

Axandra

# Successful Advertising with Google AdWords

Lower your advertising costs and make more profit!



Distributed as  
downloadable PDF file

[www.Axandra.com](http://www.Axandra.com)

# Table of contents

<b>Foreword</b>	<b>4</b>
<b>Introduction to Google AdWords</b>	<b>5</b>
The Success of Google AdWords .....	6
How Google AdWords Works .....	8
What AdWords Ads Cost .....	9
How Display Positions are Determined .....	10
The Advantages of Google AdWords Compared to Traditional Advertising .....	11
Google AdWords Partner Sites .....	12
How to Optimize AdWords Ads .....	13
<b>Google AdWords for the First Time</b>	<b>14</b>
The First Day .....	15
Opening an AdWords Account .....	16
How an AdWords Campaign is Structured .....	17
Tips for Managing Your AdWords Account .....	19
<b>How to Select the Right Keywords</b>	<b>20</b>
Keyword Matching Options in Google AdWords .....	21
Increase Your Clickthrough and Conversion Rates with Negative Keywords .....	26
About the Number of Keywords .....	36
Which Keywords are Profitable .....	38
Popular Methods for Finding Keywords .....	40
Professional Tricks for Finding Inexpensive Keywords .....	45
Seasonal Keywords .....	57
Keywords that Attract Click Defrauders .....	60
Illegal Keywords .....	61
<b>How to Write Profitable AdWords Ads</b>	<b>62</b>
How an AdWords Campaign is Structured .....	63
Headlines That Grab Your Attention .....	64
How to Write Profitable Ad Text .....	68

---

How to Specify the Display URL .....	72
Powerful Expressions That Sell More .....	74
How to Find the Smartest Competitors and Learn From Them .....	81
About Price Quotes in AdWords Ads .....	82
Optimizing Google Image Ads .....	83
<b>The Best Pricing Strategies</b> .....	<b>85</b>
Introduction to the Google AdWords Pricing System .....	86
How to Set the Maximum Cost-per Click .....	90
How to Set Your Daily Budget .....	91
Successful Pricing Strategies .....	92
How to Avoid Bidding Wars (Mutual Outbidding) .....	95
How to Optimize the Click Potential of Your Keywords .....	97
<b>How to Optimize Your Destination Page</b> .....	<b>98</b>
Which Destination Pages Increase Your Profits .....	99
Destination Page Optimization .....	101
<b>How to Test Your AdWords Ads and How to Increase Your Profits</b> .....	<b>108</b>
Why Testing is So Important .....	109
Overview of the Testing Process .....	111
How to Use Google's Conversion Tracking and Other Tracking Software .....	112
Testing and Optimization Opportunities for Increasing Your Profits .....	115
Five Important Tips for Correct Test Results with Google AdWords .....	122
<b>How to Save a Weak Campaign</b> .....	<b>125</b>
Keywords Checklist .....	126
AdWords Ads Checklist .....	127
Pricing Strategy Checklist .....	128
Destination Page Checklist .....	129
Product or Service Checklist .....	130
<b>Google AdWords Problems and Their Solutions</b> .....	<b>131</b>
Troubleshooting: My AdWords ad has been deactivated .....	132
Troubleshooting: My AdWords ad does not appear or does not appear enough .....	133
Troubleshooting: My AdWords ad is displayed too far down .....	135

Troubleshooting: I cannot find anymore keywords .....	136
Troubleshooting: My clickthrough rate is too low .....	138
Troubleshooting: My AdWords costs are too high .....	139
Troubleshooting: I am not realizing any sales .....	140
Troubleshooting: The AdWords user interface is too slow .....	141
<b>Important Differences Between Google AdWords and Overture</b>	<b>142</b>
<b>Additional Resources</b>	<b>145</b>
<b>Appendix</b>	<b>147</b>
Tips for Printing This Book .....	147
Contact .....	148
Legal .....	149
<b>Glossary</b>	<b>150</b>
<b>Index</b>	<b>154</b>

# 1 Foreword

Congratulations on your purchase of this book!

Using this instructional book, you can attract more website visitors, more conversions and more sales. That is not just advertising talk, but a fact that our readers confirm again and again.

- ➔ If coming into contact with the Google AdWords ad program for the first time, please start with the [Introduction](#)<sup>[5]</sup> chapter.
- ➔ If you already have a Google AdWords account, but want to increase the effectiveness of your ads, please start with the [How to Select the Right Keywords](#)<sup>[20]</sup> chapter.
- ➔ In a bind? Start immediately with the [How to Save a Weak Campaign](#)<sup>[125]</sup> chapter.

We wish you all success with your websites, your companies and your Google AdWords ads! We very much look forward to any [feedback](#)<sup>[148]</sup>.

Ransbach-Baumbach – December 21, 2004

*Johannes Selbach and André Voget*

P.S. This book contains a digital, personal signature with your name. Copies are in fact technically possible, but traceable. In this way, we can forgo copy protection, allowing you to read and print the book for personal use without any problems.

## **2 Introduction to Google AdWords**

## 2.1 The Success of Google AdWords

Anyone who buys this book knows Google. That much I can assume, since Google is the most well-known and most often-used Internet search engine worldwide. It has over one billion websites registered in its databases, which serve over 200 million searches each day.

In February 2002, Google launched its AdWords ad program that anyone can use to advertise on Google for specific searches.

The AdWords program was not the first advertising program of its type. There were already other similar programs from so-called search result providers such as Overture. Nevertheless, AdWords was a milestone in the history of Internet advertising. Ads were not hidden on some search results page, but there for everyone to see on the right side of the Google search results page.

The AdWords program also did away with banner ads and focused exclusively on text (graphic advertisements have in the mean time also been included in the AdWords program).

Using Google AdWords, it was suddenly possible to appeal to targeted Internet users for only \$0.05. The emphasis is on the word "targeted." In other words, if someone was selling kitchen ranges, he/she could now specifically appeal to those who are looking for kitchen ranges for only \$0.05. If, for example, someone is looking for "furniture," the ad for the kitchen range seller is not displayed.

The screenshot shows a Google search interface with the search term 'kitchen ranges' entered. The search results are displayed under the 'Web' tab, showing the first 10 results out of approximately 1,220,000. The results include several organic listings and a 'Sponsored Links' section on the right. The organic results are:

- Kitchen Ranges - Prices and Reviews at DealTime**: Compare shop for Kitchen Ranges at DealTime - read reviews and compare prices from stores all across the Web. ... You found over 1,500 products in Kitchen Ranges. ... [www.dealtime.com/xPP-Kitchen\\_Ranges](http://www.dealtime.com/xPP-Kitchen_Ranges) - 44k - 14 Dec 2004 - [Cached](#) - [Similar pages](#)
- HomeTips Kitchen Ranges**: Kitchen Ranges. A range is the heart of a kitchen and—as such—it's critical to have one that operates properly and efficiently. ... [www.hometips.com/content/ranges\\_intro.html](http://www.hometips.com/content/ranges_intro.html) - 9k - [Cached](#) - [Similar pages](#)
- Professional style stainless steel kitchen range, oven hood, and ...**: ... These high quality stainless steel kitchen ranges, refrigerators, oven hoods, and backsplashes are an incredible value and of the finest craftsmanship. ... [www.thenaturalhome.com/stainlesssteel.htm](http://www.thenaturalhome.com/stainlesssteel.htm) - 30k - [Cached](#) - [Similar pages](#)
- Appliances - MSN House & Home**: Appliances, Kitchen Ranges A range is the heart of a kitchen; as such, it's critical to have one that operates properly and efficiently. ... [houseandhome.msn.com/improve/HOHIntro.aspx?s=KitchenRange](http://houseandhome.msn.com/improve/HOHIntro.aspx?s=KitchenRange) - 18k - [Cached](#) - [Similar pages](#)

The 'Sponsored Links' section on the right includes:

- Dream Kitchen Guide**: Make your dream kitchen a reality! Money-saving links, tips, ideas. [kitchencabinetsanddesigns.com](http://kitchencabinetsanddesigns.com)
- Discount Kitchens Direct**: Floors, Sinks, Appliances, Units, Taps, Tiles & More. Compare & Buy. [www.Comparer.co.uk](http://www.Comparer.co.uk)
- Low Priced Microwaves**: Compare Prices. Buy Direct & Save Latest Models at Trade Prices [www.goldfig.com](http://www.goldfig.com)

At the bottom of the sponsored links section, there is a link: [See your message here...](#)

Over the years, some functions have been added, but on the whole Google AdWords functions much the same today as it did when introduced to the market. Even today, anybody wanting to advertise on the Internet cannot ignore Google AdWords, regardless of whether it involves a manufacturer's large nationwide campaign or a small, one-man company out of the backroom of an apartment.

According to BusinessWeek (April 2004 issue), more than 200,000 companies worldwide use Google AdWords for their advertising. They all use Google AdWords for the following reasons:

1. You can attract visitors to your website for little cost.
2. All visitors are targeted. There is nearly no wasted advertising.
3. You only pay when someone actually clicks on your ad.



## 2.2 How Google AdWords Works

The principle behind Google AdWords is very easy to understand:

- ❶ An Internet user enters a search term such as "vacation trip" at [www.google.com](http://www.google.com).
- ❷ Google displays a search results page from the search. Ads that fit the search are displayed on the right side of the results page, the so-called "Google AdWords" ads. These stand out because of their special format. Up to eight AdWords ads are displayed on the search results page.
- ❸ The Internet user can then choose a website that appears most attractive from the description. If the user clicks on an AdWords ad, he is forward to the advertising customer's website. The advertising customer pays Google a minimum of \$0.05 for the click.

## 2.3 What AdWords Ads Cost

Google charges a one-time activation fee of \$5 (as of December 2004).

Each click on an AdWords ad costs you a minimum of \$0.05. How much you pay exactly is determined by a type of auction process and depends on what position your ad appears. There are eight ad positions available, the uppermost costing more than the lowest.

They appear for individual search terms (keywords) and can determine a maximum cost-per-click for your keywords. You can also specify a daily budget so that you have full control over your advertising budget at any time.

## 2.4 How Display Positions are Determined

Google could make it easy for itself by positioning the ads at the very top that have paid the most per click. However, Google uses a system that also takes into account the relevance of the ad for the respective search.

The position of your AdWords ad is determined by two factors:

1. How high you have set the maximum cost-per-click for the keyword.
2. How many Internet users have clicked on your ad in the past.

In technical terms, it means that Google determines the rank of your ad by a combination of its maximum CPC and the clickthrough rate. CPC means cost-per-click. The higher your CPC or your clickthrough rate, the higher your AdWords ad will appear.

This system also ensures that Internet users always see ads that are relevant to their search and not just ads from wealthy companies that have the largest advertising budgets.

Unfortunately, this system also means that the position of your ad can constantly change depending on how many users click on your ad and how many other advertisers are also advertising for the same keyword.

This is why you should always keep an eye on your ads and optimize your AdWords advertising campaigns for maximum results. The following chapters of this book have been written to help you achieve this.

## 2.5 The Advantages of Google AdWords Compared to Traditional Advertising

Google AdWords offer several advantages when compared to traditional advertisements such as newspaper ads, radio ads or TV spots. If until now you have had little or no success with traditional advertising, your experience may be completely different with Google AdWords.

An overview of the advantages of Google AdWords:

- Very low activation fee of \$5.
- You determine how much you want to pay per click starting from \$0.05 to \$50. You only pay when someone clicks on your ad. A daily budget you specify limits your expenditures.
- Google's AdWords Discounter automatically monitors your competition and reduces your cost-per-click to one cent above your competition's offering.
- There is no monthly minimum spending commitment and no contract length.
- The account is settled only after the clicks have been received. For you that means that you pay only after the first 30 days.
- You determine the text of your ad and specify the keywords for which your ad should be displayed.
- You can change the text of your ads at any time – at no cost.
- Your ads can also reach Internet users on Google's numerous [partner sites](#)<sup>12</sup> if desired, in addition to [www.google.com](http://www.google.com).
- Your ad reaches Internet users from over 250 countries in more than a dozen languages.
- An ad can appear for several keywords.
- You can view detailed reports around the clock.
- Google supports you through its AdWords Support website with tutorials and guides. You can also easily contact the Google AdWords Team [by e-mail](#).
- You are up and running in just minutes!

## 2.6 Google AdWords Partner Sites

Your Google AdWords ads appear on the Google search results pages. These are not limited to the Google search engine itself, for example, but it also includes the [Froogle](#) product search engine, the [Google Groups](#) newsgroup search engine and the [Gmail](#) e-mail program.

Google has also secured partnerships with several large websites.

International partners include, among others:

- AOL
- AskJeeves (search engine)
- Burst! Media (large affiliate network)
- CompuServe
- Excite
- Froogle (Google's product search engine)
- HowStuffWorks.com
- Knight Ridder Digital (large newspaper publisher, e.g. San Jose Mercury News, Miami Herald)
- MetaCrawler.com
- Netscape
- The New York Times
- The Washington Post
- WebCrawler.com

The participating partners can change at any time without notification. The list above was accurate as of December 15, 2004.

Your AdWords ads also appear on smaller and medium-sized websites that participate in [Google's AdSense program](#) such as the [Active Webmasters Directory](#). In summary, that means you can easily reach more than 80% of US Internet users and many International Internet users with the help of Google's AdWords.

## 2.7 How to Optimize AdWords Ads

You have now had the great opportunity of getting familiar with Google AdWords ads. You are surely asking yourself what the hook is with Google's advertising program, or are there no drawbacks?

Yes, there are. Because new advertisers are continually joining the Google AdWords program and your competition frequently updates its offers, you have to regularly check and optimize your ads.

The advantage of accurate control over your AdWords ads is also the greatest disadvantage. Some fine tuning to your ads can quickly make the difference between an ineffective and a successful AdWords advertising campaign. The ads can either cost more money than they bring in or bring in more money than they cost.

There are five properties that can be optimized:

- ❶ **Keywords.** The success of your AdWords campaigns depends on whether you advertise for the right keywords. The [How to Select the Right Keywords](#)<sup>[20]</sup> chapter can help.
- ❷ **Ad Text.** If you do not strike the right tone with your target group and your target group is not compelled to click on your campaign with your ad text, your campaigns will be in vain. The [How to Write Profitable AdWords Ads](#)<sup>[62]</sup> chapter gives you the needed ammunition.
- ❸ **Price Strategy.** Which ad position is right for you, how much is the maximum you should offer per click, how much should your daily budget be? These questions and more are answered in [The Best Price Strategies](#)<sup>[85]</sup> chapter.
- ❹ **Destination Pages.** The structure and content of the landing pages your target group sees when they click on your ad is a crucial factor in the success of your advertising campaign. The [How to Optimize Your Destination Pages](#)<sup>[98]</sup> chapter offers you a guide to your destination pages.
- ❺ **Product.** Your products must have a competitive advantage in comparison to similar products and be offered at a competitive price.

### **3 Google AdWords for the First Time**

### 3.1 The First Day

Now it begins in earnest. The first day with your Google AdWords account can be the most painful. Many beginners start enthusiastically with their AdWords account, enter a few keywords, see no immediate results and give up disappointed.

This book will protect you against this same disappointment.

For the novice, there are some difficulties at the beginning. It starts with the user interface. The Google AdWords interface is quite simple to use, but only after you are somewhat familiar with the account navigation. There are also several new terms to learn, such as Ad Groups, cost-per-click, ROI, clickthrough and campaign management.

Even if beginners are able to get over these hurdles, more disappointments await: the clickthrough rates are so low that Google turns off your ads because of little response, the keywords you have selected are not queried, or your AdWords ads are not even accepted by Google to begin with.

The two most important basic rules: be patient and don't panic!

You have already taken the most important step to AdWords success – you bought this book. You are about to take the second most important step. Instead of skipping over the beginning chapter, just read it. Congratulations, because if you do continue as recommended, you will only find success with the tips and advice from this book!

You will find out next how to open an AdWords account and directly following, how an AdWords campaign is structured. Take your time, because with this book at your side you will quickly become familiar with the user interface and success will be yours.



## 3.2 Opening an AdWords Account

Google offers excellent guides and step-by-step directions for opening an AdWords account. It would be nothing more than a waste of space to print the guides out again. Google also changes the appearance of its AdWords user interface sometimes and the book would quickly become obsolete.

→ Opening a new AdWords account is easy because Google asks you questions every step of the way that you just need to answer. In just minutes, everything is done. Go to the following website to open your AdWords account:

<https://adwords.google.com/select/main?cmd=Login>

→ This is a step-by-step guide to opening your Google AdWords account:

<https://adwords.google.com/select/steps.html>

**Tip:** Do not open your AdWords account on a Friday or over the weekend. Otherwise, it can take a few days for your account to be activated.

→ This site offers you an easy-to-understand, comprehensive explanation of the user interface for your AdWords account:

<https://adwords.google.com/select/navigation.html>

→ "Managing Your Google AdWords Account: A Step-By-Step Guide" is a brochure from Google in PDF format that very clearly describes the structure of your AdWords account:

[https://adwords.google.com/select/library/controlcenter\\_septo3.pdf](https://adwords.google.com/select/library/controlcenter_septo3.pdf)

→ Answers to any questions you may have on this website:

<https://adwords.google.com/select/index.html>

If you are unfamiliar with any technical terms, check the [Glossary](#)<sup>150</sup>.

Please take your time getting familiar with the user interface for your AdWords account.

