The reason, of course, is that if you just enter

cat boarding

Google can substitute nearly *anything* for those words, and before you know it, you’re running on

dog hotels

Because to Google the word *cat* is like the word *dog*, and the word *boarding* is like *hotel*...Entering keywords with no quotes, plus signs, or brackets is a “gotcha,” so don’t do it!

Core Keywords

Refer back to Chapter 2, and your Keyword Worksheet. You should have identified **core keywords** that reflect the major structural patterns of your products or services. Take a look at the Progressive.com website (<https://www.progressive.com/>), and you'll see an very structured organization of keywords in terms of landing pages on the website.

Auto / car insurance

Home insurance

RV insurance

Motorcycle insurance

Commercial insurance

In addition, as you look at their landing pages and read the text out loud, you'll notice helper keywords such as *quote*, *rates*, or *companies* that further make a keyword transactional. In fact, here's a screenshot of their ad running on "motorcycle insurance"

Progressive® Motorcycle - Progressive.com

Ad www.progressive.com/Motorcycle ▼

Get an instant quote today from America's #1 **motorcycle** insurer!

Get A Quote · Norton Secured Site

Ratings: Selection 9.5/10 - Ease of purchase 9/10 - Website 8.5/10 - Service 8.5/10

And here's their ad for "boat insurance:"

Boat Insurance Rates - See How Much Progressive® Can Save You

Ad www.progressive.com/Boat ▼

Get A Free Quote & Buy Now!

You'll see that Progressive runs very specific ads for "boat insurance" that go to a very specific landing page for "boat insurance" vs. very specific ads for "motorcycle insurance" that go to a very specific landing page for "motorcycle insurance" and so on and so forth.

AdWords rewards a **very organized, hierarchical structure**, as follows:

One core keyword > one specific Ad Group > one or more specific ads > one specific landing page

Identify Transactional Keywords

On your own Keyword Worksheet, you should have identified 5-10 **core keywords** plus another 10-20 helper words that ensure that your keywords are **transactional** in nature. You also want to keep an eye on keyword **volume** and **value** because, since AdWords is expensive, you generally want to advertise only on keywords that are likely to lead to a sale. In general, (but not always), *educational* keywords should be avoided.

A San Francisco orthopedic surgeon, for example, might have core keywords such as:

Knee surgery

Knee surgeon

Hip surgery

Hip surgeon

Shoulder surgeon

Shoulder surgery

Orthopedic Surgeon

And helper words like *San Francisco, best, top, top-rated, arthroscopic, second opinion*, etc. (He will NOT advertise on "knee pain" as that "educational keyword" will have a lot of volume, generate a lot of clicks, cost him a lot of money, but end up with many bounces as these are people who are not close to the decision to engage with a knee surgeon).

Similarly, for Jason's Cat Emporium, we will identify transactional keywords such as:

cat boarding

cat hotels

long-term cat care

cat kennels

cat grooming

cat toys

And avoid educational / non relevant keywords such as:

cat

cat vets

dog boarding

And realize that some relevant keywords are problematic (because they may signify other animals such as dogs):

pet boarding

animal boarding

And some helper keywords are negative (poor or cheap people)

cheap

free

To review what we learned in our Keywords Chapter, your first **TODO** is to build out your **keyword worksheet**, organize your keywords into core keywords, and identify transactional keywords that are also (hopefully) high volume / high value. I would also create a column, and designate the core keywords as “hot” (definitely your customer), “warm” (probably your customer), “cold” (probably not your customer). It’s also a good idea to notate keywords like *pet boarding* that are **problematic** because they include both your customers and non-customers. (We’ll return to ambiguous keywords when we discuss writing ads in the “Attract / Repel” style).

» ORGANIZE YOUR CAMPAIGNS AND AD GROUPS

Generally speaking, **one** core keyword should be represented in **one** ad group in AdWords. Where we’re going is to see that your Keyword Worksheet will map to your AdWords as follows:

one core keyword > one ad group in AdWords

for example:

cat boarding > cat boarding group in AdWords

pet boarding > pet boarding group in AdWords

cat hotel > cat hotel group in AdWords

cat kennel > cat kennel group in AdWords

cat grooming > cat grooming group in AdWords

DON’T LET REALITY CONFUSE YOU

While you might think that *pet boarding* includes *cat boarding* (which it does in the real world), at the “word game” level of AdWords, you want a very tight focus between the words. Don’t be lazy and clutter your Ad Groups with non-related keywords. So *pet*

boarding will get its own Ad Group, *cat boarding* will get its own Ad Group, and so on and so forth.

The tighter the linkages, the better your performance will be.

Campaigns in AdWords

But before we dive deeper into strategy and setup, let's talk for a moment about **Campaigns** in AdWords

Conceptually, a campaign should reflect a budgetary “bucket” of how you want to spend some money in a strategy fashion. They should reflect customer segments as well. Since campaigns are where you set the *network* (Search vs. Display), plus features such as *geotargeting* and *device targeting*, you want to think strategically about your campaigns as you get started (or revise existing campaigns).

As examples:

Networks. Since “search” is radically different from “browse,” the MOST important campaign setting is to ONLY run a campaign on ONE network, the Search Network (not *Search Network with Display Select*) (*despite what Google tells you is the “best choice!”*).

Geotarget. “Geotarget” or “location targeting” is AdWords lingo for showing ads ONLY to people who reside in a specific area (e.g., San Francisco) and/or are searching with intent around that area (e.g., “Cat Hotels San Francisco”) vs. showing your ads just to anyone, anywhere. Location targeting is set at the campaign level; accordingly, if you want to show different ads to people in different cities, then you set this at the Campaign level and you need separate campaigns (e.g., one for San Francisco and one for Oakland).

Budget. If you make a lot more money on one product (e.g., *cat boarding*) than on another (*cat grooming*), it makes sense to put them in separate campaigns as budgets can be set separately at the Campaign level.

Devices. Since you can determine whether you show on mobile phones vs. desktops vs. tablets by changing these settings at the campaign level, and budgets are set at the campaign level, it makes sense to split your mobile from your desktop campaigns if (for some reason) you want a different spend for people searching on different devices.

Ad Groups

Next, once you've set up a campaign, drill down into your **Ad Groups**. Remember:

one core keyword = one ad group in AdWords

Also, remember that even though you can geotarget in AdWords, city names are also often helper keywords, so you'd have *cat boarding San Francisco* in the *cat boarding* Ad Group. Finally, although structurally in AdWords Ad Groups "live" inside of Campaigns, AdWords will force you to set up a group and an ad the first time when you set up a Campaign, so you often have to toggle back and forth as you set things up.

ADWORDS IS A HIERARCHY

Structurally, however, AdWords works as a **hierarchical system**:

Account (sets account information, access, controls billing, etc.)

Campaign (sets budget, geotarget, devices, etc.)

Ad Group (organized around ONE and ONLY ONE core keyword)
controls ads and bids, and contains the keywords.

For example, I'd have a Campaign called **Cat Boarding – San Francisco** that is running on the Search Network only, geotargeting residents of San Francisco. Here's a screenshot showing the hierarchy of Campaign > Ad Group:

[All campaigns >](#)
Campaign: Cat Boarding - San Francisco

● Enabled Type: **Search Network only - All features** [Edit](#) Budget: **\$10.01/day** [Edit](#) T

Ad groups Settings Ads Ad extensions Keywords Audiences Aut

All enabled ad groups ▼ Segment ▼ Filter ▼ Columns ▼

+ AD GROUP Edit ▼ Details ▼ Bid strategy ▼ Automate ▼

<input type="checkbox"/>	●	Ad group	Status <small>?</small>	Default Max. CPC <small>?</small>	Clicks <small>?</small>	In
<input type="checkbox"/>	●	Cat Boarding	Eligible	\$2.01 (enhanced) <input checked="" type="checkbox"/>	0	
<input type="checkbox"/>	●	Cat Hotels	Eligible	\$2.01 (enhanced) <input checked="" type="checkbox"/>	0	
<input type="checkbox"/>	●	Cat Kennels	Eligible	\$2.01 (enhanced) <input checked="" type="checkbox"/>	0	

Note how I have three ad groups, one for *cat boarding*, one for *cat hotels*, and one for *cat kennels* that reflect the three core keywords of *cat boarding*, *cat hotels*, and *cat kennels*. I usually name my Campaigns with their network or their city target (as in this case), making it easy to see what's what at a glance.

While you can zig and zag through AdWords, up and down the levels, it is immensely helpful to always ask yourself “what level am I at?”

Account

Campaign

Ad Group

Ads (“live” at the Ad Group level)

Keywords (“live” at the Ad Group level)

You can “view” items like keywords across levels, like looking into a glass building that has different floors but you can only edit / change them when you are actually “at” a specific level. With respect to keywords, for example, you can “view” them across Campaigns but you can only edit / change them at the Ad Group level. A few things, such as bids, can be set at two levels (e.g., you can change a bid at the Ad Group level or at the Keyword sublevel).

Since *cat grooming* is quite different from *cat boarding*, then I’d have a separate campaign called *Cat Grooming*, with at least one Ad Group in it, also called *Cat Grooming*. And, to advertise my cat collars, cat toys, and other cat paraphernalia via Google Shopping ads (an XML feed from my eCommerce store), I’d also have a Campaign called eCommerce with groups for the main product groupings. Since eCommerce is nationwide and very different from the boarding and grooming functions, I’d set up a unique Campaign for that.

VIDEO. Watch a video tutorial from Google on setting up Ad Groups at <http://jmlinks.com/26b>.

» USE CORRECT KEYWORD MATCH TYPES

Next, you need to properly understand and use AdWords nomenclature to set your keyword targets. Google confuses this by misleading you into thinking you can just throw keywords into AdWords willy-nilly.

Keyword Match Types

Taking our example of *cat boarding*, in your Cat Boarding Ad Group, you’d insert the keyword:

+cat +boarding

meaning, *modified broad match* in AdWords speak.

which tells Google to run your ad if, and only if, the searcher enters BOTH the word *cat* AND the word *boarding* (as well as very close variants such as the plural *cats*, or a misspelling like *baording*). I also recommend you enter variants such as

“cat boarding”

meaning, “phrase match” in AdWords speak

and

[cat boarding]

meaning, “exact match” in AdWords speak

And you would **NEVER** enter just

cat boarding

as this is the **dangerous broad match** in AdWords. If you enter just *cat boarding* (no “+” plus sign, no “” quotation marks, no “[” brackets, as Google will run away with this, and run your ads on things like *pet boarding*, *dog boarding*, *iguana boarding*, *dog hotels*, etc.

Here’s a screenshot of keywords correctly entered into AdWords:

All but removed keywords ▾		Segment ▾	Filter ▾	Columns ▾	
+ KEYWORDS		Edit ▾	Details ▾	Search terms	Bid strate
<input type="checkbox"/>	<input type="radio"/>	Keyword	Status [?]	Max. CPC [?]	Clicks [?]
<input type="checkbox"/>	<input checked="" type="radio"/>	[cat boarding]	Eligible	\$2.01 (enhanced)	
<input type="checkbox"/>	<input checked="" type="radio"/>	"cat boarding"	Eligible	\$2.01 (enhanced)	
<input type="checkbox"/>	<input checked="" type="radio"/>	+cat +boarding	Eligible	\$2.01 (enhanced)	

Enter All Three Variants

Why enter

“cat boarding”

[cat boarding]

when

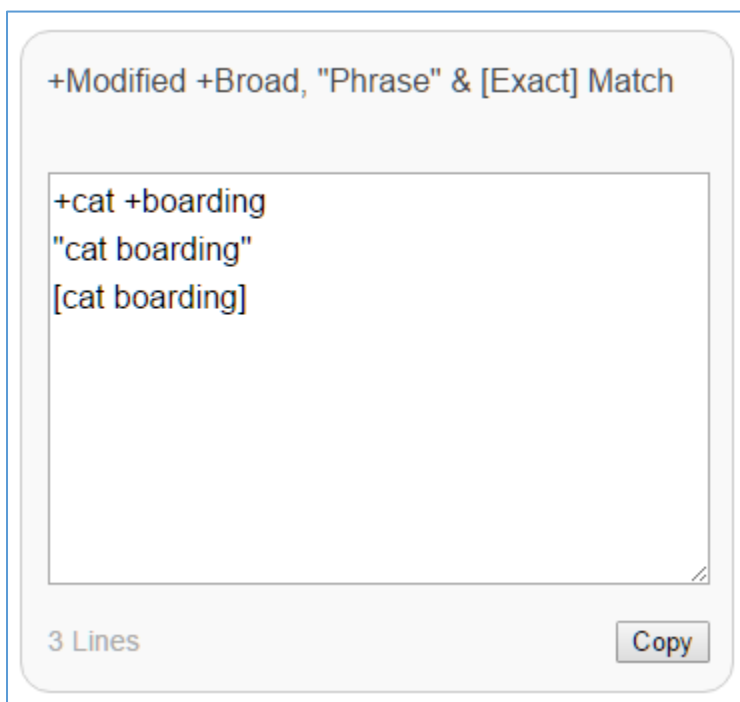
+cat +boarding

is the superset of the former two keyword phrases, meaning it **includes** them by default?

Technically speaking, you do not have to enter all three variants because *+cat +boarding* captures the other two.

However, if you also enter the phrase and exact match variants you get better reporting (you'll know exactly how many searches occur for the *exact keyword query, the phrase, and then variations of the phrase*), plus you can **set your bids differently** for these keywords. (*I've also noticed that entering all variants seems to help your performance... don't ask me why, just do it*).

You can use the AdWords Wrapper tool at <https://jmlinks.com/25c> to quickly create all variants this. Just be sure to enter your core keywords and select **ONLY** the “+Modified +Broad, ‘Phrase’ & [Exact] Match” box. Here's a screenshot:



You can then copy / paste those into the Keywords tab / Ad Group level for the corresponding Ad Group in your AdWords Campaign.

High Value Keyword Phrases

Similarly, for more targeted bidding, if a phrase might have higher value to you, you can enter it as a phrase. For example:

same day cat grooming

luxury cat grooming

in-home cat grooming

The reason for this is that the addition of certain helper words indicates that the customer is more likely to be affluent, and/or willing to pay a premium.

Accordingly, you want the option to be able to raise your bid for these variations of your keyword. Indeed, if a phrase is really, really valuable (e.g., *same day cat grooming*), you can even break it out into its own Ad Group for specialized management! Howie Jacobson (*AdWords for Dummies*, 2007) likens this to a “special trailer” on a Hollywood movie set for a superstar.

TODO. Consider breaking out high value phrases into their own keyword phrases for special bidding or reporting, or even creating a specific Ad Group for each high value phrase.

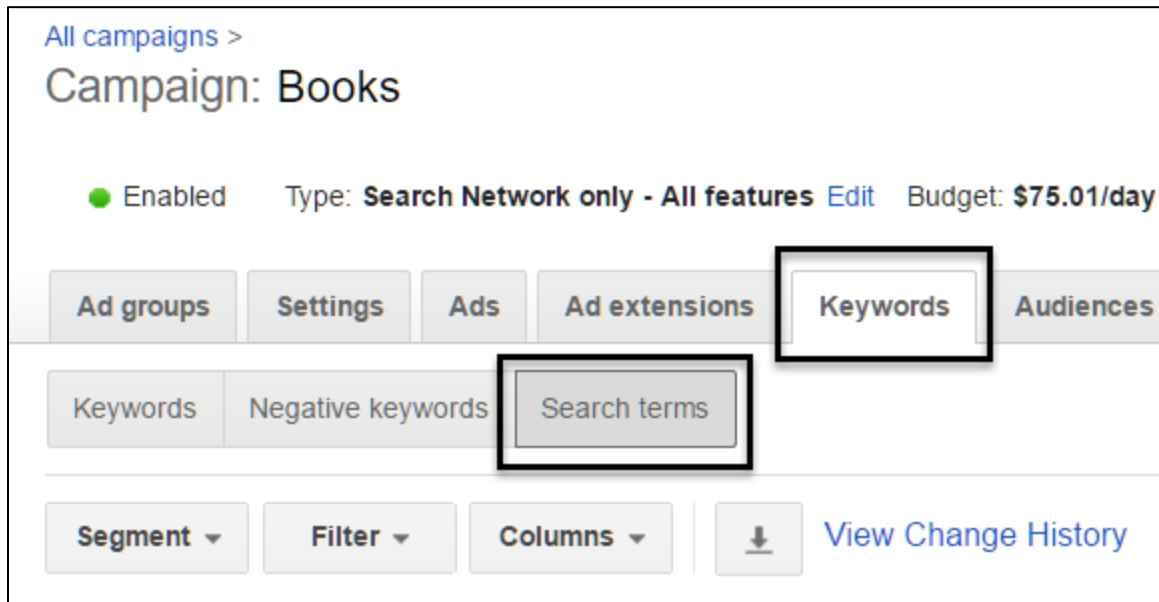
Google’s Official Explanation

Despite the official Google help explanation (<http://jmlinks.com/23d>), using broad match (just the words, without quotation marks, plus signs, or brackets) can produce many poor matches. If you just enter

cat boarding

as a keyword trigger into AdWords (no plus sign, no quotes, no bracket), Google will substitute words: *cat* will become *pet*, *boarding* will become *vet*, and your ad will be running on *pet vets* before you know it! Google doesn’t explain this (*for nefarious reasons?*), but you can see what keywords you’re actually running on by going into an Ad

Group, clicking on the Keywords tab, and then clicking on Search Terms. Here's a screenshot:



You want to do this for any and all Ad Groups > Keywords on an on-going basis, looking for really good, high converting keywords (which you then break out into their own special Ad Group) and really bad, low converting keywords (which you abandon or even add as negative keywords).

Stay Organized. One Keyword Group = One Ad Group

Do NOT jumble keywords into ad groups willy-nilly! For example, if you have a keyword group for *cat grooming* do NOT put keywords relating to *cat boarding* into that group. The same goes for closely related but distinct keywords:

cat kennel

cat boarding

cat hotel

In the real world, these are the SAME THING, but in AdWords these are DIFFERENT, and each should have its own UNIQUE Ad Group. That's the best practice, but if you're pressed for time (*or just lazy*), you can put very closely related keywords into the same group. You might put all three in one Ad Group (again, *if you're lazy*), but that's not the best practice (*because you want specific ads to show for each keyword, which we'll discuss in a minute*).

Like a well-organized dresser, Google wants the socks in the sock drawer, the underwear in the underwear drawer, and the pajamas in the pj drawer. Don't mix things up! Hey, and don't call my Mom and tell her just how disorganized my own "real world" dresser drawers are; at least my AdWords Campaigns > Ad Groups are organized, Mom!

AdWords is a Word Game

Also, realize that AdWords is a word game; do not put the keyword phrase *pet grooming* in a mangled Ad Group either. To AdWords, "pet" is a different word than "cat," so – accordingly – it should have its own Ad Group, meaning:

cat boarding = its own Ad Group

pet boarding = its own Ad Group

animal boarding = its own Ad Group

If there is a very close synonym (such as *animal* for *pet*), it is probably OK to include both of those keyword phrases in one group. So you might have:

pet / animal group = keywords that are derivations of *pet boarding* and *animal boarding*.

That said, it is always better to split and have highly focused Ad Groups than to combine (related) keywords into one Ad Group. I would split *pet* and *animal* into different Ad Groups.

AdWords rewards tight, highly focused Ad Groups over unfocused keyword groups!

Also at a conceptual level, realize that some keywords are unambiguously your customers (e.g., *cat boarding*) and others may or may not be your customers (*pet boarding*); this is a major reason NOT to mix keywords of the one into the Ad Group of the other. It's also a reason to separate them by Campaigns, so you can always run full blast on your tight Campaigns (*cat boarding* / definitely our customers) vs. your ambiguous Campaigns (*pet boarding* / maybe not our customers).

In summary, the tighter, more organized the matching between the keyword group and the ad group, the better you will be in the long run.

AdWords rewards very tight, very focused Ad Groups, organized around very tight, very focused keywords!

Keyword Insertion

AdWords has a feature called **Keyword Insertion**, formerly called *Dynamic Keyword Insertion*. In this technique, you write your ads using a snippet of code. For example, you'd write an ad headline like:

Buy {Keyword Chocolate}

and enter keyword triggers like

"Dark Chocolate Bar"

"Sugar Free Chocolate"

"Gourmet Chocolate Truffles"

(Remember to use plus signs, quotation marks, or brackets! And note that in this methodology the capitalization does matter).

Next, if the keyword trigger / keyword query is short enough to fit into your headline, then AdWords automatically replaces *Chocolate* with the keyword query entered by the user. So if they enter *dark chocolate bar* on Google, your ad headline would not say *Buy Chocolate* but rather *Buy Dark Chocolate Bar*

In this way, the ad appears, to the user, to be laser focused on what he or she just entered. If you have hundreds or thousands of closely related keywords, Keyword Insertion is a time-saving option in AdWords. (You can read the full Google help file at <http://jmlinks.com/26v>).

I would use caution when deploying Keyword Insertion, however, because, in my experience, it tends to hurt the Quality Score vs. ads that are manually written with a tight focus between the keyword trigger and the actual keyword in the ad headline / text. In addition, Keyword Insertion can allow you to be lazy and jumble up your Ad Groups to Keywords, even though a disorganized Ad Group > Keyword relationship will hurt your ad performance in the long run.

So use Keyword Insertion with caution. I'd recommend it only for large companies, with thousands of keyword patterns, and especially for very focused eCommerce Campaigns. Google even has a feature called Dynamic Search Ads in which Google will automatically pull your website content or an XML feed of your product data and write your ads on the fly. (Read about it at <http://jmlinks.com/26w>). Again, I would be very cautious about letting Google do all the hard-thinking for me.

Negative Keywords

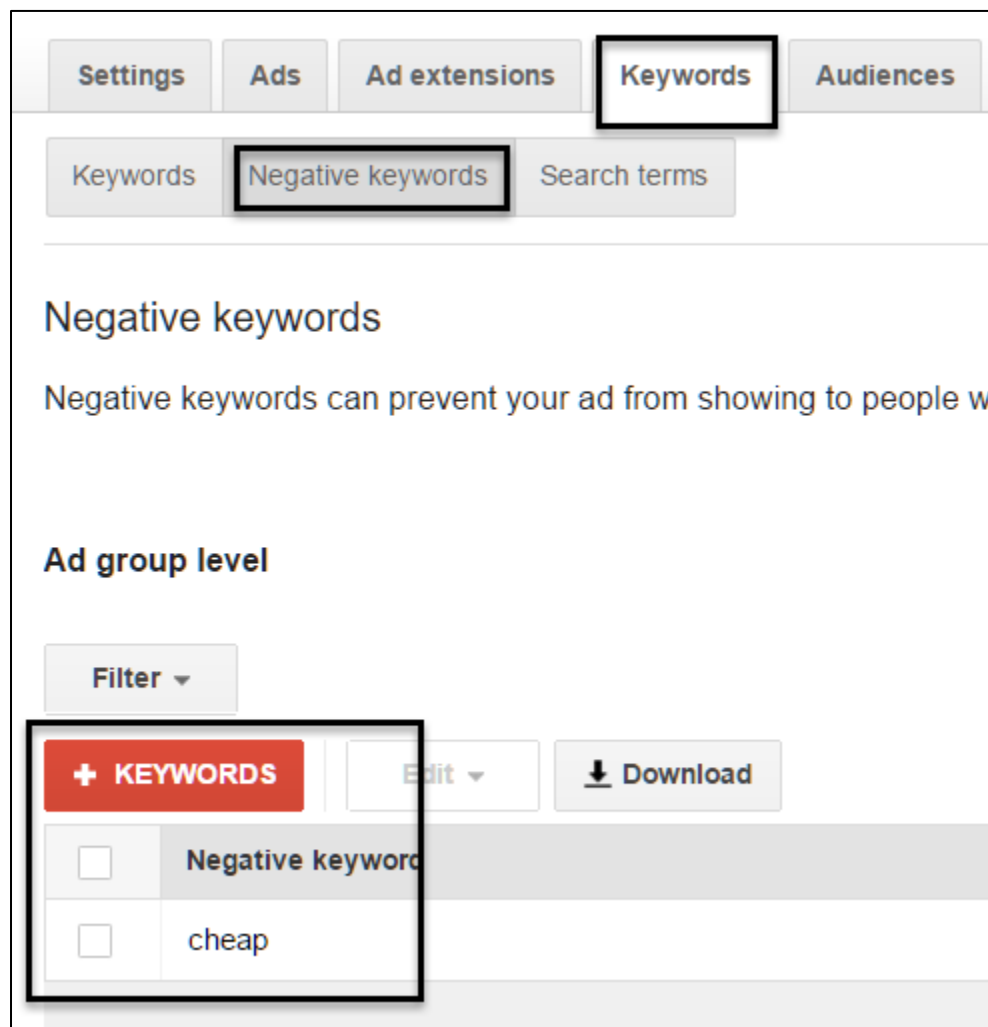
Negative keywords are “stop” words that tell Google to NOT run your ad if they are entered. *Cheap* is a common negative keyword or stop word. So if you enter *cheap* as a negative word (at either the campaign or group levels), then any time sometime enters *cheap*, your ad will NOT show.

VIDEO. Watch a video from Google on how to use negative keywords in AdWords at <http://jmlinks.com/26m>.

The logic is by entering *cheap* as a negative keyword (trigger), you are telling Google:

If they enter the word cheap, they are NOT my customer, they are NOT going to convert, do NOT show my ad to them, I will NOT pay for that click!

Here's a screenshot showing where to add Negative Keywords:



To add a negative keyword, just click on the red box, and type it in.

Where to Add Negative Keywords

Negative keywords can be added at two levels, so to speak:

- **Campaign Level** – if added here, then any Ad Group that “lives” in the Campaign is affected. Using our *cheap* example, then if someone entered the word *cheap* into Google as in *cheap cat boarding* or *cheap cat hotels*, then that would block the display of our ad for any of the dependent ad groups that live in the Cat Boarding San Francisco Campaign (i.e., the Ad Groups *Cat Boarding*, *Cat Hotels*, and *Cat Kennels*).
- **Ad Group Level** – if added here, then this impacts ONLY the Ad Group itself. So, if I add the negative keyword *cheap* to the Ad Group *cat boarding*, then if someone enters *cheap cat boarding*, Google will NOT run our ad, but if they enter *cheap cat hotels*, then that Ad Group is not affected and the ad will run.

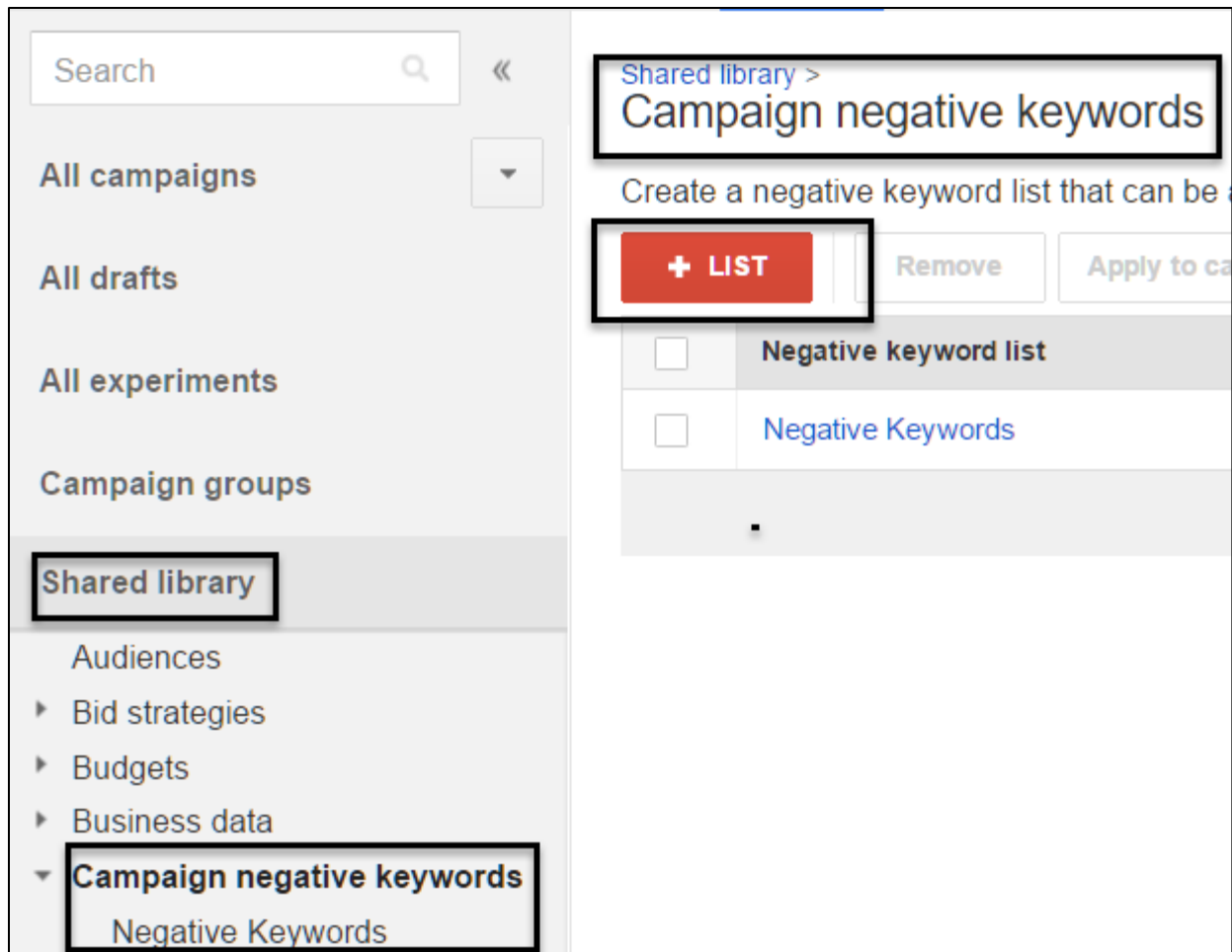
Think of negative keywords as *stop words*. If the word is entered, then Google will NOT run your ad even if other words match.

Be sure on your Keyword Worksheet to identify any and all stop words that are 100% “not your customers.” A detailed *negative keyword list* can save you a LOT of money in AdWords spend! You can read the AdWords help article on negative keywords at <http://jmlinks.com/25d>.

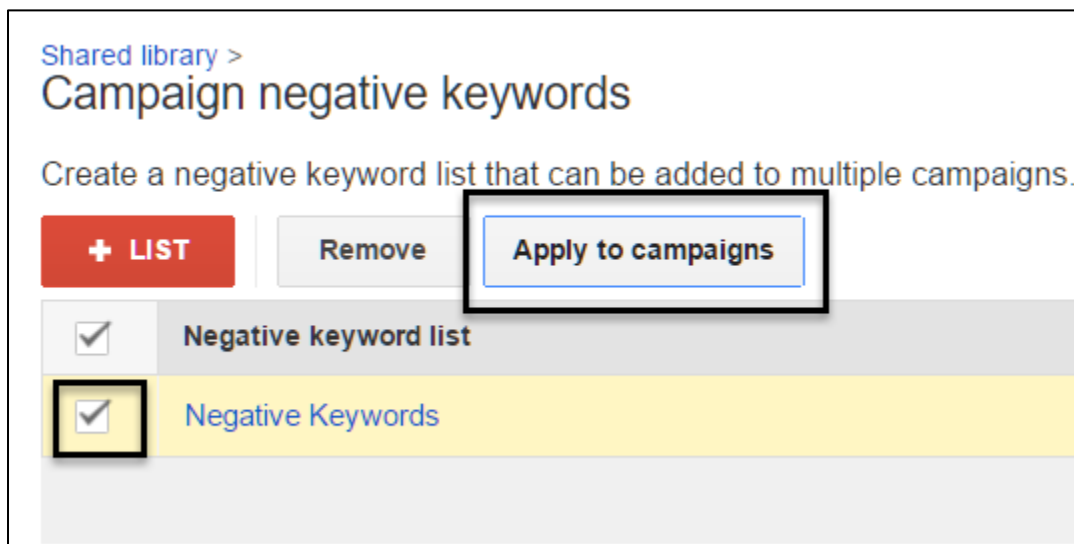
The Shared Library

If a keyword is always negative, across all your campaigns, I recommend drilling into the *shared library* (available on the left-hand side of the AdWords screen), and creating a keyword list called “Universal Negatives.” Enter in words that you know are ALWAYS negative or stop words onto your “Universal Negatives” list. Then attach this list to all the relevant campaigns.

