

The Embryo Guide to PPC

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Definition of PPC

PPC stands for pay-per-click. This is a model of internet marketing whereby advertisers pay a cost every time one of their ads is shown, and then clicked on. It's a way of purchasing visits to your website, rather than trying to earn them through organic ranking positions.

A popular form of PPC is search engine advertising, which allows advertisers to bid for ad placements in a search engine's sponsored links, when an individual searches for a keyword that is related to their business offering. For example, if you were a camping supplies business, you may want to bid on keywords such as, "Outdoor tent", "Camping inflatable bed" and "Camping sleeping bags", so that your ads for said products show up in the very top spot on the Google results page.

Every time an ad is clicked, it sends a visitor to your website, and you pay the search engine – for example, Google or Bing – a fee.

Much goes into creating a great PPC campaign – from researching into and choosing the right keywords, through to building campaigns, ad groups and setting up PPC landing pages that are optimised for conversions. What's more, search engines reward advertisers who can establish relevant and targeted campaigns, and therefore need an experienced PPC team behind them.

Benefits of PPC

- PPC ads reach targeted audiences whilst allowing you to have control over your budget, targeting and ad placements.
- Offers multi-layered targeting options, based on age, location, interests and platforms – for example.
- Allows you to reach the right people at the time they are actively searching for your products and services, making conversions – whether that's sales, subscriptions or downloads – more likely.
- Provides instant traffic, in comparison to SEO endeavours, which though important for brand-building, can take months.
- Unlike SEO which can be impacted by algorithm changes, PPC advertising generally offers better stability.
- PPC user data can also benefit your social media strategy – through the use of "Audience Observations" – reducing the cost per acquisition while converting more customers than standalone PPC campaigns.
- Allows for smart retargeting, to remind interested parties in your offering, and why they should choose you.

PPC Terms & Definitions

AdSense

A Google-based program that reimburses companies/users for showing display ads on their website. It works by matching relevant text and ads to the content and visitor profiles on hosting sites.

Ad Text

Your keywords should help with the ad copy you create. Because Quality Score is related to relevance, the ad text should incorporate relevant keywords that you're looking to target.

CPA

Cost-Per-Acquisition (CPA) equates to the average cost of generating a customer via your PPC ad.

CPC

Cost-per-click (CPC) is the amount of money you pay per click on your ad. CPC acts as your bid in an online auction, that decides ad placement in the search results. Typically, a higher bid results in a better ad placement. You can also set your CPC at the maximum price you are willing to pay per click on your ad, to ensure you don't overspend in relation to budgets.

CPL

Cost-Per-Lead (CPL) equates to the average cost it takes to achieve a lead.

CPM

CPM (Cost per Mille), also known as cost per thousand, is the cost per one thousand impressions of your ad.

CTR

Click-Through Rate (CTR) is the ratio of the number of clicks to the number of times your PPC ad was shown (ie, the impressions).

Click-to-Call

Google Ads type that places your business phone number underneath your PPC ad, allowing users to click said number to call you.

Cost-Per-Engagement

The average cost for a single interaction with your PPC ad.

Keywords

Every ad within your ad group will target keywords related to audience searches. It's these keywords that signal to search engines which terms and phrases you'd like your ad to be displayed for in the SERPs.

Landing Page

An important part of the PPC strategy. This is where users end up after clicking on your PPC ad. This may be a specific product page, your homepage or a contact us page – for example.

Maximum Bid

This is the maximum amount you're willing to pay per click on your ad.

PLA

Product Listing Ads (PLA) – also known as Google Shopping ads – are a type of paid ad that includes product images, prices and the brand name, in a bid to appeal more to the intended audience.

Quality Score

This score is what search engines provide your ad with, based on your clickthrough rate (CTR). It's measured against the average CTR of ads in that position, as well as keyword relevance, landing page quality, and past performance in the SERP.

ROAS

Return on Ad Spend (ROAS) is the ratio that identifies the amount of money gained or lost to the amount invested, per ad.