### 3.3 How an AdWords Campaign is Structured

#### Campaign Structure

After logging in, you see the following three tabs at the top of the screen: "Campaign Management," "Reports" and "My Account."



Your campaigns are listed under the "Campaign Management" tab. Here you can add new campaigns, adjust current campaigns and delete ineffective campaigns. All changes take effect immediately.

How is an AdWords campaign structured?

- Your AdWords account can include one or more campaigns.
- A campaign can include one or more Ad Groups.
- An Ad Group can include one or more ads.
- An ad can contain one or more keywords.

Your Google AdWords Account						
Campaign 1				Campaign 2		
Ad Group 1		Ad Group 2		Ad Group 1		
Ad	Ad	Ad	Ad	Ad	Ad	Ad
Keyword1	Keyword 1	Keyword 1	Keyword1	Keyword1	Keyword1	Keyword1
Keyword2	Keyword 2	Keyword2	Keyword2	Keyword2		Keyword2
Keyword3	Keyword 3	Keyword3		Keyword3		Keyword3
	Keyword4	Keyword4				Keyword4
		Keyword5				

Fairly complex, right? Surely Google could have created a simpler design, but then the system would not be so flexible. This structure allows you to precisely control for which keywords it pays to spend a certain amount of money.

## Example

It will become clearer for you with an example. Let's assume you are responsible for the Google AdWords advertising for a large furniture store. The following organization is now possible:

- A campaign appeals to bargain hunters that want to buy portable furniture. Another campaign appeals to wealthy customers.
- We create the table lamps, coat racks, picture frames Ad Groups for the bargain hunter campaign. For the wealthy clientele we create Ad Groups for branded kitchens, living room landscapes and luxury baths.
- Each of these Ad Groups now contain different ads that we can use to test which texts appeal to the customers best and which texts result in the highest sales.

## Using Campaigns

There are different options for using campaigns:

- With campaigns you attend to different target groups, e.g. school children, middle-aged businessmen with children, wealthy customers, bargain-hunters.
- Campaigns also allow you to geographically control your ads. For example, you can create a campaign for Germany, one for Austria, one for German-speaking expatriates, etc.
- A campaign contains several Ad Groups. Ad Groups represent your products. If you were selling flowers for example, you should set up Ad Groups for roses, potted plants, ground cover plants, etc. depending on how precisely you want to control the success of your ads.

Some also swear by the opposite. They create a campaign for every product and the Ad Groups appeal to the respective target groups.

However you do it, do not worry too much about the organization of your campaigns, Ad Groups and ads. The method that is logical for you will become apparent by itself after some time. It then becomes important that you adopt and retain your favorite schema for all future campaigns and Ad Groups.

### 3.4 Tips for Managing Your AdWords Account

- Do not be tempted to collect hundreds of keywords in an Ad Group. This would rob you of the opportunity of optimizing your offers, trying out different ideas or even just testing the effectiveness of your ads.
- If you have several Ad Groups in one campaign, 30 to 50 for example, then create a new campaign to improve the overview.
- You can also organize your campaigns so that one campaign contains all your successful Ad Groups. You can then set a very high daily budget for this campaign. You can move ads that need to be optimized into another campaign with a lower daily budget.
- Use campaigns to test different country and language settings. Keywords in campaigns for Austria or Switzerland often cost less than those in campaigns for all German-speaking countries.
- Remember that you can set different daily limits for different campaigns.
- In a limited sense, your campaigns optimize themselves automatically. Google automatically turns off keywords that have low clickthrough rates. That does not necessarily mean that they were the wrong keywords. Read the [How to Save a Weak Campaign](#)<sup>[125]</sup> chapter for more information.
- Do not try to optimize your keywords more than needed. It is almost always enough to optimize on the Ad Group level rather than each keyword. This is particularly effective if the keywords in an Ad Group represent the same "idea."
- "Content targeting" means that your ads are also displayed on Google's partner sites instead of on Google sites only. If you are not sure yet if "content targeting" is right for your ads, deactivate this option for the time being.
- Make sure that some Google AdWords functions, such as geo-targeting, can only be used for the Google search results pages. They have no effect on Google partner sites.
- Take some time to understand the terms in the [Glossary](#)<sup>[150]</sup>. Understanding the technical terms helps you also learn the Google AdWords user interface quicker.

## **4 How to Select the Right Keywords**

## 4.1 Keyword Matching Options in Google AdWords

For each keyword you have with Google AdWords, you can select the type of search where your respective ad should appear.

For example, should your AdWords ad only appear if the keyword is entered exactly as you have entered it? Or, should your AdWords ad also appear if the user has used another word in addition to your keyword, or your keywords are in a different order?

You can specify with which searches your keywords appear with the **Keyword Matching Options** from Google AdWords. You can significantly reduce your costs and increase your rate of return by using the Keyword Matching Options.

There are four or five keyword matching options in Google AdWords: broad match, expanded match, phrase match, exact match and negative keyword.

### 1. Broad Match

**Definition:** "Broad match" is the most comprehensive option and the default setting. The words in your keyword or key phrase can appear in any order. Other words may also appear in the search that are not in your keyword.

**Example:** If your keyword is `Chicago Zoo`, then your ad will appear when a search is made for `Chicago Zoo`, as well as `Zoo Chicago`, `Chicago Tiger Elephants Zoo` and `Lions Zoo Gorilla Chicago`.

**Advantage:** This option allows you to save time because you do not have to type in all possible combinations and additional keywords.

**Disadvantage:** Your ads may be displayed for searches that have nothing to do with your intended target, e.g. `accident in Chicago Zoo Chicago`. That means that your conversion rates for this keyword matching option may not be as high as you would like as with the other keyword matching options.

**Activation:** This keyword matching option is the default setting. You need to change nothing to activate this option.

## 1b. Expanded Match

**Definition:** This is an expansion of the "Broad Match" keyword matching option. Google also runs your AdWords ad on highly relevant keywords. For example, your ad is displayed when a search is made for nursery even though your keyword is garden. You can find additional keywords for which your ad should appear with [Google's Keyword Tool](#).

**Example:** If your keyword is `Chicago Zoo`, your ad also appears with searches for `Chicago Pet Shop`, `Pet Shop in Chicago`, `Recreational Park Chicago`

**Advantage:** Your ad is displayed for considerably more searches and terms that you may not have thought of.

**Disadvantage:** Your ad appears with searches that you had no intention of advertising for.

**Activation:** This keyword matching option is also the default setting and can only be turned off by selecting another keyword matching option.

## 2. Phrase Match

**Definition:** If you enter your keyword in quotation marks, your ad will appear when a user searches on the phrase in exactly the right order.

**Example:** If your keyword is `Chicago Zoo`, your ad appears for `Chicago Zoo`, `Zoo Chicago` and `Zoo Lions Chicago`. However, if your keyword is `"Chicago Zoo"` (note the quotation marks), then your ad is not displayed for `Zoo Chicago` or `Zoo Lions Chicago`, but is displayed for `Chicago Zoo` or `Admission Fee Chicago Zoo` or `Chicago Zoo Open Times`. The words in your keyword must be in the same order

**Advantage:** With this keyword matching option, your ads are more targeted and your conversion rates improve.

**Disadvantage:** The user must enter your keywords in the right order.

**Activation:** Enter a keyword in quotation marks to activate this option for the keyword.

### 3. Exact Match

**Definition:** If you surround your keywords in square brackets, your AdWords ad is only displayed if the user searches exactly for the words in the keyword and in the exact same order. No other words can be included in the search.

**Example:** If your keyword is [Chicago Zoo] (note the square brackets), then your ad appears only and exclusively with a search for Chicago Zoo and not with a search for Zoo Chicago **OR** Chicago Zoo Open Times.

**Advantage:** This keyword option is the most targeted. With this option, you can specify precisely for which searches your ad should be displayed. Only the users you expect visit your site.

**Disadvantage:** This keyword matching option excludes many searches, so that your keyword may receive only a few searches.

**Activation:** Enter a keyword in brackets to activate this option for the keyword. Brackets are available on a standard PC keyboard by pressing the Alt-Gr button and then pressing the "8" or "9" button.

### 4. Negative Keyword

**Definition:** This keyword option is somewhat unusual in that it affects all other keywords in the Ad Group or the campaign. If you enter a keyword preceded by a minus sign, then this keyword is a negative keyword. That means your AdWords ad is not turned on, if the query contains the negative keyword.

**Example:** Let's say your keyword list contains the keyword Chicago Zoo and the negative keyword - open times (note the minus sign before "open times"). If someone then searches for Chicago Zoo Open Times **OR** Chicago Open Times Zoo, your ad does not appear.

**Advantage:** This keyword matching option is very powerful because it allows you to exclude many searches that are not of interest to you. For example, it is worth it to add the -free negative keyword to nearly every Ad Group or campaign, so that your ad is not displayed for people that are looking for something.

**Disadvantage:** Be careful when using negative keywords, because you can easily exclude many searches that could be your potential customers.

**Activation:** Enter a minus sign before a keyword to turn it into a negative keyword. Additional suggestions for negative keywords are available in the [Negative Keywords](#) <sup>28</sup> chapter.



## Using Keyword Matching Options Overview

It is very important that you internalize the keyword matching options for Google AdWords. It is the only way you can achieve high clickthrough and conversion rates.

Your Keyword	Corresponds to the Keyword Matching Option	Ad appears with these searches	Ad does not appear with these searches
Motorcycle book	Broad matched keywords	<ul style="list-style-type: none"> <li>• Motorcycle book</li> <li>• Free motorcycle book</li> <li>• Book about motorcycle</li> <li>• Motorcycle booktrade</li> <li>• Book about cars and motorcycles in Columbia</li> <li>• (appears with all searches for "motorcycle" or "book" or relevant words)</li> </ul>	
"Motorcycle book"	Phrase match	<ul style="list-style-type: none"> <li>• Motorcycle book</li> <li>• Free motorcycle book</li> <li>• (appears with all searches for "motorcycle book" in that order)</li> </ul>	<ul style="list-style-type: none"> <li>• Book about motorcycle</li> <li>• Motorcycle booktrade</li> <li>• Book about cars and motorcycles in Columbia</li> </ul>
[Motorcycle book]	Exact match	<ul style="list-style-type: none"> <li>• Motorcycle book</li> <li>• (appears with this exact search)</li> </ul>	(all other searches)

## Tips for Using Keyword Matching Options

1. If you are not sure which keyword matching option to use, then enter all three variations in your keyword list. For example:

Garden Lawnmower  
"Garden Lawnmower"  
[Garden Lawnmower]

After some time you can compare the clickthrough rates of the three keywords and then delete one or two ineffective variations. It also reduces the danger that your Ad Group is turned off by Google because of low clickthrough rates.

2. As a beginner, you should always use the "broad match keywords" keyword matching option (if you have a very limited advertising budget). You should only use the "phrase match" and "exact match" keyword matching options if you are not realizing high clickthrough rates.
3. You could assume at first that specific keyword matching options such as "exact match" keep more favorable keywords, since these keywords are called less often. The opposite is true. The more specific the keyword, the more expensive the keyword often is, because the visitors reached are very targeted.
4. [Google's Keyword Tool](#) shows you which similar terms your "broad match keywords" appear with. You can enter these as negative keywords in your Ad Group if necessary, e.g. when you want to use "book" but not "booktrade" and "book publisher."

## 4.2 Increase Your Clickthrough and Conversion Rates with Negative Keywords

You can enter so-called negative keywords in Google AdWords. When an Internet user enters one of your negative keywords in a search, your AdWords ad is then not displayed.

For example, if you enter "free" as a negative keyword, your AdWords ad is not displayed if someone searches for free things. A more detailed definition of negative keywords is available in the [Keyword Matching Options in Google AdWords](#)<sup>[21]</sup> chapter.

Negative keywords are an excellent tool for excluding Internet users looking for free items only. You can also use negative keywords to display an ad for specific target groups. An insurance broker might want to exclude people who are searching for books about insurance. He could enter "book" and "books" as negative keywords.

Below are word lists for target groups that you want to exclude from your Ad Group or campaigns. In other words, they increase your clickthrough and conversion rates.

**Exclude "computer program seeker" target group**

- computer program
- computer programs
- demo
- download
- downloads
- freeware
- games
- program
- programs
- shareware
- software
- windows

## Exclude "service seeker" target group

If you offer a product and no service, the following negative keywords can be helpful.

- agency
- appraiser
- consultant
- consultation
- consultations
- craftsman
- customer care
- customer consultation
- customer service
- expert
- repair
- service
- service provider
- services
- specialist
- specialist consultation
- specialist consultations
- technical expert
- technician
- yellow pages

**Exclude "erotic seeker" target group**

- erotic
- intimate
- jpeg
- jpg
- lust
- naked
- nude
- sex
- sexy

### **Exclude "earn money with computer" target group**

- affiliate
- affiliates
- earn
- home industry
- partner
- partner program
- partner programs

**Exclude "free seeker" target group**

- chargeless
- complimentary
- costless
- exempt
- free
- gift
- gratis
- gratuitous
- no charge
- no cost



**Exclude "information seeker" target group**

- article
- blog
- blogs
- book
- books
- brochure
- brochures
- compare
- comparison
- comparison test
- comparison tests
- comparisons
- conference
- congress
- convention
- course
- courses
- do it yourself
- DIY
- ebook
- ebooks
- email
- essay
- event
- events
- ezine
- ezines
- field report
- field reports
- graphic
- graphics
- information
- informational material
- instruction manual
- journal
- lotteries
- lottery
- lyrics
- magazine
- magazines
- manuscript
- meeting
- mp3
- new

- news
- newsletter
- newspaper
- newspaper article
- operating instructions
- organize
- photo
- photos
- picture
- pictures
- poem
- product test
- raffle
- recipe
- recipes
- report
- request
- requests
- review
- seminar
- seminars
- sweepstake
- test
- test report
- test reports
- tests
- text
- texts
- training
- user's manual
- webcam
- webcams
- weblog
- weblogs

## Exclude "bargain hunter" target group

The negative keywords for "bargain hunters" should only be used when offering high-value, high-priced goods.

- affordable
- auction
- auction
- auctions
- bankruptcy
- bargain
- bargain-basement
- bargain-counter
- bargains
- cheap
- cheapskate
- classified ad
- classified ads
- coupon
- cut-rate
- deal
- direct sale
- dirt cheap
- discount
- discounter
- ebay
- economical
- factory outlet
- factory sale
- gently used
- good buy
- hand-me-down
- inexpensive
- low-cost
- lowered
- low-priced
- low-quality
- previously owned
- reasonable
- reduced
- reduced in price
- sale
- sample
- samples
- save
- second-hand

- skimp
- special item
- stingy
- tightwad
- trial
- trials
- uncostly
- used
- voucher
- vouchers
- wholesale
- worn

## 4.3 About the Number of Keywords

### How many keywords are necessary?

We have often been asked how many keywords you should have with Google AdWords. How many keywords are enough for a successful advertising campaign? Are 200 keywords enough?

Unfortunately, we are not able to answer questions about the number of keywords. It is like asking how many keys a computer keyboard should have to be able to write a successful best seller. The answer is: the number of keys is not important, but rather what you do with those keys.

The same applies to keywords. The number of keywords only plays a secondary role. The much more important question is: how many **ideas** do these keywords reflect?

Keywords that belong to the same idea are grouped into a single Ad Group. In other words, an Ad Group corresponds to a keyword idea and can contain 10 or even 80 keywords. It is relatively easy to think of 20 or 30 keywords from an idea and to add those to an Ad Group.

Organizing keywords from the same idea into an Ad Group has two advantages. First of all, for me Ad Groups share the same maximum CPC, since any finer control is time consuming and the return is minimal. Secondly, for me Ad Groups most often use the same or similar ad test, so that managing hundreds or thousands of keywords is greatly simplified.

If someone then asks me how many keywords constitute a *large* campaign, my response is "50 or 100 Ad Groups" because they correspond to 50 or 100 ideas.

### How many keywords are permitted?

Google AdWords recommends the following limits so that the AdWords interface does not slow down too much:

- Max. 25 campaigns
- Max. 100 Ad Groups per campaign
- Max. 750 keywords per Ad Group
- Max. 2000 keywords per campaign
- Max. 50,000 keywords per AdWords account

If you should ever reach a keyword limit, there are two ways to get around the limit:

1. Use the more comprehensive keyword matching option "broad match" instead of "phrase match" and "exact match" (see [Keyword Matching Options in Google AdWords](#)<sup>[21]</sup> for an overview of keyword matching options).
2. Use the dynamic keyword setting for your headlines (how this works is described in the [Headlines that Grab Your Attention](#)<sup>[64]</sup>).

The limitations above are only guidelines, i.e. of course more than 25 campaigns are possible. In fact, AdWords users report in online forums of AdWords accounts with more than 60 campaigns.

## 4.4 Which Keywords are Profitable

Many AdWords advertisers throw away their money by bidding on the wrong keywords. The success or failure of your AdWords campaigns depends on selecting the right keywords. But what are the right keywords?

### **Specific keywords attract qualified visitors**

Let's say you are running a garden care service in Knoxville. The obvious keywords that first come to mind are: garden, garden service, garden care, etc.

Think for a moment why you would be throwing away money if you were to bid on these keywords in Google AdWords. Of course, the answer occurs to you. It is rather unlikely that somebody in the USA who needs garden care service just happens to live in Knoxville and wants to make use of your service.