Here’s a screenshot:



Once you've created a "Universal Negatives" list, you then click on the list, and attach it to your campaigns. Here's a screenshot:



If, however, there are words that are negative only with respect to one Campaign or one Ad Group, then you can add them at that level by clicking on the Keywords tab at either the Campaign or Ad Group level.

» WRITE ATTRACT / REPEL AD COPY

Now that you have your Campaigns and Ad Groups set up, plus you've added relevant keywords using plus signs, quote marks, and/or brackets as well as negative keywords at the Campaign, Ad Group, or Shared Library level, you're ready to write some ads. Ads "live" at the Ad Group level, and so by having tightly focused Ad Groups, we can now match *highly focused ads* to *highly focused Ad Groups* and *highly focused keywords* and *highly focused landing pages*.

Remember that AdWords Quality Score rewards a tight match between keywords and ads, so a major first principle is to:

include your **core keyword phrase** in your ad, preferably your ad headline.

Ads on AdWords in the new extended format include the following:

Headline 1 – 30 characters

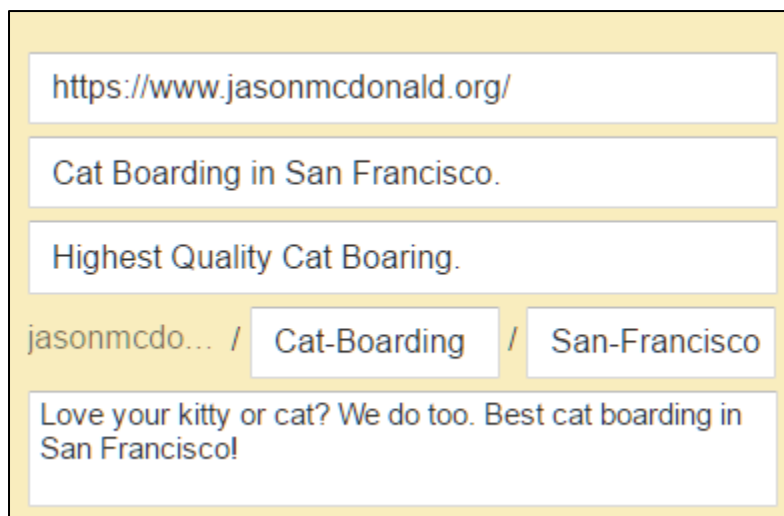
Headline 2 – 30 characters

Description – 80 characters

Path (“Display URL”) – 15 characters each

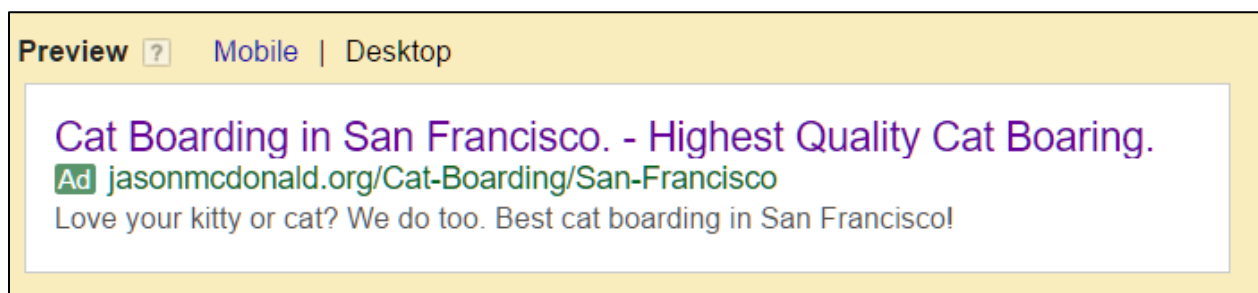
In addition to including your target keyword in your ad headline, you want to have some “pizzazz” in your ad copy to “get the click,” plus indicate how your product or service is unique and different. So for *cat boarding* in San Francisco, you might write an ad that looks like this:

Here’s a screenshot of how you enter the ad into Google:



A screenshot of the Google AdWords ad creation form. The form is divided into several sections with yellow borders. The first section contains the URL <https://www.jasonmcdonald.org/>. The second section contains the headline **Cat Boarding in San Francisco.**. The third section contains the description **Highest Quality Cat Boaring.**. The fourth section shows the display URL [jasonmcdonald.org / Cat-Boarding / San-Francisco](#). The fifth section contains the final ad copy: **Love your kitty or cat? We do too. Best cat boarding in San Francisco!**

And here’s a PREVIEW of what it would look like on Google:



Oh, dratz, I put in *boaring* not *boarding* (did you catch that)? Use the preview tool as well to check your work before spending money on real ads.

And here's an actual ad:

SF Cat Boarding - thepawington.com

Ad

www.thepawington.com/ ▼

Large suites, all day play & love. Plus Free SFO Airport Parking 24/7!
24/7 Pick-up and Drop-off · Skilled & Loving Staff · 24 hour petcams
Highlights: Luxury Experience, Friendly Resort, Grooming And Spa Services...

Reservations

Grooming

Daycare

Boarding

The first principle is to regurgitate the keyword phrase into the ad itself, preferably the headline. Google rewards this with a better Quality Score, and the humans will more likely click on your ads if the first thing that they read is “exactly” what they are looking for.

Attract / Repel Ad Copy

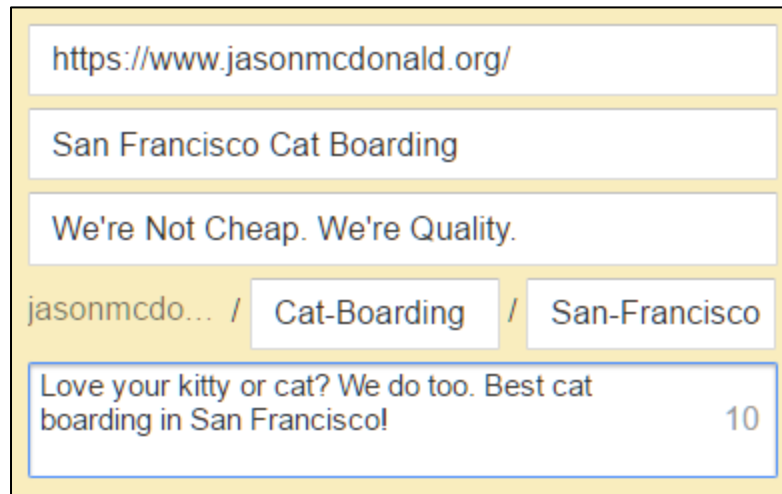
While Google AdWords help rep's, official help files, and scores of articles on the blogosphere will encourage you to write ads that encourage *clicks*, I recommend you think – deeply – about how to write ads that encourage *conversions*, by *attracting* your best / most likely customers and *repelling* those who are likely to not be your customers.

The best practice here is to write what is called **Attract / Repel ad copy**, meaning to *attract* your customers and *repel* your non-customers, to attract quality customers who are likely to buy at premium prices and repel low quality customers who are either not likely to buy or not likely to buy at a premium price.

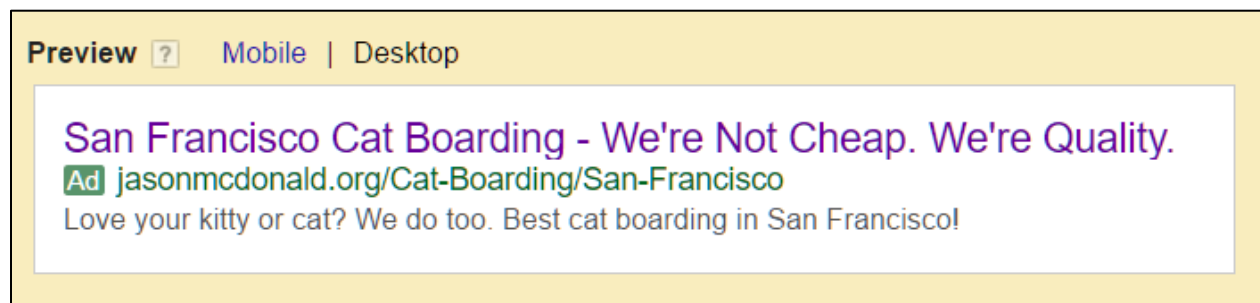
For example, we know that rich people spare no expense when boarding their cats vs. poor people who are price sensitive. We've already blocked our ad from running when they enter *cheap* as in *cheap cat boarding* by using a negative keyword. In addition, we want to write attract / repel ad copy emphasizing that Jason's Cat Emporium is a high end, quality cat boarding establishment where no expense is spared for cats and kitties.

We're not cheap! We're worth it!

An attract / repel ad would be something like this:



And display on Google like this:



By emphasizing quality, and explicitly saying “We’re not cheap,” our goal is to *attract* rich people who want the very best for their cats, and *repel* poor people who are willing to save a few dollars at the expense of their cat’s comfort.

Quality Score Impact

However, remember that Google gets paid *by the click* while you make money *by the conversion*. Google will want you to write ads that say things like *free cat boarding*, or *one night free* or something like that to encourage more clicks. In fact, if you watch Google videos or talk to Google AdWords technical support they will nearly ALWAYS tell you to write your ads in such a way as to maximize clicks.

VIDEO. Watch a video from Google on how to write effective ads on AdWords at <http://jmlinks.com/26x>.

Good advice from Google on how to write ads? Yes, definitely, with the caveat that you want to make sure you've identified *negative keywords*, and thought about ways to *repel* non-customers.

Attract & Repel: Striking a Balance

While it is true that higher click thru rates will generate a lower Quality Score, you have to strike a balance between ads that *get a lot of clicks* and ads that *generate a lot of conversions*.

STRIKE A BALANCE BETWEEN ADS THAT GET CLICKS AND ADS THAT GET CONVERSIONS

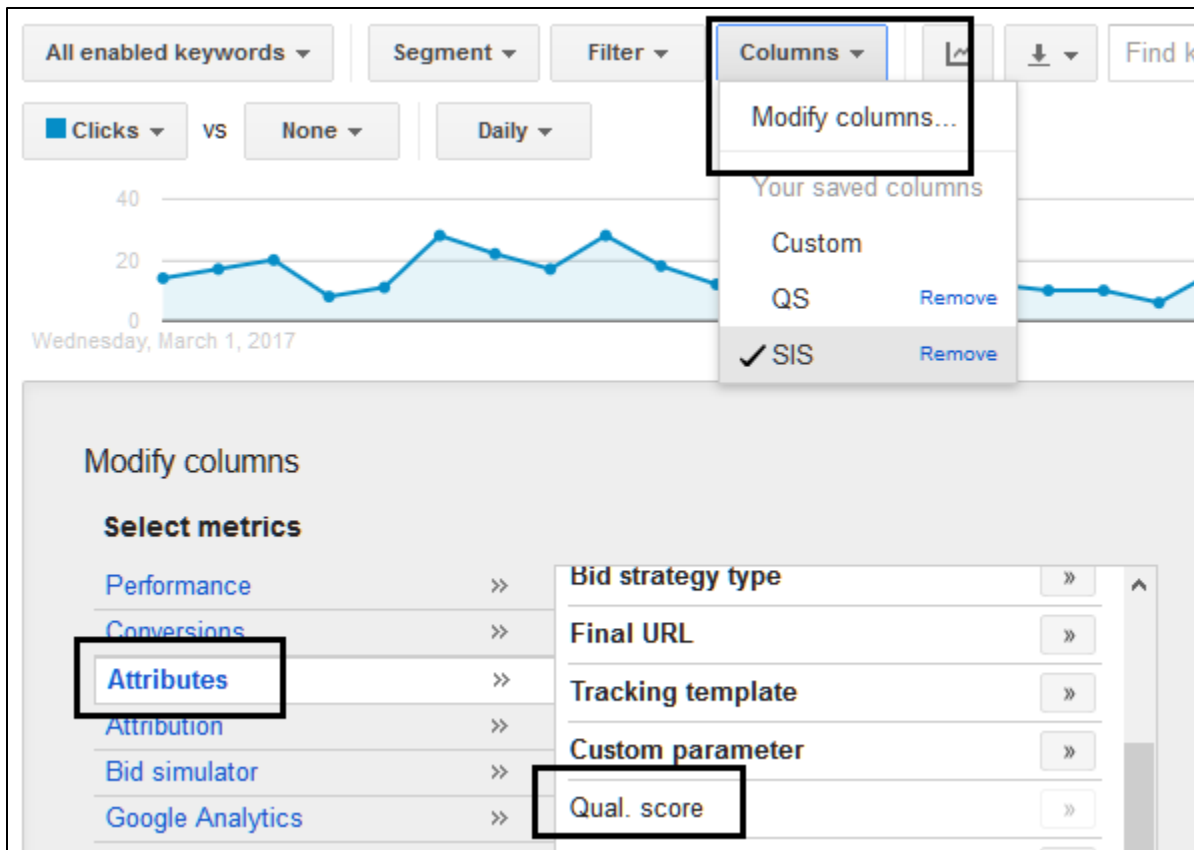
I tend to emphasize ads that focus on conversions, and not clicks. And I tend to use very focused Ad Groups > Ads > Keywords as “riches are in the niches” to improve my Quality Score. That’s my style. You’ll need to find your own style and workflow. Just be aware, however, that Google wants you to write ads that “get clicks” and I want you to write ads that “get conversions.”

Quality Score

Once your Ad Groups are up and running, Google will give you some feedback on your Quality Score. Just drill into *Campaign > Ad Group > Keywords*. Next, hover your mouse over the dialogue box under Status. Here's a screenshot:

Status ?	Max. CPC ?	Clicks ? ↓	Impr. ?	CTR ?	Avg. CPC ?
Eligible	\$1.82	16	444	3.60%	\$2.20
<div>Keyword: +SEO +book</div> <div>Quality score - Learn more</div> <div>7/10 Expected clickthrough rate: Below average Ad relevance: Above average Landing page experience: Above average</div> <div>Ad Preview and Diagnosis</div>					

You can also enable the Quality Score column by clicking on *Columns > Modify Columns > Attributes > Quality Score*. Here's a screenshot:



A quality score of 5 or higher is very good; and remember in some cases you may choose to accept a low quality score for a high value keyword for which you have written a powerful attract / repeal ad.

VIDEO. Watch an official video from Google on Quality Score in AdWords at <http://jmlinks.com/26u>.

Note: you sometimes may get a notification that your ad is / is not running for this keyword. We will discuss this in a few moments. Also, when your Ad Groups / Keywords are new, there may not be enough data to get a Quality Score reading. And, finally, remember that Google gets paid “by the click” and you make money “by the conversion,” so don’t fall into the trap that you always want a high Quality Score. You don’t.

Ambiguous Yet Important Keywords

Some keywords are unambiguous, and definitely your customer, as for example, *cat boarding*. Others are ambiguous – they contain both your customers and your non-customers. An example would be *pet boarding*. Some of those folks are *cat people*, some are *dog people*, and some are *exotic bird people*, but you only want the cat people.

What do you do?

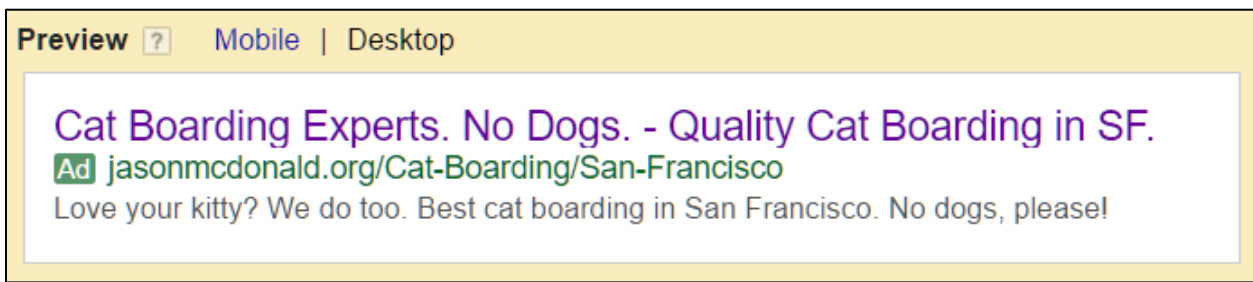
You can either choose NOT to run on *pet boarding* entirely and run only on *cat boarding*. This makes sense if you have a very tight budget, or you want to be very conservative in terms of your AdWords strategy. (This is one of the most important reasons to have highly organized Campaigns and Ad Groups, so you can turn “on” and “off” keyword groups, leaving “on” your highest performing keywords at all times and turning “on” or “off” your lower performing keywords depending on your budget and other factors like seasonality).

But if you want to be more aggressive, you would want to run our ads on *pet boarding*, too. But we want to repel *dog people* and attract *cat people*. We can’t use a negative keyword strategy as there is NOT a negative keyword; it’s just *pet boarding*.

So what do we do? We write attract / repel ad copy as follows:

https://www.jasonmcdonald.org/		
Cat Boarding Experts. No Dogs.		
Quality Cat Boarding in SF.		
jasonmcd...	/ Cat-Boarding	/ San-Francisco
Love your kitty? We do too. Best cat boarding in San Francisco. No dogs, please!		0

Which shows on Google as:



The idea (and hope) being that dog people will be repelled by the phrase *No Dogs*, and NOT click on the ad. Now, relative to ads that say *pet boarding* or establishments that board both cats and dogs, our ad will get fewer clicks and have a lower Quality Score, compelling us to bid somewhat higher. But what's the point in getting a click from a dog person, anyway, when he'll never convert because as soon as he lands on our website, he'll learn that we do NOT board dogs?

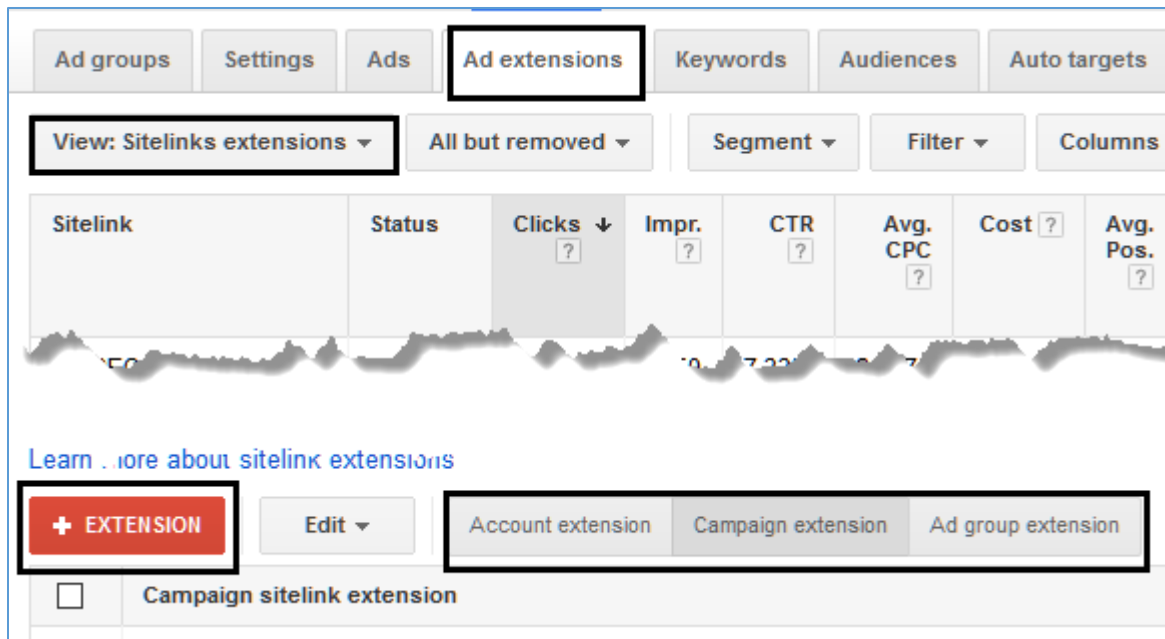
Attract /repel, in summary, is an important strategy to writing ads, especially when you confront **ambiguous keywords** that cannot be dealt with using negative keywords. I recommend you ignore the hit to your Quality Score, and pay closer to attention to whether your ads are actually running, getting clicks, and getting conversions.

» USE AD EXTENSIONS

In addition to the headline, description, and path, ads on Google can also have “extensions.” I recommend you populate them accordingly. I especially like the “Call extension” because if someone just calls right off the ad you do not pay for that click! Ad extensions can be added by clicking on the Ad extensions tab, selecting the extension type on the View: tab, and then clicking the red *+Extension* button. It's a little confusing as you view, edit, and add them by:

1. Clicking on the Ad extension tab
2. Selecting the appropriate view on the View tab
3. Then clicking Account extension / Campaign extension / Ad group extension to set the appropriate level.
4. Selecting the red *+Extension* button

Here's a screenshot:



Available extensions are:

Sitelinks – these are blue-highlighted bits of text that can appear below an ad, and link to specific subsections of your website such as “contact us” or “cat grooming,” etc.

Callouts – these are non-clickable text elements that can appear below an ad, usually mean to “call out” something special such as “Valentine’s Day Specials” or “ask about our kitty services”.

Structured Snippets – you select a predefined header like “Product” or “Service category” and then add call outs to specific subsections of your website.

Call extensions – these allow your phone number to appear in ads.

Message extensions – these appear on mobile phone ads, and allow customers to text message you directly from the ad.

Location – this extension type allows users to see your store’s physical address.

Affiliate location – similar to the above.

Price extensions – allow users to browse products and prices in an ad, and then click directly to them on your website.

App extensions – allow you to link from your ad to your mobile app for download and installation.

Reviews – this extension type allows you to pull reviews from third party websites and thereby enable review stars on your ads.

To read the official Google help file on ad extensions, visit <http://jmlinks.com/23q>.

Here's a screenshot of an ad with clickable sitelink extensions:

GEICO Motorcycle Insurance - Quoting is Fast and Free - geico.com

Ad www.geico.com/ ▼ (888) 475-3540

Bike and accessories coverage for the extras that make your bike your own.

Free Quotes · 75+ Years of Savings · 24/7 Service & Claims · Mobile App

Ratings: Selection 9.5/10 - Ease of purchase 9.5/10 - Service 9/10 - Website 8.5/10

Get a Quote	BIG Savings
Switch & Save	Save 15% or More

And here's a screenshot of an ad with a location extension and stars (coming from their Google reviews):

DeVry Accounting Degree - DeVry.edu

Ad www.devry.edu/ ▼ (855) 604-8442

Year-Round, Accelerated Classes. Earn Your Degree At DeVry, Get Info

Degrees in Growing Fields · Merit-Based Scholarships · Locations Nationwide

Degree programs: Accounting, Business Administration, Business Management, Technical Management

📍 6600 Dumbarton Cr, Fremont, CA - 4.3 ★★★★★ 6 reviews

Notice how DeVry has added their phone number of 855-604-8442 as a call extension, and how the location extension shows their address.

And here's a screenshot with a review extension, again getting the advertiser those nifty, eye-catching stars:

Warehouse Industrial Fans - In Stock. Ships Today - uline.com

Ad
www.uline.com/Warehouse-Fans

4.6 ★★★★★ rating for uline.com

ULINE - Over 31,000 Items in Stock. Huge Catalog! Same Day Shipping.

Fast Delivery · 11 Locations · 31,000+ Products

Ratings: Shipping 9.5/10 - Quality 8.5/10 - Website 8.5/10 - Selection 8.5/10 - Add-on services 8/10

Floor Fans

Wall Mount Fans

Pedestal Fans

Drum Fans

Notice how this ad has a display URL that contains a keyword (*Warehouse Fans*), as well as call out extensions and structured snippet extensions.

In summary, add relevant ad extensions to your ads, but again have an attract / repel frame of mind. You might not want to emphasize a *free consult* if *free consult* is likely to attract poor people or those who are not likely to convert! You might not want an ad extension that emphasizes your *cat grooming* services if those services are likely to generate clicks but are not strong revenue-generators for your company.

Be strategic in your use of Ad Extensions!

» FOLLOW C/E/A ON LANDING PAGES

What happens after the click? Well, they “land” on your website. There are some best practices when it comes to landing pages for AdWords, starting with a tight match between the keyword query and the landing page.

Accordingly,

keyword group = Ad Group on AdWords = specific landing page

So, we’d have:

cat boarding = Ad Group on cat boarding = specific landing page on cat boarding

vs.

cat grooming = Ad Group on cat grooming = specific landing page on cat grooming

vs.

pet boarding = Ad Group on pet boarding = specific landing page on pet boarding

Note how we aren't lazy, and we don't let reality confuse us!

Don't Make Customers (or Google) Think!

We have a page specific to **cat boarding** even though, technically speaking, we could send the *cat boarding* people to our *pet boarding* page since “in reality” that's the same thing. But we don't want to “make our customers think” – we want the *cat boarding* people to see immediately that we board cats, and the *pet boarding* people to see, first, yes we board pets, and secondly, we focus on cats. We also want the reward to our Quality Score by having a tight focus at the keyword level between the keyword query and the landing page. Don't make Google think, either!

It's not generally a good idea to send everyone to your home page, and certainly not a good idea to make users hunt for information. They'll click, and bounce, rather than click, and convert. In fact, Google strongly emphasizes that one element of Quality Score is a keyword-matching landing page.

Generally speaking, therefore, your **TODO** is to map out your Keywords to your Ad Groups and your Ad Groups to your landing pages, and build a one-to-one correlation between *Core Keywords* to *Ad Groups* to *landing pages*.

C/E/A Methodology for Landing Pages

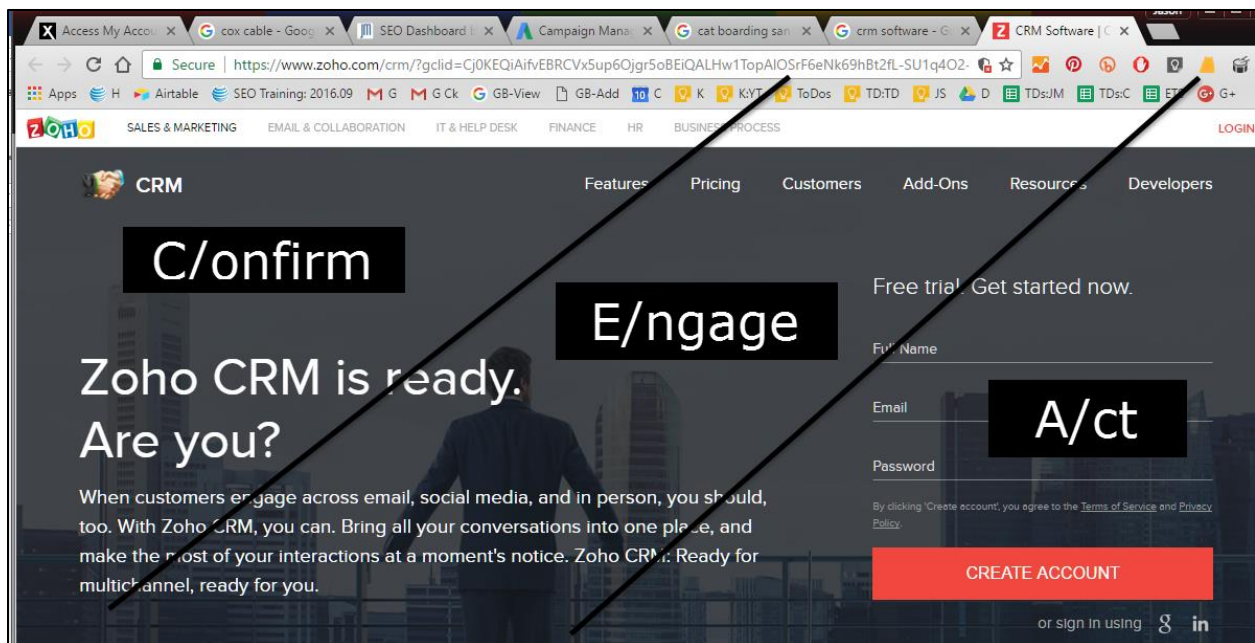
In terms of landing page design, you want to use the C/E/A methodology, which stands for Confirm / Engage / Act. Basically, if the search query is *cat boarding*, then when the user lands on your landing page in the top left corner, she should see an image of a happy cat being boarded, and the phrase she just entered (“cat boarding”). That's your “C” for Confirmation Zone.

Next, moving from left to right, top to bottom, she should read some content that explains why your establishment is the best place to board a cat in San Francisco. Awards, user reviews, statistics, etc., are great here. This is your “E” for “Engagement” zone.

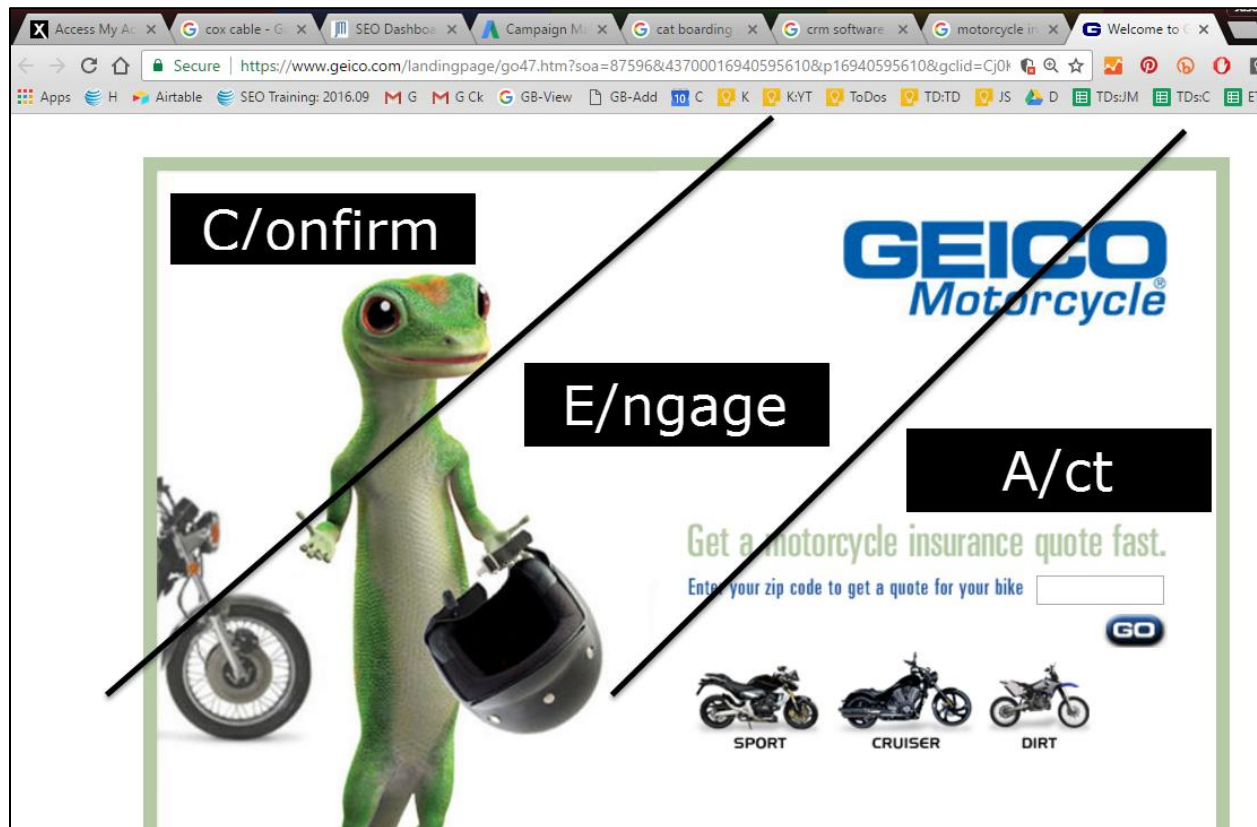
Finally, to the right, but above the fold, the desired action should be apparent. This is your “A” for Action zone. A common action is “free consult” or “request a quote” or something like that. Note that in contrast to writing the ad, here you want to convert EVERYONE who lands on your website into an email inquiry (or eCommerce transaction), as you have already paid for the click, so you want to grab each and every lead.