SQR

Search query reports (SQR) detail what exactly a user is typing to find your ad, as there will be query variations from your keywords. For example, if your keyword is "nike shoes", queries could be "nike shoes size 9" "red nike shoes" etc. Therefore your report could identify new keywords and block irrelevant queries coming through.

PPC Platforms

Now you know what PPC is, the next step in your paid advertisement journey will involve figuring out which platform to run your fantastic new campaign on. The right platform will depend on numerous factors such as budget, target market, and the type of product or service that you're looking to advertise. However, as a general rule of thumb, you want to advertise on the platform that has the most people visiting it. There are exceptions and, for a smaller overall budget, you could advertise on a more specialist platform. But, at the end of the day, there is a reason that the big platforms such as Facebook and Google are so popular. And it's because everyone is on them, scrolling, searching, and looking for products and services such as yours.

To find the best one for your business, look at the potential ROI (Return on Investment) of each platform. This is one of the most important metrics to measure your PPC campaign against, and will be key when it comes to picking the platform(s) that you use. As well as ROI, the availability of keywords is also another important factor. Keywords are the backbone of search – both organic and paid – so it's important to understand the ease with which your adverts will be picked for certain terms and phrases. For example, it might be harder to get a PPC ad shown for an incredibly competitive keyword such as 'Men's Shoes'. However, with a bit of research, you might discover a smaller, more niche keyword that isn't as competitive, but just as fruitful financially, such as 'Men's Black Running Shoes' or 'Men's Brown Oxford Brogues'.

Here are just a few platforms you could choose from:

Google Ads, formerly called just 'AdWords'

It shouldn't be much of a surprise to see Google Ads feature at the top of this list. It's such a widely used platform that it is its own verb. In short, Google Ads is the king of PPC advertising. While the ad spend needed to perform well may have to be higher, owing to the competitiveness of the platform, the fact that 3.5 billion searches are made a day should be incentive enough to invest.

With a good amount of research, you're bound to find a host of relevant, moderately competitive keywords to target. The theory behind Google Ads is pretty straightforward. People search for products or services that are similar to yours, and your PPC ads, if deemed suitable enough, appear at the very top of the SERP, above the organic results.

Whether you choose to use other, more specialist platforms, there's a pretty good chance that Google Ads will play a significant role in your PPC campaigns.

Microsoft Ads, formerly known as Bing Ads

While it may very much be in the shadow of Google, Bing and Microsoft still have value in the PPC market. Why? Well, in a lot of ways, it comes down to cost. The CPC for Microsoft Ads is far lower than their Goliath of a rival (Google). This low CPC is because Bing and Microsoft command a far smaller audience than Google, making the chances of people clicking on your ad less.

YouTube Ads

While it may not seem immediately apparent, Youtube's ad features are intrinsically linked to Google Ads, and PPC in general, because the video-sharing platform is owned by the search engine giant. The principles of PPC work the same on YouTube in that, if people click on your ad before, or during, the video they are watching, you'll get a visitor to your site and you'll get charged for the cost of the click. Because YouTube is powered by Google, you can target videos that feature keywords that are relevant to your business. For example, you could advertise your fishing rod company on YouTube's most popular fishing channel's recent video.

AdRolls

The perfect retargeting platform. AdRolls ensure that you give your business the best possible chance of converting people into leads and sales. Retargeting works by showing advertisements of your products or services on other websites that people visit after they have visited yours. For example, let's say that someone has just left your website, and you sell kitchenware. When they head to another website, for example, The Daily Mirror's website, adverts of the kitchenware that they were looking at will appear on the sides of the article. The effectiveness of AdRolls varies depending on the intent of the user, and the quality of the advert. However, at the very least, AdRolls keep your product or service in the minds of the user for just a little longer. This could be the difference between them choosing you over a competitor.