You can only offer garden care service in the city in which you reside. However, it is rather likely that Internet users in New York, Chicago, Los Angeles or Austin are looking for garden care service. The user would click on your garden service ad and you would have to pay for the click – without having gained a new customer.

Therefore, it is important that you select specific keywords. Only specific keywords bring in qualified visitors. An example of a more specific keyword might be "garden service Knoxville." Someone who types in "garden service Knoxville" is definitely a potential customer for your garden care service in Knoxville.

Another way to reach qualified visitors is with the ad text. You could bid on the keyword "garden service" and write "Garden Service in Knoxville" in the headline in the hopes that only Internet users in Knoxville click on your ad.

## Use keyword phrases

The term "Phrases" is not an empty cliché. It means that your keywords should consist of several words instead of just a single word. Several studies have shown that most Internet users enter two-word phrases in search engines most often, followed by one-word terms, then three-word phrases and then four-word phrases.

In other words, most Internet users employ phrases to search in search engines. That makes sense because they get better, more targeted search results.

You should make use of this search behavior by focusing your bids on keywords that contain two, three or more words. This also has the convenient advantage of targeting the search with each additional word. And you read above that only specific keywords attract qualified visitors.

## Keywords than nobody searches for

A keyword such as "inexpensive landscape gardener Japanese garden Knoxville" is very specific and would certainly attract very qualified visitors – if anyone were even looking for something like that. For this reason, you should not overdo it with specific keywords. Otherwise, you will be bidding on keywords at the end of the day that nobody uses in search engines.

With the help of keyword search engines, you can determine how many people have searched for your keyword in the last month. You can find out whether there is even a demand for your keywords and which keywords are possibly more appropriate. More information about keyword search engines is available in the [Popular Methods for Finding Keywords](#)<sup>[40]</sup>.

## Less obvious keywords are more cost effective

Keywords that you often think of first also come to mind first for your competition. These are the keywords that everyone in your industry bids on. Intense competition around these keywords can lead to very high costs-per-click.

For this reason, it makes sense to take some time finding keywords that are not as obvious but everyone thinks of. Let's use our garden service in Knoxville example again. The terms "garden service," "garden service Knoxville," "garden care" and "garden care Knoxville" may be very expensive because they are obvious keywords.

If you use the tips from the following chapters, these keywords will definitely come to mind: "inexpensive tree control," "tree care Knoxville," "gutter cleaning," "home garden design," "planting work terrace." These keywords are probably less expensive to use, since other advertisers have not thought of them.



## 4.5 Popular Methods for Finding Keywords

Below we will introduce to you how you can find appropriate keywords for your needs. The methods introduced in this chapter are used by most Google AdWords users. Since most use these methods, most will also find the same keywords for their Ad Groups and as a result, the cost-per-click price for these keywords can be relatively high.

To find inexpensive keywords that nobody is using, you need additional methods that are introduced in the [Professional Tricks for Finding Inexpensive Keywords Nobody Uses](#) chapter. The popular methods introduced here provide the basis for the keywords in your Ad Groups. If you want to sell desks, you probably won't get around bidding for the keyword "desks." The pro tricks can only be used to expand the basic keywords.

The popular methods include Google's Keyword Tool and the keyword tools from other search engines.

### Google AdWords' Keyword Tool

As soon as you log in to Google AdWords you become familiar with Google AdWords' own Keyword Tool. You can also pull it up separately at <https://adwords.google.com/select/main?cmd=KeywordSandbox>.

**Google AdWords Keyword Tool** [Close window](#)

Get ideas for new keywords that can help you improve your ad relevance. If you're running your ads on [broad-matched keywords](#), you may also find additional terms that may trigger your ads.

Legal Disclaimer: Please note that we cannot guarantee that these keywords will improve your campaign performance. We also reserve the right to disapprove any new keywords you add. Keep in mind that you are responsible for the keywords you select and their appropriate and legal use (i.e. you and you alone are responsible to make sure that your use of the keywords does not violate any applicable laws). For more details, please review our [Terms and Conditions](#).)

Enter **one** keyword or phrase per line:

Results are tailored to language and country:

All Languages ----- English Chinese (simplified) Chinese (traditional) Danish	All Countries ----- United States United Kingdom Canada Germany
--	--

[Show matching queries and alternatives](#)

For example, if you type in "garden," the Keyword Tool suggests several additional related keywords: "my garden," "garden of," "botanical garden Knoxville," "Japanese garden," "homes and gardens," "house and garden" and much more.

You also learn for which keywords your ad is displayed through no fault of your own by using the "broad-matched" keyword matching option (see [Keyword Matching Options in Google AdWords](#)<sup>[27]</sup>).

Otherwise, the tool suggests additional keywords that you can use to hone your keywords. For example, AdWords suggests the following keywords for the keyword "garden:" "plant sale," "pond," "sunshade," roses." You can use these as suggestions to create keyword phrases, such as "garden pond," "garden sunshade," "garden roses," etc.

## Overture's Keyword Tool

The pay-per-click search engine [Overture](#) offers a similar advertising service to Google AdWords. You can bid on keywords at Overture and create ads that are displayed on Overture's partner sites.

At press time, Overture does not offer its keyword tool free of charge. The difference with Overture's keyword tool is that it only displays keywords and keyword phrases that have actually been searched for on Overture's partner sites. It also shows how often the keyword displayed has been searched for.

Get suggestions for: (may take up to 30 seconds)

garden

Note: All suggested search terms are subject to our standard editorial review process.

**Searches done in November 2004**

Count	Search Term
145431	olive garden
143125	garden
127979	garden center
115134	flower garden
107569	home garden
88836	savage garden
72635	better home and garden
64698	waterfall garden
60142	english garden
55916	garden ridge
46585	garden decor
43576	japanese garden
41102	garden bridge

For example, the keyword "garden" was searched for 143,125 times in November 2004 on Overture and Overture's partner sites.

You can anticipate that the keyword "garden" was searched for about ten times more often than the keyword "house garden." You should consider this search frequency in your keyword bids.

The keyword tool from Overture is available in several languages.

Please note that the Internet addresses given below may have changed or Overture may have withdrawn its free tool since this book was published.

**Important note:** Overture's Keyword Selection Tool combines the singular and plural form of a word and displays on the singular form. For example, if you are searching for "checks," you receive the number of searches for "check" and "checks" together. If you rely only on the Overture Keyword Selection Tool, you may end up overlooking plural forms of your AdWords ads that bring in revenue.

Overture USA (English):

<http://inventory.overture.com/d/searchinventory/suggestion/>

Overture Australia (English):

[http://inventory.overture.com/d/searchinventory/suggestion/?mkt=au&lang=en\\_gb](http://inventory.overture.com/d/searchinventory/suggestion/?mkt=au&lang=en_gb)

Overture Denmark (Danish):

<http://inventory.overture.com/d/searchinventory/suggestion/?mkt=dk>

Overture Germany (German):

[http://inventory.de.overture.com/d/searchinventory/suggestion/?mkt=de&lang=de\\_DE](http://inventory.de.overture.com/d/searchinventory/suggestion/?mkt=de&lang=de_DE)

Overture France (French):

[http://inventory.fr.overture.com/d/searchinventory/suggestion/?mkt=fr&lang=fr\\_FR](http://inventory.fr.overture.com/d/searchinventory/suggestion/?mkt=fr&lang=fr_FR)

Overture Great Britain (English):

<http://inventory.uk.overture.com/d/searchinventory/suggestion/>

Overture Italy (Italian):

<http://inventory.overture.com/d/searchinventory/suggestion/?mkt=it>

Overture Netherlands (Dutch):

<http://inventory.nl.overture.com/d/searchinventory/suggestion/>

Overture Austria (German):

<http://inventory.at.overture.com/d/searchinventory/suggestion/>

Overture Switzerland (German and French):

<http://inventory.ch.overture.com/d/searchinventory/suggestion/>

Overture Spain (Spanish)

[http://inventory.es.overture.com/d/searchinventory/suggestion/?mkt=es&lang=es\\_ES](http://inventory.es.overture.com/d/searchinventory/suggestion/?mkt=es&lang=es_ES)

## Keyword Tools From Other Search Engines

Two other pay-per-click search engines, Espotting and 7Search also offer free keyword suggestion tools. They also specify the number of monthly searches in their networks. The search numbers fall considerably, however, because of the smaller number of partner sites.

7Search USA (English):

<http://conversion.7search.com/scripts/advertisertools/keywordsuggestion.aspx>

Espotting Great Britain (English):

<http://www.espotting.com/popups/keywordgenbox.asp>

Espotting Ireland (English):

<http://ie.espotting.com/popups/keywordgenbox.asp>

Espotting Germany (German):

<http://de.espotting.com/popups/keywordgenbox.asp>

Espotting France (French):

<http://fr.espotting.com/popups/keywordgenbox.asp>

Espotting Italy (Italian):

<http://it.espotting.com/popups/keywordgenbox.asp>

Espotting Spain (Spanish):

<http://es.espotting.com/popups/keywordgenbox.asp>

The following chapters describe to you how you can combine the queries from all of the keyword tools presented in this chapter, and in doing so, save a lot of time.

## 4.6 Professional Tricks for Finding Inexpensive Keywords

Google's own Keyword Tool is, of course, the fastest method for adding keywords to your Ad Groups. Since most AdWords users use Google's Keyword Tool, the cost-per-click for the keywords found using the tool are unfortunately the highest.

For this reason it is better to use other sources to find keywords. You can apply for keywords that nobody else is bidding on for the lowest bid of only \$0.05.

### Keyword Variations and Spelling Errors

Try to vary your existing keywords. Start with the root and find other words with the same root. Let's say you are bidding on the keywords "house wall" and "painting," you can then expand your keyword list in the following ways:

- Take the **plural form** of the word. In this example, you can add "house walls" and "paintings" to your keyword list.
- **Multiple spellings**. Some words can be written in multiple ways, such as "e-mail" or "email."
- **Hyphens**. Use your keywords with and without hyphens, such as "janitorial-service" and "janitorial service," "painting work" and "painting-work."
- **Transpose the words**. If you are bidding on "inexpensive glasses," then also bid on "glasses inexpensive".
- Intentionally make **spelling errors** because not everyone has mastered the spelling rules and everyone makes careless spelling errors from time to time. In our example, I would add the keywords "painting," "paintin" and "painting."

With these simple tips we can increase the number of keywords by fivefold. Instead of having just two keywords ("house wall" and painting"), we can now bid on ten keywords, and chances are we will only pay the minimum bid for the new keywords.

## Synonyms

Nearly every word has synonyms, i.e. words with the same or similar meaning. For example, if you are bidding on the word "auto," you should then also bid on its synonyms:

- automobile
- vehicle
- car
- wagon
- sedan
- motor vehicle
- coupe
- van

Of course, you should also not overdo it, because somebody who is looking for "rust bucket" or "heap" is less likely to purchase a new, high-value vehicle.

A recommended and free online service is the [thesaurus](#) from Lexico Publishing Group, LLC. Just enter a word and the word lexicon lists words of similar meaning.

I like to use a print-based thesaurus when searching for keywords because I can arbitrarily look through the pages and get new ideas. Make sure when purchasing a thesaurus that it has at least 100,000 entries.

Professional desktop processing applications such as Microsoft Word also provide a thesaurus that you can use to find synonyms.

You can also use an inexpensive Windows application, such as "WordWeb" by [Crossword Compiler](#), which offers over 300,000 synonyms

## Supplementary Keywords

There are a number of words that you can easily attach to your existing keywords with which you can create new keywords. These supplementary keywords are:

- accurate
- acquire
- active
- adequate
- advantage, advantages
- advice
- advise
- advisor

- affordable
- analysis
- answer, answers
- article
- assistance
- assortment
- attractive
- basics
- beginner
- better
- brand-new
- buy
- calm
- cash discount
- catalog
- cheap
- classic
- clear
- collect
- collection
- combination, combinations
- comfortable
- comment, comments
- common
- compare
- comparison
- complete
- comprehension
- comprehensive
- concept
- consult
- consultancy
- consultant
- conventional
- correct
- costs
- customer service
- data
- decision support
- demonstrate
- describe
- design
- detailed



- direction, directions
- directory
- discount
- download
- draft, drafts
- easy
- economical
- efficient
- effortless
- enhanced
- enquiry, enquiries
- exact
- excellent
- experience
- experience, experiences
- expert
- expertise
- explain
- extensive
- fact, facts
- fast
- faultless
- fee, fees
- final price
- fitted
- flawless
- functions
- general
- good
- grand
- handy
- help
- idea, ideas
- ideal
- immaculate
- impeccable
- important
- impressive
- improve
- improvement
- index
- info
- information

- innovation, innovations
- inquiry
- installation
- intensive
- interesting
- Internet
- know-how
- knowledge
- known
- large
- learn
- list
- list price
- low price, low prices
- low-priced
- luxurious
- luxury
- maintained
- manual
- markdown
- market leader
- market overview
- method, methods
- meticulous
- mint
- model, models
- new
- news
- normal
- offer
- official
- on-time
- online
- operating
- operating instruction
- opportunities
- optimization
- order
- organization
- overview
- percent
- perfect
- plan

- planning
- popular
- practice
- precise
- price comparison
- price cut
- price markdown
- price reduction
- price, prices
- procedure
- product, products
- professional
- program
- prompt
- punctual
- purchase
- purchase price
- quality
- quantity rebate
- rebate
- recognized
- recommend, recommended
- recommendation, recommendations
- recommended price
- reduced
- reduction
- regular
- relaxing
- reliable
- renowned
- repair, repairs
- replace
- report
- reproduction
- retail price
- review
- rewarding
- ripe
- sample
- schematic
- second hand
- second-hand
- secret

- selection
- service
- service, services
- setup
- simple
- simplify
- small
- sophisticated
- sound
- special
- special offer, special offers
- specialist
- specialized market
- standard
- suggestion, suggestions
- summary
- system
- systematic
- table, tables
- tariff
- technique, techniques
- test report, test reports
- test, tests
- tested
- tip, tips
- toll
- traditional
- training
- trial
- trick, tricks
- try
- tutorial
- uncomplicated
- understand
- unique
- unproblematic
- unused
- use
- used
- usual
- Web
- WWW

For example, if you are bidding on the terms "gardening" or "kitchen tiles," you can quickly create new keywords with the help of the list above, e.g. "gardening tricks," "gardening ideas," "kitchen tiles costs," "kitchen tiles special offer," etc.

Say you have a list of 30 keywords, you can expand your list to over 6000 keywords with the help of the list of 200 supplemental keywords above.

Of course, not all word combinations make sense, but the word list above can certainly help you to find cost-effective keywords that no other competition is bidding on.

Other supplementary keywords include:

- date ("income tax 2005")
- seasons (spring, summer, fall, winter)
- months
- people's names
- book title
- product name or model number
- function and process names
- and really anything that further defines and characterizes your keywords.

At the end of the day, the keyword search is a numbers game. The more keywords you can list, the more keywords you find that are inexpensive and that nobody else is bidding on.

## Related Keywords

For every keyword there are other related keywords. The following is a useful list of tips to find related keywords.

**Regional spellings.** Try to find regional words for your keywords, e.g. "bun" instead of "roll," "plums" instead "prunes," or "cola" instead of "soda."

**Abbreviations and acronyms.** Use the abbreviated and acronym spellings of your keywords. If you are bidding on "Internet service provider" or "central processing unit" you should also bid on "ISP" and "CPU." If you are bidding on "Mhz" or "TCB," you should also bid on "megahertz" and "Technical Control Board."

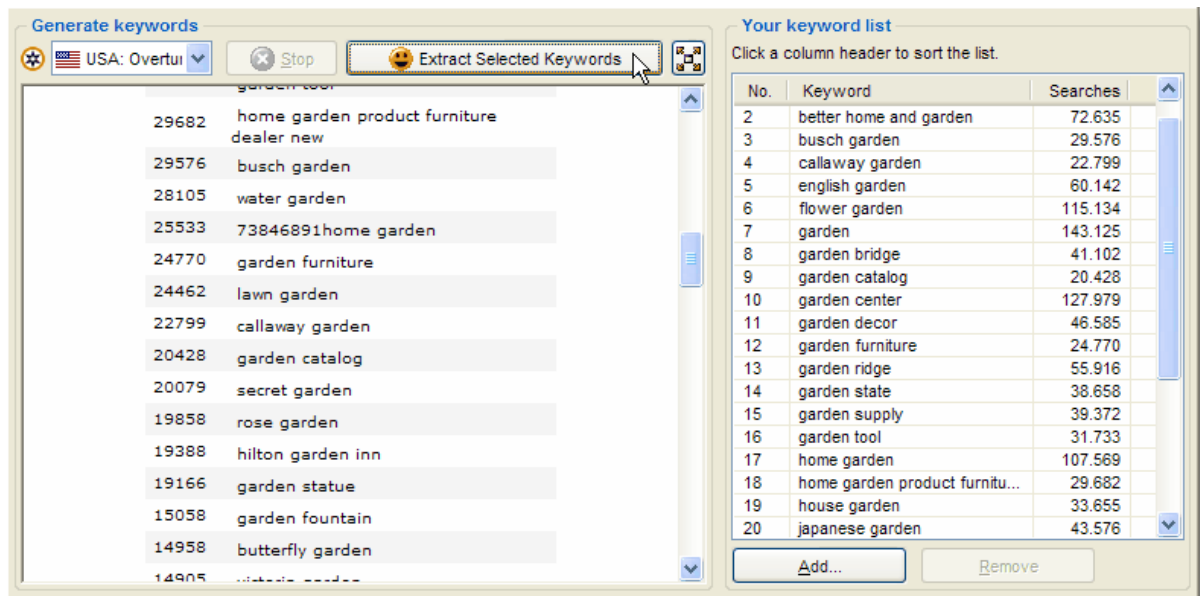
**Use opposites.** Sometimes it helps to think about opposites when looking for keywords. For example, if you are advertising for "affordable garden furniture," you can also advertise for "garden furniture not expensive."