Attract / repel refers ONLY to ad copy not to the landing page experience.

Here’s a screen shot with the three zones for C/confirm, E/ngage, and A/ct outlined on the landing page for ZOHO for the search query *CRM Software* into Google:



And here’s the Geico landing page for the search query, *motorcycle insurance*, again with the C/, E/, and A/ zones clearly marked for you.



Your **TODOS** here are to a) do relevant search queries in your industry and evaluate competitor landing pages using this C/E/A methodology, and b) look at your own landing pages with an eye to C/E/A.

1. Does the **top left** corner **confirm** that the customer who just clicked from Google has landed on a relevant website that offers what he wants?
2. Does the **middle engage** the customer by explaining the offer and validating that you are a company that can be trusted?
3. Does the **right** have a defined **action** such as request a free consultation, download a software demo, or buy something on an eCommerce site?

And, is all the human-critical information “above the fold?” Don’t make them think. Don’t make them hunt. Don’t make them nervous. Confirm you have what they want, you’re a fantastic choice, and make it easy for them to see the next step.

As for allowing navigation to your home page, and other web pages, some people advocate “locking in” the customer and others say you should at least allow navigation to the home page. My advice is to allow navigation to your home page, and website. Many customers will want to “check you out” and will want to browse your site, even if they land on a clear landing page.

Thus, while I recommend using the C/E/A methodology for your AdWords landing pages, I realize that many customers will nonetheless browse your website. We can use Google Analytics to track user behavior and view the conversion rates of any customers who come from AdWords. (Note: others will advocate that your landing page “lock in” customers, preventing them from scrolling anywhere other than either forward to your action or backwards to Google. That’s not my style, but it’s a respectable position in AdWords strategy).

The bottom line is that each landing page, and your website as a whole, should clearly

- **CONFIRM** that users have landed on a website the offers what they just searched for
- **ENGAGE** them with information, facts, reviews, and other trust indicators that validate your company, products, and services as trustworthy and high quality, and
- have an **ACTION** such as an eCommerce purchase or free consult / free download that makes the next step easy to see and find.

» SET YOUR BIDS

Advertisers pay by click on AdWords. In AdWords, you set your bid strategy at the Campaign Level. Click on your Campaign and then the settings tab. Here’s a screenshot:

[All campaigns >](#)
Campaign: Cat Boarding - San Francisco

● Enabled Type: **Search Network only - All features** [Edit](#) Budget: **\$10.01/day**

States Active bid adjustments: **Device**

Ad groups	Settings	Ads	Ad extensions	Keywords	Audiences
All settings	Locations	Ad schedule	Devices		

Campaign name **Cat Boarding - San Francisco** [Edit](#)

Type [?](#) **Search Network only - All features** [Edit](#)

Next, scroll down until you see **Bid Strategy**. Click *edit*, and then you'll see your options for bid strategy. Below, I explain what each means, and indicate in italics my opinion of each option:

Target search page location. Use this if you want to always show near the top of a page, but aren't every concerned about the cost per click you'll pay. *Not recommended for any advertiser.*

Target CPA. Use this if you have an eCommerce site and have enabled conversion tracking. This allows you to set a target Cost Per Acquisition. If for example, you know that you make \$1.00 per widget, you can set a target CPA of \$1.00 and AdWords will do the calculate for you of how many clicks vs. how many bounces and what your best CPC is (which will be lower than \$1.00 because not everyone converts). *Recommended only for large eCommerce websites.*

Target ROAS. This is similar to CPA but works across an entire account to attempt to maximize your ROAS (Return on Ad Spend). *Not recommended for small advertisers.*

Target outranking share. This bidding strategy pits you against a competitor, and attempts to outrank their ad. *Not recommended, as essentially you are paying for a “bidding war” within AdWords!*

Maximize clicks. Here you provide Google your budget, and Google attempts to maximize your bids within that budget. You can also set a “bid max” to set a maximum CPC you are willing to run. *Not recommended, as in my experience Google overcharges you per click using this methodology.*

Enhanced CPC. Here, you have enabled conversion tracking, but you bid by click, allowing AdWords to boost your bids up on clicks it thinks are likely to lead to a conversion. *Recommended strategy if you have conversion tracking enabled.*

Manual CPC. Here, you manually set your bids as the maximum you are willing to pay for a click. *Recommended strategy.*

You can read the official Google help file at <http://jmlinks.com/23x>, but it’s not very clear and mixes bidding on the Search Network with bidding on the Display Network.


VIDEO. Watch a video from Google on bid strategies in AdWords at <http://jmlinks.com/26y>.

For most advertisers, the enhanced CPC or manual CPC will yield the best return on investment, especially if you monitor your bids and conversions on a weekly basis. Simply select the appropriate bid strategy at the Campaign Level and you’re all set to go to the next level, Ad Groups, where bidding actually occurs. I recommend you start with Manual CPC.

Bidding at the Ad Group Level



We’ll assume you’ve built out your Campaign and have at least one Group in it, and have written ads in that group. AdWords will have forced you to enter a bid at the beginning, but now go back and edit this bid.

The easiest way to set your bids is to click into the bid on the Default Max CPC column at the Group level. Here’s a screenshot:

+ AD GROUP		Edit ▾	Details ▾	Bid strategy ▾	Automat
<input type="checkbox"/>	●	Ad group	Status ?	Default Max. CPC ?	Click
<input type="checkbox"/>	● ▾	Pet Boarding 	Eligible	\$2.01 (enhanced)	

What to Bid at First?

When starting a new Campaign > Ad Group, I recommend you bid on the high side, higher than you'd expect or be willing to pay in the long run. To estimate a good starting bid, go to the **Keyword Planner** under the **Tools** menu in AdWords, enter your keyword, and bid at least as high as the suggested bid. Here's a screenshot

Your product or service				
cat boarding				
				
Ad group ideas		Keyword ideas		
Search terms		Avg. monthly searches ?	Suggested bid ?	Organic
cat boarding		8,100	\$2.79	

So I'd bid at least \$2.79 per click to get started with *cat boarding*. You can also use the SERPS.com keyword research tool at <http://jmlinks.com/23y> to get CPC / bid estimates.

Once you're up and running, we're going to circle back to your bids and adjust them down, but you need to bid high enough to get your ads to show at the beginning.

Set Bids at the Keyword Level

You can also set your bids at the keyword level, if there are certain phrases that you want to bid higher than for the Ad Group as a whole. To do this, click on the keywords tab, scroll down to a keyword, and then enter a bid.

Here's a screenshot, showing how I have bid up my bid on *+luxury +cat +boarding* to \$5.01 per click from the Ad Group default of \$2.01:

+ KEYWORDS		Edit ▾	Details ▾	Search terms	Bi
<input type="checkbox"/>	●	Keyword	Status ?	Max. CPC ?	Cl
<input type="checkbox"/>	●	+luxury +cat +boarding	Eligible	\$5.01 (enhanced)	
<input type="checkbox"/>	●	[cat boarding]	Eligible	\$2.01 (enhanced)	

If you set a bid at the keyword level, remember that this overrides the Ad Group level. So if you increase your Ad Group bid, then the bid at the keyword group stays in charge, even it's a lower amount.

Here's a tip to track who set which bids. If you're working as a team, or with a client, have one person bid as a .01, another as a .02, and a third as a .03, or even / odd. This way, you can see who bid what. So, I always bid .01, so I can tell that the bid of \$5.01 was set by me, vs. the client bid which might be \$5.00 and a bid by Gloria, who works for me, that would

be \$5.02. These pennies don't do anything to the bids in any serious sense; they just tell us who set the bids on a team project.

We'll return to bids after we jump over to Campaigns, as after a few days or a week, you want to go back and monitor your bids, bidding them up or reducing them down until you find the best bid per click for return on investment.

» SET LOGICAL CAMPAIGN SETTINGS

Because AdWords is an interrelated “whole” and yet composed of hierarchical “parts,” it's useful to zig and zag between the parts. So, return to your Campaign Settings, and review them with an eye to whether your Campaign settings reflect aspects of the real world such as geotargets, budget, etc.

Here are the basic settings for each Campaign in your AdWords account that are relevant on the Search Network:

- **Type.** This is where you set the network (*Search* vs. *Display*), and of course, in this example you are set to *Search Network only – All Features*. Never choose “Search Network with Display Select,” as this mixes the two networks. (In the next Chapter, we will review the *Google Display Network* as well as *Video / YouTube* in Chapter 6).
- **Networks.** Here you select Google Search Network (pre-selected by the above choice). If you want to run on sites like Yelp, Xfinity, Earthlink, etc., then choose search partners. If you want to run only on Google, then uncheck the Search Partners box.
- **Devices.** Now that you've set up a Campaign, you can go back in and select “Change devices bid adjustment.” If you enter *-100%*, this turns “off” ads on that device type, so if you choose Computers and type in *-100%*, then your ads will NOT run on computers / desktop. If, in contrast, you want to run more aggressively on a device, you can put in a positive percentage. If you choose *+300%* for “Mobile devices,” then a bid of \$1.00 for a desktop click will become \$3.00 on a mobile phone.
- **Languages.** You can select the desired language (e.g., English).
- **Bid Strategy.** As explained above, you can set a bid strategy ranging from a fully automated strategy to manual CPC. For most advertisers, I recommend *Manual CPC*, *Manual CPC + Enhanced CPC*, or *Enhanced CPC* as the best bid strategies.
- **Advanced Settings**

- **Schedule** – you can turn your ads “on” or “off” based on times of day, days of the week, etc.
- **Ad Delivery**. Generally, the default “optimize for clicks” is the best selection.
- **IP Exclusions**. If you know of nefarious IP addresses, you can exclude those.
- **Dynamic Search Ads**. This is a *terrible* choice and uses Google to spider your website and automatically choose your keywords for you. *Do not use this setting*, unless you enjoy giving your money away to Google for free!
- **Campaign URL options**. These are tracking / parameter templates if, for example, you are integrating AdWords with Salesforce.

» CHOOSE YOUR GEOTARGET SETTINGS WISELY

Because AdWords is an interrelated “whole” and yet composed of hierarchical “parts,” it’s useful to know that you can show your ads only to people searching in or about a specific location (e.g., San Francisco). This is called *location targeting* or *geotargeting*. It’s one of the most powerful advantages of AdWords over SEO (Search Engine Optimization).

To do this, click on the Locations tab, and you can revisit your geotarget. Let’s review geotargeting in detail.

Here’s a screenshot:

All settings **Locations** Ad schedule Devices

Filter ▼ Segment ▼ Columns ▼ [Line Graph Icon] [Download Icon] View Change History

Edit locations

In what locations do you want your ads to appear?

Targeted locations	Reach ?	
United States - country	230,000,000	Remove Nearby

Enter a location to target or exclude. **Advanced search**

For example, a country, city, region, or postal code.

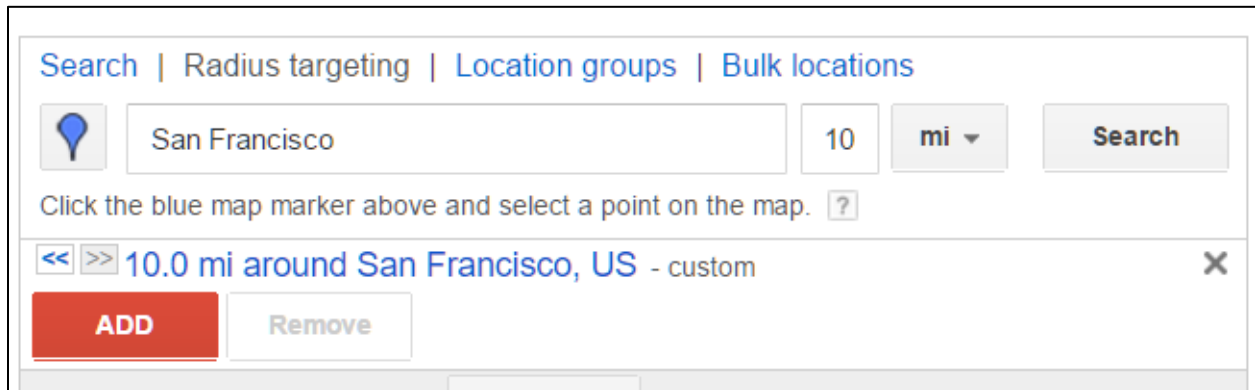
Save Cancel

The best way to set or revisit your geotargeting settings is to click on **Advanced Search** as indicated above. This pops up a map. Next, you have a few options as indicated in the top tabs:

- **Search.** Here you enter a city name, and hit search. For example, type in *San Francisco* or *Tulsa* to target your ads only to people in one of those cities.
- **Radius Targeting.** This is useful if you want to target people who live near a city. For example, you can enter in San Francisco with a 20 mile radius to capture not only San Francisco but nearby cities like Oakland or San Mateo.
- **Location groups.** You can use this to preset communities you want to target as a group. For example, you might target cities up and down the San Francisco Peninsula, from San Francisco to Palo Alto. If you were to choose radius targeting, you would be selecting communities across the San Francisco Bay which (because of the bridge barriers) are not as likely to convert for a San Francisco-based business.

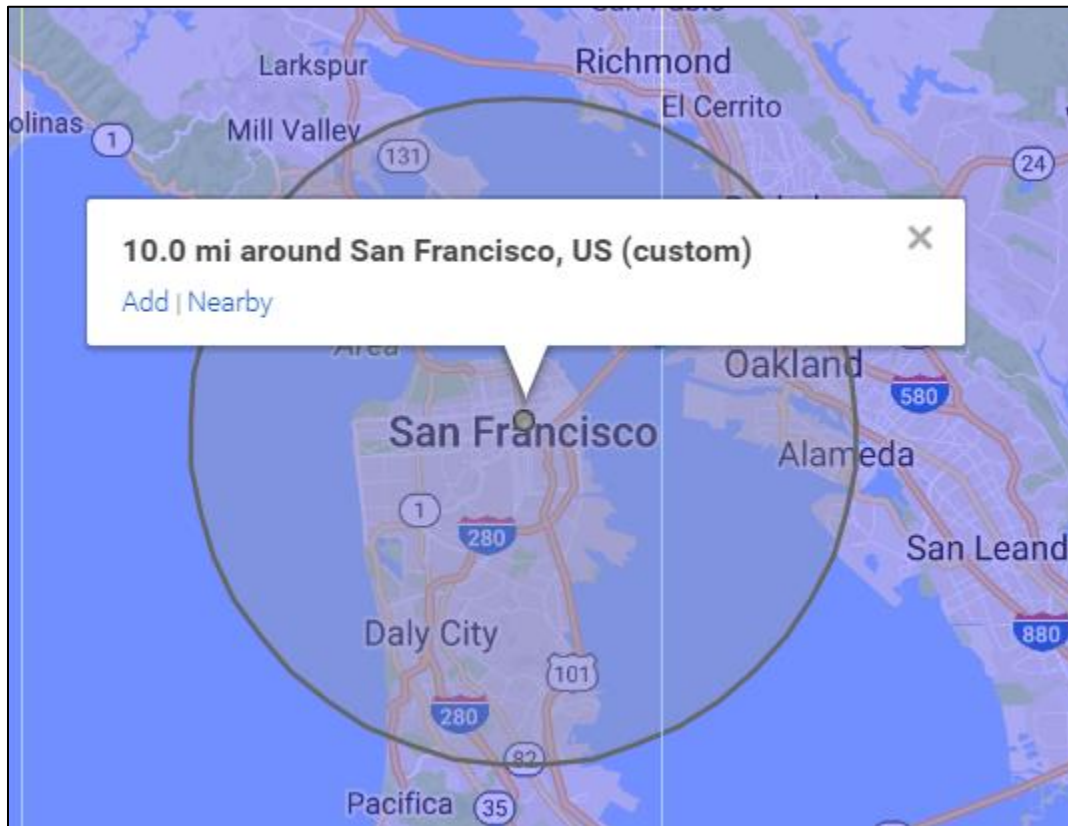
When you've chosen a target (either a specific city, zip code, state, and/or radius target near one of those), click *add* or *exclude* to either **add** them to the geotarget or **exclude** them from your geotarget. Nearby just helps you see cities or towns on the map.

Here's a screenshot of a *San Francisco* as the geotarget with a 10 mile radius, chosen by clicking *Advanced Search > Radius Targeting* and entering in San Francisco, changing the mile radius to 10 miles from the default 20 miles:



The screenshot shows a web interface for radius targeting. At the top, there are navigation links: [Search](#), [Radius targeting](#), [Location groups](#), and [Bulk locations](#). Below these, there is a search bar with a blue location pin icon on the left. The search bar contains the text "San Francisco". To the right of the search bar is a text input field containing "10", followed by a unit dropdown menu showing "mi" with a downward arrow. To the right of the unit dropdown is a "Search" button. Below the search bar, there is a text prompt: "Click the blue map marker above and select a point on the map." followed by a question mark icon. Below this prompt, there is a status bar showing "<< >> 10.0 mi around San Francisco, US - custom" with a close button (X) on the right. At the bottom of the status bar, there are two buttons: a red "ADD" button and a white "Remove" button.

And here's a screenshot of what the map looks like:



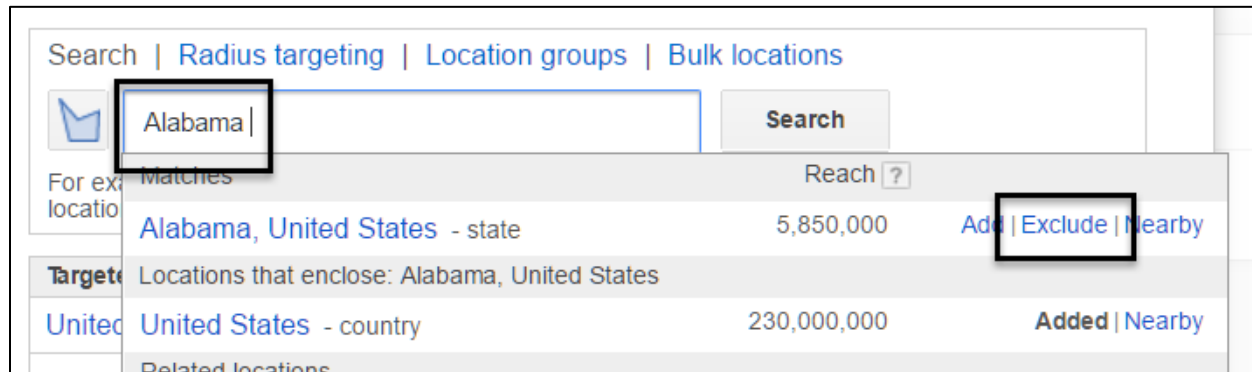
You can see that we'd reach some people across the Bay in Oakland, and Alameda, as well as north into Marin County.

Excluding Geographic Areas like Cities, States, or Zip Codes

Let's discuss *exclusions*. You can use the geotarget feature to include "in" cities, states, zip codes, etc., but you can also use them to exclude "out" cities, states, zip codes, etc. These function like *negative keywords* and block your ads from showing at all.

Why might you do this? For example, consider a scenario where you are a Napa Valley, California, vineyard that sells wine over the Internet, across the entire United States. So you want to use AdWords to reach people searching for "buy wine online," or "best cabernets from Napa Valley," etc. AdWords is a fantastic choice to reach these wine connoisseurs who want to buy California Napa Valley wines over the Internet. However, it is illegal to buy wine online in Utah, Oklahoma, Arkansas, Mississippi, Delaware, Rhode Island, and Alabama.

By using the geotarget / exclude feature, you can exclude showing ads to people in these states. Simply go to *Advanced Search > Search*, and enter the state names, then select *exclude*. Here's a screenshot, showing a search for Alabama, and an exclude:



Poor vs. Rich People by Geography

You can think “out of the box” when it comes to geotargeting. So, if for example, your target customers tend to live in one zip code, and your non-customers live in another, you can include “in” your target customers and exclude “out” your non-target customers. It may be politically incorrect to point this out but (unfortunately) in our great nation, it is often true that poor people tend to live in certain zip codes and rich people in others. By using geotargeting in AdWords you can include “in” rich people and exclude “out” poor people based on geotargets.

GEOTARGET “IN” AND GEOTARGET “OUT”

Rich people tend to live in certain zip codes, and poor people in others. (You can check USA incomes by zip codes out at <http://jmlinks.com/23z>). By using geotargeting, we could exclude the poor zip codes and target only people in rich zip codes. Other ways to use geotargeting can be including “in” people in a commute zone (e.g., from Oakland to San Francisco), and including “out” people outside of a commute zone (e.g., the more difficult commute from Marin County into San Francisco).

Your **TODO** here is to identify communities you want to geotarget “in” and any you want to geotarget “out,” and then map those to your individual Campaigns.

Advanced Location Options

Finally, click back up to your Campaign settings, find Locations, and just below that click on *Location options (advanced)*.

Here you will find the following cryptic language from Google:

Target. *People in, searching for, or who show interest in my targeted location.*

Exclude. *People in, searching for, or who show interest in my excluded location.*

If you click on the question mark (“?”), you’ll get some more cryptic language:

- *People in your targeted location*
- *People searching for, or who show interest in your targeted location*

What does this mean? Here’s what the default logic is:

I set my geotarget to *San Francisco* for Jason’s Cat Emporium, and in my Cat Boarding group, I have the keyword *+cat +boarding*.

Scenario #1. The customer is *physically in San Francisco*, and he types into Google *cat boarding*. My ad will show because he is physically located in San Francisco.

Scenario #2. The customer is *physically in Oakland*, and he types into Google *cat boarding*. My ad will not show because he is not physically in San Francisco.

Scenario #3. The customer is *physically in Oakland* (where he works), and he types into Google *San Francisco cat boarding*. My ad will actually

show because Google will take my geotarget and combine it with his search query **intent**, that he is looking for cat boarding in San Francisco; “as if” he were in San Francisco.

That’s the default logic. If you don’t like it, you can change it by selecting “People in my targeted location,” and then your ad will show **ONLY** in Scenario #1, that is, that they are truly physically in your target location. For most of us, the default setting is fine, however. To be on the safe side, you could also enter the keyword *+cat +boarding +san +francisco* into AdWords to be sure to capture search queries that are clearly looking for cat boarding in the city of San Francisco.

VIDEO. Watch a video from Google on how to set location targeting in AdWords at <http://jmlinks.com/26k>.

» MONITOR YOUR BIDS AND PERFORMANCE

Chapter 7 goes into more detail on how to monitor AdWords for return on investment, but for now, let’s overview the basics of monitoring your performance. We’ll leave aside *conversion tracking*, but if you can, you should connect Google Analytics to AdWords, and make sure that it is tracking conversions (e.g., purchases at an eCommerce website, or completed website feedback forms) as soon as possible.

When you’re just getting started, I’d recommend keeping a very close eye on AdWords, on at least a daily basis at first. Then, after a week or ten days of data, it’s time to analyze your performance.

Account Level

Select the Campaigns Tab to compare Campaigns to each other. Note: essentially here you are at the Account “level,” and looking “down” to your Campaigns.

On the top right, select the time period (e.g., last month, last week, etc.). AdWords will then give you an organized look at your Campaigns. You can select “All enabled Campaigns” to see just the Campaigns that are running.

Here’s a screenshot:

All campaigns

Campaigns

Ad groups

Settings

Ads

Ad extensions

Videos

Keywords

Audiences

Video targeting

Auto targets

All enabled campaigns

Segment

Filter

Columns

Find campaigns

View

+ CAMPAIGN

Edit

Details

Bid strategy

Automate

Labels

<input type="checkbox"/>	<div></div>	Campaign	Budget <div></div>	Status <div></div>	Clicks <div></div> <div></div>	Impr. <div></div>	CTR <div></div>	Avg. CPC <div></div>	Cost <div></div>	Avg. Pos. <div></div>	C
<input type="checkbox"/>	<div></div>	<div></div> Books	\$75.01/day <div></div>	Eligible <div></div>	184	2,849	6.46%	\$1.64	\$302.58	1.2	
<input type="checkbox"/>	<div></div>	<div></div> Jason McDonald	\$100.00/day <div></div>	Eligible	1	29	3.45%	\$11.39	\$11.39	2.6	
<input type="checkbox"/>	<div></div>	<div></div> Cat Boarding - San Francisco	\$10.01/day <div></div>	Eligible	1	27	3.70%	\$5.86	\$5.86	2.4	

Here's what the columns mean:

Campaign. This is the name of your campaign.

Budget. This is your budget maximum per day.

Status. This tells you whether it's active or paused.

Clicks. These are the number of clicks from Google on your ads during the time period.

Impressions. These are the number of times your ads were shown.

CTR or Click Thru Rate. This is the number of clicks divided by the number of impressions expressed as a percentage. Generally speaking, anything 1% or higher is good.

Avg CPC. This is your average cost-per-click (CPC). Lower is better, of course.

Cost. This is your total cost spent during the time period.

Average Position. Your ad position (ranked #1 to #6), indicating where you appeared on the search engine results page. #1 for example, means you were in the top slot, and #4 would be the #4 slot, counting from top to bottom.

Campaign Level & Levels Below

Next, I recommend clicking into a Campaign. Now, you're at the Campaign level looking down at your Ad Groups. If your Campaign has more than one Ad Group, then you'll see each Ad Group. Similar to the Campaign level, you'll see the Status, Default Max CPC (how much you're willing to pay for a click), Clicks, Impressions, CTR, Average CPC, and Cost. Note that because the *budget* is set at the Campaign level, you don't see your *budget* when you're at the Campaign level looking down at your Ad Groups.

Here's a screenshot:

The screenshot shows the Google Ads interface for a campaign named 'Books'. At the top, it indicates the campaign is 'Enabled', has a 'Type: Search Network only - All features', a 'Budget: \$75.01/day', and is 'Targeting: United States'. Below this are tabs for 'Ad groups', 'Settings', 'Ads', 'Ad extensions', 'Keywords', 'Audiences', 'Auto targets', and 'Dimensions'. The 'Ad groups' tab is selected, showing a list of ad groups. The table has columns for 'Ad group', 'Status', 'Default Max. CPC', 'Clicks', 'Impr.', 'CTR', and 'Avg. CPC'. Two ad groups are listed: 'Social Media - Amazon' and 'SEO Workbook - Amazon', both with a status of 'Eligible'.

		Ad group	Status ?	Default Max. CPC ?	Clicks ?	Impr. ?	CTR ?	Avg. CPC ?
<input type="checkbox"/>	●	Social Media - Amazon	Eligible	\$4.42	89	1,228	7.25%	\$1.76
<input type="checkbox"/>	●	SEO Workbook - Amazon	Eligible	\$4.01	50	974	5.13%	\$1.81

Next, click on an Ad Group to drill down to performance for that Ad Group. The view will default to the Keywords tab. Here, you'll see *Ad Group > Keywords performance by Keyword*. Here you can look at your keywords and see your Max CPC (your bid), impressions, CTR, Average CPC (what you actually paid), cost, and position.

Here's a screenshot:

All campaigns > Books >

Ad group: Social Media - Amazon

● Enabled Type: **Standard** Ad group bids (Max. CPC) **\$4.42** [Edit](#) Active bid adjustments: **Device**

Settings Ads Ad extensions **Keywords** Audiences Auto targets Dimensions ▼

Keywords Negative keywords Search terms

All but removed keywords ▼ Segment ▼ Filter ▼ Columns ▼ ▼ Find keywords

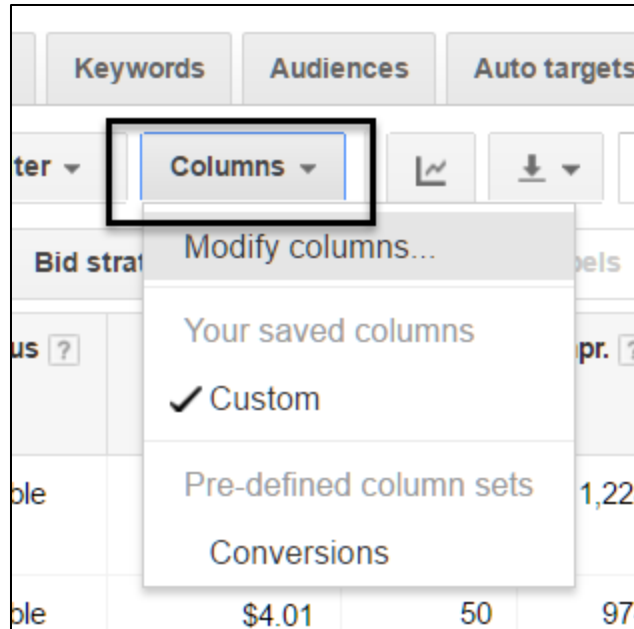
+ KEYWORDS Edit ▼ Details ▼ Search terms Bid strategy ▼ Automate ▼ Labels ▼

<input type="checkbox"/>	●	Keyword	Status	Max. CPC	Clicks ↓	Impr.	CTR	Avg. CPC
		Total - all ad group			89	1,229	7.24%	\$1.76
<input type="checkbox"/>	●	+social +media +marketing +book	Eligible	\$4.42	43	472	9.11%	\$1.47
<input type="checkbox"/>	●	"social media marketing books"	Eligible	\$4.42	11	144	7.64%	\$1.51

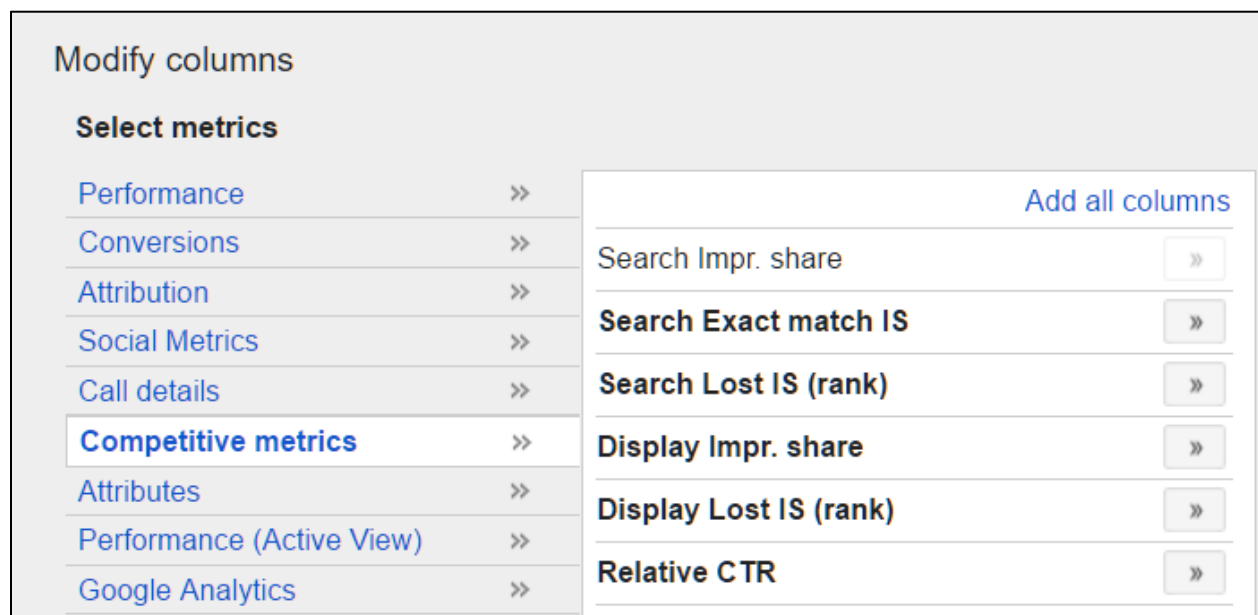
This shows your performance by *Keyword*. Finally, click on *Search Terms* and you can see the actual search terms that people typed into Google. Analyze these actual search terms very closely, as you are looking for ideas to break out into new, individualized Ad Groups as well as negative keywords.