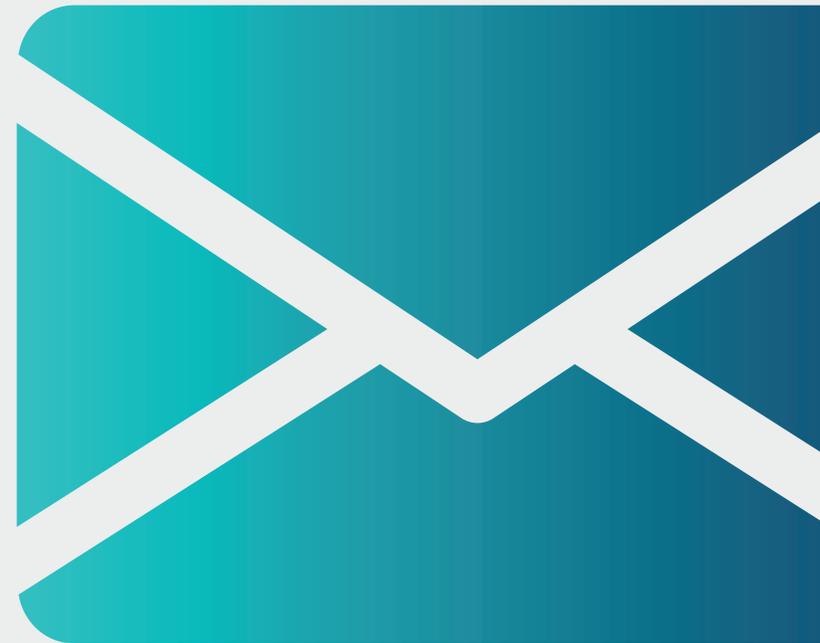
Gmail Ads

Also powered by Google, Gmail PPC ads take the form of faux emails that appear at the top of a user's inbox. It's easy to see the appeal of Gmail ads, especially because of the effectiveness of email marketing. Having your advert sat in the inbox of key people in your industry, combined with the right personalised subject line, can be a recipe for success.

Facebook Ads

Another big player in the PPC market, Facebook Ads are another must, especially for B2C (Business To Customer) businesses that have products or services to market. The key difference between Google Ads and Facebook Ads - and the reason why both are needed - is the targeting ability of the social media platform. With Facebook Ads, you can be laser-focused on who you target. You can target different demographics, areas, behaviours, genders, and interests to create advertisements that are, in theory at least, bespoke for your target audience.

Here at Embryo, while Facebook Ads work on a pay-per-click basis, we separate Facebook Ads from PPC campaigns. Facebook Ads fall under the remit of our talented Paid Social team.



Creating Campaigns

So you've picked your platforms and have your agreed-upon budget, ready to spend. Now it's time to actually go out there and do it. Learning about PPC, and carrying it out, are two different beasts, and it's important to recognise that you'll learn as you go, and may well make mistakes before settling on the right approach. Here, we're going to break down how to structure your campaigns to get the most success, and the best ROI, at the earliest possible opportunity. Obviously, every business will be different, but this five step guide will help you no matter what industry you're in.

- 1. Create clearly defined parameters:** Without properly defined parameters, your ads won't be as effective as they could be. PPC is all about optimising your ads so that, when individuals search for related keywords, they are shown at the top of the page. As a result, you need to think about what you want these ads to do (e.g. increase sales or grow brand awareness) and how they fit into your broader business strategy.
- 2. Define campaign goals and create relevant metrics:** Relevant campaign goals will be the thing that shows how effective your ad spend is. If the goal of your campaign was to increase leads by 10%, and PPC advertising helped you to achieve that, you can show key stakeholders and senior management that PPC was worth the investment. Metrics will give you insight and inform you about the next steps to take.
- 3. Select the appropriate campaign type:** There are just under half a dozen campaign types to choose from, all of which have their features, benefits, and drawbacks. If you can afford to, experiment with different types of campaigns to find the one(s) that suit your campaign goals, and are effective at targeting your specific audience. Types of PPC campaigns include: Search Ads, which are the most recognisable form of PPC, Google Shopping campaigns, and remarketing campaigns.
- 4. Carry out keyword research:** Behind setting your parameters, keyword research is another key part of the process. Each ad group you create will need to have a group of keywords assigned to it, so that search engines know which terms you want your ads to show up for. Choosing between 1-5 extremely relevant keywords per group is a good rule of thumb. Once decided, monitor the performance of your ads across these keywords and make adjustments if needed.
- 5. Set up analytics and tracking:** Analytics, particularly Google Analytics and their tracking functions, will act as the compass for your PPC campaigns. They will provide priceless insights into how your campaigns are performing, how users are interacting with your ad content, and give you the raw data needed to make informed decisions. And, given that Google Analytics is free, there is no excuse not to use it.