**Use domain names.** Amazingly, many people type in domain names in search engines instead of going directly to the websites. Consider whether you can supplement some of your keywords with ".com."

## IBP's Keyword Generator

[Internet Business Promoter \(IBP\)](#) is a software program for Windows systems that is used to improve your position in search engines. To this end, IPB offers ten tools for submitting your website to search engines, determining your position in search engines, optimizing websites for search engines and much more.

One of the ten tools is the so-called "Keyword Generator." This tool allows you to access the keyword suggestion tools from several search engines, and then easily manage the suggested keywords in your list.



You can save the keywords identified in various formats in order to then add them to your AdWords Ad Groups.

The Keyword Generator is available for download *free of charge* and without limitation in the [demo version](#).

## WordTracker

[WordTracker](#) WordTracker is a commercial online service that works like the search engine keyword suggestion tools already introduced.

However, WordTracker uses meta search engines as a source of its keyword suggestions. In other words, WordTracker works with a larger database than individual search engines. For this reason and because it offers some functions for professional keyword seekers, it is chosen by professionals.

## Inspirational Aids

It is important that you find keywords that your competition has not already thought of. The longer your keyword list, the more likely it is to contain keywords that your competition has not thought of. Your bids for these keywords can be much lower or even the minimum bid because your competition is not bidding on them.

The more keywords you list, the more times your AdWords ad is displayed and the more visitors you can reach. With that in mind, I have provided the following inspirational tips that you can use to find keywords, some or even most of which your competition has not thought of.

**Put yourself in your customers' shoes.** A frequent mistake AdWords users make is that they bid on keywords that describe what they or their company do. That is not the same as what your customers are looking for; they are looking for a solution to their problems. Sometimes they may not even know that a solution to their problems exists. You have to put yourself in their shoes and ask what you would be looking for if you had their same problems. Keep in mind that potential customers may not know the "insider language" of your industry.

**Ask questions.** Visualize what questions your customers enter in search engines to find solutions to their problems. If a potential customer enters the question, "How do I properly water my garden?" then you should bid on the keywords "water garden," "properly water garden," "how water garden," etc. If you can create ten different questions in your topic, you quickly have hundreds of specific (and therefore cost-effective) keywords that you can then bid on.

**Review technical journals.** Some customers are familiar with the technical language of your industry or service. They regularly subscribe to technical journals, as should you if you have not already. You can find words and keywords on nearly every page of an industry journal that you should bid on.

**Analyze server log files.** Your Internet server keeps a log of all file and page calls. You can use the log file analysis tools to determine what keywords were entered in search engines to come to your website. You will be amazed at the keywords often used that you had not thought of. Your hosting provider often provides such a tool for free.

**Search in search engines.** Enter one of your higher-ranking keywords in a search engine of your choice, e.g. "garden" on Google. Look at the search results. The titles of the search results usually contain additional keywords that you can use yourself. Visit the individual websites and you will find even more keywords that you can bid on.



**Scan through auctions.** Auction sites are a big treasure trove for new keywords. You find out exactly what products are in demand for your keyword. For example, if you search for "garden" on [eBay.com](http://eBay.com), you will find potential keywords in the titles like "garden figure," "watering can," "sprinkler," "solar lights," "waterfall" and "storm lantern."

**Display related terms from search engines.** Some search engines show you terms in your search that other Internet users have also searched for. For example, if you search for "garden" in the search engine [Google Suggest](#), the search engine displays additional terms in the search results that you can use, e.g. "garden state," "lawn mower," "fruit trees," "beach chair" and "ornamental plants." Other search engines that suggest other terms include [AllTheWeb](#), [Excite](#), [Teoma](#) and [Yahoo](#).

**Follow live searches.** Some search engines allow you to follow live what their users have just searched for. At the very moment I am writing this line, for example, users of the search engine [MetaCrawler.com](#) are searching for "stomach muscles," "Karte Euro 2004," "MP3," "wading pool" and "Stuttgart Jersey Flug." These live searches are interesting to follow and offer you insight to how Internet users formulate their searches.

## 4.7 Seasonal Keywords

It often pays to formulate keywords in parallel with certain times and events. These are called seasonal keywords.

Try to develop new keyword combinations that correspond to the following events:

- January 1: New Year's Day
- January 6: Epiphany
- January 20: Inauguration Day
- January: Martin Luther King Day
- February 14: Valentines Day
- February: Presidents Day
- February/March: Carnival
- March 17: St. Patrick's Day
- March: Start of spring
- March/April: Easter
- April 1: April Fool's Day
- May 1: May Day
- May 5: Cinco de Mayo
- May: Mother's Day
- May: Father's Day
- May: Memorial Day
- May/June: Pentecost
- June: Start of summer
- June to September: Vacation season
- July 4: Independence Day
- August/September: End of summer vacation, school enrollment
- September: Start of fall
- September: Labor Day
- October 3: Thanksgiving
- October 31: Reformation Day / Halloween
- October: Columbus Day
- November 1: All Saints' Day
- November 11: Veterans' Day
- November: St. Martin's Day
- November: Day of Repentance and Prayer
- November: Thanksgiving Day
- November/December: Advent Days / Christmas season
- December: Start of winter
- December 24: Christmas Eve
- December 25 / 26: Christmas
- December 26 - January 1: Kwanzaa

- December 31: New Year's Eve
- December: Chanukah/Hanukkah

For example, if you sell candles, you should also bid on "Easter candles," "St. Martin candles," "Christmas candles," etc. in particular. Or if you sell bicycles, you could combine your keywords with Christmas and bid on "Christmas present" and "Christmas bicycle."

### **Event-driven Keyword Options**

Additional keyword options result from special occasions of national importance:

- Large sporting events (Olympic Games, soccer championship)
- Natural occurrences such as solar and lunar eclipses
- National or European elections
- Fairs
- Movie premiers
- Death of a prominent individual
- Birthdays of prominent individuals who have passed away

Attentively follow current news to profit from important events, e.g. when a countryman wins a big tournament or a medal, or when natural catastrophes occur such as heat waves, floods, human or animal epidemics. With Google AdWords, you can temporarily bid on event-related keywords.

### **Google's Zeitgeist**

Each month Google publishes a list that you can analyze to see which searches were particularly frequent. You can find this list on a website called [Google Zeitgeist](#).

## Google Zeitgeist

### Search patterns, trends, and surprises according to Google

For both breaking news and obscure information alike, people around the world search Google. This flurry of searches often exposes interesting trends, patterns, and surprises.

The Google Zeitgeist page is regularly updated to reflect tidbits of information related to the search behavior of Google users.

#### Zeitgeist This Week

Top 10 Gaining Queries Week Ending Dec. 6, 2004	Top 10 Declining Queries Week Ending Dec. 6, 2004
1. <a href="#">anna benson</a>	1. <a href="#">thanksgiving</a>
2. <a href="#">the used</a>	2. <a href="#">denise richards</a>
3. <a href="#">ken jennings</a>	3. <a href="#">kmart</a>
4. <a href="#">rachel hunter</a>	4. <a href="#">rosario dawson</a>
5. <a href="#">jeopardy</a>	5. <a href="#">salma hayek</a>
6. <a href="#">debra lafave</a>	6. <a href="#">gwen stefani</a>
7. <a href="#">chupacabra</a>	7. <a href="#">heidi klum</a>
8. <a href="#">hanukkah</a>	8. <a href="#">dick ebersol</a>
9. <a href="#">urban meyer</a>	9. <a href="#">julia roberts</a>
10. <a href="#">christmas</a>	10. <a href="#">green bean casserole</a>

#### Zeitgeist home

#### [Zeitgeist Around the World](#)

#### Yearly archives

- [2004](#)
- [2003](#)
- [2002](#)
- [2001](#)

#### [Google Blog](#)

Get the latest word direct from the Googleplex.

#### Zeitgeist Explained

zeit-geist | Pronunciation: 'tsIt-'gIst, 'zIt | Function: noun | Etymology: German, from Zeit (time) + Geist (spirit) | Date: 1884 | Meaning: the general intellectual, moral, and cultural climate of an era

By permission from [Merriam-Webster's Collegiate® Dictionary](#).

The [Google Zeitgeist archive](#) is particularly fruitful in finding out which keywords are frequently searched for in specific months.

### Popular Keyword Lists

The following websites can provide insight into which trends and keywords are currently in demand:

- [Amazon.com](#): Top 100 books, top 100 music, top 100 DVD
- [Lycos Top 50](#)
- [Alexa](#): Top 500 Websites
- [Daypop](#): Top Word Bursts
- [Google Zeitgeist](#)
- [Jeeves IQ](#)
- [SearchWords](#): Top 500 Keywords
- [The Word Spy](#): Top 100 keywords from the pasts 7 days
- [Yahoo! Buzz Index](#)

## 4.8 Keywords that Attract Click Defrauders

### Click Spamming and Click Fraud

Since the time pay-per-click programs such as Google's AdWords or other pay-per-click search engines were first introduced, there has also been a problem for advertising customers; **click spamming** or **click fraud**.

Click spamming is when an AdWords ad is intentionally clicked several times. The effect is that the AdWords Ad is no longer displayed once the daily limit for the ad has been reached. It can also lead to large financial losses to the detriment of the advertiser, and generally make advertising with AdWords unprofitable.

The spamming is usually carried out automatically by programs specially written for this purpose. Meanwhile, "services" out of countries with low production costs have become well-known, who continually click on a competitor's ad for little pay.

### What You Can Do to Combat Fraud

Keywords that consist of only one word are particularly affected by click fraud. Click defrauders think of these keywords first and they are rather expensive. To target potential customers more directly, it can also be effective to avoid keywords that consist of two or more words.

As expected, Google and all other pay-per-click search engines try to identify unnatural click series and general click fraud. However, they are not always successful.

Contact Google immediately if you discover suspect activities in your AdWords account. Include which keywords you suspect of irregularities and the time the irregularities occurred. And if possible, send log files from your Internet server. Google has in several cases been very generous in refunding obvious click fraud.

Make sure that you never see the same number of click in your server log files that Google AdWords reports. The reason for this is that server log files and log file analysis programs can for technical reasons sometimes overlook clicks. There are also differences in when clicks are recorded.

If you suspect that your competition is clicking on your ads on a large scale, you can prove it with the help of special anti-fraud software. Two well-known providers of such software are [ClickAuditor](#) and [WhosClickingWho](#).

## 4.9 Illegal Keywords

Google has already been sued several times because of its AdWords programs when advertisers have bid on brand names as keywords. Since the jurisdiction on this topic is in flux, we refer you to Google official policy:

- "What is Google's trademark policy?"

"As a provider of space for advertisements, we cannot arbitrate trademark disputes between advertisers and trademark owners. As stated in our Terms and Conditions, advertisers are responsible for the keywords and ad content that they choose to use. We encourage trademark owners to resolve their disputes directly with our advertisers, particularly because the advertisers may have similar advertisements on other sites."

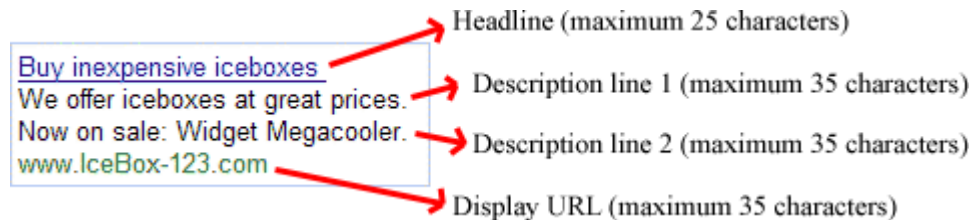
Source: <https://adwords.google.com/support/bin/answer.py?answer=6118>

In general, it is recommended that you do not use the trademarks, products and company names of your competition as keywords.

## **5 How to Write Profitable AdWords Ads**

## 5.1 How an AdWords Campaign is Structured

Google AdWords ads are so successful because among other things, they are structured so simply. All AdWords ads must conform to this structure:



Every AdWords ad consists of four rows:

- The first row is the **headline**. It can contain up to 25 characters including empty spaces. Punctuation is not permitted except for the question mark. It is not easy to create a header with just 25 characters that pulls in your attention.
- The second and third rows serve as **ad text**. Each row can have up to 35 characters, empty spaces included. The ad text must make clear why it is worthwhile to click on the ad.
- The fourth row is reserved for the **displayed URL**. It cannot contain any other text. The URL may contain up to 35 characters. No worries because the displayed URL does not correspond to the URL to which the ad refers. Considerably more characters are available for the destination page URL (exactly 1024).

Every AdWords ad has the following goal: to first grab your attention and then encourage the right Internet users to click. How that happens is explained on the following pages.

On this [website from Google](#) you can test how your ads will later look.



## 5.2 Headlines That Grab Your Attention

### Important Rules for the Headline

The headline is the first thing a potential customer sees on your ad. You must immediately spark their interest and grab their attention. Therefore, we go directly to the most important rules you must follow to achieve this:

#### Mention the keyword in the headline!

The Internet user is looking for the term he entered in the search; the keyword. If you refer to the keyword in the headline, it is much more likely that your AdWords ad will be noticed and clicked on.

Google even helps you with this by displaying all keywords in an ad in **bold**. The bold keywords stand out.

### Dynamic Keyword Use in Headlines

An unofficial, but very useful function with Google AdWords is the **use of dynamic keywords**. Normally, only static headlines are available in AdWords ads; you enter a headline when creating the AdWords ad and this is later displayed on the search results page.

It would be much more promising if the headline could match exactly the search that the Internet user entered in the Google search engine. Clickthrough rates would increase significantly because the headline in the ad would display exactly what the user is searching for.

You could accomplish this by creating an AdWords ad for any possible search combination. That would, of course, be too time-consuming. That is why Google has the dynamic keyword functionality that is used to independently generate headlines based on the search.

Amazingly, this function is not mentioned on the Google AdWords website. It works nevertheless.

Instead of entering a static text in the headline, enter the following:

{Keyword:alternative term}

This causes AdWords to display a keyword from the search in the headline. If the keyword is longer than 25 characters, the alternative keyword entered is displayed. Unfortunately, the alternative keyword can only be 15 characters maximum including empty spaces.

**Example:** You are operating a mail order company for flowers. You have created an Ad Group especially for roses with these five keywords: floribunda, hybrid tea, climbing roses, motif for rose pattern and wild roses. You enter the following as a headline:

{Keyword:Garden Rose}

If someone searches for "floribunda in the garden", your ad is displayed because you are advertising for the keyword "floribunda". The headline of your ad which reads "Floribunda" was automatically used by Google and is displayed in bold type face.

If someone searches for "spring motif for rose pattern," your ad is also displayed but the headline reads "Garden Rose" (your alternative term) because the keyword you advertised "motif for rose pattern" is longer than 25 characters.

You can also enter {keyword:alternative term} and then the keyword is displayed in complete lowercase style. With {KEYWORD:alternative term} the keyword is displayed in uppercase, so that you will receive an e-mail message from Google AdWords that this is not permitted.

## Writing Successful Headlines

The headline is so important that you can easily take three times as long to write the headline than the actual ad text itself. If the headline is not able to grab your attention, then the ad text is irrelevant anyway.

Moreover, some partners in the AdWords network only display the headline and not the ad text. Therefore, it is worth it to dedicate a lot of time to the headline.

By what means do you grab the attention of the Internet user? For one, there is the dynamic keyword function as described above. For another, there are some techniques that I have already successfully used in my ads. Please note that Google only offers 25 characters for your headline.

- **Questions can spark interest:** "Still in retirement?", "Woes with driver's license?", "Save \$700 now?"
- **Offer instructions:** "Cure cold yourself," "PC: Make 3x faster," "Keep tires longer," "Always be proven right."
- **Tell stories:** "How I lost 56 pounds," "I was poor and dumb," "Why you chose me."
- **Divulge insider information:** "Wal-Mart's Secret," "The Mystery of the Maya," "What brokers hide."
- **Claim the unbelievable:** "Make \$1273 from \$1," "99% do it wrong," "Diet without exercise."
- **Create trust:** "5000 satisfied customers," "Recommended by Dalai Lama," "25 years experience."
- **Compare:** "Better than on TV," "Smaller than a die."

## Google's Guidelines for the Headline

Google requires that all headlines meet certain specifications. These are the most important:

- Superlatives are usually rejected, e.g. "The Fastest Service" or "The Cheapest PC Shipping."
- You cannot give any general instructions, e.g. "Click Here" or "Call Now" (with the telephone number in the ad text).
- Google does not allow any content that is X-rated or objectionable.

- You are not allowed to overuse capitalization, e.g. "IMPORTANT." However, you can capitalize each individual word, e.g. "Build Radios Yourself."
- The headline cannot include exclamation marks ("!").
- Punctuation marks cannot be repeated, e.g. "??" is not permitted.
- You must leave empty spaces between words, e.g. "OnceToTheMoonAndBack" is not permitted.