Bids and SIS Scores

Return to the Campaign Level, where you're looking down at your Ad Groups, by clicking on the top breadcrumb trail navigation. You want to get back "up" to the Campaign level, so you can see your multiple Ad Groups. Next click on Columns > Modify Columns. Here's a screenshot:



This opens up all the available columns. On the left under *Competitive Metrics*, click to enable *Search Impression Share* or *SIS*. Here's a screenshot:



Click the box to “Save this set of columns” and give it a name like *SIS* or *Search Impression Share*. With this enabled, go back to your Campaign view. You should now see a column labeled *Search Impr. Share*. This shows in percentage terms how frequently

your ad was shown vs. the total universe of available impressions. If it says 100%, for example, then your ad showed 100% of the time when a person entered a relevant query.

Search Impressions Score (SIS) indicates how frequently your ad was shown against the total available inventory for that search term (“keyword level”), or your grouped keywords (“Ad Group level” or “Campaign level”).

If it says 12% then your ad showed only 12% of the time. Meaning if 100 impressions were shown for searches like *cat boarding*, your ad showed up only 12% of the time. The other 88% of the time no one could click on your ad because it was not shown!

To run “full blast,” I recommend you attempt to get an SIS that is 85% or higher.

Assuming you have chosen high value, transactional keywords and your bid per click isn’t terribly high, you want to run “full blast.” Every time someone enters a relevant query into Google, you want your ad to show.

Essential Metrics

As you begin to advertise, monitor your Campaigns, Ad Groups, and Keywords vis-à-vis the following:

Search Impr. Share / SIS. Aim for > 85%. *Higher is better!*

CTR. Aim for anything > 1%, but I like to see at least 3% or higher. *Higher is better!*

Avg. Position. Aim for a position of 3. This is because you pay a lot to be in position #1, whereas position #3 shows just above the popular organic results on Google.

Avg CPC. This is your average cost per click. Aim for as low as possible BUT with an SIS > 85%, and an average ad position of 3. *Lower is better!*

Google and the True Cost Per Click

Now, here's the rub. The official propaganda from Google will tell you that no matter what you bid, you just pay .01 more than the person below you (with some wrinkles for relative Quality Score). I would like to argue that this is just so much rubbish!

In my experience, you often pay a lot more per click than you need to. So what I recommend is to gradually reduce your CPC, and make sure that your SIS stays > 85%. As you reduce your CPC, you may find that your ads actually run *more often* and generate *more clicks*, despite what Google says!

TODO. Gradually reduce your bid per click, until you get an SIS > 85%, a position of about 3, and a decent click through rate. If you SIS goes below 85%, you're bidding too low. If your position goes to 1 or 2, you're probably bidding too high.

It's hard to hit the perfect "sweet spot" here, but it's very important to realize that – despite what Google tells you – you want to bid *down* over time. You can't "trust Google" to get you the cheapest cost per click. In fact, I have had advertisers who get *more* clicks and a *higher* SIS by bidding *low* than by bidding *high* – despite what the official Google propaganda says about just paying .01 more than the advertiser below you in the auction.

Trust but verify. Monitor and change your bids, paying attention to SIS, CTR, and Position. Don't take what Google says, officially, as the Gospel truth, but rather experiment and find your "sweet spots."

Spot Checking Your Ads

Despite what Google says, I also recommend going to the Tools menu, and selecting Ad Preview and Diagnosis. Enter relevant search queries, and "spot check" to verify that your ads are actually running. If they are not, raise your bids. Note: do this *before* making any bid changes, as it takes about 3-5 hours for Google to adjust to new bids. In fact, if you change your bids, and then attempt to preview your ads, they'll often go offline. So your process is to first login to AdWords, check your SIS, spot check your ads using the Preview Tool, and then adjust your bids upwards or downwards.

AdWords will sometimes say that your ads are “not running” because your bid is “too low,” but when you spot check, you’ll see your ads. You’ll also see clicks, and performance – so, again, don’t believe everything that AdWords tells you.

TRUST BUT VERIFY

As in any auction, the House is happy to let you bid too much. So I recommend that you monitor and adjust your bids at least on a weekly basis. Once your ads are running and things are in good order, you can do a monthly / twice monthly checkup of your SIS score, and spot checking via the AdWords Ad Preview Tool. You can also use “incognito mode” in Google Chrome to check your ads (if your Geolocation is in the target area), or use the SERPS.com preview tool at <http://jmlinks.com/26z> to vary your location and check to see that your ads are running. (Don’t click on them, however).

» SHOOT YOUR DOGS AND LET YOUR WINNERS RUN

Next, click up or over to the Ads tab from an Ad Group. This will show you the ads that are running in each Ad Group. I recommend running at least two, if not three, ads simultaneously. Compare the ads, especially their CTR or Click Thru Rate.

Run at least two ads per Ad Group. Then “kill” the lower performing ad as measured by CTR, and replace it with a new ad. Over time, you can thus optimize your ad performance by constantly “killing” the bad ads, and “running” the better ads.

I recommend that you “kill” your lower performing ads on at least a monthly basis, and rewrite them. Then, over time, compare your ads against each other, and run / select ads with the higher click thru rate, and ultimately higher conversion rate. Google does this to some extent automatically, but by writing and re-writing your ads, you can improve your CTR.

Remember, however, to use the **Attract / Repel** strategy in writing your ads so as to not fall into the trap of writing ads with words like “free” or “cheap” that will get you a lot of

clicks, but few valuable conversions. If at all possible, look for ads that run with an SIS > 85% but have a good conversion (not click thru) rate.

Similarly, at the Ad Group level and Keyword level, look for high-performing keywords and Ad Groups. “Kill” your lower performing Ad Groups and/or Keywords, but first write / re-write your ads to make sure that the ad content isn’t the problem.

Over time, you are looking to “shoot your dogs” and “let your winners run” by deleting low-performing keywords, Ad Groups, and even Campaigns and running / enhancing those that are performing. In the long term, performance is measured not by *clicks* or even *click thru rates*, but by *conversions* and money made!

» LEARN ABOUT A SPECIAL TYPE OF SEARCH AD: GOOGLE SHOPPING CAMPAIGNS

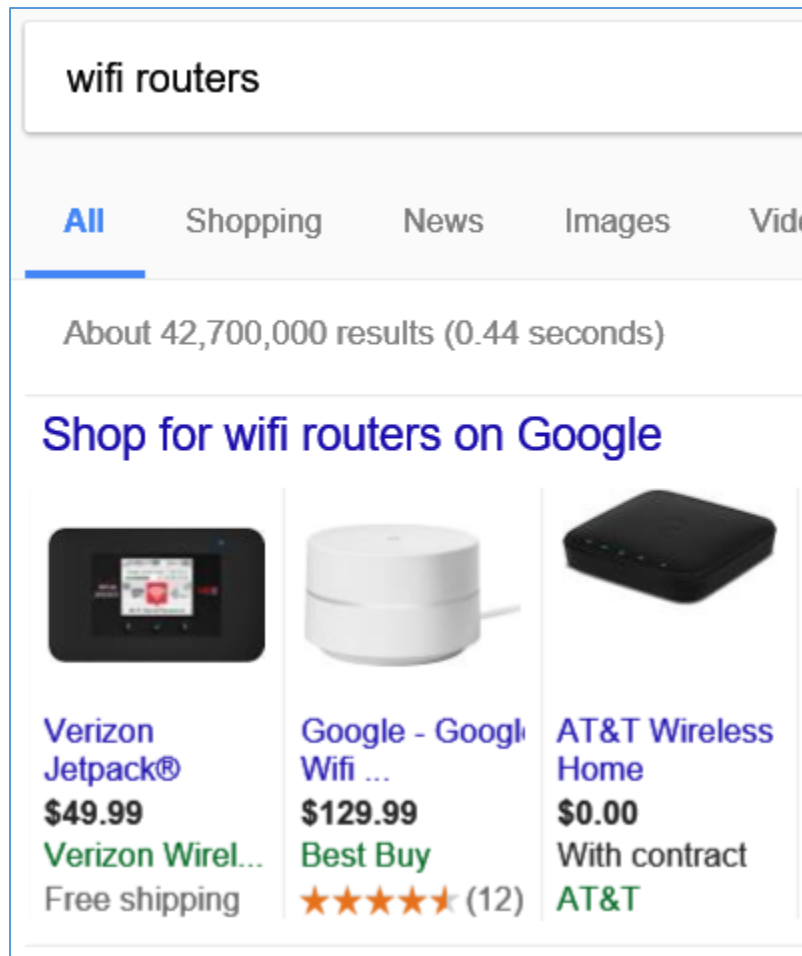
Before we leave the Search Network, we should note a special opportunity on Google, so-called **Google Shopping Campaigns** or **Product Listing Ads (PLAs)**. Google has, confusingly, named and renamed this ad type many times, so be aware that you may see it by various names. Among the more important is “Google Merchant Center.” To see PLAs in action, try some product-centric searches on Google, for example:

running shoes

red dresses

wifi routers

The PLAs appear at the top right, or center, of the screen and have a product image, product name, price, vendors, and some attributes such as “free shipping” or “star ratings”. Here’s a screen shot for the search query, *wifi routers*:



In order to get your products into Google Shopping, you need, first of all, to have either an eCommerce store and/or a brick-and-mortar store that can generate a product inventory or feed. Here are your steps.

1. **Sign up for a Google Merchant Center account** at <http://jmlinks.com/24t>. Note: that link has a nice “Resource center” which includes help on how to set up your data feed.
2. **Populate your feed.** The most important elements are the *product title*, *description*, *image*, and *URL*. Be sure to write keyword-heavy titles and descriptions!
 - a. Note: if your feed and URL are associated either with reviews on your own website and/or with reviews hosted on affiliated sites via *globally unique product identifiers*, Google will often pull the reviews and stars into your ad

as indicated above on the “Best Buy” router. (Read the help file at <http://jmlinks.com/24u>).

- b. Note: sellers can also have seller ratings, which are ratings not of your products but of your company as a seller. These are often pulled from third-party sources such as TrustPilot, Zoorate, etc. (Read the help file at <http://jmlinks.com/24v>).

Once Google has accepted and validated your product feed, make sure to attach your Merchant Center account to your AdWords account. You can read the help file at <http://jmlinks.com/27a> for step-by-step instructions. You then set up a Shopping Campaign in AdWords as follows:

1. Click on the Campaign tab, and select *Shopping* as the Campaign type.
2. Follow the steps concerning your merchant identifier and other miscellaneous attributes.
3. Use optional filters such as campaign priority or inventory to allow yourself to be able to better control bids.

Be sure to track your conversions, so that you can correlate your bids with your return on ad spend. It is very important to correlate bids with profit generated, as you can have a product that gets lots and lots of clicks via PLA ads but either a) doesn't convert, or b) doesn't generate as much profit as your advertising spend. In many cases, you want to take out your flagship products and manage them very intensively by using inventory filters or specific feeds.

- For a nifty guide to Shopping / Product Listing Ads, visit <http://jmlinks.com/24w>.

»» **DELIVERABLE: SEARCH NETWORK WORKSHEET**

The **DELIVERABLE** for this Chapter is a completed worksheet on the Search Network. This is a deep dive into your Keyword Patterns, Campaigns, Ad Groups, Ads, and Keywords, so that you end up with a well-organized AdWords account, and -over time – are able to identify winning keywords and terminate non-winning keywords.

For the **worksheet**, go to **<https://www.jm-seo.org/workbooks>** (click on “AdWords Workbook 2017,” enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “Search Network Worksheet.”



YOUR SAMPLE TEXT
YOUR SAMPLE TEXT YOUR SAMPLE TEXT YOUR SAMPLE TEXT

5

DISPLAY NETWORK

If you advertise on Google's **Display Network**, your ads don't appear on Google, but rather on blogs, news sites, videos, user forums, and other websites that participate in Google's network of content websites. For example, if your customers are reading *People Magazine*, *Chicago Tribune*, some esoteric blog on cats, or watching *Saturday Night Live*'s latest spoof of Donald Trump on *YouTube*, they can see your AdWords ads populated via the GDN. If they're checking email via Gmail or interacting with Apps on their phone, they can see ads as well, and so on and so forth. Through remarketing you can "follow them around" as they browse the Internet. Sound too good to be true? Well, it is (and it *isn't*). The GDN can be the *best friend*, or the *worst enemy*, to your online advertising efforts.

Let's get started!

TODO LIST:

- » Review the Basics of the GDN
- » Set Up a Basic GDN Campaign
- » Create Winning Ads on the Display Network
- » Trigger Your Ad: Keywords
- » Trigger Your Ad: Placements
- » Trigger Your Ad: Remarketing
- » Trigger Your Ad: Other Targeting Methods
- » Trigger Your Ad: Apps
- » Trigger Your Ad: Combining Methods

» Understand Bidding & Quality Score on the GDN

» Monitoring Your GDN Campaigns

»» Deliverable: Display Network Worksheet

» REVIEW THE BASICS OF THE GDN

As I explained in Chapter 1, Google advertising is really two distinct networks:

1. the **Search Network** (primarily Google but also search-driven sites like Yelp or Comcast), and
2. the **Display Network** (a network of sites such as YouTube and Gmail but also blogs, parked domains, web portals and many nefarious sites).

Remember that you can see which network(s) you are running on by clicking into a Campaign, and then into the Settings tab. Next, look for *Type*, and you should see “Search Network Only” for a Search campaign or “Display Network only” for a Display Network Campaign.

In this Chapter, of course, we’re going to focus exclusively on Display Network campaigns.

VIDEO. Watch an (overly cheerful) video from Google on the Display Network at <http://jmlinks.com/27b>.

Search vs. Browse

Conceptually, the easiest way to grasp the difference between the two networks is to understand *browse* vs. *search*. Whereas in *search*, the target customer goes to Google and *pro-actively searches* for your product or service by keyword, in *browse*, he doesn’t go to Google at all nor does he pro-actively enter in search keywords. Rather he’s reading a blog or newspaper site, checking his email on Gmail or watching a YouTube video, and as he’s browsing, he just *happens to see your ad* somewhere on the web page. *Search* is all about pro-active searching, and *browse* is about getting your ad “adjacent” to what the customer is actually paying attention to.

Two big points to remember about the Display Network are:

1. The GDN has **many poor quality sites** up to and including fraudulent sites, so ads on the GDN often generate many clicks but few conversions if you aren't careful.
2. Google is motivated to get you to advertise everywhere to get clicks, so official Google information on the GDN tends to be **overly optimistic**.

In general, the click thru rate (CTR) and the conversion rate on ads on the Display Network are many factors of ten lower than on the Search Network. This is because a) people are in “browse mode” on the GDN, so less likely to be primed to click or convert into a purchase and b) there is a lot of noise and even fraud on the GDN, so many clicks are purely frivolous.

Google's Contradictions on the GDN

This is not the place for me to get on my soapbox about the contradictions among Google, its AdSense partners, and you the advertiser, but do take a moment to look at the incentive structure:

Google gets *paid by the click*, and is incentivized to maximize ad clicks on the network.

AdSense partners also get *paid by the click* (they share revenue with Google for each ad click), and are also incentivized to maximize ad clicks on the network.

You, as the advertiser, however, get *paid by the conversion* and are incentivized to minimize low quality clicks (those that do not convert, or that yield low value revenue).

Most problematically, Google has a conflict of interest in that it gets paid by clicks on the network yet is also charged with policing the network against fraud. We, as advertisers, are required to “trust Google” and its “partners” that they are not engaging in click fraud at the worst, or poor policing at the best. To read a shocking account of the problem visit <http://jmlinks.com/25f>, and be sure to read the comments / discussion.

To be fair, it's not just Google's AdSense ad network that operates under a cloud of suspicion; it's all the ad networks, but Google's is probably the largest. It's not surprising, therefore, that after the 2017 Presidential Election when both Google and Facebook were criticized for fake news schemes (which largely made money via AdSense), that the *New York Times* accused the Silicon Valley giants of dragging their feet (<http://jmlinks.com/24b>).

Why Advertise on the Display Network?

If the GDN is so problematic, why advertise on it? Here are a few important reasons:

- **Browse over search.** While the Search Network is fantastic if, and only if, people are pro-actively searching for keywords that relate to your product or service, the GDN can get you in front of potential customers across a plethora of websites (adjacent to their interests), thereby getting you in front of customers who might not be pro-actively looking for a product or service like yours.
- **Niche Targeting.** The GDN can identify blogs and other websites in an industry niche, and place your ad precisely on these niche venues. In this way, a company that sells high-end biking supplies can “build its brand” by advertising specifically on high-value cyclist websites on a recurring basis.
- **Repeating your message.** For items with long sales cycles and high values, like Caribbean cruises or life insurance, the GDN allows an advertiser to reach potential customers not just at the moment of search but to “follow them” around the Internet over the days, weeks, or even months that they toy with a big purchase decision.
- **Brand and Awareness Building.** By combining the GDN with the Search Network, you can constantly remind your target audience of your company and brand. Brand-building – the constant repetition of a company's message – is now available to even small, nichey companies via the GDN.

The GDN is a tool that has its uses. But if you choose to advertise on the GDN, just be aware of its contradictions and commit to regularly monitoring your placements and performance for fraud and low value placements.

How the Display Network Works

At its simplest level, the Display Network works as follows:

- **Publishers** with websites or apps join AdSense (<http://jmlinks.com/24a>), and become part of Google's **Display Network**. They agree to allow Google to place ads on their websites and/or apps.
- **Advertisers** set up Display Network campaigns in AdWords, and tell Google where to place their ads via targeting methods such as *keywords*, *placements*, or *remarketing* (discussed in detail, below).
- As **users** browse websites and apps, Google places ads on the websites or apps (called “placements” in GDN lingo). Users see these ads as they browse websites, apps, YouTube, and Gmail.
- Advertisers *compete* to get their ads on placements (websites and/or apps) in the Google Display Network by bidding per click and/or by impression.
- When a **user clicks on an ad**, Google makes money off the click and splits this with the publisher of the website and/or app.
- The **user** then leaves the website, and **lands** on the **advertiser landing page**, where he either converts or doesn't.

Publishers get paid by the click. Advertisers compete in the auction by the click. Google makes money, the publishers make money, and you as the advertiser spend money to get traffic to your website. If you've done your homework, you can get high quality traffic to your website that actually converts and makes you money. If you haven't done your homework, you'll just spend money on frivolous placements and even fake / bot clicks.

VIDEO. Watch a video from Google on how to advertise on the Google Display Network at <http://jmlinks.com/26f>.

» SET UP A BASIC GDN CAMPAIGN

In order to understand how the GDN works, you'll need a basic GDN campaign if you don't have one running already. To set one up, follow these steps.

Create a Display Network Campaign

First, login to your AdWords account, and click the red Campaign button. Select “Display Network Only.” You can choose from Google’s annoying three options – *build awareness*, *influence consideration*, or *drive action*, but I’d recommend selecting the button “No marketing objective – All available features and options.” (*You have to wonder who names these things, as it’s kind of derogatory, isn’t it – as if wanting “all available features and options” means you’re a dummy who has “no marketing objective.”*) No worries. Just choose that option. Select “All features” unless you want to run exclusively on mobile apps.

Note: just as on the Search Network you can geotarget your ads, and opt in or opt out of desktop, mobile, and/or tablet traffic by adjusting your settings on the Campaign Settings tab.

Second, go through the other attributes such as your location target (e.g., San Francisco), language (e.g., English), Bid Strategy (I’d recommend Manual CPC), and Budget. This functionality is essentially the same as on the Search Network, covered in Chapter 4.

Third, either create an Ad Group, or just select “Skip ad group creation.” If you choose to create an Ad Group, you’ll have to choose how to target your ads. I’d recommend Display Keywords to get started (more on this below).

Important: *Uncheck* the box “Let AdWords automatically find new customers.” *If you leave this **checked**, Google will aggressively place you all over the network and you’ll waste a ton of money! So uncheck it.*

Here’s a screenshot:

Targeting optimization

☒ Let AdWords automatically find new customers

☐ **Conservative targeting:** find additional customers, at your current cost per customer [?](#)

☐ **Aggressive targeting:** discover even more customers, around your current cost per customer (Display Campaign Optimizer) [?](#)

Create an Ad Group

Fourth, as on the Search Network, you'll need to create at least one Ad Group, as ads and keywords "live" at the Ad Group level. To do so, click on the red "Ad Group" button and follow AdWords' instructions as follows:

- **Ad Group Name:** give it a recognizable name, either based on the keyword targets or on the product or service you are promoting.
- **Targeting.** Choose a targeting method (we'll go into this in detail below), namely:
 - **Display Keywords** – you'll enter relevant keywords.
 - **Interests and remarketing** – you'll enter either target audience interests or attach it to a remarketing list.
 - **Use a different targeting method** –
 - **Topics** – you'll select placement websites by topic.
 - **Placements** – you'll input individual websites or apps.
 - **Demographics** – you'll input attributes such as male or female, age 39, etc.

Targeting Optimization. Again, *uncheck* the box "Let AdWords automatically find new customers." *If you leave this **checked**, Google will aggressively place you all over the network and you'll waste a ton of money! So uncheck it.*

Create GDN Ads

Fifth, you'll need to create ads to run on the Display Network. To do so, either follow the prompts above, or first click "skip ad creation." At this point you should have:

Campaign: A Campaign that is set to the Google Display Network.

Ad Group(s): At least one Ad Group that relates to your product or service.

Ad(s): at least one ad type, consisting of variations that combine text and images with a link to your AdWords landing page.

Zig and Zag

Remember, sometimes you have to zig, and zag, as you set up a *Campaign > Ad Group > Ad* in Google AdWords, but at the end of the process you want a hierarchical "shell" with your *account* having *campaigns*, *campaigns* having *ad groups*, and *ad groups* having *ads*. You can then go back into each and populate it as needed. And remember that the "network" is set at the Campaign level, so you should have some Campaigns set to *Search Network* and some Campaigns set to *Display Network* (if you are going to run on the Display Network). Don't choose the "sucker choice" of *Search Network plus Display Select* as it's a terrible option!

Tip. Always segregate your Search campaigns from your Display Network campaigns. Do not, ever, mix them together!

» CREATE WINNING ADS ON THE GDN

While ads on the Search Network (e.g., Google) are limited to text, ads on the Display Network can be images as well as text. Indeed, they can even be interactive and engaging to the mouse!

At the Ad Group level, click on the red +Ad button, and you'll see four ad options on the Display Network:

Responsive Ad (recommended option) – this is a combination of both graphic and text ads and is the most common and most useful option. When you click on this, then

- Choose *scan website* (to scan your website), *upload* (to upload an image), *stock images* (to select from Google's free image library), or recently used. Most of us will do best with the first option, "Scan website." Enter the URL of your product or service landing page, and follow the prompts to write a keyword-thematic headline. Let Google scan your landing page, and then select the image you want for images / logo.
- *Switch to expanded text ad*. After you create one ad using the method above, go back to your Ad Group, and then click +Ad > *Responsive Ad*. Next, on the very bottom right corner of that page, click *Switch to expanded text ad*, and follow the steps to write a pure text-only ad because some websites only allow text ads.

Image Ad – you either have Google spider your landing page or upload your own images. Similar to the above, but less text. Enter a URL from your website, and follow the prompts as Google spiders your website for images. Be sure to add keyword-thematic text.

Ad Gallery. This option allows you to browse ads and ad templates, including video and Gmail ads. Ad gallery, though not required, allows you to create dynamic ads, lightbox ads, video ads, general purpose ads, and ads on Gmail. To cover your bases, I would be sure to create *general purpose ads* and *Gmail ads*, here.

App / digital content ad. Click on this option if you are promoting your own app by advertising it on apps in the Google Display Network.

Responsive Ads

Most advertisers should choose this option, and you should create both the image variant and the "expanded text ad" variant as indicated above. This is because some sites don't offer images ads, and you want to make it possible for your ads to be shown on any relevant site in the Display Network.

Attract / Repel Ad Copy

Similar to the Search Network, remember that your best ad strategy is **attract / repel**. You don't want zillions of clicks, but rather clicks from highly qualified buyers. Accordingly, think of ads that will "attract" your best customers but "repel" those who are not likely to buy, or likely to spend just a little money. Don't be afraid to scare off cheap people, or persons who are unlikely to actually buy your product or service.

» TRIGGER YOUR AD: KEYWORDS

Next, let's talk about ad **triggers**, which is how you tell Google to trigger your ad to be displayed on the GDN. Just as on the Search Network, ads are shown based on your *bid per click* in the ad auction (you have to outbid your competition to run your ad, based on what you're willing to pay per click), plus your *Quality Score* (the higher the click thru rate, the more relevant the ad, and the more relevant your landing page, the more likely your ad is to run), plus your *trigger*. On the Search Network, the only trigger is the *keyword*; on the Google Display Network, it's more complicated.

*Let's go through each trigger one-by-one, starting with **keywords**.*

Keywords as a trigger mechanism exists in both the Search Network and the Display Network but function in very different ways.

Keyword matching is **tight** on the Search Network. (*Exact, phrase, modified broad, and broad*).

Keyword matching is **loosey-goosey** on the Display Network!

Google doesn't explain this clearly, but here's what I mean. On the Search Network, the user pro-actively types keywords into Google, such as *cat boarding*, *cat kennel*, or *cat grooming* (or keywords such as *dog boarding*, *iguana boarding*, or *exotic bird grooming*). Google knows user intent because after all, a person who types in *dog boarding* isn't looking for *iguana boarding* and a person who types in *cat grooming* isn't looking for an *exotic bird hotel*! Some keywords are problematic (e.g., *cheap cat boarding*, *pet boarding*), but we as advertisers manage those through negative keywords and through writing attract / repel ad copy.

KEYWORD MATCHING IS LOOSEY-GOOSEY ON THE GDN

Not so on the Display Network. A user doesn't type anything in when he visits the Chicago Tribune's article on *Cats at the Westminster Kennel club dog show? Sort of, in a first* (<http://jmlinks.com/24c>), or when he's reading a Gmail from his Aunt Nancy on best recipes for Chicken Pot Pies for their weekend family reunion in Nebraska, or when he's on an App for how to de-stress. Google can spider the content and take a guess at what's important, but is the *Chicago Tribune* article more about cats or about dogs? Is the user a cat lover or a dog lover, or just a Chicago resident? As for the Gmail on Aunt Nancy and Chicken pot pies, is it about chicken, about Nebraska, about a family reunion, or about pot? As for apps, they're also all over the place.

Accordingly, keyword matching between the desires of the advertiser and the intent / interests of the user is loosey-goosey on the GDN!

The reality is that, despite Google's façade as an "all-knowing" tech company, on the Google Display Network, it simply makes its best guess at what it calls "contextual targeting" (<http://jmlinks.com/24d>), meaning it attempts to match the content of the article on the Web, video on YouTube, email on Gmail, or app, with the keywords entered by advertisers.

In short, the keywords you enter as triggers for a Display Network Campaign only match the keywords of the article in what I call a "loosey goosey" fashion, meaning not very much and certainly not with the laser precision available on the Search Network. Accordingly, you want to think of a GDN Campaign as attempting to reach people who are *browsing* on themes and topics related to your products in a very broad way.

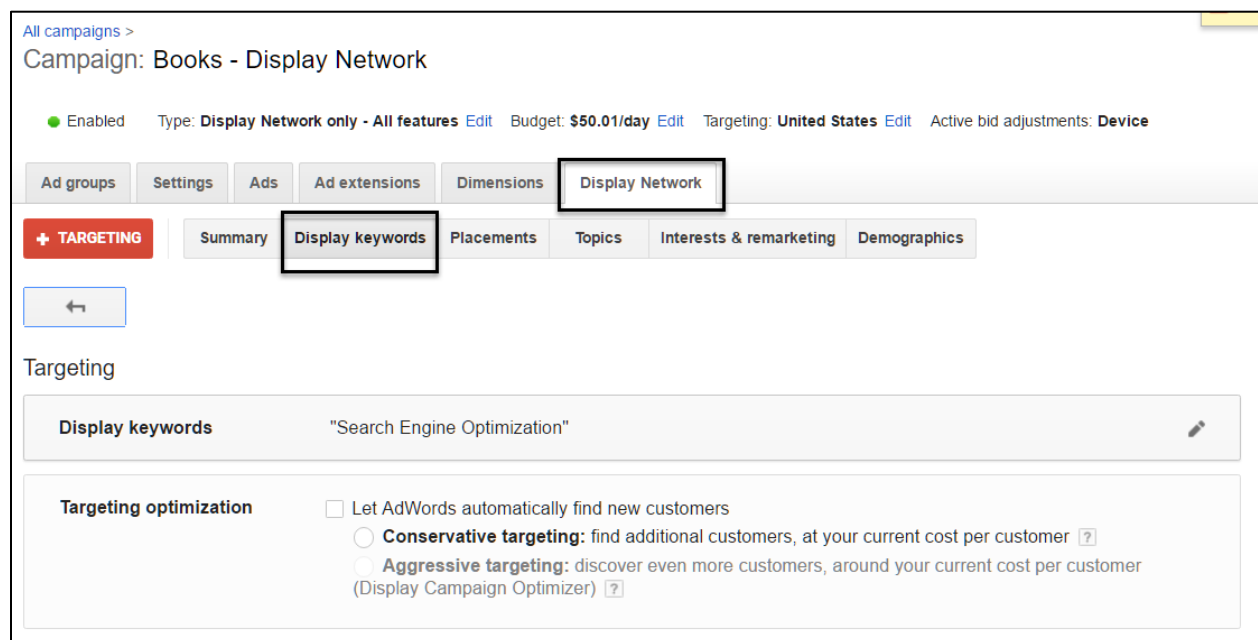
Think Billboard Advertising. Ads on the Display Network are more like billboards on the side of a highway. Users are zipping along, on their way to other destinations, and your job is to attract the attention of relevant customers and get them to shift from "what they're doing" to "hey, I want to visit that website." Browse funny billboards and ponder how they make you take notice at <http://jmlinks.com/27c>.

In contrast, ads on the Search Network (i.e., Google itself) are more like ads in the old-fashioned yellow pages, where a user is pro-actively searching for a service (like a plumber or a roofer), very likely to look at ads, and primed to buy after the click.

Input Your Keywords

An easy way to get started on the GDN, is to copy the structure of your search campaigns. So take a Campaign that is running on the Search Network, and then duplicate its Ad Groups on the GDN. Next, at the Ad Group level, click on the Display Network tab, and then click on the Display Keywords tab.

Here's a screenshot:



Either select an Ad Group first, and then select the red Targeting button, or at the Campaign level, click on the red Targeting button, and then select a group.