The Different Ad Types

You might be aware that there are actually a few different ad types you can experiment with when it comes to PPC.

These include:

- **Responsive search ads**

Responsive search ads use intelligent testing on the part of Google Ads to improve campaign performance. When creating responsive search ads, our PPC managers will enter multiple integrated headlines and ad descriptions, with the option to show users more targeted or specific ads. Then, Google Ads will test headlines and ad content interchangeably to find the most accurate and best-performing combination.

- **Expanded text ads**

Expanded text ads allow you to create ads with multiple copy options (three headlines and two ad descriptions). They allow you to see the results of different combinations, but are much simpler to analyse than responsive search ads, for example.

- **Banner ads**

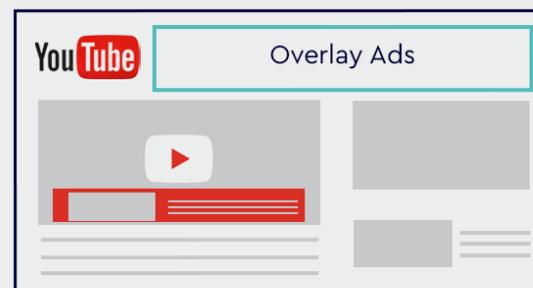
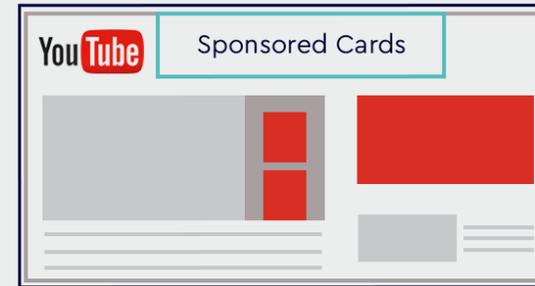
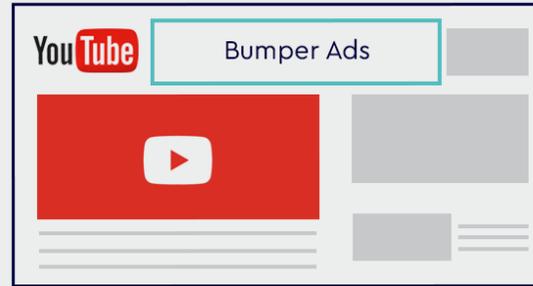
Banner ads appear on websites within Google's display network (which reaches up to 90% of internet users), and display designed ads across the top, sides or middle of the page they're showing on.

- **YouTube ads**

We've all seen the ads that appear before almost any YouTube video. These work in much the same way as traditional Google ads, where companies only pay if a user clicks on or watches a full ad – depending on the way your ads are set up, you generally don't have to pay if a user skips the ad as soon as they can. Of course, there are also non-skippable ads, which are a little more expensive. There's also a massive amount of data that Youtube ads can utilise within the platform to further optimise the ads they show.