## 5.3 How to Write Profitable Ad Text

Writing profitable ad text means that the reader must not only be convinced but also motivated. The reader must be convinced that you have something of worth to offer and he must have a reason to get more information.

Writing persuasive ad text requires both art and technique. There is on the one hand, the art of selecting the right words, and on the other, the technique of succinctly getting to the point. Nonetheless, there are still only 35 characters per row available for the ad text.

The following recommendations are a summary of my personal experiences and the knowledge of numerous advertising experts. They should help you write profitable AdWords ad text from the start. Of course, it is not without much effort and error, but with the following tips you are starting at a higher, i.e. more profitable level.

### Planning AdWords Ad Texts

**Analyze your product or service.** Create a list of all functions of your product or service that could be of interest to potential buyers. This list should be as long and comprehensive as possible. Take your time because you need this list for the next step.

**Turn features into benefits.** Go through your list and ask yourself the following about each feature: What does the customer gain? What benefit does that give him?

Do not confuse feature and benefit. A computer can have a very fast processor, but the benefit for the customer lies in the user's ability to work faster and thus have more time for his family. An oven can offer twelve different programs, but the benefit for the customer is that her baked dishes are always successful and she avoids aggravation. An office chair can be ergonomic, but the benefit to the customer is that it does not cause the customer back pain when sitting for long periods.

**Position your product or service.** Find out in what ways your product or service differs from that of your competition. What do you offer that your competition does not? This point is very important, because it allows you to write ads that your competition cannot.

**Define your target group.** Before you can even write one word of your ad text, you must know to whom the ad is directed. Men? Women? Children or youth? Families or seniors? Do your potential customers have experiences with similar products? Are they used to paying money for your product or service? Do they place more value on fast delivery, the low price or the best quality?

## How You Write Profitable AdWords Ads

**Do not lose sight of the goal.** Do not just count the functional characteristics of your product or service. Do not forget that your ad must not only persuade but also motivate.

**Mention benefits and avoid listing features.** Instead of "Ergonomic Office Chair" (function), write "Back Pain Never Again" (benefit).

**Create an incentive.** If you have time-sensitive special offers, then advertise with "Today only!", "When gone, then gone" or "Until 5PM only.. The reader must then immediately decide whether to click on the ad now or to possibly find later that the offer is no longer available.

**Discard superfluous words.** Rigorously dispose of all words that are unnecessary. Too many can draw the attention of a potential customer away from your product or service. We are talking about milliseconds here in which a potential customer must make the decision about whether your ad is worth reading or not.

**Be specific.** If space is available, put your offer into concrete terms. Instead of "gauge" write "laser gauge," instead of "sofa" better "leather sofa," instead of "pizza parlor" better "pizza parlor in Knoxville," if your pizza parlor is based in Knoxville.

A customer feels like he is being spoken to more with a detailed offer than with a vague, general offer. If you want to book a Mallorca trip, you are more likely to click on an ad with the text "Mallorca Trip" than you are on an ad that advertises general, low-priced trips only.

Not only do you increase the probability of a click with a specific text, visitors to your site are also considerably more targeted. For example, somebody who is interested in a vacation to Greece is not going to click on an ad with the text "Mallorca Trip".

**Appeal to your target group.** If a potential customer feels like she is being spoken to by your ad directly, she is much more likely to click on it. For example, say you are selling MP3 players and you have determined that your target group is "tech zealots," then write "Want the latest MP3 player?"

If price-conscious customers are your target group, then simply write "For Bargain Hunters." The main point is that the potential customer feels like he is being spoken to directly, making it probable that he clicks on *your* ad and not one from your competition.

**Use simple words in short sentences.** You only have 70 characters for your ad text and your AdWords ad is competing for the reader's favor with some others. That means it is important that you write a text that is very easy to understand.

Look for the simplest form of all the words that you want to use in your ad text. Instead of "Luxurious Furniture" write "Luxury Furniture," instead of "Delivery Free of Charge" better "Free Delivery" and instead of "Buy two and pay for only one!" better "Buy One, Get Two!"

**Avoid word games and humor.** Humor can be part of a good ad normally. However, because of the brevity of the AdWords ad text, humor is strongly discouraged. Only very few understand word games in the few seconds that an ad has to be read and everyone understand something different with good humor.

**Use facts only.** Do not let yourself be accused of half-truths and deception. Be honest and avoid texts that can lead to misunderstandings that later reflect negatively on you, your product or service.

**Be inspired.** And namely by a list of [powerful expressions](#)<sup>[74]</sup>.

## Google's Guidelines for the Ad Text

The AdWords program requires compliance with some rules for the ad text. These are the most important:

- If your ad text includes prices or discounts, it must be clearly and accurately displayed on your website within 1-2 clicks. The same applies to advertising claims in which you compare your product to those of your competition.
- If you are offering your ad only regionally, then you should identify this in the ad text, i.e. by naming the region.
- If you are participating in a partner program, you must identify this in the ad text, e.g. with "(Partner)," "(Affiliate)," "Aff" or "subsidiary."
- You are not allowed to place any ads for online casinos, online gambling or dialer programs. Online pharmacies must be a member of the SquareTrade Licensed Pharmacy program (only available for pharmacies within the U.S. and Canada).
- Google allows ads containing adult themes.

- Google does not allow call-to-action phrases, e.g. "Click Here Now." The ad text cannot refer to the display URL, e.g. with "Cheap Shipping from Chicago: [www.cheap-shipping-chicago.com](http://www.cheap-shipping-chicago.com)."
- Superlatives are almost always rejected by the AdWords editors, e.g. "The Best in MP3 Players" or "Doesn't Get Any Cheaper."
- No excessive capitalization is permitted, e.g. "CHEAPER THAN EVER." However, you can capitalize the first letter each word, e.g. "Cheaper Than Ever."
- The ad text may contain one exclamation point only.
- Punctuation marks cannot be repeated, e.g. "???" is not permitted.
- You must leave empty spaces between words, e.g. "FlowersSentFromKnoxville" is not permitted.
- Google does not accept ad text with spelling errors.

**Tip:** You may receive an e-mail message from Google because your ad allegedly has too many uppercase letters, although you have only used an abbreviation such as AATG (American Association of Teachers of German).

Simply reply to the e-mail message and explain the situation in a friendly manner. In most cases, your ad text is then accepted.



## 5.4 How to Specify the Display URL

The display URL is the third part of an AdWords ad in addition to the headline and the ad text. Some even claim that the display URL is the most conspicuous part of the ad because it stands out in the **color green**.

Google does not allow you to use a display URL that is significantly different than that of your destination URL. You are only permitted to shorten the display URL. For example, instead of the following:

<http://www.garden-123.de/green/best-green.html>

You can simply enter the following:

[www.garden-123.de](http://www.garden-123.de)

With pay-per-click search engines like Google AdWords, the trick is to register a new domain especially for an ad. The falling prices for domain name registration have boosted the use of this optimization technique.

### Google's Guidelines for the Display URL

For good measure, there are even more rules for the display URL:

- The destination URL must be functional. But of course, that is in your best interest.
- The destination URL must refer to a website and not a program file, an image file, an e-mail address, etc.
- The destination page must be "finished," i.e. it can no longer be obviously "under construction."
- When entering or leaving the destination page, no popup windows can open.
- The back button on the web browser must function correctly when entering the destination page, i.e. the Internet user must be able to return to the search results page.

### Tips

The following normally applies: just use your domain name for the display URL (with "www." and ".com"). The simpler, the better.

Advanced AdWords users can try to create special destination pages that contain the keyword in the file name, e.g.

[www.garden-123.de/gardening/](http://www.garden-123.de/gardening/)

Also try to add a benefit to the file name, e.g.

[www.garden-123.de/inexpensive-gardening-services.html](http://www.garden-123.de/inexpensive-gardening-services.html)

## 5.5 Powerful Expressions That Sell More

The following is a list of words, terms and phrases that you can help you to formulate more concise and successful AdWords ads.

Nearly all expressions have already been tested successfully with AdWords and lead to higher clickthrough rates. You can use them in both the headline and the ad text.

- 10 reasons for \_\_\_\_!
- 10 tips for \_\_\_\_
- 10 tips to \_\_\_\_
- 100% \_\_\_\_!
- 3 ways to \_\_\_\_!
- 7 reasons for \_\_\_\_
- About \_\_\_\_ offers!
- Access now!
- Access!
- Act now!
- Affordable!
- All models!
- All sizes!
- All-purpose \_\_\_\_!
- Alternative to \_\_\_\_
- Always \_\_\_\_!
- An answer to your dreams!
- And the price!
- Ask us!
- Available immediately!
- Available now!
- Bargain price!
- Be the first!
- Before it is too late!
- Best quality!
- Better than \_\_\_\_!
- Big selection!
- Brand new!
- Buy now, pay later!
- Buy two, pay for one!
- Cheap & good!
- Children for nothing!
- Choose!
- Click here!
- Come right in: \_\_\_\_!

- Compare!
- Convenient trial?
- Cool prices!
- Create your own \_\_\_\_\_
- Deliverable immediately!
- Delivered free!
- Delivery on preferred date
- Direct \_\_\_\_\_!
- Dirt cheap!
- Do not delay!
- Do not pass up!
- Do you need \_\_\_\_\_?
- Done with \_\_\_\_\_!
- Dreams come true!
- Easier than \_\_\_\_\_!
- Ends today!
- Essential for \_\_\_\_\_
- Everything \_\_\_\_\_!
- Everything about \_\_\_\_\_
- Everything for \_\_\_\_\_
- Everything in stock!
- Everything you need!
- Exclusive at \_\_\_\_\_!
- Experience it!
- Fact: \_\_\_\_\_!
- Falling costs!
- Fast!
- Faster than \_\_\_\_\_!
- Finally \_\_\_\_\_?
- Flexible payment!
- For \_\_\_\_\_ only
- For \_\_\_\_\_!
- For every budget!
- For lovers of \_\_\_\_\_!
- For you, only the best!
- Free catalog!
- Free consultation!
- Free delivery!
- Free for \_\_\_\_\_!
- Free for all \_\_\_\_\_!
- Free offer!
- Free shipping from \_\_\_\_\_!
- Free shipping!

- Free to the door!
- Free trial!
- From \$ \_\_\_\_
- From experts
- From the market leader!
- Full service
- Good & inexpensive!
- Gratis delivery!
- Greater selection!
- Half price!
- Half-price today!
- Here is \_\_\_\_!
- Hot prices!
- How you \_\_\_\_
- Ideal for \_\_\_\_!
- Immediate \_\_\_\_!
- Immediate delivery!
- Important for \_\_\_\_
- Important: \_\_\_\_!
- Improve \_\_\_\_!
- In minutes!
- In stock!
- Incl. \_\_\_\_
- Including \_\_\_\_
- Increase \_\_\_\_!
- Innovation!
- Introduction price!
- It works!
- Large assortment - small price
- Larger than \_\_\_\_!
- Last chance to \_\_\_\_
- Last chance!
- Last day!
- Lasts only \_\_\_\_ minutes!
- Learn how to \_\_\_\_
- Limited availability!
- Limited edition!
- Look!
- Love \_\_\_\_?
- Low prices!
- Low-priced goods!
- Made-to-measure
- Manufacturer direct!

- Modern \_\_\_\_
- Money-back guarantee!
- More revenue with \_\_\_\_
- More success with \_\_\_\_
- Nationwide!
- New in \_\_\_\_!
- New!
- New: \_\_\_\_!
- No minimum order
- No obligation to buy
- No problem!
- No risk!
- No starting costs!
- Now only \$ \_\_\_\_!
- Now only!
- Now with \_\_\_\_!
- Now you!
- Now!
- Offer: \_\_\_\_!
- Once in a lifetime \_\_\_\_
- Only \_\_\_\_ days left!
- Only a few available!
- Only a few left!
- Only a few remaining!
- Only at \_\_\_\_!
- Only until \_\_\_\_!
- Only while supplies last!
- Open 24 hours!
- Opportunity!
- Original \_\_\_\_!
- Perfect for \_\_\_\_!
- Perfect price!
- Personal consultation
- Price breaker!
- Price guarantee
- Promised!
- Quality guarantee!
- Quick & easy!
- Rare opportunity!
- Ready to \_\_\_\_?
- Ready to change?
- Ready, \_\_\_\_?
- Recommended by \_\_\_\_

- Recommended by experts
- Reduced by \_\_\_%!
- Reduced!
- Reliable service!
- Request a free trial!
- Reserve early!
- Satisfaction guarantee!
- Save also!
- Save money!
- Save now!
- Save up to \_\_\_%!
- Save up to \$ \_\_\_!
- Save!
- Saves \_\_\_!
- Say yes!
- Simple & good!
- Simple & inexpensive!
- Simple application!
- Simple!
- Simplified \_\_\_!
- Smaller than \_\_\_!
- Solution for \_\_\_
- Special for \_\_\_
- Special offer!
- Special price!
- Step-by-step to \_\_\_!
- Test now \_\_\_ days!
- Test today!
- That is the solution!
- The \_\_\_ of the future!
- The alternative!
- The art, \_\_\_!
- The only \_\_\_!
- The secret of \_\_\_
- The Solution!
- The truth about \_\_\_!
- Thousands of satisfied customers
- Time is money: \_\_\_!
- Timeless \_\_\_
- Time-sensitive offer!
- To the discount price!
- To the introductory price!
- Today only!

- Top prices
- Top quality
- Try 30 days!
- Try for free!
- Try it out today!
- Try it out!
- Try today!
- Unlimited access!
- Unsatisfied with \_\_\_\_?
- Until 5PM only!
- Until tomorrow only!
- Use \_\_\_\_!
- We make sure that \_\_\_\_
- We show you how!
- While supplies last!
- Why \_\_\_\_
- Why pay more?
- With consultation!
- With right of return
- With satisfaction guarantee!
- Works every time!
- You need \_\_\_\_?
- You want \_\_\_\_?
- Your chance to \_\_\_\_
- Your chance!
- \$\_\_\_\_ less!
- \_\_\_\_ also!
- \_\_\_\_ and \_\_\_\_!
- \_\_\_\_ by certified shop
- \_\_\_\_ by experts
- \_\_\_\_ discounter
- \_\_\_\_ for nothing!
- \_\_\_\_ for power price!
- \_\_\_\_ has the answer!
- \_\_\_\_ in comparison
- \_\_\_\_ instead of \_\_\_\_!
- \_\_\_\_ like no other!
- \_\_\_\_ makes you \_\_\_\_
- \_\_\_\_ now also!
- \_\_\_\_ now?
- \_\_\_\_ overview
- \_\_\_\_ reduced
- \_\_\_\_ so simple!



- \_\_\_\_ solves your problems!
- \_\_\_\_ still today!
- \_\_\_\_ to measure
- \_\_\_\_ with claim
- \_\_\_\_ with experience
- \_\_\_\_ without \_\_\_\_!
- \_\_\_\_% less!

## 5.6 How to Find the Smartest Competitors and Learn From Them

There is a trick to differentiating the smart, professional AdWords advertisers from the less smart beginners. You can use this trick to find out with a high probability which AdWords ads have been well-tested and successful.

Below is a step-by-step guide to finding the smartest and most professional competition:

1. Go to [www.google.com](http://www.google.com).
2. Search for your keyword, e.g. "garden."
3. Select or note the AdWords ads on the search results page. Let's assume there were eight AdWords ads.
4. Now search for your keyword together with the word "free," e.g. "garden free" (without quotation marks).
5. The ads that are no longer displayed are from smart competitors. You already know how to exclude those looking for a free deal. (The [chapter about negative keywords](#)<sup>26</sup> has more information about excluding such users.)
6. Next, search for your keyword with a word that is not in the dictionary, e.g. "garden free asdfasdf" (without the quotation marks).
7. The ads that are still displayed are either from large companies with million-dollar advertising budgets or from clueless, smaller companies.

Large companies can afford to advertise any type of keyword combination (even nonsensical instances), but the smaller and clueless companies will likely not advertise with AdWords for long because it is not profitable for them.

The ads that disappeared with the last search are your smartest competitors. It can be worthwhile to take a closer look at their headlines and ad texts because the professional AdWords advertising customers are probably checking out their ads more closely. You can learn from these competitors.

## 5.7 About Price Quotes in AdWords Ads

You can, of course, also mention the price of your product in your AdWords ads. However, you have to be clear about what you want to accomplish by doing so.

If you are targeting a price-conscious customer base, it can be worthwhile to entice them with low prices, discounts or free offers. However, you will also have to pay for clicks from people who, from the start, were only looking for free offers and who generally do not buy anything on the Internet.

On the other hand, a high price in an ad can scare away potential customers. Let's say you are advertising an expensive product in the ad text, e.g. a plasma TV for \$5,799. You could scare customers away that, in fact, are capable of paying nearly \$5,800 for a plasma TV, but perhaps inwardly were not ready yet.

It is generally better to convince potential customers of your product on the destination page first. AdWords ads are used more to look for customers and to spark their interest. Your destination page has the job of persuading them to buy.

If you decide to use a price in the ad text, or to refer to a discount or free offer, then you should know Google's respective guidelines. They state that the price named in the ad or the offer on your website must be clearly recognizable and identifiable within 1-2 clicks.

## 5.8 Optimizing Google Image Ads

### Introduction to Google Image Ads

Banner advertising is something that bothers many Internet users when surfing. Since May 2004 Google has also offered so-called **image ads** in its AdWords program. However, Google differentiates image ads from traditional banner advertising.