Remember: targeting “lives” at the Ad Group level, so you are associating a targeting method with an Ad Group.

Click on the pencil to the right of any keywords, and enter your keyword targets. Here, unlike on the Search Network, I would not worry about plus signs or brackets, but would just enter keywords either without any marks or with quotation marks. The keyword

matching isn't tight, so it doesn't really matter how you enter your keywords in terms of annotations like brackets, quotes, or plus signs.

Here's a screenshot:

The screenshot shows the Google Ads Targeting interface. At the top, there are four tabs: '+ TARGETING' (highlighted in red), 'Summary', 'Display keywords', 'Placements', and 'Topics'. Below the tabs is a back arrow button. The main heading is 'Targeting'. Underneath, there is a section titled 'Display keywords' with the text: 'Choose terms related to your products or services. [Learn more](#). Need more ideas? Try the [Display Planner](#).' Below this is a text input area with the prompt 'Enter keywords one per line'. The input area contains the following text: 'cat boarding', 'cat kennels', and 'cat hotels'. At the bottom right of the input area, there are two buttons: 'Find related keywords' and 'Add keywords'.

An easy thing to do is to copy / paste your keyword list from your Search Network Ad Groups into your Display Network Ad Groups. Simply copy / paste them over, and click Add keywords.

Next, under Keyword Setting you'll see two options which I reproduce verbatim here:

- **Audience:** Show ads to people likely to be interested in these keywords and also on webpages, apps, and videos related to these keywords (recommended)
- **Content:** Only show ads on webpages, apps, and videos related to these keywords

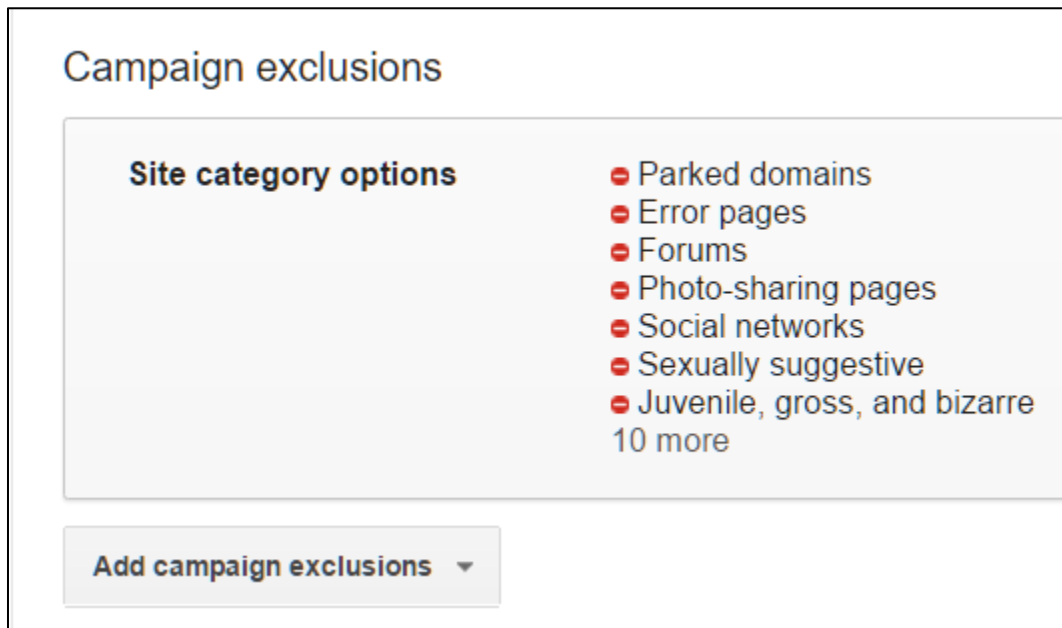
Choose the Content Option

Despite what Google “recommends,” I recommend that you choose the second, *content, option*, as tighter is better than looser in AdWords! And, of course, be sure to **UNCHECK** the box next to Targeting Optimization that says “Let AdWords automatically find new customers.” Not a good idea!

Campaign Exclusions

Similar to negative keywords, you can tell AdWords not to place your ads on certain types of sites. To do so, start at the Ad Group level, then click Display Network > +Targeting, and then scroll to the bottom to Campaign Exclusions. Make sure you are at the Campaign Level and select “site category options.”

Here's a screenshot:



The default setting is to allow your ads to be placed on all sorts of unattractive websites such as crime, police, and emergency, death and tragedy, etc. Scroll through and unselect all that are unappealing to you! This is done at the Campaign level and will impact all Ad Groups, so you only need to do this once per Campaign.

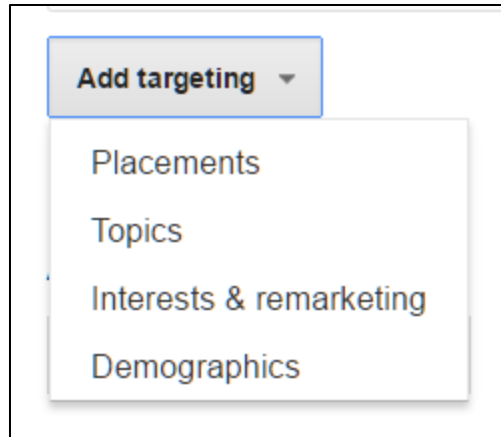
At this point, you will have entered in relevant keywords, and deselected some of these weirder placements. If you just want keywords to trigger your ads on the Display Network, you're all set.

However, I recommend you research and understand alternative triggers on the GDN.

» TRIGGER YOUR AD: PLACEMENTS

While most of us will use the Keyword targeting method, you can mix and match placement methods on the Display Network. Next up is the “Placement” methodology. Let's say that you really like specific websites in your industry, or you'd like to pre-select the websites onto which Google will put your ads. You can be much more in control by choosing *placements*.

At the Ad Group level, click on the Display Network tab, and then the red *+Targeting* button. Click on *Add targeting*, and then select Placements. Here's a screenshot:



Note:

I would not combine targeting methods! So, if you want your ads to be triggered by keywords, create Ad Group #1. And if you'd like your ads to ONLY be on specific websites, create Ad Group #2, etc.

So we'll assume you have turned OFF keyword targeting, or this is a new Campaign / Group as we dive into *placement targeting*.

Once you click on placements, you can enter keywords and Google will find placements for you. Here's a screenshot, after entering our keyword *cat boarding*:

Placements

Choose websites where you'd like to show your ads. [Learn more](#)
Need more ideas? Try the [Display Planner](#).

Websites

cat boarding

Search

Websites	Ad formats	Impressions/week	
Anonymous (in ...		3.5K - 4K	
Anonymous (in ...		100M - 150M	
pawculture.com		20K - 25K	
catster.com		250K - 300K	
thecatsite.com		300K - 350K	
hihomer.com		150K - 200K	

To select a website, such as *pawculture.com*, simply click on the chevron >> icon. If you're not sure about the website, copy / paste its URL, open up a new tab in your web browser and peruse the possible website placement. (Alternatively, click first on the name of the potential website in AdWords, then after the drill-down, click on the little double box next to the website URL and Google will open up a new tab for you at the website URL).

Alternatively, you can use the **Display Planner** to browse potential placements. Simply go to the Tools menu in AdWords, and select Display Planner. Here, again, enter keywords, and Google will show you placements (websites) in the Google Display Network where you can run your ad.

Here's a screenshot from the Display Planner:

Placements

Choose websites where you'd like to show your ads. [Learn more](#)
Need more ideas? Try the [Display Planner](#).

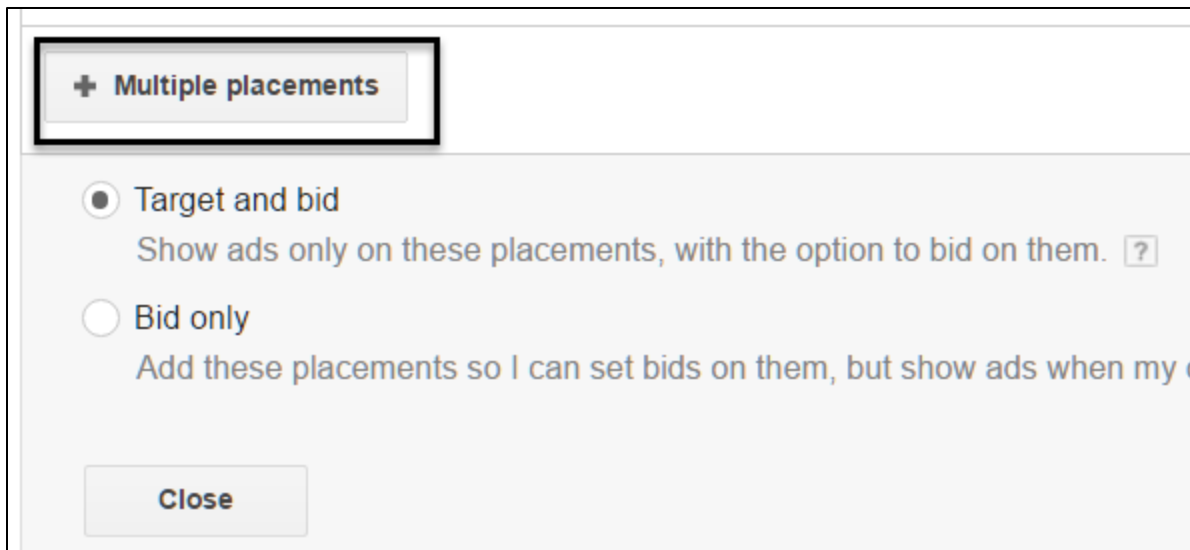
Websites

cat boarding

Search

Websites	Ad formats	Impressions/week	
Anonymous (in ...		3.5K - 4K	
Anonymous (in ...		100M - 150M	
pawculture.com		20K - 25K	
catster.com		250K - 300K	
thecatsite.com		300K - 350K	
hihomer.com		150K - 200K	

Read the official Google help file on the Display Planner at <http://jmlinks.com/24f>. What I like to do is use the Display Planner, check out each website by copy / paste into a browser tab, and then build an Excel spreadsheet of placements that I like. Then, returning to the Display Network tab, click on the red +*Targeting* button, and then scroll down to the bottom and select “Multiple Placements.” Here’s a screenshot:



Leave the option pre-selected at “Target and bid,” as the simplest methodology is to use one, and only one, targeting method in each Ad Group. At the end of this methodology, you’d have one Ad Group that is using the Placement targeting method, and you would populate that Ad Group / Targeting with specific websites that you want your ads to be placed on.

Ads on Gmail

Gmail is Google’s free email service, and is used by millions of people. You can target Gmail as a “placement” on the Google Display Network and get your ads to show on Gmail. It’s one of the better opportunities, along with YouTube, that are Google-owned and Google-operated and so less prone to fraud and problems than the wider Google network.

VIDEO. Watch a video from Google on how to advertise on Gmail at <http://jmlinks.com/27d>.

If you think that customers will be emailing back and forth with friends, families, and colleagues on a topic that’s related to your business, it’s worth trying out ads on Gmail. A cruise / family vacation, for example, will often generate a lot of emails, and is a good candidate for Gmail ads. Google has an excellent step-by-step help file on how to set up ads on Gmail at <http://jmlinks.com/25g>.

» TRIGGER YOUR ADS: REMARKETING

You've probably had the experience of visiting a website, such as Progressive.com or Zappos.com, clicking around, perhaps even adding a product or two to your shopping cart, and then, the next thing you know, you start seeing **recurring ads** for that vendor over and over and over and over and over again as you browse other sites on the Internet such as YouTube, Chicago Tribune, People Magazine, etc. What's going on?

It's called **remarketing**, and it's the next type of trigger available on the GDN. As you first visit sites on the Internet, such as Progressive.com or ChicagoTribune.com, for example, each website places a cookie or "tag" on your browser, and then through the magic of Google AdWords remarketing, you can be shown "relevant" ads by that vendor as you browse other sites that participate in Google's Display Network.

Remarketing allows you a "second chance" to convert a customer by allowing you to show / reshow ads to him as he surfs other websites on the Internet after first visiting your website.

Remarketing vs. Retargeting: Conceptually Different

Remarketing is a little different than *retargeting*, and Google participates in the former as well as the latter. *Retargeting* is when you reach people who have not first visited your website but who are matched as "similar" to your target customers by a third party service, whether that be Google or true third party retargeting vendors such as AdRoll (<https://adroll.com>). Indeed, you can use remarketing and retargeting on Facebook as well (Facebook's system is probably #2 to Google's for remarketing / retargeting).

Let's return to Google AdWords, and think of it this way:

Remarketing is reaching people who have touched your website at least once.

Retargeting is reaching "similar audiences" who have not yet touched your website for the first time.

Unfortunately, the blogosphere uses the two terms interchangeably but they are conceptually distinct.

Remarket High Value Products or Services

Remarketing works best for a high value product or service that has a long sales cycle. An example would be a Caribbean cruise. It's expensive and a big commitment to take your family on a Caribbean cruise, so you'll probably do some research, check out a few of the big vendors such as Disney Cruise Lines, Carnival Cruise Lines, and Norwegian Cruise Lines and discuss the options and expenses with your spouse and family. It's expensive, and it has a long cycle from interest to purchase!

REMARKETING WORKS BEST FOR HIGH VALUE PRODUCTS

Cruise line marketing is an excellent choice for remarketing, because you might first search "Caribbean cruises" on Google (Search Network), visit a few sites like Disney Cruises or Carnival Cruises, and then go watch videos on YouTube about Jamaica, Cuba, Barbados and other destinations (Display Network). You might research snorkeling, things to do in Kingston, Jamaica, etc., and only then return to vendor sites to select your cruise line. There's a lot of back and forth, many websites that get visited, a long time between interest and purchase, and a high value purchase.

This makes it ideal for remarketing.

By using remarketing, Carnival Cruise Line can transform that *first* visit you make to their website into a *continuous remarketing effort* as you visit site after site after site after site in the Google Display Network. Remarketing extends that opportunity for Carnival Cruise Lines to sell to you from the short-time interaction on their website, to the long-time interaction as you browse many sites as you research every aspect of planning your perfect family vacation to the Caribbean.

Note: remarketing is not available in sensitive categories such as healthcare, pharmaceuticals, gun purchases, etc. If your website category is not eligible, you're remarketing code will be invalidated after installation.

Setting up Remarketing

To enable remarketing, you have to install a little Google Javascript tracking code on your website. Yes, you too, can participate in Google's massive invasion of our privacy across the Internet by participating in remarketing and installing the tracking code! (If you'd like to see what Google thinks your personal preferences are, make sure you're signed into your Gmail or Google account, and visit <http://jmlinks.com/24q>; if you'd like to see what Google knows about the websites you've visited, go to <http://jmlinks.com/24r>. The point is that *remarketing* is how Google, in cooperation with sites on the Display Network and advertisers, uses what it knows about you (and others) to show you relevant ads as you visit sites in the GDN).

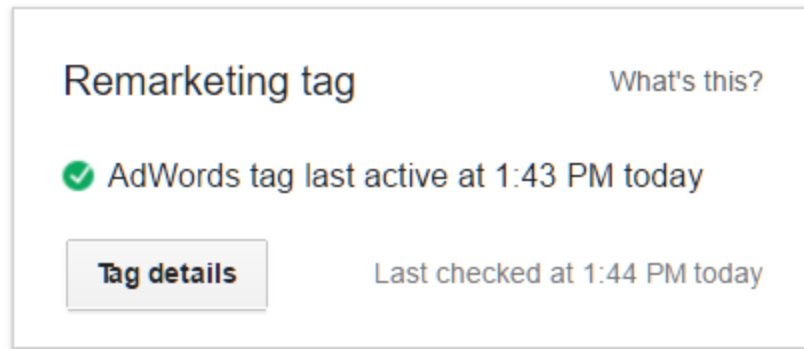
The easiest way to set up a remarketing list is to follow the instructions inside of AdWords to install the tracking code on your website. Here are the steps:

1. Login to AdWords.
2. Click Campaign > New Campaign > Display Network Only
3. Under "Choose how to target your ads" click Interests and Remarketing
4. In the "Select a Category" drop-down, choose Remarketing lists.
5. Click "Set up remarketing" – AdWords will give you the code to be installed on your website, or if you have already set up and linked Google Analytics to AdWords, you can use the default Google Analytics code instead.
6. Attach remarketing to your Ad Group, as remarketing is a type of targeting and "lives" at the Ad Group level.

You can read the full details at <http://jmlinks.com/24e>, and/or watch a video on remarketing at <http://jmlinks.com/24k>.

Finding Your Remarketing Tag

You have to find, and implement the remarketing tag for this all to work. Note: inside of AdWords, you'll often see the AdWords remarketing tag on the far right under Shared Library > Audiences (which is not the location specified in the Google help files). Here's a screenshot:



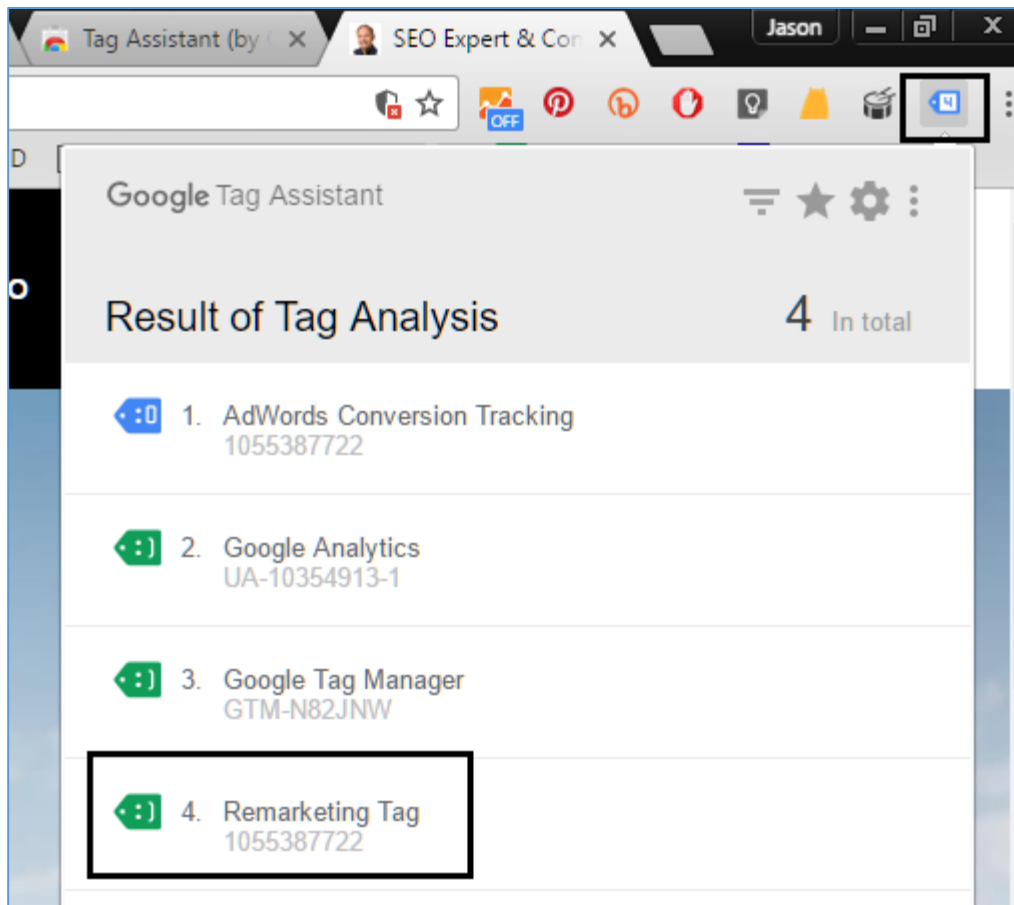
You may have to hunt around in AdWords to find your tag! Once you've found it, click on **Tag details** to see your remarketing code. This is the Javascript code that you will need to have installed on every page of your website so you can to “tag” visitors and then surreptitiously follow them around the Internet.

You can also use **Google Tag Manager** and/or **Google Analytics** to install the remarketing tag. View the help file at <http://jmlinks.com/24g>. If possible, I recommend using Google Analytics because one of the cool things about using Google Analytics for remarketing is that you can use Segments in Analytics to easily define your lists – such as a list for all people who visited your website, a list of people who visited who did not convert, a list of people who hit a specific page (such as your Cruise to Mexico page vs. your Cruise to Jamaica page), etc.

Using Tag Assistant to Verify Your Installation

Google has, unfortunately, done a very bad job of explaining how to set up and install the remarketing tag. It can be pretty confusing! Like Google Analytics, the remarketing tag is a little Javascript code that you **MUST** get installed on each and every page of your website.

Fortunately, as you play around with the required code in Google AdWords, Google Analytics, and Google Tag Manager, there is a Chrome plug in that will test your remarketing code installation. It's called **Tag Assistant** by Google (<http://jmlinks.com/24h>). Install it, visit your website, and then at the top right of your browser you can test your installation. Here's a screenshot of Tag Assistant confirming that the remarketing tag is activated on JasonMcDonald.org:



Once you've installed the remarketing tag, you need a few weeks or even a month to build up a sufficient audience in AdWords. Once your audience is sufficiently built up, then you can create a Google Display Network campaign and use remarketing as your targeting strategy.

Attaching a GDN Campaign to Remarketing

To use remarketing, set up a Campaign for the Google Display Network, and a group that reflects a logical target, such as people who visited your website ("all visitors"), people who visited your website but did not convert ("non converters"), or people who clicked on specific pages (e.g., your "Cruise to Jamaica" page vs. your "Cruise to Cabo San Lucas" page). I recommend that you give your Ad Group an easy-to-understand name such as "People Who Want Jamaica" (for people who seem interested in a cruise to Jamaica) vs. "People Who Want Mexico" (for people who seem interested in a cruise to Mexico).

At the Ad Group level, then click on *Display Network > Interests and Remarketing*. Then click on the red *+Targeting* button. Then click on the “Add targeting” drop down, then “Interests and remarketing,” and then “remarketing lists.” Find your remarketing list on the pull down and associate that remarketing list with your Ad Group.

Ad Groups and Remarketing Lists

Remember this is a targeting method, only, and that the targeting method or trigger “lives” at the Ad Group level in AdWords. Accordingly, the best practice is to match a targeting method to an Ad Group.

Persons who clicked the Jamaica cruise page > Jamaica targeting group > Ads on Jamaica cruises.

Persons who clicked the Cabo San Lucas cruise page > Cabo San Lucas targeting group > Ads on Cabo San Lucas cruises.

And remember, at the end of the day, they’ll see the ads NOT on your website but on other sites such as People.com, ChicagoTribune.com, YouTube, Gmail, and other participating sites in the Display Network.

As you create your ads, upload highly relevant text and image ads, or use the Ad Gallery to create a series of ads. As the person browses sites on the Internet, then she’ll see your ads again and again (until she clicks and converts).

So the process is:

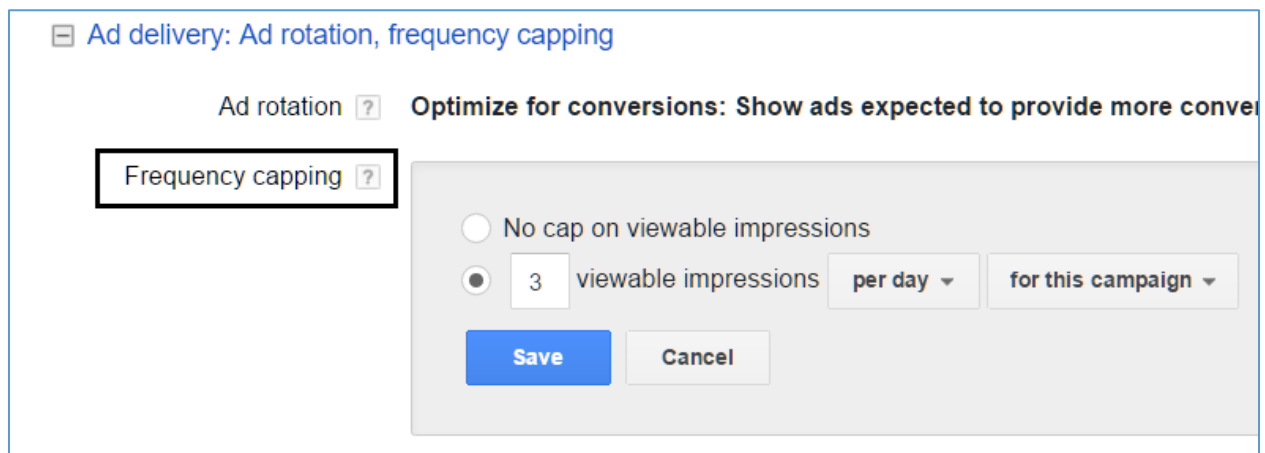
Remarketing List (e.g., *all website visitors, visitors to the cat boarding page who did not convert, visitors to the cat grooming page who did not convert, etc.*) > **targeting method** in AdWords > **show ads** to these people as they browse various sites on the Internet that participate in the Google Display Network.

The beauty of remarketing is that you know these people are highly qualified (*why else would they have visited your website?*), and you don’t have to worry about placements on the GDN – Google will automatically follow them around the Internet! Remarketing as a targeting method is less vulnerable to nefarious or fraudulent sites, which is another

plus. Indeed, the sky's the limit, and you can even create *dynamic remarketing ads*, showing people very specific ads relating to the very specific products or services that they have visited (but not purchased) on your website. To watch a Google video on dynamic remarketing ads, visit <http://jmlinks.com/24m>.

Setting a Frequency Cap

Because people get annoyed at seeing an ad over and over and over again, one tip is to set a “frequency cap” so that they might see your ad just two or three times. To do this, go to the Campaign Settings tab, scroll down to Advanced Settings and find *Ad Delivery: Ad rotation, frequency capping*. Set this to perhaps three or four times. Here's a screenshot:



Ad delivery: Ad rotation, frequency capping

Ad rotation ? Optimize for conversions: Show ads expected to provide more conversions

Frequency capping ?

☐ No cap on viewable impressions

☒ 3 viewable impressions per day for this campaign

Save Cancel

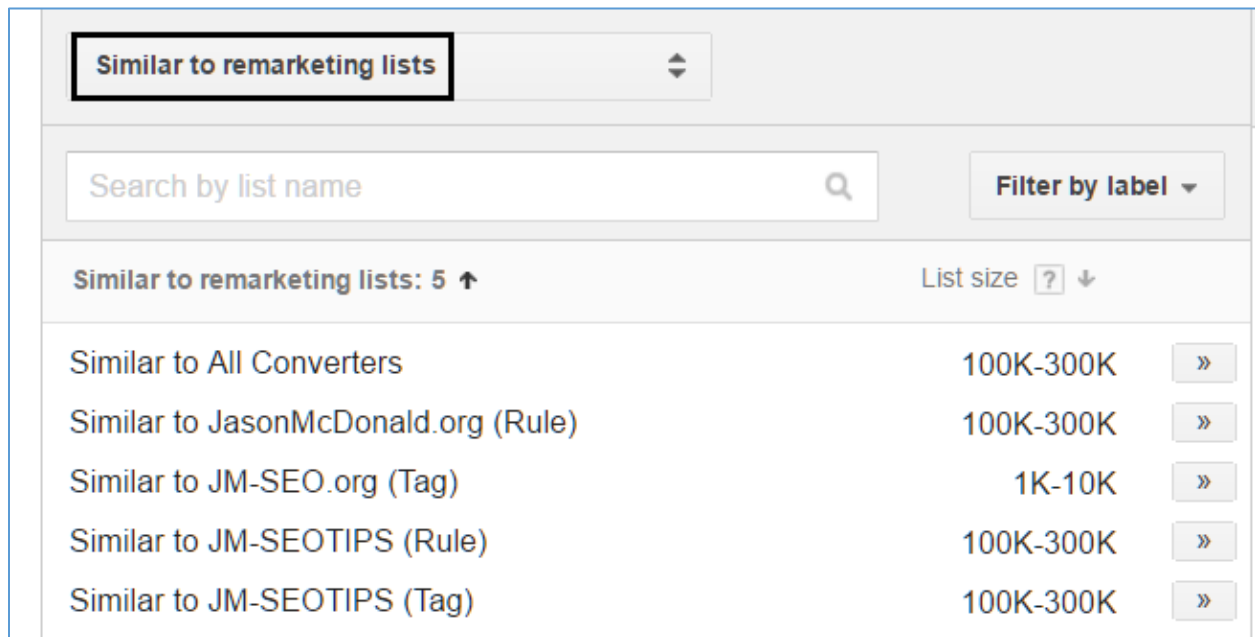
This means that the person would see ads in this campaign no more than three times per day. (You can set it *per month* or *per week* as well). In this way you can set a cap at how many times you're willing to try to get them to re-click to your website and buy your product or service. Note, of course, that you pay by click so at some level, you don't need to be too concerned about showing your remarketing ads pretty frequently. For this reason, I recommend pretty high frequency caps like three times a day, or ten times a week.

Retargeting vs. Remarketing

Think of *remarketing* as people who have already visited your website vs. *retargeting* as “look alike” audiences of similar people who have NOT yet visited your website. *Remarketing* gets them to visit, again, whereas *retargeting* gets them to visit for the first

time. Google allows you to do both, but confusingly, muddles the terminology. Once you've created a remarketing list, Google will dutifully create a "look alike" or "similar" audience.

To use this feature for a Google Display Network campaign, go to Campaign > Ad Groups, and then click the Display Network tab. Then click the red *+Targeting* button, and then select *Add targeting*, and from the pull down select *Interests and remarketing*, and then Select category > Similar to remarketing list. Here's a screenshot:



In this way, Google takes visitors to JasonMcDonald.org (people who have actually visited my website), and extrapolates those up to "similar" people giving me a much wider reach (up to 300,000 visitors per month).

However, (and this is a BIG however), remember that your own *remarketing* list is people who have **actually** visited your website (*strongly likely to be interested in your products or services*) vs. these "similar" lists who are "look alike" audiences who have **NOT** visited your website, and are much, much less likely to be interested in your products or services. The former is very tight, and the latter is very loose in terms of targeting – so don't be fooled by Google's propaganda! In general, I do not recommend using these similar lists unless you have a gigantic budget, and are interested in brand-building.

Bids on Remarketing

Finally, whatever type of remarketing / retargeting you may decide to do, be aware that you will generally have to bid pretty high to get your ads to run because many, many advertisers are using remarketing and you are competing against a very large universe to get your remarketing ads to run. In this way, focused ads on the Google Search Network are, ironically, often cheaper than remarketing ads because of the intense competition for remarketing by big brands.

Remarketing Lists for Search Ads

Just to give you yet another option, Google allows what are called *Remarketing Lists for Search Ads* or **RLSA** ads. These are used mainly for non-converters, so someone does a Google search for “cat boarding,” and clicks on my ad. He lands on my website, and the remarketing cookie is set. I then create a Google Search Network (not Display Network) campaign, and use the remarketing list as the target or audience. I then bid on adjacent or similar search terms (e.g., *cats* vs. *cat boarding* vs. *vacation*), and he sees my ad on Google Search when both conditions apply – he searches for *cats* AND he is on my remarketing list.

In this way, RLSA ads allow you to remarket to people who showed through their first search and visit to your website that they are highly qualified, but now are searching adjacent or similar ads.

Again, this type of strategy is best used for a high value product or service with a long search cycle. So you’re Carnival Cruise Line and you want to show (and reshow) your ads to people who first search for “Caribbean Cruises,” land on your website, and then go back to Google to search for “Jamaica,” “Snorkeling,” or “Airfares to Jamaica,” etc.

You can learn more about RLSA ads, at <http://jmlinks.com/24j>. Note that on RLSA ads you set the targeting on the “Audience” tab, as these are Search campaigns.