YouTube | Advertising

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Writing a Great Ad

It's not all numbers though – being able to write quality, engaging ads that capture the attention of your audience is a skill that all PPC managers need to have. Best practices for writing PPC ads are based on years of experience and research to provide users with the best experience, and companies with the best results. Some key points to consider when writing your ads include:

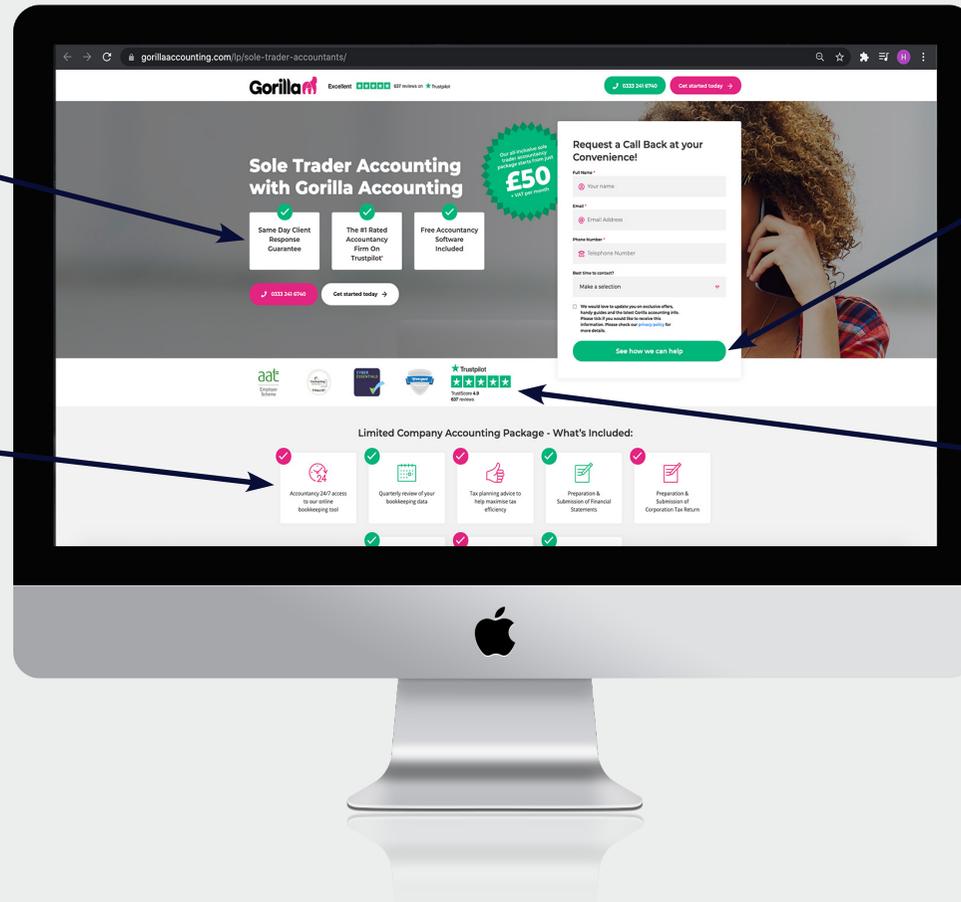
- Are your ads relevant to the keywords you're targeting, and are they being used in your ad copy?
- Are your competitor's ads too similar? Standing out is key, so you want your ads to look different to other businesses competing for the same ad space.
- Which calls to action are you using, and why? Do you want users to buy now, call, apply or enquire?
- Can users see your USPs in your ads? Do you have a warranty, a price match promise, payment plans like Klarna or free delivery, for example?
- What does your headline say about your product or service? Is it engaging and will it stand out in the SERP?
- Are you using capitalised text? This will also help to make your ad pop among a sea of others.
- Is your ad copy within the character limit? Headlines have a 30 character limit, while ad descriptions have a 90 character limit before they'll be cut off.
- What does your landing page look like? All of your PPC efforts will be for very little if you don't have a high-quality page to direct your users to.

Creative Landing Pages

Here's an example of a landing page with a 30% PPC conversion rate.

Quick informational bullet points highlighting USP's

Call To Actions - why choose our business vs a competitors



Above the fold enquiry button

Awards & accreditations to improve user trust

PPC Budget

Unlike SEO or content, PPC is all about cost. Whether it's the cost-per-click, the value of a lead, or the amount of investment you want to make, money makes PPC go round. Budgeting, and making sure you have an appropriate level of PPC spend, is essential to success. Spend too little and your ads won't reach enough people. Spend too much and you risk paying over the odds for just a few extra clicks. Here, we're going to dive into PPC budgets, and you'll learn how to set, calculate, and manage them in order to drive results into the green, and away from the red.