Google attempts to display image ads that fit the topic of the website only. Google uses the same technology as for the text ads. Image and text ads also work and cost the same.

Image ads are not displayed on Google search results pages, but on websites that participate in [Google's AdSense program](#) only. AdSense participants must have agreed to display image ads on their own websites.

If they have both text ads and image ads in an Ad Group, then Google displays the ad that is relevant for the immediate website.

You will find some examples of Google image ads [on this website](#). Note that you can create different images for different languages.

### Google's Guidelines for Image Ads

Google has published some guidelines to ensure the consistent quality of image ads. The most important include the following:

- Your image must be in GIF, JPEG or PNT format.
- Image ads are not accepted.
- The maximum file size for an image is 50 KB.
- The image must be available in a standard ad size. The current ad sizes are: 728 x 90 pixels (Leaderboard), 468 x 60 pixels (Banner), 300 x 250 pixels (Inline Rectangle) and 120 x 600 pixels (Skyscraper).
- The image must fit the advertised keywords. Of course, that is up for interpretation. If your image is rejected by Google, it is worthwhile to politely defend the image in a reply.
- The image can only include G-rated content.
- If you have text in your image, [Google's guidelines for text ads](#) also apply .

## Eight Tips to Greater Success with Image Ads

1. Many Internet users have become "blind" to advertising images. They simply overlook them when reading a text. It often helps to build in a headline in the image that is candidly directed toward the target group. The text sparks their curiosity and the associated image must then persuade them to click.
2. Experiment with different background colors in your image ads. Images that clearly stand out on the website are more likely to be noticed.
3. Not all ad sizes have the same probability of being displayed on the partner sites. Experience has shown that the Skyscraper format (120 x 600 pixels) is displayed most often. If you use this format, your image ad will probably receive more impressions.
4. For maximum success, you should create images in all four formats and test them in a narrow Ad Group. Unfortunately, Google requires that at least one text ad be in the same Ad Group.
5. Google can resize your image vertically by 11 or 22 pixels. More information is available on [this Google website](#). Make sure that your image still looks good.
6. Google shows the URL of your website under the image. You should therefore not refer to any other URL in the image as to not confuse potential clickers.
7. Optimize the file size of your images. Web browsers load smaller images faster, i.e. your ad is displayed earlier. The easiest way to optimize the file size is by reducing the number of colors in GIF images and by increasing the compression rate of JPEG images.

There are also free online services that optimize image file sizes, e.g. [NetMechanic GIFBot](#) that despite its name can optimize both GIF and JPEG images. The [JPEG Wizard](#) online service is also recommended.

8. You can try to use some Google image ads free for "branding" exclusively in order to increase the name recognition of your brand. You will have to do the splits to ensure that your brand is depicted positively without including an incentive to click on the image. Of course, that is only possible for short periods of time until Google turns off the image because of lack of clicks.

## **6 The Best Pricing Strategies**

## 6.1 Introduction to the Google AdWords Pricing System

### Impressions and Clickthrough Rates

It is called an "**impression**" when Google displays your ad. It makes no difference if your ad is displayed on the Google search results page or on the Google partner sites – an impression is an impression

If your AdWords ad is clicked on, it is called a "**click**." The **clickthrough rate** is the ration between the number of clicks on your ad and the number of impressions.

$$\frac{\text{Number of clicks} * 100}{\text{Number of impressions}} = \text{Clickthrough rate}$$

If your AdWords ad is displayed 100 times and clicked on three times, the clickthrough rate is 3% (=3 clicks \* 100 divided by 100 impressions). If your AdWords ad is displayed 250 times and clicked on eight times, the clickthrough rate is 3.2% (=8 clicks \* 100 divided by 250 impressions).

The **clickthrough rate** is abbreviated as **CTR**.

### Maximum and Actual Cost-Per-Click (CPC)

You determine the **maximum cost-per-click** for your keywords. Let's say, for example, that you are bidding on the keyword "garden furniture." Your competition specifies a maximum cost-per-click of \$0.40 and you set it to \$0.70. Nobody else is bidding on this keyword.

If you know that the competition is bidding only \$0.40, it would be enough for you to bid just one cent more than the competition, i.e. \$0.41 instead of \$0.70.

But no worries, you will not pay too much. Google automatically takes care of this and calls this function "**AdWords Discounter**." The AdWords Discounter makes sure that you pay only 1 cent more than your competition, if the maximum cost-per-click is higher than the amount your competition has set.

Although the maximum cost-per-click was set to \$0.70, the **actual cost-per-click** is \$0.41. In other words, the actual cost-per-click is the amount that you actually pay for each click on your ad.

By the way, in contrast to other pay-per-click search engines, you do not assign each keyword its own maximum cost-per-click. You specify the maximum cost-per-click per Ad Group only.

Moreover, there is also the [power posting funktion](#) that you can use to assign a different maximum cost-per-click to each keyword within an Ad Group.

Information about how you specify the maximum cost-per-click is available in the [How to Set the Maximum Cost-Per-Click](#) <sup>[90]</sup> chapter.

### How Google Determines the Position of Your Ad

With other pay-per-click search engines like Overture, the issue is quite simple; he who pays more is placed higher. With Google AdWords, the issue is somewhat more complicated because Google strives to create a balance between financially-strong companies and the relevance of ads to the keyword.

Google AdWords determines the position of your ads not by the cost-per-click alone, but by a combination of your maximum cost-per-click and the clickthrough rate. The higher your maximum cost-per-click and the greater your clickthrough rate, the higher your AdWords ad appears.

Google performs this calculation for each keyword individually. It will become clearer for you with an example. Let's say you are prepared to pay up to \$0.50 per click for the keyword "sunshade" (maximum cost-per-click = \$0.50). Additionally, every 25th user clicks on your ad (clickthrough rate = 100 divided by 25 = 4%). You then receive a "position value" of 2 from Google ( $0.50 \times 4 = 2$ ).

Your competition sets a maximum cost-per-click for the same keyword at \$0.20. Her clickthrough rate is 5%. Her position value is then 1 ( $0.20 \times 5 = 1$ ).

	Maximum cost-per-click	Clickthrough rate	Calculation	Position
You	\$0.50	4%	$0.50 * 4$	2
Your competition	\$0.20	5%	$0.20 * 5$	1

Since you achieve a higher position value, your AdWords ad appears higher up than that of your competition. Note that thanks to the AdWords Discounter you only pay \$0.21 per click, i.e. one cent more than your competition.

For your competition to get her ad placed higher than yours, she must increase her maximum cost-per-click or the clickthrough rate or both.



## Why Your Average Position is Given as a Decimal Number

If you specify the maximum cost-per-click for your keywords in the AdWords user interface, Google's Traffic Estimator then calculates the average ad position for each keyword.

If you do not specify any special [keyword matching option](#)<sup>[27]</sup>, the keyword matching option "broad-matched" is assumed. That means your keyword is also displayed for searches where the keyword is one of many words. Because the clickthrough rate and the maximum cost-per-click of your competition vary for each search, the average ad position is displayed as a decimal number, e.g. 1.8 or 5.4.

An example makes this clear. Let's say you have selected "trip" as a keyword. Because of the default keyword matching option "broad match, your AdWords ad is also displayed for the searches "winter trip Austria" and "trip tips Norway."

For the first search "winter trip Austria" your ad would be displayed in the first position thanks to a high maximum cost-per-click. For the second search "trip tips Norway" some competitors offer a higher maximum cost-per-click, for example, and your ad is only displayed in position 4. Therefore, an average position of 2.5 is calculated for the keyword "trip."

## Your Daily Budget

You can specify a daily budget with Google AdWords, i.e. a maximum amount you are willing to pay for a campaign per day.

Google AdWords aligns itself to the daily budget you specify. It attempts to distribute the campaign ads equally throughout the day, so that your daily budget is reached. Balanced placement ensures that your daily budget is not reached in the morning or by noon, but your ads are placed throughout the entire day.

You will sometimes notice that Google has allowed up to 20% more clicks per day and your daily budget limit has been exceeded. Although it sounds curious, this is essentially a service from Google. In this way, Google attempts to balance the fact that each day does not have the same number of users. For example, Google is queried for "office supplies" more frequently on weekdays and for other searches like "picnic" more frequently on the weekends.

Google guarantees that your daily budget is kept on a monthly average. If your daily budget is \$100, you pay at most \$3000 for the month (in a month with 30 days). If Google delivers more clicks than your daily budget allows, you receive a credit that shows up on your AdWords invoice as an **Over-delivery Credit**.

More information about the topic of daily budgets is available in the [How to Set Your Daily Budget](#)<sup>[9]</sup> chapter.

### **Minimum Clickthrough Rate**

The Google AdWords program is very careful to only display AdWords ads that are highly relevant to the searches. For this reason, Google has implemented the [minimum clickthrough rate](#).

Only those ads that are actually clicked on a few times for a search are considered relevant. Google disables ads that are not clicked on, because they obviously are not considered relevant enough by Internet users.

The AdWords user interface alerts you when your ad is about to be disabled. You are warned in advance, so you can try to increase the clickthrough rate for your ad. You can accomplish this, for example, by changing the ad text so that the ad is clicked on more frequently.

The minimum clickthrough rate is 0.5% if your ad is in the first position, and is lower for the other positions. A minimum clickthrough rate of 0.5% for the first position means that the ad at the very top must be clicked on at least once in 200 impressions.

## 6.2 How to Set the Maximum Cost-per Click

Before you can start your AdWords campaign, you should know how high to set the maximum cost-per-click. The following, simple calculation can help you with this:

$$\frac{\text{Profit per Sale in \$} * \text{Conversion rate}}{100} = \text{Cost per click, in order to reach the breakeven point}$$

You must first determine how much **profit** you have **per sale**. Let's say you are selling a product for \$100 or each buyer is responsible for an average revenue of \$100. From that you must subtract value added tax (VAT) and your cost, so that only your profit remains. Let's assume that your profit is \$60.

You must next determine the **conversion rate**. How many people that click on your ad become buyers? Three in 400? Then your conversion rate is 0.75% (3 x 100 divided by 400).

Both numbers are put into the equation to determine the cost per click where you break even, i.e. with which you can just cover your costs:

- Profit per sale: \$60
- Conversion rate: 0,75%

$$\frac{\$60 * 0.75}{100} = \$0.45$$

With a profit per sale of \$60 and a conversion rate of 0.75%, you can pay a maximum of \$0.45 per click. This is the breakeven point. If you pay less per click, then you make a profit.

A few observations:

- Of course, you have to calculate the breakeven point for each individual product.
- Google AdWords can help you to accurately determine the exact conversion rate. More information is available in the [How to Test Your AdWords Ads](#)<sup>[108]</sup> chapter .
- Please also note that a customer once gained may also buy again without having to advertise with Google AdWords. You can account for this in the conversion rate by setting it higher.

## 6.3 How to Set Your Daily Budget

What amount to set your daily budget to is a delicate topic and something that AdWords beginners especially do wrong.

AdWords beginners do not quite trust the AdWords system and set their daily budget to a very low value, e.g. \$5 per day. Unfortunately, it is not possible to conduct a successful AdWords campaign with such a low daily budget. The reason for this lies in the [law of large numbers](#).

If you have a click for 7 cents here, a click for 23 cents there, and another click for 15 cents and at the end of the day have paid only \$2, then you have learned practically nothing about your campaign. Your data set is simply too small to make a statement that is statistically significant.

We set our daily budget at several hundred dollars per day. On some days, Google is only able to call clicks in the amount of \$45. However, had I set my daily budget to \$45, perhaps I would have only received clicks in the amount of \$6-7.

So, set your daily budget high. Gather data and optimize your ads until you are satisfied with the profit per ad. Realize that you can only gather enough data by getting enough clicks and for that you need a high daily budget.

If your campaign is well-tested and highly optimized you should think nothing of setting your daily budget very high. After all, every click Google can secure for you means profit.

## 6.4 Successful Pricing Strategies

Over the course of time, four pricing strategies have emerged that can be successfully applied to AdWords ads.

Not every pricing strategy is suitable for everyone. Look for the strategy that best fits your needs based on your budget.

### **Pricing strategy #1: "Always the top position – let it cost what it will"**

If you have a very large advertising budget, or a product must be advertised online at any price, then you should try this pricing strategy at least once. It means that you always bid as much as necessary to ensure each keyword occupies the first position.

This strategy can be very successful, as the first AdWords position is clicked on much more often than the second. A [PPC study](#) published in July 2004 indicated that the first position in Google AdWords has a 40% greater probability of being clicked on than the second position:

*"One major insight included the strength of Google's number one ranking. The amount of potential traffic drops more than 40 percent between the number one ranking on Google and the search engine's number two ranking. This statistic highlights Google's reward to advertisers willing to pay for the top position."* [Source: Atlas DMT Study July 2004](#)

That means you may not reach 40% of your potential customers if you only bid for the second position!

The same study also determined that the first position received ten times the traffic of the tenth position. The higher the position, the more potential customers you can reach.

Of course, the first position also has its disadvantages. For one thing, it can be very expensive to gain and keep the first position. For another, there is always the danger that your competition will outbid you for the first position, resulting in a continual, mutual bidding war that can drive up the click price. Read the chapter called [How to Avoid Bidding Wars](#)<sup>95</sup>.

Furthermore, there is the problem that for Google the price is only *one* component in establishing the ad position. The other component is the clickthrough rate that your AdWords ad must obtain in order to stay in the first position.

### **Pricing strategy #2: "Follow the competition"**

With this pricing strategy, you attempt to adjust your ad position to the ad position of your competition. In other words, you attempt to achieve a position above or below the ad of your immediate competitor.

When you have accomplished this, you can try to trump your competition with the help of your headline and ad text. This is particularly effective if your competition advertises prices.

Let's say you and your competition are selling DVD players and your competition names a price in the headline - "from \$79." You could then attempt to launch a price "from \$59" above or below the ad of your competition. Internet users that look at the ads from above and below will certainly favor your ad based on the lower price.

This strategy can easily result in a bidding war. To avoid this, you can also advertise other qualities of your product or service, e.g. "With 5-year guarantee" or "Exclusive to us only."

The greatest disadvantage of this pricing strategy is that it can become very expensive if you are bidding on several keywords or if you have several competitors. However, if you are in a niche market with few keywords and few competitors, then you should try this pricing strategy at least once.

### **Pricing strategy #3: "Always bid the minimum"**

If you have a very small advertising budget, or if you are still skeptical of AdWords ads, then the "Always bid the minimum" pricing strategy might be right for you.

With this strategy, for each keyword you bid the minimum possible cost-per-click, currently \$0.05. You then hope that you have found enough keywords that also allow you to be well-placed for the minimum cost-per-click, or that in your market many customers read through all the ads from top to bottom.

This pricing strategy can work if you have found many, many keywords that are directly related to your product.

However, for highly contested keywords, you may find that your ad does not even appear on the Google search results page, or at least very seldom. Only eight ads are displayed on the Google search results page at any one time, and with a minimum cost-per-click your ad may reach only the 9 position or lower.

#### **Pricing strategy #4: "Always offer your personal maximum cost-per-click"**

For the fourth pricing strategy, you must first determine your personal, maximum cost-per-click. How you do that is described in the [How to Set the Maximum Cost-Per-Click](#)<sup>[90]</sup> chapter.

You simply set the maximum cost-per-click for every keyword. This guarantees that you are bidding the maximum possible for you on average for all keywords and that for you it is profitable on average.

This strategy tries to balance out the disadvantage of high costs in the first strategy, as well as the disadvantage of the poor ad positions in the third strategy. So, on average you obtain good ad positions at moderate prices.

Unfortunately, this pricing strategy has two disadvantages. If you were to manually set the optimal cost-per-click for each keyword, you could realize much more profit for some keywords. You could also avoid losses with some keywords.

In contrast, this price strategy has the advantage of demanding very little time. If you are undecided which strategy you should use, then choose this one.

#### **Alternative: Choose no specific pricing strategy**

You can select a specific pricing strategy for one Ad Group and select an entirely different pricing strategy for another.

Alternatively, you can also set the cost-per-click for each word individually, although that can be very time consuming. You can use services or automated programs, such as [BidRank](#) (software program for Windows) or [Atlas OnePoint](#).

## 6.5 How to Avoid Bidding Wars (Mutual Outbidding)

Pay-per-click auctions like Google AdWords can lead to so-called bidding wars. A competitor bids on a keyword just a bit more than you, then you outbid him, he outbids you, and you outbid again with a new price and so forth.

Continually outbidding each other leads to higher costs-per-click for both participants. Google ends up the laughing winner because they earn more from the higher cost-per-click.

The following lists five options for avoiding bidding wars.

### Option #1: Choose an appropriate pricing strategy

One way to avoid bidding wars is to choose an appropriate [pricing strategy](#)<sup>[92]</sup>. If you always bid the minimum or your personal maximum cost-per-click for every keyword, you avoid getting into a bidding war. This is the easiest way to avoid a bidding war.

### Option #2: Contact your competition

Another way is to simply call your competition on the telephone or send them an e-mail message. At first glance, this may seem a bit unusual, but successful in many cases.

Explain the situation and determine together how you can come to a solution that is satisfactory for both parties. For example, the one competitor could bid somewhat higher for a month and then you could bid higher another month. Or, you both just bid the same cost-per-click and Google or the relevance of your ads then decides the ad position.