» TRIGGER YOUR AD: OTHER TARGETING METHODS

There are a few other targeting methods that are worth mentioning. We’ve looked at the big three – keywords, placements, and remarketing. Most advertisers need not go beyond

those big three. To see them go to *Campaign > Ad Group > Display Network*, and then click the *red +Targeting* button. Then at the bottom click *Add targeting*.

Here is a summary:

Topics. Google has categorized available audiences by topics, such as Arts & Entertainment > Celebrities & Entertainment News or Internet & Telecom > Mobile & Wireless > Mobile & Wireless Accessories > Blue Tooth Accessories.

Interests and Remarketing. Google lumps your remarketing lists with interests on this tab. However, drill down and you can see:

Affinity Audiences. Long-term interests similar to topics, such as “book lovers” or “Family-focused”

Custom Affinity Audiences. Similar to the above, but you enter keywords and Google tries to help you define a custom audience.

In-market Audience. These are people who are “in the market,” such as those who are “in the market” to buy a car, or book an air ticket to London.

Customer Email Lists. You can upload your customer email list, and create a custom audience.

Similar to Remarketing Lists. This is where Google compares your own website remarketing list, and builds a similar audience.

Demographics. This is Google’s attempt to be more like Facebook and let you target, say, men vs. women, or older people vs. younger people, etc. Google has little data compared with Facebook, so this is pretty useless.

In my experience, none of these are very good except for **in-market audiences**. If there is an in-market audience that specifically matches your target customer (e.g. business loans, credit cards or employment, accounting & finance jobs, or dating services), it can be a pretty good choice. Experiment, track your conversions, and you may find something that works for you. What works for one advertiser / product / service will not work for another and vice-versa, so deploy and test, deploy and test, rinse and repeat, etc.!

» TRIGGER YOUR AD: APPS

One novel feature on the Display Network is **in-app ads**. You can advertise to people who are using apps that participate in the GDN. To show ads to people using apps, create a new Campaign, choose “No Marketing Objective,” and then “Ads in mobile apps.” This campaign type is available only on the GDN, and is best used if you have an app of your own that you are promoting.

» TRIGGER YOUR ADS: COMBINING METHODS

Remember that you can mix and match features in AdWords. So, for example, you could have an Ad Group using remarketing for people who are interested in Caribbean cruises who live in Chicago, by having a Campaign that is geotargeted at people who live in Chicago and have an in-market audience of cruises, or people who are using their mobile phones to target consumers who skew young.

It’s a good idea to sit down with a spreadsheet and draft out your parameters, as for example:

Search. People who are searching for Caribbean cruises using keywords like “Caribbean cruises” or “Cruises to Jamaica.”

Remarketing. People who landed on your website, but did not convert, so you show / reshow them your ads for a Jamaica Cruise as they visit sites like Chicago Tribune, YouTube, People Magazine, etc.

Retargeting. Let Google think for you, and find people similar to your remarketing list, and show them ads on the Display Network.

Mobile. Show specific ads to people using their phones vs. their desktop computers.

Geotarget. Show ads to people in specific areas (e.g., Chicago vs. Miami).

Schedule. Show ads during specific days, or times of the day.

Etc.

You can, in summary, mix and match features in AdWords – the sky’s the limit!

As for **targeting methods**, you can also mix and match targeting methods on the GDN, but I would generally advise against it. I recommend you think of scenarios, first, and

targeting methods, second. For example, for a cruise line, moving down from the “most likely” to convert to the “least likely,” you’d have:

Best choices -

Search. People pro-actively searching for Caribbean cruises. (Best choice: Google Search Network, targeting method: **keywords**).

Search: People pro-actively searching adjacent searches (e.g., “Things to do in Jamaica) who have hit your website but did not convert. (Best choice: Google Search Network, targeting method: **RLSA**).

Then second best choice -

Browse. People who have landed on your website, but did not convert. (Best choice: Google Display Network, targeting method: **remarketing**).

Then third level choices -

Browse. People who are browsing sites on the Caribbean, on cruises, even on Jamaica. (Best choice: Google Display Network, targeting method: **placements**).

Browse. People who are browsing sites on the Caribbean, on cruises, even on Jamaica. (Best choice: Google Display Network, targeting method: **keywords**).

Browse. People who are browsing sites on the Caribbean, on cruises, even on Jamaica. (Best choice: Google Display Network, targeting method: **in-market audiences**).

Browse. People who are browsing sites on the Caribbean, on cruises, even on Jamaica. (Best choice: Google Display Network, targeting method: **similar to remarketing lists**)

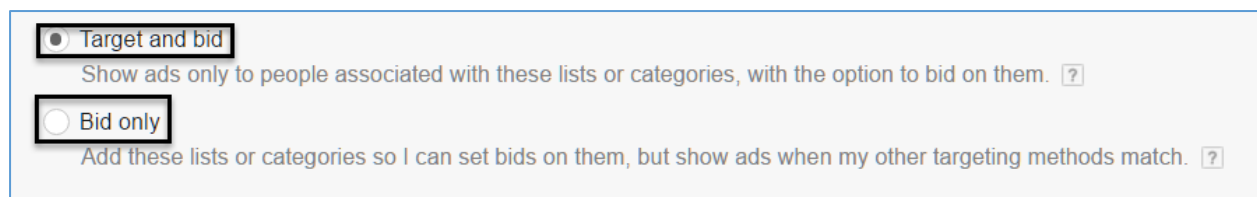
Browse. People who are browsing sites on the Caribbean, on cruises, even on Jamaica. (Best choice: Google Display Network, targeting method: **affinity audiences**).

Remember, you can see your choice options by going to a **Display Network Campaign > Ad Group**, clicking the red **+Targeting** button, and then selecting Add targeting, and then Placements, Topics, Interests and remarketing, or Demographics. As you drill in, you can hover for “help” explanations as to what each topic means.

Combining Targeting Methods

With the exclusion of the Search Network, you can combine targeting methods. Generally, I would NOT recommend that you do this. It’s easier to manage if you have ONE Ad Group have ONE targeting method, as in ONE Ad Group that uses keywords and ONE Ad Group that uses remarketing. Technically speaking, however, you can combine them into “and” statements, as in “OK Google, show my ad to a remarketing customer who you also think is relevant because the keywords is ‘Jamaica vacation,’” but because targeting is loosey-goosey on the GDN, I wouldn’t recommend overthinking this.

One example where you might want to combine methods is PLACEMENTS and KEYWORDS. So, you might want people who are on CNN.com AND keywords “Caribbean cruise,” because CNN.com is a huge site with many irrelevant areas. You can read a detailed explanation on combining targeting methods at <http://jmlinks.com/24n>. Again, for most of us, I would do, at most, the Search Network and then perhaps remarketing and/or placement targeting and leave it at that. If you mistakenly select the “Bid Only” option when you attempt to combine targeting methods, AdWords can very easily run away with you, choosing the loosest combination to wildly run your ads. Here’s a screenshot; most of us should not combine methods, and if we do, choose the “target and bid” option.



The screenshot shows two radio button options for targeting. The first option, 'Target and bid', is selected with a filled radio button. Below it is the text 'Show ads only to people associated with these lists or categories, with the option to bid on them.' followed by a help icon. The second option, 'Bid only', is unselected with an empty radio button. Below it is the text 'Add these lists or categories so I can set bids on them, but show ads when my other targeting methods match.' followed by a help icon.

Don’t overthink it. The GDN is loosey-goosey, so be prepared to cast a wide net!

» UNDERSTAND BIDDING & QUALITY SCORE ON THE GDN

In general, you bid per click (and pay per click) on the GDN just as you do on the Search Network. If you like, however, you can mix and match targeting methods and raise or lower your bids. According to Google, for example:

Say that for your Display Network campaign, you set a custom bid of \$1.00 for the "Soccer fans" affinity audience, a bid adjustment of +20% for the "Male" demographic, and a campaign-level location bid adjustment of +10% for people in Argentina. AdWords will use your custom bid of \$1.00 any time your ad shows to people associated with the selected interest. If the ad also shows to someone in the "Male" demographic, we'll add +20% of your custom bid to your max. CPC bid, to make it \$1.20 when your ad shows to these people. And if those people are in Argentina, we'll add +10% of your custom bid times your demographic bid adjustment, to make a max. CPC bid of \$1.32.

Here's the math:

Custom bid: \$1

Demographic bid adjustment: $\$1 \times (+20\%) = \1.20

Location bid adjustment: $\$1.20 \times (+10\%) = \1.32

Resulting bid for male soccer fan audience in Argentina: \$1.32

Source: <http://jmlinks.com/24p>.

Realistically, this is not a very common thing to do. You can also bid per impression vs. per click on the GDN if you like.

Quality Score on the Display Network suffers from the same contradiction as it does on the Search Network. Google gets paid by the click, and you get paid by the conversion. Accordingly, Google will try to push you to run on lots of sites, and write ads that promise “free, free, free” to generate lots of clicks. You want to be very choosy as to which sites you run on, however, and you want to write ads that attract your best customers, and repel tire-kickers and others who are not likely to convert, nor likely to buy high profit items.

» MONITORING YOUR GDN CAMPAIGNS

The Display Network is full of nefarious sites, bad match types, and just generally a lot of confusion. So if you do decide to run on the GDN, be sure to monitor it closely! If you are running on GDN using keyword targeting, in particular, be sure to monitor your placements and look for nefarious placements – placements that are obviously fraudulent, that generate a lot of clicks, or that generate few conversions (or all three).

Monitor Your Placements

To see your placements, go to *Campaign > Ad Group > Display Network > Placements*. Here's a screenshot:

Ad groups	Settings	Ads	Ad extensions	Dimensions	Display Network
+ TARGETING	Summary	Display keywords	Placements	Topics	Interests
All placements ▼	Segment ▼	Filter ▼	Columns ▼		
Edit ▼	See details ▼	Automate ▼			
<input type="checkbox"/>		Placement	Ad group	Status ?	Max. CPC
<input type="checkbox"/>		forbes.com	SEO Fitness Workbook 2015	Campaign paused	\$0.75
<input type="checkbox"/>	●	searchengineguide.com	SEO Fitness Workbook 2015	Campaign paused	\$0.75

Next, I recommend you click on *See details* and then *All or selected* (if you checked a placement), and then browse your placements.

Exclude Placements

For those that you do not like, either check them and click “Exclude placements” or create a list of sites and go to *Shared Library > Campaign placement exclusions* and add them into a universal “naughty list” of bad placements.

In this way, you are “weeding the garden” of “weed placements.” Over time, you can build a pretty decent list of nefarious placements and block Google from placing your ads on them. Nefarious placements are also a big, big problem if you are running in-app ads. You can read the Google help file on how to do this at <http://jmlinks.com/24s>.

Enable and Monitor Conversions

In addition, you want to have conversion tracking enabled between AdWords and Google Analytics. In this way, you can see what placements are not just getting clicks but also getting conversions. “Kill your dogs, and let your winners run” is as relevant to the Display Network as to the Search Network. You are constantly looking to identify strong performers (to keep) and weak performers (to terminate).

Other Metrics

While conversions are the Holy Grail of all advertising on AdWords, you want to be aware that in many cases you won’t get immediate conversions. In fact, Display Network campaigns are often run for branding or awareness issues. To that end you want to measure on at least a monthly basis:

Placements by Impressions. Which placements are generating the most impressions? Are they relevant?

Placements by Clicks. Which placements are generating the most clicks? Are they relevant?

Placements by Cost. Which placements are the most expensive? In total, by CPC, and by cost per conversion? Why? Are they worth it?

Placements by Click Thru Rates. Which placements are generating the highest CTRs? Why? Can you increase the impressions on these placements? How?

Placements by Conversions / Conversion Rates. Which placements are generating the highest conversions and conversion rates? Why? Can you increase the impressions on these placements? How?

Consider evaluating your Campaigns by **targeting method** according to the metrics above as well. For example, which targeting method (e.g., Keywords vs. In-market audiences) is generating the highest impressions, clicks, CTR, conversion rate, etc.? As you experiment with your GDN Campaigns look for placements and/or targeting methods that seem to be “working” and expand them, and look for placements and/or targeting methods that do not seem to be “working” and kill them.

“Let your winners run, and kill your dogs” is as valid on the Display Network as it is on the Search Network. In addition, remember to consider alternatives to the Display Network such as advertising on Facebook, LinkedIn, Twitter, or YouTube and compare results on those “browse” systems against those on the GDN. Identify the best performers and put your money there, and abandon those that do not perform – the GDN may (or may not) be your best venue.

»» DELIVERABLE: DISPLAY NETWORK WORKSHEET

The **DELIVERABLE** for this chapter is a completed worksheet on the Google Display Network. You’ll investigate whether you want to run on the GDN, at all, and if so, in which ways (especially which targeting method(s) and placements make the most sense).

For the **worksheet**, go to <https://www.jm-seo.org/workbooks> (click on “AdWords Workbook 2017,” enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “Google Display Network Worksheet.”



6

YOUTUBE

YouTube, owned by Google, is the #1 video site on the Internet and often touted as the #2 search engine, larger than Bing or Yahoo. Everyone – including possibly your customers – uses YouTube – which can make it an incredible advertising opportunity. While you can use text ads and placement targeting on the Display Network to get your text ad on YouTube, you’ll do far better if you produce a short video on your product or service and then advertise that video on YouTube. This Chapter focuses on video advertising opportunities on YouTube. (Refer to my *Social Media Marketing Workbook* for a full discussion of *free* opportunities on YouTube).

Let’s get started!

TODO LIST:

- » Research Your Customers on YouTube
- » Set up a Channel on YouTube
- » Upload a Video to Your Channel
- » Enable Clickable Links in Your Video
- » Set Up a YouTube Campaign in AdWords
- » Trigger Your Ad: Video Targeting
- » Evaluate Your YouTube Advertising Performance
- »» Deliverable: YouTube Advertising Performance

» RESEARCH YOUR CUSTOMERS ON YOUTUBE

Videos on YouTube “live” on a Channel, so to really do well on YouTube, you’ll need to set up a Channel. (As we explained in Chapter 5, you can use the Google Display Network > Placement targeting to place ads on YouTube but those ads are generally “crowded out” by video ads on YouTube). To get started to see if YouTube could be good for you, do some **research** to decide if your target customers are “on” YouTube, and, if so, what they are doing. Everyone is “on YouTube” sooner or later, but in general, you’ll get the best advertising performance if one or the following criteria apply:

- **Search.** People are likely to pro-actively search YouTube. “How to” searches such as “How to get a puppy to stop biting” or “How to truss a turkey” are very popular on YouTube, so if your company produces something that explains “how to do something,” or if your market is adjacent to “how to” searches, then YouTube can be good. An example would be a cooking gadget company that could advertise on “how to” cooking videos, a dog training company that can advertise on “how to” training videos for dogs, or a physical fitness supplement company that can advertise on “how to” videos for crunches or pushups

ARE YOUR CUSTOMERS ON YOUTUBE?

- **Browse.** People are going onto YouTube to watch videos on thousands of topics, and you can demographically target them. For example, let’s say you marketed Donald Trump paraphernalia, you’d know that many Trump supporters and political junkies go on YouTube to keep up with politics, and watch certain kinds of videos or certain kinds of channels. (The same would go for political junkies of the Left). Or, suppose you’re targeting young adults, and you know that they are big consumers of music videos. It can also be very specific such as targeting fishermen / women who watch YouTube for fishing videos (there are TONS of fishing / outdoors videos on YouTube).

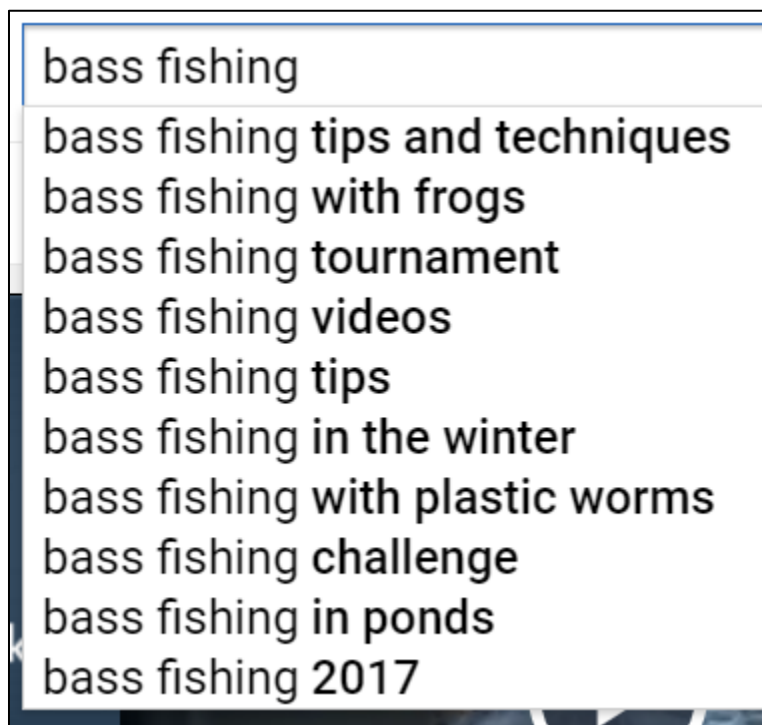
Before you decide to set up a Channel or advertise, you want to research whether your target customers are on YouTube, and if so, are they *searching* and/or *browsing* video content.

- If they’re searching, what types of keywords searches are they doing?
- If they’re browsing, what type of videos are they watching?

Keyword Research

Unfortunately, there isn't a YouTube-only keyword discovery tool (like the Google AdWords Keyword Planner) that focuses only on search volumes on YouTube. You have to use the generic AdWords Keyword Planner.

So return to AdWords, and go to Tools > Keyword Planner. Generally, if a search has a "how to" flavor to it and it's visual, you can bet it will be searched on YouTube. Secondly, go to YouTube, and start typing. Pay attention to YouTube's auto complete. Anything that ranks high there is a good bet as well to have some search volume on YouTube. Here's a screenshot for "bass fishing" autocomplete on YouTube:



Revisit your Keyword Worksheet and add a tab for YouTube. Brainstorm core keywords and ad groups that reflect how people search YouTube.

Finding Video Volume for Browsing

You may decide that **search** isn't that important on YouTube, but you do suspect that people are **browsing** and watching videos on YouTube. You can search YouTube directly to look at video volume, and engagement. To do this, go to YouTube, and then enter in a search keyword such as "Rihanna" for the pop singer Rihanna. Next, click on *Filters* at the top left, and select *View Count*. You can also click back to *Filters*, and select *This Year* to look at the highest videos for the last twelve months.

BROWSE AND VIEW VIDEOS TO DETERMINE VIDEO VOLUME

Another way is to scroll down on the left column, to *Browse Channels*. Next, enter a keyword like "dogs" or "cooking" and you can browse channels and see channel subscription counts. You can also pop over to individual videos and look at the view count. Think of this process like you're browsing Cable TV channels. You can also visit <http://jmlinks.com/25h> to see what's popular, right now, on YouTube.

You're looking to see if your customers are on YouTube. Don't be discouraged if the view counts aren't in the millions. For something pretty specific like *Bass Fishing*, *Quilting*, or *Bird Watching*, you can find a very specific group of people who are passionately watching YouTube videos!

Your research process is:

Are my customers watching YouTube videos in a targeted way?

If so, what is the target? What keywords, channels, and video topics?

Make a list of channels, videos, and keywords that identify "where your customers" hang out on YouTube. This will become your targeting strategy.

» SET UP A CHANNEL ON YOUTUBE

Assuming you've decided that, yes, your customers are on YouTube and, yes, you'd like to give YouTube advertising a go, the next best step is to set up a Channel. The easiest way to do this is to sign up for a Google Account via Gmail. I'd recommend that you use the **same** email that you use to login to AdWords, if at all possible. In that way, it's easy to link your AdWords account to your YouTube account. Alternatively, you can also create a brand new YouTube account.

Here are your steps:

1. Go to **<https://www.gmail.com/>** and sign up for a Gmail account, if you don't have a Gmail you already use for corporate stuff on Google.
2. Alternatively, you can set up a Google account and link this to any email such as **yourname@company.com**. To do this, read the help file at **<http://jmlinks.com/25j>**.
3. Next visit **<http://jmlinks.com/25k>** and follow the instructions to "Create a channel with a business or other name."

Populate your Channel with a nice-looking cover photo, icon, and fill out the contact information on the "About" tab. You now have a YouTube channel!

» UPLOAD A VIDEO TO YOUR CHANNEL

Although you can advertise on Google with just text ads (via the Google Display Network > Managed Placements or read the AdWords help file at **<http://jmlinks.com/27e>**), you'll do much better if you create a short video that promotes your company or product. The best ads are short and to the point, quickly explaining who you are, what you have to offer, and why a person on YouTube should care.

The sky's the limit on video production. You can Google "videographers" in your local area to find people to help you shoot a short video. You can use tools such as Camtasia, iMovie and Windows Movie Maker. You can use services such as Fiverr to find video editors, and you can literally just Google "make a video ad for YouTube" and read the ads and organic results.

YouTube even has a simple app, called the 'YouTube Director for business app' that will help you shoot video ads right from your phone. Learn more at **<http://jmlinks.com/25m>**.

Once you've created your video ad, login to your YouTube channel, and in the top right click on the upwards arrow to upload the video. Be ready with:

- A short video title.
- A short video description, including an *http://* link to your website for more information.
- Keywords to “tag” your video.

Create a “Custom Thumbnail” by clicking “Custom Thumbnail” (this may not show on a brand new Channel). I recommend a simple, easy-to-read Video Thumbnail as this will show up as your ad on YouTube search and as a recommended video. Here's a screenshot of how a video ad looks on YouTube search:



You can read the official YouTube help on how to create custom thumbnails at <http://jmlinks.com/27f>.

Once the video is uploaded and approved by YouTube, find your video, you'll need to copy / paste the URL at the top of the page. It should look something like <https://www.youtube.com/watch?v=CRB6w4Dmjdw>.

» ENABLE CLICKABLE LINKS IN YOUR VIDEO

Be sure to include a clickable link in your video description, preferably right after the first sentence, and in the format of **<http://www.yourwebsite.com/>**. It MUST be in the *http://* format to be clickable! You can reference the link for “more information” in your short video ad, such as telling the viewer, “Click on the link in the video description to learn more!”

Here's a screenshot from one of my videos (at <http://jmlinks.com/27g>) showing a clickable URL in the video description, using the <http://tinyurl.com> shortener:

Published on Sep 16, 2016

Master SEO for your business in this up-to-date tutorial on Search Engine Optimization basics. (For free materials, including the SEO TOOLBOOK go to <http://tinyurl.com/j666q9j>). Search Engine Optimization is explained in this easy tutorial or SEO guide, starting with how to define the best keywords, going thru page tags, and even discussing how to never stop learning. Learn the 2017 tips, tricks, and tools in this easy tutorial or guide.

In addition, you can add “cards” to your video. “Cards” on YouTube are clickable links in the video itself. To add a “card” to your video:

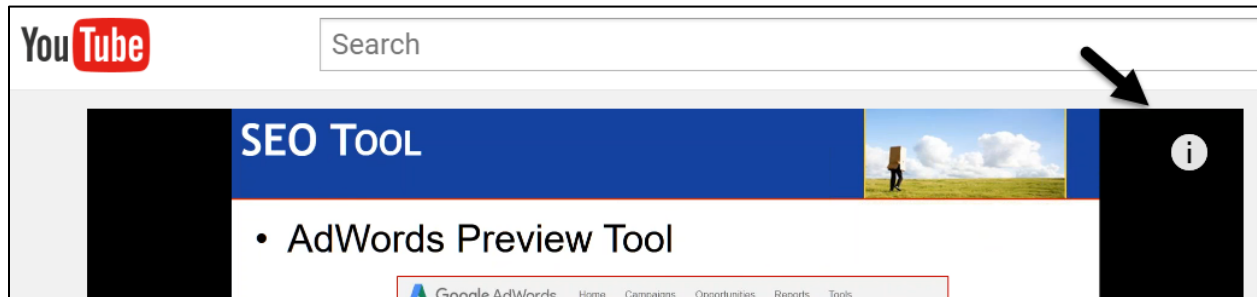
- Click on your logo on the top right of YouTube, when you are logged into your Channel.
- Click on Creator Studio, and then click on Video Manager on the left-hand menu.
- Find your video and click edit.

YOUTUBE “CARDS” ARE CLICKABLE LINKS IN A VIDEO

Click on “Cards” to enable YouTube’s “Cards” feature, and insert text, an image, and a link to your website URL.

VIDEO. Watch a video on how to use insert annotations, cards, and overlays into a YouTube video at <http://jmlinks.com/25n>. You can read the official Google help file on YouTube cards at <http://jmlinks.com/27h>.

Cards appear in the top right of a YouTube video and “pop out” when they appear. Users can click on them to learn more, and then click from the card to your website. Here’s a screenshot showing the card in the top right corner:



(Note: YouTube has discontinued *annotations*, so you can only add *cards* or *call-to-action overlays* going forward). At this point, you’ve created a Channel, uploaded a video advertising your company or product, and inserted *http://* links in the video description, and at least one card for more information.

You’re ready to return to AdWords!

» SET UP A YOUTUBE CAMPAIGN IN ADWORDS

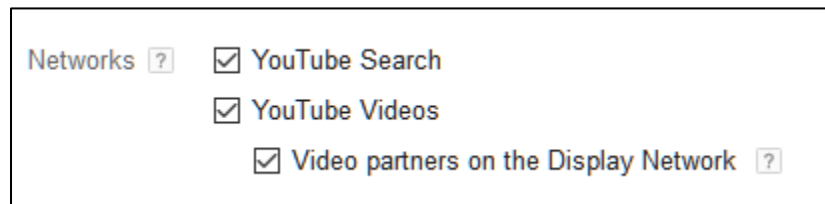
To create a video campaign, login to AdWords, and click the red *+Campaign* button. Then select *Video* as the Campaign type. Next, give the Campaign a name and select *Standard*. Then select either *In-stream or video discovery ads* (most advertisers), or *Bumper ads* (big brands with big budgets, only). Set your budget.

In delivery methods, check one and ONLY ONE of the following methods. Similar to the split between the Search and the Display Networks, I would segregate your “Search” videos into a Search campaign, and your “browse” videos into a “Browse campaign.” Your choices are:

YouTube Search: this means that users are pro-actively **searching** YouTube by entering keywords into YouTube to find your ad.

YouTube Videos: this means that users are *browsing* YouTube to watch videos, and you want to place your videos “on top” of other videos.

Uncheck the box Video partners on the Display Network. Here's a screenshot:



Location Targeting in YouTube

You can geotarget on YouTube! For example, Jason's Cat Boarding Emporium could target people watching "cat videos" who also live in San Francisco. Or a pet store could target people watching videos on dog and puppy training who live in Oakland, Berkeley, or El Cerrito, California.

LOCATION TARGETING WORKS IN YOUTUBE

Geotargeting makes it easy to get your ads right to people near your local business, and is one of the most exciting features in YouTube advertising. Accordingly, select your Geotarget (e.g., United States, or drill down to a specific city or state).

Mobile Bid Adjustment

You can also control your mobile bid adjustment here, if you do / do not want to run on phones and/or tablets. It will force you to create an Ad Group, but you can click "Cancel" if you're not ready to do that just yet.

Once you've created a Campaign, you can return to these settings, of course, by clicking the Settings tab at the top.

Setting up Your Video Ad

Now, you're ready to set up your video ad. Have your YouTube URL handy. Find your video on YouTube by searching for it, and then copying the URL. It should look like this:

<https://www.youtube.com/watch?v=99oLPkmHYJo>

Assuming you've set up an Ad Group to "store" your video ad, click on that Ad Group first in the left column. (Remember, ads "live" in Ad Groups, and Ad Groups "live" in Campaigns). Then click on the Ad tab and click on the red +Ad button. Paste the URL of your video into the box. It should then "find" your video and show your thumbnail. Under Video ad type, select "Drive views, awareness, or conversions." Next, if you've chosen *YouTube Search* at the Campaign level, then you should ONLY see available "Video Discovery Ad." If you've chosen "YouTube Videos," then you'll see *In-stream ad*.

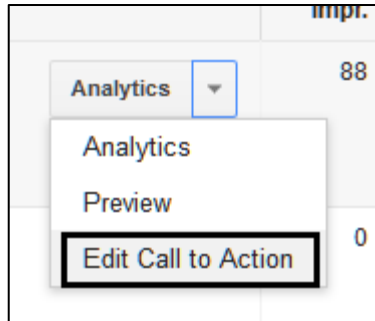
Here's what these two options mean:

YouTube Search (*Video Discovery*). If your ad is Video discovery, **this means users will see it when they search by keywords on YouTube**. Fill out the Headline, Description 1, and Description 2 fields. I recommend that you choose "The video's watch page on YouTube" unless you have a very robust Channel. Give the ad an easy-to-understand name (visible only to you). (This is very similar to creating an ad in AdWords proper.)

YouTube Videos (*In-stream Ad*). If you've selected YouTube Videos at the Campaign level, then choose *In-stream* as the ad format. **This means that your video will play BEFORE other videos on YouTube**. Enter the Display URL (your website landing page) and the Final URL as indicated. Enter your bid as a CPV (cost per view). In this format, you can select *Demographics and/or Interests* (which we will discuss below) as your targeting method.

Call-to-Action Overlays

Note: once you've created an ad for a video, the Call-to-Action (CTA) Overlay feature will become available. You can find this on AdWords by clicking into the Video tab, finding your video, and then clicking on the *Analytics > Edit Call to Action* tab. Here's a screenshot:



You can also edit Call-to-Action overlays on your YouTube channel by logging into your Channel and then clicking on *Creator Studio > Video Manager*. Then click on *Edit*, and you should see the *Call-to-action overlay* on the far right. Here's a screenshot:

A screenshot of the 'Call-to-action overlay' settings form in YouTube Creator Studio. The form has a title 'Call-to-action overlay' with a red underline. Below the title, there are two sections: 'Display URL' and 'Destination URL'. The 'Display URL' section has a text input field with the value 'http:// www.jm-seo.org/free'. The 'Destination URL' section has a dropdown menu with 'https://' selected and a text input field with the value 'www.jm-seo.org/free-403/'. At the bottom, there is a checkbox labeled 'Enabled on mobile' which is checked.

Note: CTAs disable video cards (and vice-versa), so you have to choose one or the other. YouTube is clearly moving towards video cards, so you'd probably be best served by enabling cards (which are also easier to set up).

» TRIGGER YOUR AD: VIDEO TARGETING

Now that you've inputted your ad to YouTube, it's time to dive into targeting options. Targeting "lives" at the Ad Group level, just as in regular AdWords. Click on the Video targeting tab in YouTube. Google being Google, the interface is INCONSISTENT with regular AdWords.:

Demographics. No targeting available

Interests (In-stream Ads, only). Click on the red *+Interests* to target by interest. Here, you'll recognize targets from the Display Network such as Affinity audiences, In-market audiences, and Custom affinity audiences.

Remarketing (In-stream Ads, only). Here you'll see Video remarketing lists (useful if you have a pretty popular channel), or you can select AdWords remarketing lists to see your AdWords remarketing lists, here.

Placements (In-stream Ads, only). Here you can add individual videos or YouTube channels that you have found. NOTE: they MUST have monetization enabled for this to work; check out the video or channel, and make sure that you see ads already there. Otherwise, it won't work, even though YouTube will act "as if" you can advertise on top of the video.

Topics (In-stream Ads, only). Again, similar to the regular Display Network.