Setting your budget depends on factors that are unique to your industry. These factors could be:

- Your location.
- The cost-per-click for the keywords you're targeting.
- The industry conversion rate.
- Quality of leads (if one lead in your industry is worth thousands of pounds you can adjust budgets accordingly).
- Visitor frequency.



What you Should be Monitoring

One of the great things about PPC advertising is the ability to track a whole array of metrics. What follows are the key measures to help ensure your campaigns stay on track.

Profit & Return on Investment (ROI)

The most important metrics that determine whether your campaigns have been successful, and are worth the amount invested in them. The main goal for any PPC campaign is to bring in sales, or drive conversions for the business.

Conversions

An event or action that takes place on your website, as a result of your PPC ad. When choosing the action – whether that's a sale, download or subscription – you should select a conversion that brings value to your business, and helps to meet the aims and goals that you have set up your campaigns to achieve. Examples of conversions include: Purchases, leads, page views and sign ups, as well as phone calls and app installations.

Return on Ad Spend (ROAS)

This is calculated by dividing revenue by ad spend, and can be used to determine whether your ad spend is generating the expected value from your campaign. ROAS helps you to measure the performance of your campaign, and if you compare with others, which one is performing better, and the reasons why this may be.

Cost Per Click (CPC)

The amount of money it has cost you when a visitor has clicked on your ad, and visited your website. One of the best ways to track CPC is to also track which keywords are costing you the most, and determine whether they are generating enough conversions to justify spending for said click.

Click Through Rate (CTR)

The rate at which your PPC ads are clicked, and is the percentage of people who viewed your ad (impressions) who then go onto click the ad. This metric is important because it impacts your Quality Score, and what's more, Google Ads and other search marketing platforms provide pricing discounts for ads that provide better relevance (ie, get more clicks).

Across all industries, the average CTR in Google Ads is 1.91% for search ads and 0.35% for display ads. However, this is an average, and a more targeted approach per industry is recommended.

Landing Page Performance

Using Google Analytics, we can track key measures of landing page performance, to gain knowledge of how they're doing, and whether they're serving their purpose. These metrics include: bounce rate, session duration and goal completions. If bounce rate is high, and the latter metrics are low, it could suggest that further page optimisation is needed, as well as a page redesign.

Impressions

Impression share is the percentage of impressions that your PPC ad receives in comparison to the full amount it could gain. It's calculated as: $\text{Impression share} = \frac{\text{impressions}}{\text{total eligible impressions}}$. Eligible impressions take various factors into account, such as targeting settings, ad approval and quality. Impression share is a good metric to track because it can help you determine whether a bid or budget increase will result in better ad reach, and impressions.

Absolute top impression share (ATIS) is the percentage of your shopping ad impressions that appear in the best position. A good indication of your prominence, it's calculated as: $\text{Absolute top impression share} = \frac{\text{absolute top impressions}}{\text{total eligible top impressions}}$. This metric can help you determine whether your products may appear in a better position should you increase your bid, or budget.

Summary

- 1 PPC is a strong way to reach a more targeted audience, who are actively searching for your products and services.
- 2 PPC uses keywords and key audience data to optimise your ads, ad groups and campaigns.
- 3 There are various platforms you can use, with each requiring specialised strategies that can help to meet business goals.
- 4 Choosing a budget will depend on various factors, and you should monitor how beneficial all keywords are to your success.
- 5 Keeping track of your results is always recommended, allowing you to make updates and changes as and when required.

Our team have reworked the standard PPC process to maximise advertising potential.

Our account builds exceed because we follow our own, bespoke, careful and strategic approach that uses extremely granular structures and custom-built scripts.

We use this advantage to analyse and optimise data constantly. This helps us to overachieve for our clients.

Want to find out more? Get in touch below.

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