Speaking with your own competition is not a socio-romantic clarification of capitalism, but a two-fisted calculation that can save you both a lot of money and increase your earnings.

### Option #3: Bid on other relevant keywords

You can avoid a bidding war from the start by finding keywords that your competition has not. The [professional tricks for finding new keywords](#)<sup>[45]</sup> can help you be successful.

For example, if you are searching for "flowers" on Google, then the ad list on the right-hand side is overbooked: all eight ad places are booked.



However, if you are searching for specific flowers, e.g. daffodils, daisies, lilies or sunflowers, then there are usually no ads or at most two advertisers.

#### **Option #4: Increase the relevance of your ads**

Do not forget that on Google not only does cost-per-click contribute to the ad position, but also the relevance. If you are successful in persuading Internet users to click on your ads more often, you can improve your ad position. Try to write your headline and ad text "more click friendly". More information is available in chapters [Headlines That Grab Your Attention](#)<sup>[64]</sup> and [How to Write Profitable Ad Text](#)<sup>[68]</sup>.

#### **Option #5: Offer free enticement products**

With high-value products, it can be worthwhile to offer something for free as an enticement, e.g. a free e-Book. If the potential customer considers the e-Book of value because it provides interesting information, he will also certainly pay attention to the advertisement contained in it.

Perhaps he may even decide on your product when he is ready to buy because he has come to know you and has learned to appreciate you as a company.

You can offer a lower cost-per-click on Google for the free enticement product than for your actual product. The word "free" in the headline or in the ad text alone will increase interest considerably which will result in more clicks than before. This will increase the position of your ad so that you do not have to get into a bidding war with a competitor.

## 6.6 How to Optimize the Click Potential of Your Keywords

A [PPC study](#) published in July 2004 from the renowned Atlas Institute examined the average click potential of Google AdWords ads. Among other things, it determined that the first ad position is 40% more likely to be clicked on than the second position.

The study determined the following distribution of click potential based on the AdWords ad position (the click potential shown in percent relative to the first position):

Ad position	Click potential
1	100.0%
2	59.8%
3	47.5%
4	39.0%
5	34.8%
6	31.3%
7	24.0%
8	20.0%
9	15.3%
10	13.9%

Example: Let's say last month you received 2,000 clicks for a keyword in the fourth position. Using the table above, you can determine how many clicks it would take for you to increase the average ad position for that keyword:

- Position 4: 2000 clicks (relative click potential: 39.0% for the fourth position)
- Position 3: (47.5 times 2000 clicks) divided by 39.0 = ca. 2,436 clicks
- Position 2: (59.8 times 2000 clicks) divided by 39.0 = ca. 3,067 clicks
- Position 1: (100.0 times 2000 clicks) divided by 39.0 = ca. 5,128 clicks

If you can improve the average ad position by just one position (from position 4 to position 3), then you are already getting nearly 25% more clicks.

The first position would give you about 2.5 times the number of clicks you get in the fourth position (5128 clicks compared to 2,000 clicks).

To improve your ad positions, read the chapter [Troubleshooting: My AdWords ads appear too far down](#)<sup>[13b]</sup>.

## **7      How to Optimize Your Destination Page**

## 7.1 Which Destination Pages Increase Your Profits

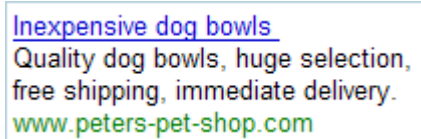
You have composed an attention-grabbing headline, you have written persuasive ad text, now simply activate the ad, lean back and achieve profits... unfortunately not.

To achieve complete success with your AdWords ads, it is very important to fit the destination page to the ad text exactly. A frequent error that AdWords beginners make is routing all ads to the homepage, thus giving away much of their revenue and profit.

The AdWords ad sparks the interest of a potential customer. However, the task of persuading the customer to buy belongs to the destination page. In general, a homepage cannot accomplish this.

### Example

Let's put ourselves in a potential customer's shoes. His name is Rudy, he is 42 years old and an enthusiastic dog breeder. He is looking for new dog bowls for his fifteen dogs. Rudy searches on Google for dog bowls and sees this ad:



Inexpensive dog bowls  
Quality dog bowls, huge selection,  
free shipping, immediate delivery.  
[www.peters-pet-shop.com](http://www.peters-pet-shop.com)

The ad actually does everything right; it mentions the keyword in the headline and offers several reasons why it pays to click on the ad. Rudy is interested and clicks on the ad.

There are now two possibilities:

1. The ad opens the homepage of the pet shop. Faced with loud images, offers and links, Rudy is unable to determine how he gets to the dog bowls. He looks around for a bit and then presses the back button on his web browser. He would rather try another supplier.
2. Or, the ad takes him to a special sub-page from the pet shop that has direct offers for dog bowls with the appropriate dog bowl images. Rudy immediately sees that he has landed on the right website. He studies the offer and then orders fifteen new dog bowls.

Rudy's experience is the same as hundreds of AdWords clickers everyday. From this the following rule results that can be the decisive factor whether your AdWords advertising is a financial success or not:

**Create a separate destination page for each AdWords ad!**

## 7.2 Destination Page Optimization

Attracting customers to your website through Google AdWords is one thing. It is a completely different thing to persuade visitors to your website to fulfill the goal of your landing page, e.g. to buy your product.

Google AdWords already cost you money as soon as a potential customer clicks on your AdWords ad. It makes no difference whether your destination URL is up or not, or whether the potential customer leaves your website prematurely because it loads too slowly.

The following recommendations are based on several years of experience and many usability studies. They are well-tested and used by successful advertisers. You can drastically increase the conversion rates or the sales quota of your destination pages by implementing these recommendations.

### Simplify Your Navigation

When planning your destination page, not only should you pay attention to an attractive presentation of your offer, but also to the clarity of your navigation. A well-planned navigation can significantly increase your revenues.

Several website usability studies have shown that with each additional click 30 to 60% of visitors leave a website. The more potential customers have to click to get the information they demand, the fewer remain in the end to buy your product. This also confirms that you should send potential customers to a separate destination page, so that they do not have to click through your website from the homepage.

### The Goal of the Destination Page

Every destination page should have a specific, predefined goal. What is it that the potential customer should do on your landing page? Should he buy your product? Should he subscribe to a newsletter? Should he fill out a form for a survey, brochure or membership?

Furthermore, the destination page should have this one goal only. Make it as easy as possible for the potential customer to achieve this goal.

An error frequently made is to include dozens of links to other product pages on the destination page. Avoid this. One link to your homepage or to your sitemap that has a hierarchical overview of your website is sufficient.

## Show Customer Benefits

Naturally it is important that your destination page lists and clarifies the features of your product or service.

If you are advertising a product, then you can explain that your product is of the best quality, that it works faster than your competitor's product or that it costs less.

If you are advertising a service, then you can explain what modern machines you use, your extended hours of operation and how fast the work is completed for the customer.

However, remember that a potential customer is always asking, "What jumps out at me?" Even if he is interested in the features of your product or service, at the end of the day what counts most for him is the benefit he can get from your product or service.

Let's change the features listed above into customer benefits:

Product or service feature	Customer benefit
High quality	The product keeps longer, the customer saves money
Service uses modern technology	Product is supposedly of better quality
Low price	The customer saves money
Extended hours	The customer is more flexible in his time arrangement
Fast order completion	The customer saves time

Do not assume that the customer will recognize the benefits on his own. Websites are often read too superficially. Persuade potential customers by not only introducing the features of your product or service, but by specifically listing the customer benefits.

## Differentiate Product or Service

In 1961, Rosser Reeves published the book "Reality in Advertising," which in the meantime has become a classic. The so-called **Unique Selling Proposition** (USP) was mentioned in this book for the first time.

According to this philosophy, every company should attempt to find its unique selling proposition for its product or service that sets it apart from the competition. The USP answers the customer's question, "Why should I buy the product or service from your company?" Since that time, almost no company avoids naming its USP.

According to Reeves, the USP must fulfill three conditions:

1. Each advertisement must make a proposition to the consumer. It must say, "Buy my product and you will receive these special benefits."
2. The proposition must be one that the competition either cannot, or does not offer.
3. The proposition must be so strong that it can move the mass millions and can lead new customers to the product.

There is a simple way to find the USP for your company. Create a list of all selling propositions that benefit your customer. List everything that comes to mind.

Then go through the list point by point. Are there any special customer benefits that your competition does not offer? If you can answer this question with a "yes," you have found your USP.

If you are unable to find a USP using this method, then you have to create one. Every company differentiates itself from its competition in some way. Here is some help:

- Is your product less expensive?
- Is there a promise you can make, e.g. an extended guarantee or that you will refund their money within 14 days if the customer finds the product at a better price somewhere else?
- Does your product offer features that your competitor's products do not?
- Is your product lacking a feature that the others have?
- Has your company been in business longer or does it have more experience?
- Is your company the largest in the market?
- Is your company the smallest in the market and therefore puts forth more effort?
- Have you had a particularly large number of customers?
- Do you have extended hours of operation?

Make sure that your destination page visitors experience your USP and that your USP is strong enough to persuade the visitor to purchase from you only.

### **Create Trust**

Why do so many people shop at Wal-Mart? You actually have to assume that the quality of the products Wal-Mart offers must be miserable, or how else could Wal-Mart sell its products so cheaply?



Nevertheless, so many people trust the quality of Wal-Mart products. Perhaps Wal-Mart gets around it by sorting out products that test lower than "good" or "satisfactory" in product tests. It is more likely that the Wal-Mart customers over time have come to trust Wal-Mart, to shop there without being disappointed.

Trust is the basis of purchase. But how do you create trust on a website? The website [WebCredibility.org](http://WebCredibility.org) from Stanford University offers some rules:

- 1. Make it easy to verify your selling proposition.** If you claim something, provide references and sources that potential customer can use to verify the validity of your claim. Even if people don't follow these links, it creates a trust that they can purchase in case of doubt.
- 2. Show that there is a real company and people of flesh and bones behind your site.** Many people fear being bamboozled by an anonymous website. Prove that there is a real company behind the website by publishing your physical address (with street name, no PO box), your membership with the chamber of commerce (if available) or a picture of your offices.
- 3. Make it easy to contact you.** List your phone number and your e-mail address, as well as the times you or your company can be reached. If you have a retail outlet, list your hours of operation. Quickly respond to e-mail inquiries.
- 4. Have your website designed by a professional designer.** Most people unknowingly judge a website by its appearance. The layout, typography, images and text should all speak to the product or service you are trying to sell. Your website must also load quickly and be easy to navigate.
- 5. Show that your website is updated often.** Studies have shown that people assign more credibility to websites that appear to have been updated recently.
- 6. Avoid errors of all types, no matter how small they may seem.** Check your website for spelling errors and broken links. Have your website checked by others for errors. Even the smallest error can damage the credibility of your website, which then reflects on your products.
- 7. Guarantee success.** Potential customers that are close to making a purchase ask themselves, "Am I making a mistake if I buy this product?" Relieve their angst. Offer a 30, 60 or 90 day return guarantee. Few will actually take you up on the offer, but you nevertheless increase the number of people that are willing to make a purchase from you.

If you have thank you letters from your previous customers, mention it on your destination page. When potential customers read that others were satisfied with their purchases, the probability increases that they will also make a purchase from you.

## Invitation to Act

Your destination page lists all important features and tells potential customers what benefits these features bring. It also tells potential customers why they should buy from you and helps to create credibility. What else is left?

Now it is important to invite your potential customers to act. Clearly state what you now expect from them, e.g.

- Click on the "Order Now" button to order the product!
- Fill out the form below to receive a brochure free of charge!
- Download the free demo now!
- Buy now, 100% risk free!

Two types of advertising graphics were tested in a well-known study. The one graphic differentiated itself from the other by the additional invitation "Click here!" Guess which advertising graphic had better results, the one with or without the invitation. Of course it was the one that told the potential customers exactly what to do.

It sounds strange and you might think that potential customers should know implicitly what is expected of them. However, an assertive invitation brings better results. Use it!

## Simplify the Order Process

Usability studies have shown that a higher than average number of potential customers exit when reading the order form. They leave the entire website and leave behind a full shopping cart without having placed the order.

It is important for this reason that you simplify the order process as much as possible:

- Ask for the really important information only. For example, if you need their birthday for marketing purposes and it has no relevance to the purchase, then do without it. Laws in some countries even requires it.
- If you can possibly manage it, the order form should involve only one website.
- Offer as many payment options as possible, e.g. direct debit, COD and credit cards (Visa, MasterCard and possibly American Express) at a minimum. There are special points if the customer can also pay by EC Card, by telephone bill , by cell phone or with virtual money. Many potential customers already have an account with the Internet company [PayPal](#) (e.g. through eBay.com).
- Encrypted data transfer of customer data is actually a matter of course. However, it calms a potential customer down if you assure him again that his private data is encrypted.
- Place obvious links to your general terms and conditions (GTC) and explain how you manage data security.
- The customer must be clear at any time exactly how much he is going to pay. Clearly list the net price, tax and gross price. Don't forget to clearly state how much the shipping fees are.
- Tell the customer what will happen after the order has been placed. Will he immediately receive a confirmation e-mail message? If no, why not? Tell him how long it will take to fulfill the order, when the order has been shipped and when he can expect to have the product in hand.

## Test the Usability of Your Website

Surely you have received the advice at some point that you should have the usability of your website tested. However, only a few ever heed that advice, perhaps for fear of criticism. But you need this criticism if you want to improve the usability of your website and increase your revenues at the end of the day.

If you are not able to afford a usability service provider or do not want to hire one, harness your relatives, friends and associates. Use people that are not yet familiar with your website.

Create a list of question and tasks that the testers must answer and perform.

Examples:

- Does the website load quickly enough?
- Can you easily read the text?
- What propositions are given to buy the product?
- How much does the product or service cost?
- How long does it take for delivery?
- Can you pay by wire transfer? (Regardless of whether you offer this payment option or not, a potential customer may want to know the answer to this question)
- What are the sellers address and telephone number?
- Do you have any open questions?

Assure your test group that it is your website that is being tested and not the testers. And if they make a mistake, it is not their mistake, but a mistake from the website – exactly what you want to find out.

Carefully observe each tester while they attempt to perform the given tasks. Do not interrupt the tester and make sure he understands that you will not be able to answer any questions – a potential customer does not have you sitting next to him either.

You will certainly be able to determine if a tester is unable to perform a task or is unable to answer a question. Do not attribute this to lack of intelligence, the age or inexperience of the tester. A tester represents hundreds of other potential customers who fail just the same.

Note what comes to mind during the observation, e.g. if cumbersome paths are taken because the path you planned was not obvious enough.

If you see that the tester is having difficulties or is confused, ask for specifics. Do not jump to any conclusions. This will help you see it from another point of view.

At the very end, ask for suggestions for improvement and whether the tester would have actually purchased the product or service, if they had been interested.

## **8 How to Test Your AdWords Ads and How to Increase Your Profits**

## 8.1 Why Testing is So Important

*"I know that half of my advertising budget is wasted, but I'm not sure which half."*

The British industrialist Lord Leverhulme said this in the 19th century. (This quote was also attributed to the department store pioneer John Wanamaker, also from the 19th century).

### Conversion Rate and ROI

The person who places ads with Google AdWords without knowing which ads lead to sales is no different than Lord Leverhulme; he wastes money. If you do not want to unnecessarily waste your advertising budget, then you have to test your AdWords ads and determine the conversion rate for your keywords.

The conversion rate indicates the number of people that click on your AdWords ad divided by the number that actually purchase.

With the conversion rate you can then determine the **ROI (return on investment)** of your keywords, i.e. how much profit you gain per advertising dollar.

### Increase Conversion Rate through Continual Testing

I have experienced it in my own campaigns. One of the most expensive keywords attracts a large number of visitors, but the conversion rate leaves something to be desired. That means I have paid a lot for each click on the AdWords ad, but the clicks have not resulted in enough sales.

I tested various headlines and ad texts and tried to filter the desired type of visitor by the ad text. After about a dozen ads, I was able to significantly increase the conversion rate. My advertising dollars were used meaningfully and I saved (and continue to save) a lot of money.

## Increase Conversion Rates and Double Your Profits

If you can increase your conversion rate by just 1%, say from 1% to 2%, you can double your profits! Admittedly, that sounds somewhat dubious, but this calculation proves it:

Example details:

- Your product costs \$100 to manufacture.
- You sell your product for \$150 net and achieve a pre-tax revenue of \$50 for each product sold.
- One click on your AdWords ad costs \$0.10.

AdWords ads before the start of the test:

- One out of 100 people that click on your AdWords ad buys your product. So, your conversion rate is 1%.
- You see a profit of \$50 for every 100 people that click on your ad.

AdWords ads after continual test optimization:

- You optimize and test your AdWords ads until you have increased the conversion rate from 1% to 2%.
- Two out of 100 people that click on your AdWords ad now buy your product. Your conversion rate is now 2%.
- You see a profit of \$100 for every 100 people that click on your ad. You have doubled your profits (up to \$0.10 for the additional clicks).

Now imagine how much profit you could realize if you were to increase your conversion rate to 3% or 4%!

Now you know why it is so important to continually test and optimize your AdWords ads. The following pages describe to you how it is possible to increase your conversion rate and thus your profits.