Keywords (both Video Discovery and In-stream Ads). Especially if you are targeting video discovery, enter very specific keywords here (the ones that your target customer is searching on YouTube). **IMPORTANT:** unlike regular AdWords, add QUOTE MARKS around ALL keywords to be specific (not plus signs), so you'd add "cat boarding" not *+cat +boarding* or *cat boarding* here. This is true even for a one-word keyword like "probate". If you add anything OTHER than quote marks, YouTube will "think for you" in terms of keywords and run your ad on all sorts of non-related keywords.

Bids on YouTube are set as your maximum CPV (Cost Per View) not CPC (Cost Per Click). There is no tool to my knowledge to know what a good CPV is, so bid high to begin with and then lower your bid over time. You do not pay per click on YouTube, but rather per video view. Remember: you can change your Settings at the Campaign level, including geotargeting, so conceivably you could target only people in San Francisco who are watching cat videos on YouTube.

VIDEO. Watch a video from Google on how to set up YouTube ads in AdWords at <http://jmlinks.com/26r>.

» EVALUATE YOUR YOUTUBE ADVERTISING PERFORMANCE

Once your ads are up and running on YouTube, evaluating the performance is similar to the rest of the Display Network. Click on the Video Targeting tab at the Ad Group level. Then click:

Demographics to see age, gender, parental status, and household income (if available).

Interests to see available interests data.

Remarketing to see which remarketing list(s) they came from.

Placements and then *Where ads were shown* to see which videos / channels ran your ad.

Topics to see topics.

Keywords and then *Search Terms* to see the actual search terms entered into YouTube.

You can also go into Google Analytics to view clicks coming from YouTube to evaluate what happens “after the click.” To do this, create a Segment by clicking on the *Segments* tab in Google Analytics, and then *Custom*, and source as *YouTube.com*.

VIDEO. Watch a video on how to set up Segments in Google Analytics at <http://jmlinks.com/25p>.

Returning back to your YouTube Channel (not AdWords, and not Google Analytics), you can go to *Creator Studio > Analytics* and then drill down into an individual video to see key performance indicators such as watch time.

»»» DELIVERABLE: DISPLAY NETWORK WORKSHEET

The **DELIVERABLE** for this chapter is a completed worksheet on YouTube advertising. You’ll investigate whether you want to run on YouTube, at all, and if so, in which ways (especially which targeting method(s) and placements make the most sense).

For the **worksheet**, go to **<https://www.jm-seo.org/workbooks>** (click on “AdWords Workbook 2017,” enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “YouTube Advertising Worksheet.”

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(PONDER IT)



7

METRICS

Making money on AdWords is easy! *Just make \$1.01 for every \$1.00 you spend, and you'll make money each and every day!* It's not quite that simple, of course, as the line between "what you're spending on AdWords" and "what you're getting in sales" can be pretty fuzzy. Even worse, Google AdWords "support" is always there – *like a good bartender* – egging you on to keep spending on *clicks* and *branding*, when really you should focus on *conversions* (defined as either *sales* on an eCommerce website or completed *sales inquiry* forms for more complicated products or services). In this Chapter, we'll dive into how to measure your performance on AdWords, and how to use AdWords metrics to continually improve your *return on ad spend* or **ROAS**. Be forewarned: *you may know what you want to know but not actually be able to ever know it*, so to speak. Or *not know it fully*; so you'll need to combine some hard metrics with some soft gut instinct. "Half of my advertising dollars are wasted," so the saying goes; "I just don't know which half."

Let's get started!

TODO LIST:

- » ROAS: Make \$1.01 for Every \$1.00 You Spend
- » ROAS: It Gets Complicated
- » Spot Check Your Ads
- » Check Your Spending Metrics
- » Monitor the Display Network and/or YouTube
- » Set up Goals in Google Analytics
- » Set up Conversion Tracking in AdWords or Google Analytics

- » Review Your Conversion Data in AdWords
- » Identify Problems and Opportunities
- » » Deliverable: An AdWords Metrics Worksheet

» ROAS: MAKE \$1.01 FOR EVERY \$1.00 YOU SPEND

Conceptually, your **Return on Ad Spend (ROAS)** from AdWords is deceptively simple:

For every \$1.00 in ad spend, make at least \$1.01 in profit.

But in reality, this equation is very complicated. On the **spend** side, you can certainly see how much you are paying for impressions and for clicks, and you can correlate both impressions and clicks to keyword search queries (*on the Search Network*) and placements (*on the Google Display Network*). You can very easily see what you're spending on a daily, weekly, or monthly basis for clicks and impressions and correlate that with keywords or placements. These are what I call your **Spending Metrics**. (Note: in a perfect world, you'd also calculate and include the cost of you and your employees' labor spent setting up and managing your AdWords account, but we'll ignore those costs).

Conversion Metrics

Your profit from AdWords, however, depends not on your *Spending Metrics* but on your **Conversion Metrics**. Here we have to move from the *what's-easy-to-measure* (your spend) to *what's-hard-to-measure* (your sales).

Let's take a simple scenario of a customer who comes back from vacation in Mexico, had a great time, picks up his cat at Jason's Cat Emporium, and wants to reward his Kitty with a brand new cat collar. He goes to Google, searches for *cat collars*, finds our eCommerce store and makes a purchase.

We have:

Google search query: *Cat Collars*

He sees our ad for “Amazing Cat Collars” and clicks. (Behind the scenes, we have pre-identified the search query “cat collars” and bid \$2.00 for the click. We “win” the auction and pay Google \$1.75 for that click, one penny more than the next highest bid for the click on Google).

He purchases the cat collar for \$10.00. (Our cost is \$4.00, which we pay to our Mexican cat collar partner (*as the collars are made in Mexico, where he could have bought the cat collar for just \$1.00 – but that’s another story; we’ll also ignore shipping and other costs for this simple example*)). Our profit per collar is thus \$6.00.

So, on the vendor side, we have this equation:

Revenue from the sale of the collar from the customer: **\$10.00.**

Cost of collar (paid to our Mexican supplier) **\$4.00**

Cost of click (paid to Google): **\$1.75**

Profit = (**\$10.00 - \$4.00**) - **\$1.75** = **\$4.25.**

ROAS is calculated as $(\$10.00 - \$4.00) - \$1.75 / \$1.75 = 2.42 = 242\%$

(meaning you more than DOUBLED your money).

ROAS as a formula is *Profit -Advertising Cost / Advertising Cost* expressed as a percentage. You want a positive, big number!

Calculating Your Maximum Bid

How much can we pay Google for a click on AdWords and still make money?

Assuming a 100% conversion rate (that is, that EVERY click to our website leads to a purchase), then we can safely bid up to \$5.99 and make a profit. For example, if the click cost \$5.99 and the collar costs us \$4.00, then we would make \$.01 from each sale of the \$10.00 Kitty collar.

Our **ROAS** is *Profit -Advertising Cost / Advertising Cost* expressed as a percentage or $\$6.00$ (our profit per collar) - $\$5.99$ (cost of the click) / $\$5.99$ (cost of the click) = .16% (return on our money). We’re positive, or (barely) in the black.

Once we spend MORE than \$6.00 on the click, our ROAS goes negative. If, for example, we spend \$7.00 on the click, then our ROAS is $\$6.00 - \$7.00 / \$7.00 = -14\%$. We're negative, or in the red.

Not All Clicks Convert

But here's where it gets complicated, even with a simple eCommerce website. First and foremost, not every click ends in a sale!

If our conversion rate is 50%, then we can only pay half as much for a click ($\$5.99 / 2 = \2.99) because half our clicks fail to end up in sales, and so on and so forth. The lower our conversion rate, the less we can bid per click. And, of course, the lower our profit, the less we can bid for clicks, too. (*If our Mexican supplier raises the price of the collar to \$7.00 from \$4.00 then, accordingly, we have to pay less per click to break even.*)

The *Cost Per Click* must be less than the *Profit Per Click* for you to make money on AdWords, or turning that around your *Profit Per Click* must be greater than your *Cost Per Click*:

Cost Per Click < Profit Per Click

Or

Profit Per Click > Cost Per Click

And the Profit Per Click is the *profit per sale times the conversion rate*.

Profit Per Click = Profit Per Sale X Conversion Rate

If, for example, we make \$6.00 per sale of a collar, and we have a 100% conversion rate, then our profit per click is \$6.00. But if we have a 50% conversion rate, then our profit per click is cut in half, becoming $\$6.00 \times .50 = \3.00 . With a 100% conversion rate, we can bid up to \$5.99 to "get the click," but with a 50% conversion rate we can only bid \$2.99 per click, and so on. In most cases, your conversion rate will be much, much lower than 50%, more like 2% or 3%, so with a 2% conversion rate, our profit per click is

$\$6.00$ (the profit of each collar) $\times .02$ (the conversion rate) = $.12$ or 12¢ per click!

Turning this around, if we “bought” 100 clicks on Google that would cost us $100 \times .12 = \$12.00$, and with a 2% conversion rate those 100 clicks would have generated two sales at $\$6.00$ each, so we would break even at any $\text{CPC} < .02$.

If you want to dive more deeply into these equations, I recommend that you check out Google’s Chief Economist, Hal Varian, and his video that explains how your bidding strategy should intersect with your profits.

VIDEO. Watch a video on ROAS on Google AdWords by Google’s Chief Economist, Hal Varian at <http://jmlinks.com/25q>.

Mr. Varian goes way into the details on ROAS and bidding strategy, but let’s keep it simple and summarize what you, as an advertiser, can actually attempt to measure and then attempt to improve on in the real world:

Measure:

- Your **AdWords costs** measured as cost per click vis-à-vis specific keywords, landing pages, and products or services.
- The **revenue** and **profit** (*revenue minus expenses*) of the related product or service; or, if you’re measuring a sales lead, the imputed value of that sales lead to your ultimate product or service.

Improve on AdWords:

- **Decrease** your cost per click through **better bidding**.
- Identify **keywords that convert** (“winners”) vs. keywords that do not convert (“dogs”), and *let your winners run, and shoot your dogs*. Ditto for ads; identify high performing vs. low performing ads.

- Pay attention not only to the **conversion rate** (i.e., *which clicks end in sales or sales leads*) but also which products or services generate **more profit** vis-à-vis your AdWords spend, that is higher *quality* keyword patterns.
- **Improve your landing page experience** and **conversion rate** so that you not only get clicks to your landing page, but a higher percentage of those clicks convert to a sale and/or sales lead.

This last point is important. You won't always get an immediate sale or sales lead, so brainstorm not only what sale / sales lead you want but also **intermediate steps** that can help you "capture" the name / email / phone of a prospect so that your sales staff can work on turning a mere *prospect* into a paying *customer*. Free downloads, free eBooks, free software, and even "sign up for our incredibly interesting email newsletter" can also be considered conversions.

ONCE YOU'VE GOT THE CLICK, GET SOMETHING

In terms of strategy vis-à-vis metrics:

Once you've received the click from Google, do everything possible to capture your customers' contact information, start a relationship or conversation with them, etc.

You want to use AdWords to **build your email / phone prospect list**, even if it's not an immediate sale!

» ROAS: IT GETS COMPLICATED

Just make more money per click than you're spending per click! That's in the hypothetical *Hal-Varian-Google-economist make-believe world* that Google lives in. But you and I live in the real world, and we often do not have the required data at our fingertips. If we're

running an eCommerce store, we may have a good idea of the profit per sale, and we can get the conversion rate from Google Analytics or our eCommerce platform. We're in the strongest position to really know how much we can pay per click.

Some Clicks Convert (Just Not Immediately)

However, even at the best eCommerce store, not every click will immediately end in a sale; some visitors may leave the website, and come back days or even weeks later, and then purchase. So what looks like a failure (no conversion) may actually be a conversion. Google Analytics and AdWords do attempt to track customers for 30 days giving you some conversion data in a 30 day window, but it is far from perfect.

Lifetime Customer Value (LCV) and Gut Instinct

In addition, a customer may "find you" one time through Google AdWords and then become a "customer for life." So the lifetime customer value (LCV) may be far, far more than the simple value from that immediate click to sale conversion on AdWords. You need to pay attention to this metric, and you can't expect an immediate click to sale behavior, especially for complicated or expensive products like Disney Cruises or Toyota Camries. On the negative side, it may be that the customer already found you via SEO / organic reach on Google or perhaps word of mouth (first), and then clicked on your ad. In this case, Google is falsely attributing to AdWords a sale that you "would have gotten anyway" from this customer.

Some factors (e.g., some clicks convert not at first but after a period of back-and-forth) indicate that your *revenue from AdWords is higher* than actually reported in the data.

And some factors (e.g., AdWords falsely takes credit for sales you would have gotten anyway through SEO or word of mouth) indicate that your *revenue from AdWords is lower* than actually reported in the data.

My feeling, therefore, is to *take the data seriously* but to *take it also with a grain of salt* (yes, I know that's a contradiction!). Your "gut instinct" as to whether AdWords is working is as important as any "hard" data that your data wonks and Hal Varian can come up with.

Beyond eCommerce: Feedback Forms and Sales Leads

Many of us will not be running eCommerce sites, however. We will measure the performance of our websites in terms of completed feedback forms or sales inquiries. A law firm, for example, will want to use Google AdWords to generate clicks for the search query “Personal Injury Lawyer Tulsa” and measure the performance by incoming sales leads off of a web form. Ditto for a Kansas City plumber, who would want his ads on Google to generate inbound web forms or telephone calls.

How much is a completed web form worth? Well, in an ideal world, you’d know the value of the potential lawsuit (or potential plumbing project) plus the probability that your firm is going to win, and you’d deflate all that by your conversion rate (as the client could potentially take his or her lawsuit or plumbing project somewhere else). There’s little to no probability in the “real world” that you’ll be able to do anything much better than guesstimate these numbers. So, sorry, Hal Varian, the equations don’t work because we don’t have the necessary data, and we never will!

You may never have all the required data. So get over it, and use gut instinct

The best you can do is decide how much you’re willing to pay for a completed feedback form via AdWords, and calculate your conversion rate based on the clicks that come from AdWords to your website.

Sales Leads Are Valuable: Do Not Undervalue Them!

For businesses that depend on feedback forms, I’d recommend setting a ballpark figure as to the value of each completed feedback form and judging AdWords vs. this figure. However, in my experience, most companies VASTLY devalue the cost that they should pay for a lead.

**DON’T UNDERESTIMATE THE
VALUE OF A “SALES LEAD”**

Companies will say (with no data to back them up), “we’re willing to pay \$10.00 for a feedback form,” when the value of that “lead” can be \$1,000 or \$10,000, so please try to get your team to be reasonable about the true value of a completed feedback form. In fact, I’d recommend multiplying that value by 2x or even 12x as, in my experience, most companies vastly underestimate the true value of leads!

Compare AdWords, for example, with other forms of advertising like participation at industry trade shows. To go to a trade show you have the cost of the booth space, the cost of the booth set up, employees’ time and travel, etc., and you might get just a few hundred (if that) inquiries from your trade show expense. Each “lead” at the trade show might be costing you literally hundreds or thousands of dollars, compared with a “lead” from AdWords that might just cost you \$25.00 or \$75.00 or something like that. So, be fair to AdWords, and recognize just how expensive (and how valuable) sales inquiries can be to your business across different advertising and marketing venues.

Visits, Bounces, and Telephone Calls

Another big problem is **call tracking**. In many industries such as plumbers, lawyers, and roofing companies, the person is most likely to do a Google search, land on your website, check your reviews, and then call you on the phone. That phone call “originated” from AdWords, but it isn’t easy to track. Google has call-tracking inside of AdWords (if you enable call extensions or click to call on mobile), but realistically, very few people will call right off of an ad. They want to first visit your website. Companies like CallRail (<http://www.callrail.com>) and CallTrackingMetrics (<http://www.calltrackingmetrics.com>), can enable call tracking on your website and feed that data into AdWords. Even so, you have the problem that many people will do a Google search, click, visit your site, leave, come back days or weeks later, and then engage. So the visits, bounces, and call tracking problems can make it “seem” like you have fewer conversions from AdWords than you really have had.

Time on Site, Branding, and Other Metrics

After eCommerce sales and completed feedback forms, other valuable goals for your website can be signups to your email lists, engagements on social media (e.g., “liking” your company Facebook page), or even time on site. Some companies, especially big ones, look at advertising as a branding experience and aren’t that interested in clicks. You might measure impressions (especially on the Google Display Network) as a KPI (Key Performance Indicator) of brand awareness. Just be careful as only the very biggest

companies can afford to throw their money away on “brand awareness” advertising; most medium to small businesses need to show some ROI more significant than impressions.

*AdWords is expensive, so I would be very skeptical of these “soft” metrics, with the possible exception of **email sign ups**.*

In summary, be aware that, conceptually, you want a positive ROAS but, in the real world, you will probably have to follow your gut instinct in combination with some very loosey-goosey data from both AdWords and Google Analytics.

» SPOT CHECK YOUR ADS

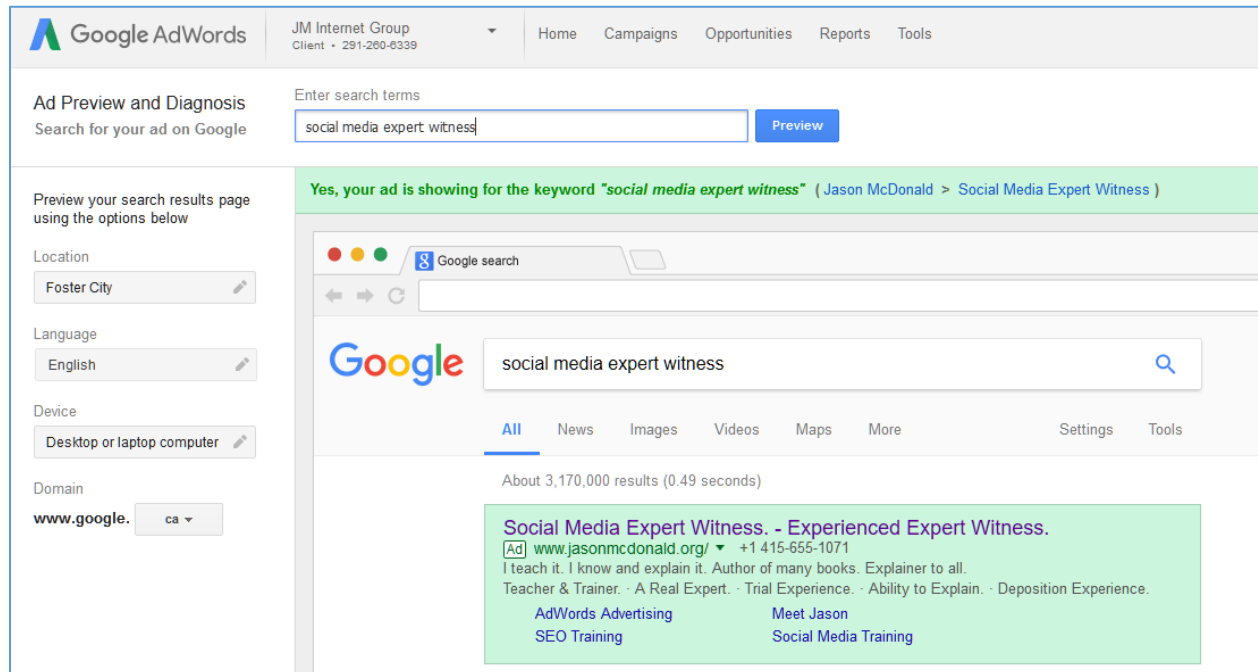
One of the easiest yet most important metrics to measure is whether your ads are running at all, and how frequently. I recommend you “spot check” your ads manually (especially at first) and then at least twice a month. Sometimes Google will say they’re running (*and they’re not*), or will say that they’re not running (*and they are*). Here are two easy ways to verify your ads are running, especially by changing your location if you are using geotargeting. Have your keywords handy, as you want to spot check your ads against your most valuable keywords.

Method #1. Enable an “incognito session” on your browser. Then, use the SERPS.com location tool at <http://jmlinks.com/25r>. Input your keyword, set a location by city or zip code, and hit search. DO NOT CLICK ON YOUR AD as it will cost you. Just check as indicated below.

Method #2. Use the AdWords Ad Preview and Diagnosis Tool. Login to AdWords, and click on *Tools > Ad Preview and Diagnosis*. On the right hand side, enter a city, select Desktop or Mobile, and make sure it’s Google.com (Google.ca for Canada).

In both methods, you should see your ad displayed most of the time. Note: vary your city location if you are using geotargeting to confirm that your ad is showing in various cities.

Here's a screenshot showing my ad for *Social Media Expert Witness* with the city set to Foster City, California:



Google will highlight your ad in green to make it easy to find. Generally, you want your ads to be showing in the top positions, which are #1, #2, #3, and #4. If your ad is at the bottom, your bid and/or quality score is too low; if your ad is not showing at all, your bid and/or quality score is even worse. Either up your bid or rewrite your ad / keyword / landing page to improve your quality score, until your ad shows consistently.

Search Impression Share or SIS

Inside of AdWords, there is a valuable metric called "SIS" for "Search Impression Share." Your SIS score measured as a percentage shows how frequently your ad was shown vs. how frequently it was eligible to run. For example, let's say that there are 1,000 searches per month for *cat collars* in the USA and you want to run 100% of the time for those searches.

Available Impressions Per Month: **1000**

Your ad appears on **800** of these impressions

Your SIS is **80%**, meaning your ad ran 80% of the time it was eligible to run.

I recommend you aim for an SIS score of 85% or more, meaning your ad was showing at least 85% of the time. If your ad is running less than about 85% of the time, something is wrong – either your bid is too low, you’re hitting your budget constraint, or your quality score is too low. If you’re hitting the budget constraint, you’ll get a notice “Limited by Budget” in AdWords. It’s not a good idea to be limited by budget; if our ROAS is positive, we want to run “full blast,” so either reconfigure to tighter keywords (or placements if you’re on the GDN), or increase your budget. (You can also get a notice that says “Below first page bid,” and again either increase your bid or improve your quality score. Spot check your ads in both cases to verify that they are / are not / running).

AIM FOR AN SIS > 85%

To figure out the universe of available impressions, divide your impressions by your SIS. So, if your AdWords Campaign shows 800 impressions with an SIS of .80 (or 80%) then the total universe of available impressions was $800/.80 = 1000$. To blow your mind further, this data is *more accurate* than the data reported in the Google AdWords Keyword Planner!

Enable SIS

The SIS score is available for Campaigns, Ad Groups, and Keywords, but you must “enable” it as a column. To enable SIS, at the Campaign level, go to Campaigns, and then click on Columns, then Modify Columns. Next, find “Competitive Metrics” in the far left hand menu and select “Search Impr. Share.” I usually then save this set of columns by giving it a name like “SIS,” so I can re-enable it each time I log in.

You have to go through the same procedure at the Ad Group and Keyword levels to be able to view SIS there.

Here’s a screenshot of SIS at the Keyword level:

+ KEYWORDS		Edit ▾	Details ▾	Search terms	Bid strategy ▾	Automate ▾		
<input type="checkbox"/>	●	Keyword	Campaign	Ad group	Status ?	Max. CPC ?	Qual. score ?	Search Impr. share ?
		Total - all account ?					--	74.27%
<input type="checkbox"/>	●	"social media marketing books"	Books - Search Network	Social Media - Amazon	 Eligible	\$2.51 <input checked="" type="checkbox"/>	7/10	94.54%

This means that for “Social Media Marketing Books” (phrase match), my ad showed 94.54% of the time vs. the account average of 74.27%.

Position Metric

Next, you want to spot check that your ad position is ideally in the 3-4 range, and at worst no greater than four. This means your ad is consistently showing in the top positions as Google shows three to four ads at the top of each page.

Find or enable the column called Avg. Pos. for “Average Position.” Here’s a screenshot of Avg. Position at the Keyword level:

+ KEYWORDS		Edit ▾	Details ▾	Search terms	Bid strategy ▾	Automate ▾	Labels ▾			
<input type="checkbox"/>	●	Keyword	Campaign	Ad group	Status ?	Max. CPC ?	Impr. ?	Search Impr. share ?	Clicks ?	Avg. Pos. ?
		Total - all account ?					7,025	74.27%	504	1.4
<input type="checkbox"/>	●	"social media marketing books"	Books - Search Network	Social Media - Amazon	🗨 Eligible	\$2.51 <input checked="" type="checkbox"/>	710	94.54%	75	1.2

This shows that for the Keyword “Social Media Marketing Books” (phrase match), my ad averaged 1.2.

Ideally, you want an SIS score of > 85%, and a position of 3-4 as that is the “best value” position in my experience on AdWords. So you increase your bid (or work on your Quality Score) to improve your position and/or your SIS. However, often times, you may need to increase your bid to get your SIS > 85% which will also propel you into the #1 or #2 spots, which means you are overpaying a bit. Or, you bid too low, and then you drop down to #3 or #4 (lower CPC positions) but your SIS goes < 85%, meaning your ad isn’t showing.

The **art** of AdWords is to optimize for an SIS > 85% and a position of 3-4, which is not easy.

If you can’t get a position of 3-4, I would prefer an SIS > 85% as you need your ad to show to get results.

» CHECK YOUR SPENDING METRICS

It goes without saying that you should pay attention to your CPC (Cost Per Click), as you want to minimize your CPC. Check the columns:

Clicks = how many clicks your Campaign / Ad Group / Keyword / Ad received.

Impressions = how many impressions (how much it was seen) vs. SIS. If your SIS is > 85%, then essentially you are showing “all the time.” If your SIS is < 85% then there is more ad inventory and you can show your ad more.

CTR = click thru rate. Higher is better. Shoot for at least 1%, but I like to see 3, 4, or even 7% or higher CTRs for tightly focused *Keywords* > *Ad Groups* > *Ads*.

Cost = how much you’ve spent, total, for the time period you’ve selected in the Top Right.

Cost / conversions / cost per conversion. We’ll discuss this in a moment, but this is your conversion data (meaning eCommerce sales or completed feedback forms).

As you spot check your ads, you’re seeking to REDUCE your bid per click YET get your ad to show (SIS > 85%) and maintain your position < 4 and maintain a decent CTR. It’s a

see-saw, and takes weekly or monthly maintenance at first. Once you have a good setup (Campaign > Keyword Focus > Ad Group > Keywords > Ads), then LET YOUR WINNERS RUN but KILL YOUR DOGS. Meaning, once you get an SIS > 85%, an Average Position of < 4, and a CTR of > 1% or more, LEAVE IT ALONE, whether this is a Campaign, an Ad Group, a Keyword, or an Ad.

If something is a dog you either *fix it* (re-write the ads, reconfigure the Ad Group / bid / landing page) or you *kill it*. You don't just let it run and run, losing you money.

In summary, you're using these metrics to verify:

- Your ads are running vis-à-vis your target keywords by spot checking with the preview tool.
- Your SIS is > 85% meaning, your ads are running most of the time.
- Your Position is < 5, meaning you're in the #1, #2, #3, or #4 positions, at the top of the Google page.
- Your CTR is > 1% or better.

AND

- Your CPC is as low as possible by reducing your bid yet retaining the metrics above.

The Bid Simulator: A Useless and Misleading Tool

Note: at the Ad Group level in the Default Max CPC column (indicating your bid), you can click on the little zig-zag arrow to enable Google's **Bid Simulator**. This attempts to tell you if you increased your bid, what will happen to your clicks, cost, and impressions. In my humble opinion, the Bid Simulator is a completely misleading tool. I have found that often if you *reduce* your bid, your clicks stay the same or even increase as Google seems to "work harder" to spend "all your money" at the lower click bid (despite what bid simulator will tell you). I find more success systematically lowering my bids over time, yet paying attention to my SIS score and spot-checking my ads until I find the hidden "minimum bid" that Google wants to keep my ad running full blast.

Don't believe everything Google tells you.

Quality Score: Another Misleading Metric

Similarly, while there is a **Quality Score** metric available in AdWords, it is also not reliable. To find it, you have to go to *Ad Groups > Keywords*, next click on *Columns > Attributes > Quality Score*. That will enable it, so you can see it in your AdWords Reporting. Once you're enable it, you'll see a column called *Qual. Score*. Generally speaking, you want a Quality Score of 4 or higher, except remember that Google gets paid "by the click" and you make money "by the conversion," so you can have a high Quality Score for a keyword that is a dog (*doesn't convert and/or doesn't make you money*). Conversely, you can have a low Quality Score for a star (*converts well, makes you a lot of money*) for a high value keyword, and/or a keyword for which you have written a strong attract / repel ad.

You may even get a (misleading) message from Google that says "Rarely shown to low quality score" but your ad will actually still be running per SIS and/or spot checking!

So take Quality Score with a huge grain of salt! I am more interested in a) is my ad running (SIS), b) is it in a good position (top of the page), and c) is it converting on my website?

Who cares about Quality Score if a, b, and c are all working?

» MONITOR THE DISPLAY NETWORK AND/OR YOUTUBE

If you're running on the Display Network or YouTube, some of the above-mentioned metrics don't apply. SIS (Search Impression Share), for example, isn't available, and there's no easy way to spot check to verify your ads are actually running. You have to rely on impressions and click data as reported by AdWords directly. Position is also a bit misleading as on many sites in the GDN there is only one position, or perhaps two, and they don't easily line up like they do on Google. Most importantly on the GDN, you want to check (at least monthly if not more often), your **placements**.

Spot Check Your Placements

To do so, go to the Display Network tab and then click down to *Placements*. You can then click on the *Clicks*, *Impressions*, or *Cost* column to sort in descending order. You can also monitor your conversions. You're looking for "winners" or "dogs," meaning either placements that are performing well (high ROI as measured by a low CPC, high CTR, and good conversion rate) or performing poorly. If a placement is a "dog," then you probably want to block that placement by adding it to a negative placement list. I often look for

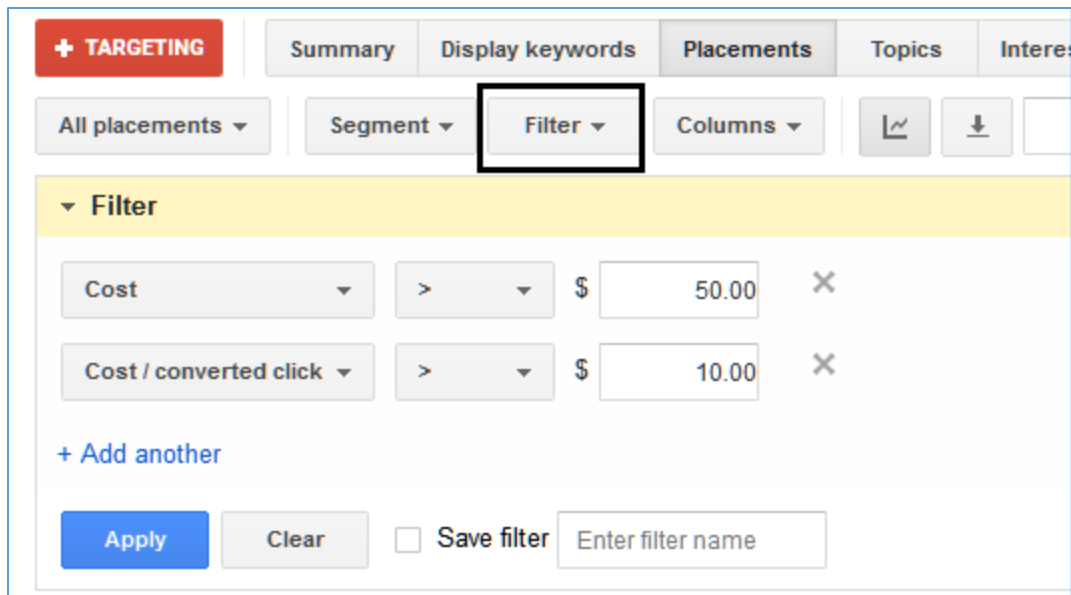
outliers – placements that have a high spend and/or a high CPC, and few conversions. You can use the Filter tab to create a filter to check for dogs.

Your very important **TODO** on the Display Network is to look for “dog” or “nefarious” websites and block them immediately.

Here’s a screenshot for a Display Network filter called “Conversion Stars” meaning high ROI:

The screenshot shows the Google Ads interface for creating a Display Network filter. The 'Filter' tab is selected and highlighted with a black box. The filter is named 'Conversion Stars' and contains two conditions: 'Converted clicks' is greater than or equal to 10, and 'Cost / converted click' is less than \$20.00. The interface includes tabs for Targeting, Summary, Display keywords, Placements, and To. Below the filter conditions are buttons for Apply, Clear, and Save filter, along with a text input for the filter name.

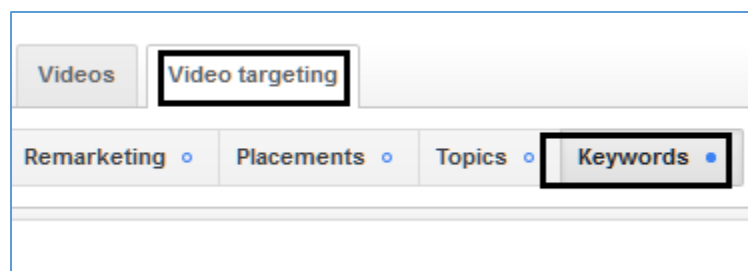
And here’s one called “Conversion Dogs” meaning low ROI:



In this way, you can identify “winners” and “dogs,” and continually improve your Google Display Network performance.

YouTube

Remember that YouTube, parallel to the Google Search and Google Display Networks, has both a *Search* and a *Browse* functionality. Accordingly, if you are running YouTube ads via Search (called “Video discovery” ads), click to the Video targeting tab, and then Keywords to view the keyword search queries on YouTube that generated impressions and views of your video. Here’s a screenshot:

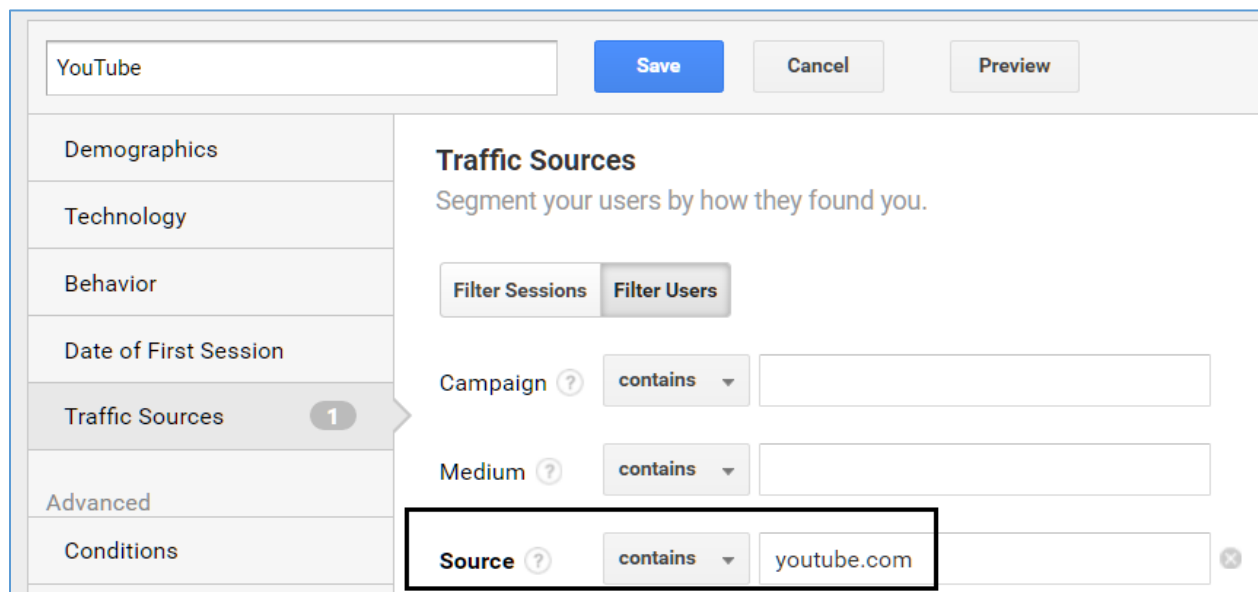


YouTube will also report clicks from the video to your call-to-action overlay, if enabled. If you’re running on YouTube for browse (meaning “In-stream ads” or “Bumper ads”), you

can click to the Placements tab and then see where your ads were run, either on YouTube or on the broader Google Display Network.

Using a Segment in Google Analytics for YouTube

Finally, inside of Google Analytics, you can set up a **Segment** to see, in more detail, how traffic from video ads on YouTube ended up on your website and whether it converted, as that data isn't easily available in AdWords or in YouTube itself. To set up this Segment, log into Google Analytics, click on the Grayed Out *+Add Segment* tab, then the red *+New Segment* button, then *Traffic Sources* and enter *youtube.com*. Here's a screenshot:



The screenshot shows the Google Analytics 'Traffic Sources' segment creation interface. On the left is a sidebar with navigation options: Demographics, Technology, Behavior, Date of First Session, Traffic Sources (highlighted with a '1' in a circle), Advanced, and Conditions. The main area is titled 'Traffic Sources' with the subtitle 'Segment your users by how they found you.' Below this are two buttons: 'Filter Sessions' and 'Filter Users'. There are three filter rows, each with a label, a dropdown menu, and a text input field. The first row is 'Campaign' with a dropdown set to 'contains'. The second row is 'Medium' with a dropdown set to 'contains'. The third row is 'Source' with a dropdown set to 'contains' and the text 'youtube.com' entered in the input field. This third row is highlighted with a black rectangular box. At the top of the main area, there is a 'YouTube' text input field, and to its right are three buttons: 'Save' (blue), 'Cancel', and 'Preview'.

For the Google help file on how to create a Segment in Google Analytics, visit <http://jmlinks.com/25s>.

In summary, on both YouTube and the Google Display Network, you're looking to minimize your Cost Per Click (Cost Per View on YouTube), place your ads on the most relevant placements, secure the highest conversion rates and minimize total costs over time. I also strongly recommend that you continually monitor both the GDN and YouTube for "bad" or "nefarious" placements that just suck money out of your account.

» SET UP GOALS IN GOOGLE ANALYTICS

The Holy Grail for an advertiser on AdWords is a conversion. When you first conceptualize your AdWords strategy, you should identify what will constitute a conversion for you, such as:

These are “hard” goals –

- A purchase on your eCommerce store.

- A completed inquiry form such as a sales inquiry.

These are “intermediate” goals –

- A completed signup form such as an eLetter sign up, free ebook or software download, etc.

- A social media action such as “liking” your company’s Facebook or LinkedIn page.

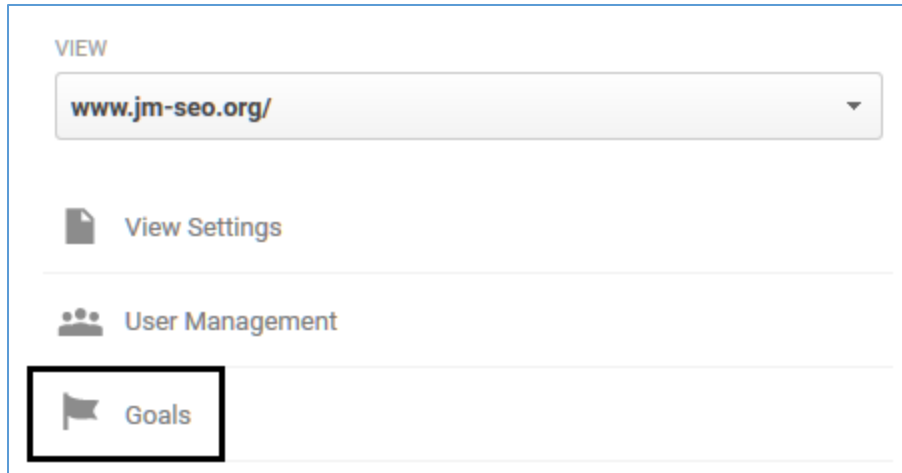
And these are soft goals –

- Page views or time on site.

- A video view

In most cases, the goal in Google Analytics can be measured as the *Thank You* page that the user hits AFTER they have completed the desired action. For example, after they fill out your inquiry form and hit send, they get to a *Thank You* page. Or, after they’ve made a purchase on your eCommerce store, they get a *Thank You* for your order page.

Once you’ve defined these goals, I highly recommend that you log into Google Analytics, and define them as a “goal” in Google Analytics. To do this, go to the view page for your Website in Google Analytics, and find the ADMIN tab on the far left column. Click here, and then on the far right you should see Goals. Here’s a screenshot:



VIDEO. Watch a video on how to set up goals in Google Analytics at <http://jmlinks.com/17z>.

Once a goal is set up, you can go back to the main page in Google Analytics, and use **Segments** to slice and dice your data and thereby see what traffic is converting (i.e., completing your goal) vs. what is not. (For help with goals, visit the official explanation at <http://jmlinks.com/19a>).

» SET UP CONVERSION TRACKING IN ADWORDS OR GOOGLE ANALYTICS

AdWords provides two ways to track conversions. Remember that a “conversion” is simply the successful completion of your “goal” such as a completed purchase on your eCommerce store or a completed feedback form on your website. Once you’ve defined these as goals on your website, you have two methods to track them.

Method #1: AdWords Conversion Tracking

In AdWords, click on *Tools > Conversions*. Then click on the red *+Conversion* button. Next, select the conversion type. For most of us, it will be “Website.” Fill out the elements as indicated:

Name. Give it a name such as “Contact Form”

Value. Estimate its monetary value to your business.

Count. Count every conversion.

Conversion Window. Set it at the default of thirty days.

Category. You can assign a category if you like.

Include in “Conversions”. Select Yes.

Attribution Model. Use “Last Click” model.

The default settings are generally fine. If you want to learn more, click on the “pencil icon” and then the “Learn more” link in blue. After you complete this, Google will give you some code to place on your website’s *Thank You* page. Either copy/paste this yourself onto the “Thank You” page or have your developer install it. You can also use Google Tag Manager (<http://jmlinks.com/25u>) to manage this AdWords tag. You can verify your installation is correct using Google Tag Assistant (<http://jmlinks.com/25v>).

VIDEO. Watch three good videos from Google on how to set up conversion tracking in AdWords at <http://jmlinks.com/26m>, <http://jmlinks.com/26q>, and <http://jmlinks.com/26t>.

Once you’ve successfully installed the AdWords Conversion tracking code, you should start to see conversions populating in your AdWords reports.

Method #2: Google Analytics

The second method is to use Google Analytics. I’ll assume you’ve signed up for a Google Analytics account, and implemented the tracking code across your website. I’ll also assume that you’ve set up goals in Google Analytics as indicated above. In general, it’s better to use Google Analytics for your tracking system rather than just the AdWords code as it is more robust. You can get a lot more data in Google Analytics than in AdWords!

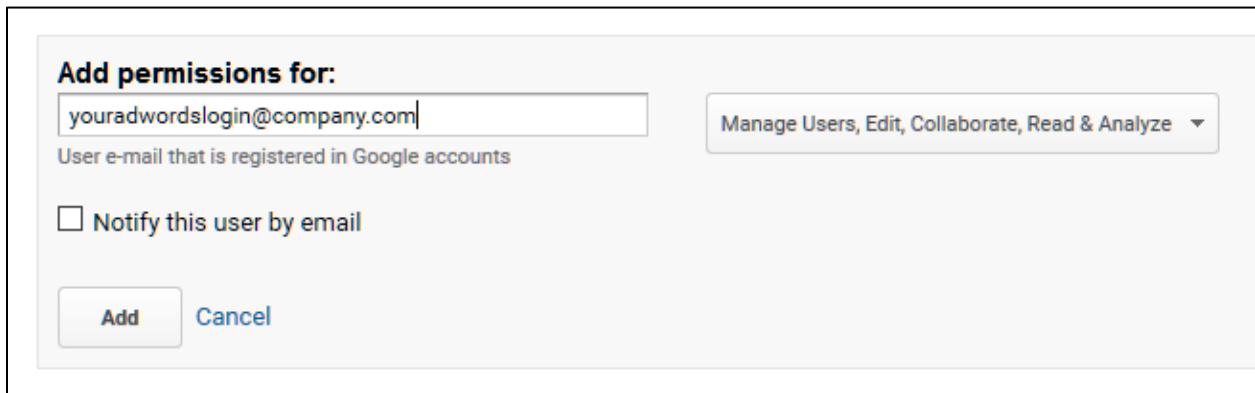
Next, you’ll need to link your Google Analytics to your AdWords account.

Add Your AdWords Login Email

If you use the same login for both accounts, this is pretty easy. I'd recommend, at a minimum, that you make sure that the AdWords login you use is also listed as an Admin on Google Analytics. To do this (necessary only if your AdWords login is not the same as your Google Analytics login email):

1. Log in to Google Analytics.
2. Click on the Admin tab / far lower left column.
3. Click on "User Management" at either the account, property, and/or view level.
4. Add your AdWords login email to the list of users, and make sure it's added as a "Manage users, Edit, Collaborate, Read & Analyze" level account.

Here's a screenshot:

A screenshot of the 'Add permissions for' dialog box in Google Analytics. The dialog has a light gray background. At the top, it says 'Add permissions for:'. Below this is a text input field containing 'youradwordlogin@company.com'. To the right of the input field is a dropdown menu showing 'Manage Users, Edit, Collaborate, Read & Analyze' with a downward arrow. Below the input field, it says 'User e-mail that is registered in Google accounts'. There is a checkbox labeled 'Notify this user by email' which is currently unchecked. At the bottom left, there are two buttons: 'Add' and 'Cancel'.

Link AdWords to Google Analytics

Next, you'll need to link your AdWords account to your Google Analytics account. Login to AdWords, and then click the Gear icon on the top right of the page. Then click "Linked accounts," and then click Google Analytics on the left column. You should see your Google Analytics account and then click the "Set up link" icon.

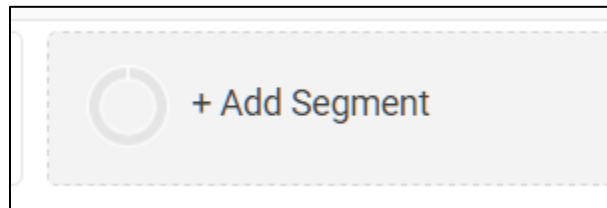
This can be a little tricky, so don't hesitate to call AdWords technical support by clicking on the Gear icon, and then finding the phone number. It's 866-246-6453 in the United States. The AdWords tech support team can walk you through how to link your AdWords to your Google Analytics account.

VIDEO. Watch a video from Google on how to link Google Analytics to your AdWords account at <http://jmlinks.com/26s>.

Finally, once you've linked the two accounts you should start to see conversions populating into your AdWords report. You should also **verify** that your account is linked by looking inside Google Analytics as follows:

1. Login to Google Analytics.
2. Click on *Acquisition* on the left column.
3. Click on *AdWords*.
4. Click on *Campaigns*. You should see your AdWords Campaigns here.
5. Click on *Keywords* and *Search Queries*, and you should see those here.
6. **Important:** you should see Sessions data and Pages / Session data. This means that you can track behavior after the first page to see where people go on your website.

Finally, it's a good idea to create a Segment that is for just your AdWords traffic. To do this, click on the grayed out *+Add Segment* link at the top of the page in Google Analytics. (It's a little hard to see, so you may have to hunt for it). Here's a screenshot:



Next, click on *System* in the left column, and then find the Segment called *Paid Traffic* (if you are only advertising on AdWords). If you are advertising on other venues like Bing, Yahoo, or Facebook, click the red *+New Segment* button, give it a name like AdWords, then click *Traffic Sources* on the left, then *Medium* contains **cpc**, and *Source* contains **google**. Here's a screenshot:

At this point, you've set up goals in Google Analytics, correctly linked Google Analytics to AdWords, and set up a segment that allows you to examine the behavior of your AdWords-originating traffic exclusively. Be proud!

» REVIEW YOUR CONVERSION DATA IN ADWORDS

Now, let's return to AdWords and view the data inside of AdWords. Once you've activated goals and conversions in AdWords and/or Google Analytics, you should start to see conversions show up in your AdWords Reporting. If you remember that AdWords is a hierarchy, you'll be able to keep oriented as you view the following:

Conversions vs. Campaigns. *Which Campaigns are performing the best?*

Conversions vs. Ad Groups. *Which Ad Groups are performing the best?*

Conversions vs. Keywords. *Which Keywords are your best performers?*

Conversions vs. Ads. *Which ads are your top performers?*

You may not see Conversions showing up in the AdWords columns, so I recommend that at each level, you enable conversion data. At the Campaign level, for example, click on the *Columns tab*, then *Modify Columns*, and then click on *Conversions*. You have a bunch of conversion drill downs there, but I recommend you enable:

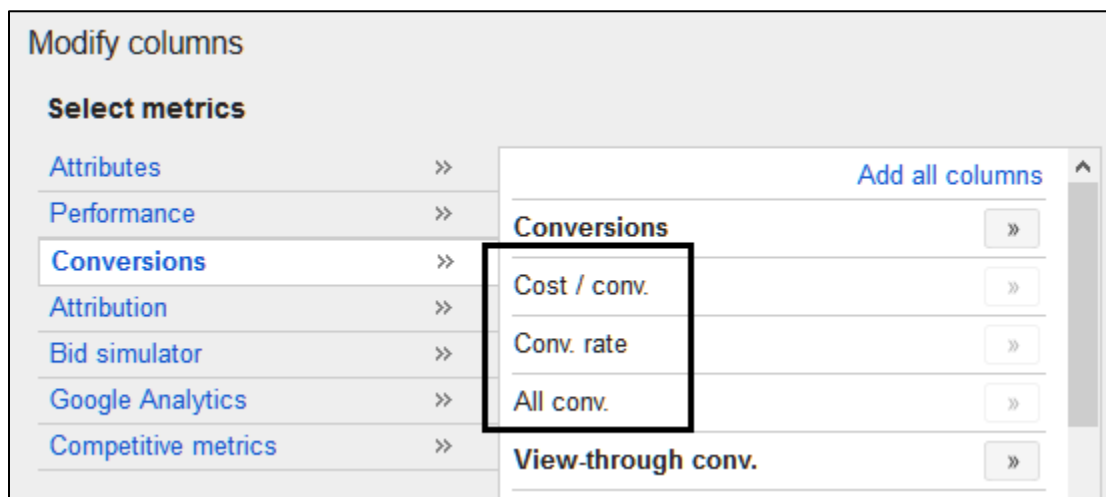
Conversions. This will tell you the quantity of conversions. *More is better.*

Cost / conv. This will tell you how much you are paying to get a conversion. *Lower is better.*

Conv. rate. This will tell you the number of conversions / clicks. So, if you have 10 conversions out of 100 clicks, you have a $10/100 = 10\%$ conversion rate. *Higher is better.*

If you've assigned a value to a conversion, or enabled eCommerce tracking in Google Analytics, you can also enable value metrics in AdWords. These tell you not only the raw quantity of conversions but the value to you of a conversion as well.

Here's a screenshot:



You can browse this data at the Campaign, Ad Group, Keyword, and Ad levels. You can also use the *Filter* tab to create a filter. For example, here's a Filter to find Keywords for which we've spent more than \$50 and the Cost per Conversion is > \$10.

The screenshot shows the Google Ads interface with the 'Keywords' tab selected. Below the navigation tabs, there are sub-tabs for 'Keywords', 'Negative keywords', and 'Search terms'. A toolbar contains 'All enabled keywords', 'Segment', 'Filter', 'Columns', and a chart icon. The 'Filter' section is expanded, showing two filter rules: 'Cost > \$50' and 'Cost / conv. > \$10'. Each rule has a dropdown for the metric, a comparison operator, a value field, and a clear button. Below the rules is a '+ Add another' link. At the bottom, there are 'Apply', 'Clear', and 'Save filter' buttons, along with a text input field for 'Enter filter name'.

In this way, at any level (Campaign, Ad Group, Keyword, Ad) you can use a Filter in combination with Conversion data to identify “dogs” or “winners” and act accordingly.

If you've enabled the value metrics, you can use your conversion data to find out:

Quantity. Which Campaigns / Ad Groups / Keywords / Ads are generating the highest volume of conversions?

ROAS / Quality. Which Campaigns / Ad Groups / Keywords / Ads are generating the best *return on ad spend*, namely –

- **Highest gross value.** Greatest dollar value as measured in sales volume.
- **Most attractive performance.** Highest conversion rate, and highest revenue per conversion.

- **Highest ROI.** Highest revenue per click as measured by highest value per conversion vs. click.

Time Horizons for Conversions

A Conversion in AdWords / Google Analytics defaults to a thirty day window, so remember that if you are looking at very fresh data (e.g., *yesterday*, *last week*), you will tend to underestimate your conversions and overestimate your cost per conversion. In addition, the tracking isn't perfect so AdWords / Google Analytics may significantly undercount conversions, not to mention fail to take into account lifetime customer value (LCV).

Use your gut instinct in combination with conversion data to verify that your AdWords advertising is working.

Conversions in Google Analytics

Google Analytics will give you even more robust data on conversions than AdWords. If you're using eCommerce, for example, and you've linked your eCommerce account to Google Analytics, Analytics will automatically populate eCommerce sales as conversions and track the sales value. And, if Google Analytics is correctly linked to AdWords, then this **conversion value** will be populated in AdWords as well, automatically.

In this way, you can see the revenue per conversion data in Google Analytics as well as the raw conversion numbers.

You can also drill down into a Campaign, Ad Group, and/or Keyword to see which ones are generating the most clicks into your website and if the user fails to convert, you can follow the path from landing to bounce or exit. In this way, you can attempt to "debug" problems, wherein you are getting clicks from AdWords but not conversions. You can even use Analytics' Funnel Visualization tool to graphically represent the path from landing to conversion (or bounce / exit). Inside of Google Analytics, therefore, you have an even more detailed window into not only who clicks on your ads on AdWords, but what happens after the click, including those who convert easily at a high value and those who fail to convert or convert only at a low value.

» IDENTIFY PROBLEMS AND OPPORTUNITIES

I recommend that, at first, you check your AdWords performance at least once a week. When you first start a new Campaign, I would even check it daily to make sure that it's actually running and that your spend and results are commensurate with your goals. Once you're up and running, then I find that – for most small business advertisers – checking twice a month is sufficient. (Obviously, if you are a large company or spending a significant amount, you'll want to check it more frequently).

Here's a list of things to check and opportunities to build out from; for each, at the *Campaign > Ad Group > Keywords > Ad level*. For our hypothetical Jason's Cat Emporium business, for example, we'd have at least two Campaigns (one selling cat accessories and one selling cat boarding & grooming). We'd then check each Campaign, as well as the Ad Groups inside them (both on the Search and on the Display Networks), especially with an eye towards keywords and conversions.

A Twice Monthly Checklist

At least once a week (at the beginning) and then twice-monthly, here are things to check at every level (Campaign / Ad Group / Keyword / Ad):

1. **Are your ads running?** Do a spot check using the Google AdWords *Ad Preview and Diagnosis* tool (on the Tools tab) to verify that your ads are actually running vis-à-vis your target keywords. If you're geotargeting, be sure to spot check various target cities. Check your recent performance to make sure you see impressions and clicks, and check your **SIS score**.
2. **Double-check your Keywords.** What keywords are your running on as indicated by the "Search Terms" on the Keyword tab? Look for strong, valuable keywords vs. bad matches, or low-converting keywords. If keywords are erroneous or poor performers, consider blocking them as "negative keywords."
3. **What are your Impressions, Clicks, Average CPC, CTR, and Costs?** Do they look to be in the ballpark of what you want?
4. **What's Your Budget / Spend Month-to-date?** Check your budget at the Account, Campaign, Ad Group, and Keyword level to make sure it's within your budget. If it's too high, pause or bid lower on less lucrative keywords. If it's still too high, consider re-optimizing. It's better to run "full blast" on your high ROI keywords and not at all on low performers than to spread yourself too thin.
5. Do you see any **messages from Google** such as "Limited by Budget," "Below first page bid," or "Rarely shown due to low quality score?" If so, investigate and fix.
6. **Is your SIS > 85%?** How does that compare with your **Average Position** (< 4)? And what about your **CTR** (ideally, > 1%)? Adjust bids and/or re-write ads to

attempt to hit the “happy medium” of SIS > 85% / average position of at least 4 / CTR > 1%.

7. **How are your conversions?** Which Campaigns and Ad Groups have decent conversion quantities, conversion rates, and conversion values? Which ones are high ROAS, and which ones are low?
 - a. Look at the Keyword level at your conversions. Which keywords have decent or better conversions, and which are below average? Investigate and fix as needed.
8. As for the **Google Display Network**, be sure to check your placements (looking for nefarious or “dog” placements) as well as check your CTR’s and conversion rates and values.

In addition to the above, be on the look out for “dogs” and for “winners.” As for “dogs” – Campaigns, Ad Groups, Keywords, and/or Ads that are low performers – try to fix them as needed, and if necessary “kill” them. There’s no shame in giving up on either non-winnable keyword patterns at an affordable price, or in realizing that some keywords are just “dogs.” I will say it again:

KILL YOUR DOGS & LET YOUR WINNERS RUN

Pull Winners Out into their Own Special Ad Groups

As for “winners” or “opportunities,” identify your best-performing Campaigns, Ad Groups, Keywords, and/or Ads and let them run. In particular if you find keywords at the keyword level that are strong-performers, think of breaking them out into a special ad group.

Remember that Google rewards a tight linkage between your Ad Groups and Keywords, so if there’s a high performing keyword, breaking it out into a specialized Ad Group will generally boost its SIS, position, click thru rate and even conversion rate.

If for example, we learn that the phrase “luxury cat boarding” generated a high return on ad spend, then we’d break it out into a special Ad Group with special, unique ads just for it as well as a uniquely optimized landing page.

Situate AdWords ROI within Other Online Opportunities

Finally, don’t forget to compare your return on investment through AdWords with your ROI from other Internet marketing methods, such as SEO and/or Social Media. In particular, use a tool like FatRank for Chrome (<http://jmlinks.com/25w>) and/or the AdWords Preview tool by city to see if you’re ranking for “free” on Google with organic results. If you are ranking in the top three positions organically, then consider either cutting back on your AdWords spend for that keyword, redeploy those funds to other more needy keywords, or just be happy that you’re crushing it with visibility via AdWords *and* via Organic for high value keyword patterns.

If you’re running on the Display Network or YouTube, consider trying out **social media advertising** on Facebook, Twitter, Instagram, or LinkedIn, as often performance on those social media networks will outperform that of the Google Display Network with its plethora of nefarious site partners. The ROI on **email marketing**, in particular, is one people often miss. So don’t overspend on AdWords yet starve your email marketing efforts.

»» DELIVERABLE: AN ADWORDS METRIC WORKSHEET

The **DELIVERABLE** for this chapter is a completed worksheet on AdWords Metrics.

For the **worksheet**, go to <https://www.jm-seo.org/workbooks> (click on “AdWords Workbook 2017,” enter the code ‘2017adwords’ to register if you have not already done so), and click on the link to the “AdWords Metric Worksheet.”



8

ADWORDS TOOLBOOK

AdWords is easier with tools. To that end, I've compiled a companion *AdWords Toolbook*. Register your copy of the AdWords Workbook, and you'll get full access to a PDF of all my favorite AdWords tools plus my handy "dashboard" with easy, clickable links. In addition, here are the best of the best – my favorite AdWords tools, ranked with the best ones first. To access the AdWords Toolbook, go to **<https://www.jm-seo.org/workbooks>** (click on "AdWords Workbook 2017," enter the code '2017adwords' to register if you have not already done so), and click on the link to the *AdWords Toolbook*.

That said, here are my "Top Ten" free tools for AdWords.

GOOGLE GLOBAL MARKET FINDER -

<http://translate.google.com/globalmarketfinder/g/index.html>

This is a new and different spin on the Google keywords tool. You can use it to browse keyword trends by countries, and you can drill down into synonyms based on the primary Google keyword tool. In some ways it's just a cooler, faster way to generate a list of keyword synonyms even if you aren't really interested in geography. Check it out, it's a COOL TOOL.

Rating: 5 Stars | **Category:** tool

SEED KEYWORDS - <http://www.seedkeywords.com/>

This is a wonderful human / machine tool. Gather your team together (or they can be in diverse cities). Create a prompt, such as 'you're hungry and you love Italian food, what would you search for?' This then creates a 'workspace' and as people type in their ideas it consolidates them into a master list. Excellent and fun tool for keyword brainstorming!

Rating: 5 Stars | **Category:** tool

SERPS.COM KEYWORD TOOL - <https://serps.com/tools/keyword-research/>

Bye bye keyword planner and hello Keyword Tool. SERPS.com has done a great job on this easy-to-use, powerful, and FREE alternative to Google's Keyword Planner.

Rating: 5 Stars | **Category:** tool

UBERSUGGEST - <https://ubersuggest.io/>

Do you love Google suggest (the drop-down suggestions displayed when you type into Google)? It's great for keyword discovery. Ubersuggest is even better - it does a variety of things to provide all sorts of keyword suggestions. So it's a wonderful keyword discovery tool!

Rating: 5 Stars | **Category:** tool

GOOGLE ADWORDS HELP CENTER - <http://support.google.com/adwords>

Your gateway to easy-to-use lessons about the Google AdWords advertising program. Whether you're just getting started with AdWords, seeking to improve your ad performance, or studying for the Google Advertising Professionals exam, you'll find lessons designed to help you learn at your own pace. You can also read the complete version (with all available lessons).

Rating: 5 Stars | **Category:** resource

LOCAL RANK CHECKING VIA ADWORDS - <https://adwords.google.com/apt/AdPreview>

This is the OFFICIAL Google AdWords preview tool. But, guess what. You can use this to vary your city location, and check your rank against various cities. If, for example, you are a pizza restaurant serving San Jose, Milpitas, and Santa Clara, you can type in 'Pizza' and see your rank in different cities. You can login to your AdWord account and click Tools - Preview Tool or use this direct link.

Rating: 4 Stars | **Category:** tool

ADWORDS EDITOR - <https://adwords.google.com/home/tools/adwords-editor/>

AdWords Editor is a free, downloadable (Windows or Mac) application for managing large Google AdWords accounts efficiently. Download campaigns, make changes with powerful editing tools, then upload the changes to AdWords.

Rating: 4 Stars | **Category:** tool

GOOGLE ADWORDS KEYWORD PLANNER - <https://adwords.google.com/home/tools/keyword-planner/>

Who got the data? Google got the data. Use the Keyword Planner for keyword discovery for both SEO and AdWords, but be sure to know how to use it. Not the easiest user interface, and remember it ONLY gives data for EXACT match types. NOTE: you MUST have a paid account to use.

Rating: 4 Stars | **Category:** tool

SEM RUSH - <https://www.semrush.com/>

Similar to KeywordSpy, this tool allows you to enter a domain or a competitor, and returns a list of AdWords keywords they are running under as well as their organic keywords. Use it to track a competitor, as well as to generate a keyword list (keyword discovery).

Rating: 4 Stars | **Category:** tool

ADWORDS YOUTUBE CHANNEL - <https://www.youtube.com/user/learnwithgoogle>

Official Google AdWords channel. Learn from the horse's mouth how to advertise on AdWords, why advertise, etc. Of course, be a bit skeptical as it is by Google, about Google, and ultimately for Google!

Rating: 4 Stars | **Category:** resource