## 8.2 Overview of the Testing Process

1. Before you can start testing, you should be clear about exactly what you want to measure. For example:
  - Number of destination page visitors
  - Number of sales or orders
  - Number of (price) inquiries
  - Number of new subscriptions or new members
  - Number of orders for a free brochure
  - Number of forms filled out
2. If you have determined the goal of your destination pages, you have to determine which keywords you want to test and how many destination pages you want to create for the different keywords.

The following normally applies. Each keyword has its own destination page, unless it involves slightly changed forms of the same keywords, e.g. the plural form or with an obvious spelling error.

Only when each keyword has its own destination page can you know exactly which keywords work and how you should set your maximum cost-per-click for these keywords.

3. Next, create your destination pages. More information about destination pages is available in the [Destination Page Optimization](#)<sup>[98]</sup> chapter.
4. Add the URL of the destination pages to your AdWords ads. Double check the spelling of each URL; it would be a shame if you believed that a keyword did not bring any conversions because of a simple spelling error in the URL.
5. Start your AdWords test campaigns. Wait to make your analysis until an ad has at least 100-200 clicks. Otherwise, the numbers are worthless because they are not representative. The more clicks an ad has, the more precise the analysis can be.
6. Now measure the points that you specified in the first step. Which of your AdWords ads are achieving the best results? Which *keywords* are achieving the best results? What do you believe is the reason these AdWords ads and keywords have better results than the others?
7. You can now make several adjustments to improve the results and thus your revenue and profits. You can change your keywords, the ad text or the destination pages. Tips to increase your profits are available in the [Testing and Optimization Opportunities](#)<sup>[115]</sup> chapter.



## 8.3 How to Use Google's Conversion Tracking and Other Tracking Software

### Conversions and Conversion Tracking

A **conversion** occurs when a click on your ad leads to user behavior that you deem valuable, such as a product order. **Conversion Tracking** is the process and technology of measuring a conversion.

But how can you measure your conversions?

An easy solution is to use a separate domain for each destination page. By using the visitor statistics of the domain, you can learn how many visitors have come to your destination page.

Unfortunately, this method only allows you to learn the number of visitors, but not the number of conversions or the number of orders. Additionally, it can be very time consuming to manage a domain for each keyword.

That is why there is tracking software, either from Google itself or from third parties.

### How Tracking Software Works

When your AdWords ad is clicked on, the tracking software normally places a cookie on the user's computer.

Cookies are small text files that a website or the tracking software stores on the user's computer. The text file contains information, for example, about when the user clicked on the ad and for which keyword.

If a user places an order on your order page, fills out a form, or performs whatever the intended behavior was, then information is read from the cookie file. The tracking software can then determine when and how many ad clickers became buyers, which keyword was most successful and much more.

The user can disable cookies in the web browser (e.g. Internet Explorer), making it difficult for tracking software to provide data that is 100% reliable.

## Google's Conversion Tracking

Google offers its own, simple tracking software. You just have to add some HTML/JavaScript code to the conversion website, e.g. to your order page.

The code is available when you log in to your AdWords account through the "Conversion Tracking" site on the "Campaign Management" tab.

Exact instructions and an introduction to Google's Conversion Tracking are available from Google in PDF format:

[https://adwords.google.com/select/library/convtracking\\_oct03.pdf](https://adwords.google.com/select/library/convtracking_oct03.pdf)

Advantages of Google Conversion Tracking:

- Easy installation, if you are a little bit familiar with HTML
- You save time and frustration because the destination URLs do not have to be changed
- Integration in your Google AdWords account, so that you can quickly review and compare conversion rates and costs per conversion for your campaigns and Ad Groups
- Only Google's Conversion Tracking can differentiate between searches on Google and on Google's partner sites

Disadvantages of Google Conversion Tracking:

- The cookie is set for exactly 30 days, i.e. you can only track a click for 30 days
- Users report that Google's numbers are not exact, probably because the cookie is only set for 30 days
- A relatively large Google log must be placed on your conversion page
- Google's Conversion Tracking cannot be used to measure other advertisements, e.g. newsletter ads or advertisements on other pay-per-click search engines such as Overture
- Google knows the sales numbers of your AdWords campaigns

## Tracking Software From Third Parties

There are nearly as many tracking programs as there are sands of the sea. Simply enter "PPC tracking software" or "ROI tracking software" in a search engine of your choice to find offers.

Here are two recommendations that appear to be very popular, although I have not tested them yet myself:

- [ConversionRuler](#) is an online service that requires a monthly fee. The fee amount depends on the number of clicks.
- [ClickTracks](#) is available as a Windows-based program (one-time purchase) as well as an online service (with monthly fee).

The two big advantages of tracking software from third parties are that you can measure your other advertisements and that Google does not know your sales numbers.

## 8.4 Testing and Optimization Opportunities for Increasing Your Profits

### An Introduction to Split Testing

**Split Testing**, also known as **A/B Split Testing**, describes a procedure for measuring the advertising effectiveness of two different ads.

One of the pioneers of modern advertising is Claude C. Hopkins (1866-1932). He was also one of the first to use split testing.

Claude C. Hopkins sent 200 people an advertising letter for carpet beaters (19th century), and 200 other people a nearly identical advertising letter. However, the second advertising letter contained a different heading. Both letters contained a discount coupon that you had to send back.

The second advertising letter persuaded more people to send the discount coupon back. So, the heading in the second advertising letter must have been more convincing.

After that, Claude C. Hopkins tested several other points, e.g. the length of the advertising letter, the type size, and whether it was worthwhile to use pictures (it was not worthwhile). After completing some split tests, he was able to considerably increase the return rate, i.e. the effectiveness of the advertising letter, compared to the very first advertising letter.

You can incrementally improve your conversion rate with the help of split testing. In other words, you can improve the effectiveness of your ads with each test so that you realize greater profits for each advertising dollar.

### Split Testing with Google AdWords

For a long time, split testing was reserved for large advertising companies that could afford to send several different letters and test the return rate. In the age of pay-per-click search engines such as Google AdWords, split testing is now available to anyone for just a few cents. The testing of different ads has never been so easy and fast.

Google AdWords makes it particularly simple. Just create a new ad in your Ad Group. Change, for example, the headline or the ad text in the second ad:

[Delightful honey](#)  
Buy great tasting honey in our  
online store. Free shipping.  
[www.honey-4-you.com](http://www.honey-4-you.com)

[Delightful honey](#)  
Buy great tasting honey in our  
online store. Free mini pots.  
[www.honey-4-you.com](http://www.honey-4-you.com)

Have you discovered the difference? The difference can be small, but it can have a great effect. Maybe there are no dealers in the honey market that offer free shipping. If honey customers have waited for it, the left AdWords ad will run better.

However, maybe more money is also earned with the right AdWords ad because potential customers are attracted by free product samples. Only split testing can show which ad would be more successful.

If your Ad Group contains two or three ads, then Google AdWords displays the one and then the other. That happens so that both ads are displayed about equally as often.

After about 100-500 clicks, you can see which of the two ads in your Ad Group is running better. Keep the better running ad and delete the other. Then create a new second ad and test again.

Perform the split testing as long as needed until you are satisfied with the conversion rate or until further testing no longer brings any profit increase.

### **Testing Options for Your Google AdWords Ads**

There are so many factors that cause one AdWords ad to be more profitable than another.

You can change the following factors in the headline or the ad text to see whether one of the factors leads to greater profits:

- Add keyword to the headline or the ad text
- Use short headlines (keyword only)
- Reformulate the headline or ad text
- List other customer benefits
- List more customer benefits
- State the product price
- Ask a question in the headline or the ad text
- Refer to the urgency ("for a short time only," "today only")
- Capitalize The First Letter Of Each Individual Word

The [Powerful Expressions that Sell More](#)<sup>[74]</sup> chapter and the chapter about [headlines](#)<sup>[64]</sup> and [ad text](#)<sup>[68]</sup> have several more ideas for additional tests.

There are other factors in addition to the headline and ad text that you should try out:

**Test various ad positions.** Of course, you don't have to test each individual ad position, but you can test whether the top position, a top 3 position or another lower ad position gives you greater profits in comparison to the ad costs.

**Test various target regions.** Google AdWords offers you the opportunity to specify which countries and in which languages your AdWords ads should be displayed. If you are advertising a German-language product, it may be worthwhile to also advertise in Luxemburg, Liechtenstein or bordering regions.

**Change the display URL.** If you have several domains, test different domain names. If you are selling lamps, for example, [www.inexpensive-lamps.com](http://www.inexpensive-lamps.com) might attract more clicks than [www.lamps-smith.com](http://www.lamps-smith.com).

## Testing Options for Your Destination Pages

Not only should you test your AdWords ads, but also your destination pages. Create two identical AdWords ads where the only difference is the destination URL. The URL of the first AdWords ad goes to destination page A, the URL of the second (identical) AdWords ad goes to destination page B.

The destination page offers a great opportunity for split testing. In principle, each individual word or sentence could be tested. You have to limit yourself to "larger" factors, e.g. the main heading of the destination page, because otherwise this can become too time consuming.

You can test the following factors on your destination page:

- Test different headings
- Change the subheading
- Change greeting text or the texts of the first section
- Change the target group language ("Dear Homemakers," "Dear Friend of Good Cooking")
- Write the heading of the introduction sentence or the guarantee in **bold** or *italics*
- Emphasize the benefits for the customer in bold or with a yellow background (text marker)
- Add a list of benefits or production features in table format
- Add diagrams that explain the product advantages
- Increase the clarity of the destination page with a clearer structure or by using fewer, different typographical methods
- Increase readability by using a different font or changing the font size
- Add or remove a column
- Add or delete navigation links
- Longer or shorter sales text
- Mention more customer benefits in the sales text

- Add brief thank you's from customers (so-called testimonials)
- Refer to the urgency ("only 2 left in stock," "limited edition of 50 copies")
- Add a "P.S." at the end of the destination page in which you refer to the advantages or the guarantee again
- Mix up the sales text with pictures, e.g. product images or photos in which the product can be seen in use
- Add a picture of you or the sales team (could create more credibility)
- Add a picture of your office
- Test different images
- Test different image sizes
- Test different image positions
- Show your product with a video on your destination page (e.g. by using software programs such as [Macromedia Captivate](#), [TurboDemo](#) or [ViewletBuilder](#))
- Audio to the customer (e.g. by using the online service [InstantAudio.com](#))



## Other Important Testing Options

**Product price.** Google AdWords ads make it possible to test different product prices for the same product. Simply create two identical AdWords ads in an Ad Group and route the visitors to two different destination pages. The one destination page contains a lower price; the second destination page advertises the higher price.

However, the product price, like all other factors that you test with the help of split testing, depends on the keywords used.

**Guarantee.** Test whether sales increase if you add a guarantee pledge. There are various guarantee pledges, such as:

- A satisfaction money-back guarantee within a certain period of time
- A price guarantee that you will return the purchase price if the product is offered at a lower price by the competition
- A guarantee to exchange the product with another, similar product if not satisfied with the product or the product is functionally deficient
- An immediate repair guarantee to exchange the product in the case of malfunction with a functional product or to repair it same day
- A lifetime guarantee that the product will work for a specific period of time
- A spare parts guarantee that spare parts will be kept for the product for several years
- A delivery guarantee that you will deliver within two days (important before holidays)

Not only can you test the type of guarantee, but also the length of the guarantee. You may attract more buyers by lengthening your guarantee by one or two years.

Even the position of the guarantee pledge on the destination page can be responsible for higher or lower sales.

**Product samples.** For some products, you can increase sales by offering product samples. For example, it is normal to offer trial bottles for perfume and to offer demo versions for computer applications.

**Free bonus.** Sometimes potential customers can be persuaded to buy if they receive something free with the product. It doesn't have to be anything expensive; it can even be a free manual for the product for example.

**Payment options.** In some industries the method of payment can be very important for the buyer. There are some for both products and services:

- Cash discount, e.g. 3% price markdown when paying in cash
- Delayed payment, e.g. after a month
- Installments, e.g. payable in five installments

- Financing options
- Shipping charges accepted

**Order page.** You can use Google AdWords to optimize your order page. For example, destination page A calls a different order page than does destination page B. Test whether it pays to offer COD or direct debit, whether it pays to display credit card icons or whether an invitation to subscribe to a newsletter inhibits sales.

**Season.** Depending on the industry, your AdWords ad can be seasonal. AdWords ads for cars and mobile homes run better at the beginning of March, ads for travel get more clicks before summer vacation, and ads for Christmas tree decorations have higher clickthrough rates at the beginning of December.

If you suspect or already know that your industry is seasonal, then test your AdWords ads during specific times of year.

The times do not necessarily have to be months apart. Perhaps it is worthwhile to enable a different AdWords ad or another destination page on the weekend than it is on Mondays.

## 8.5 Five Important Tips for Correct Test Results with Google AdWords

### 1. Only test one factor at a time

Let's say you are performing a split testing for two destination pages. Destination page A and destination page B should be identical except for one area in which they diverge. That means, for example, that you should not change the heading on destination page A and the price on destination page B.

Otherwise, you are not able to evaluate, after the split testing, whether the results came about because of the other heading or because of the other price.

You can enable several AdWords ads per Ad Group so that the testing does not take very long. Google displays all ads in an Ad Group equally for the same word. This means you are able to test five or ten AdWords ads at a time (assuming your keywords receive enough clicks).

### 2. Test long enough

If you stop the split testing after only 50 clicks, your database is too small to draw any conclusions from. You should have at least 100-200 clicks per ad to have a representative data sample. The more clicks, the more precise the data.

For keywords that are not often entered into search engines, split testing can take a very long time. However, you cannot simply choose another keyword because the test results also depend on the keyword used.

I have experienced split testing where no trend was foreseeable for some weeks. Sometimes ad A had more sales, other times it was ad B. After about two months I was able to determine that ad B had four sales, while ad A, during the same period, had only three sales. So, ad B was 33% more effective than ad A, although it took a relatively long period of time before I could recognize this.

### 3. Turn off the optimization option from Google AdWords

When creating a new campaign on Google AdWords, a so-called optimization option is selected already by default.

If you have several ads in an Ad Group, this optimization option can lead to Google ads with higher clickthrough rates being favored over ads with lower clickthrough rates.

This option can lead to incorrect results with split testing.

To turn off the optimization option, proceed as follows:

- Select one or more campaigns in your AdWords account for which you want to turn off the optimization option.
- Click on "Edit settings" above the selected campaigns.
- Select the checkbox next to "Automatic Optimization."
- Click on "Save all changes" in the top right or bottom right of the website.

#### **4. Test without the Google partner network**

When performing a split test, turn off the option that causes your ads to also be displayed on the Google partner network.

Testing with the Google partner sites is known for falsifying test results. Why that happens is anybody's guess. For example, it may be caused by many different, smaller websites registering for the Google AdSense program or canceling their accounts, or that Google partner sites are blocked because of fraudulent clicks.

Companies or private individuals that participate in [Google's AdSense program](#) display the AdWords ads on their websites and receive a percentage share of the cost-per-click from Google when someone clicks on an AdWords ad. That entices some homepage owners to click on their own ads. Google is not able to always recognize such manipulation.

To obtain reliable test results, you should only include clicks from the Google search results and turn off the impressions on the partner sites.

#### **5. Lock out your destination pages from search engine indexing**

To ensure that your results are not falsified, you should make sure that search engines do *not* include your destination pages in their databases. Otherwise, your destination pages may get visitors from search engines if they list your destination pages on their search results pages.

You can ensure that your destination pages are not included in the search engine index by entering them into a file called robots.txt. If available, the robots.txt file is located in the root directory of your web server.

If you do not have a robots.txt file or if you do not know much about it, you can also

just add a meta robots tag in the HTML source text of your destination pages.

Just look at the following code:

```
<meta name="robots" content="noindex,nofollow">
```

Add it somewhere between `<head>` and `</head>` in the HTML source text of your destination pages. This command tells the search engine indexing programs that they should not index your destination pages.

## 9 How to Save a Weak Campaign

AdWords novices usually create a few AdWords ads with enthusiasm, expecting quick returns. If this has not occurred within a few days or the ads have been deactivated by Google, then they give up disappointed.

It doesn't have to be that way. In most cases, only one or two things need to be changed so that a campaign can become a complete success. For this reason, I have developed the following five checklists:

1. [Checklist for your keywords](#)<sup>[126]</sup>
2. [Checklist for your AdWords ads](#)<sup>[127]</sup>
3. [Checklist for your pricing strategy](#)<sup>[128]</sup>
4. [Checklist for your destination page](#)<sup>[129]</sup>
5. [Checklist for your product or service](#)<sup>[130]</sup>

Go through the checklists and optimize your AdWords campaigns step by step. By doing so, you can turn a weak campaign into a very successful one.

## 9.1 Keywords Checklist

- Are you using specific, targeted keywords (e.g. "vehicle repair Ford Chicago" instead of "vehicle repair")?
  
- Are you bidding on keywords that consist of one, two or more words? Potential customers do not search for one-word keywords in a search engine.
  
- Are you advertising for several hundred keywords? If not, then you are missing the most profitable keywords under certain circumstances. See also the chapter [Troubleshooting: I Cannot Find Any More Keywords](#)<sup>[136]</sup>.
  
- Change the [keyword matching options](#)<sup>[21]</sup> of your keywords. Use the keyword matching options "Phrase Match" and "Exact Match." This will likely increase the clickthrough rate of your ads.
  
- Add [negative keywords](#)<sup>[26]</sup> to your keyword list, so that your AdWords ads are not displayed for irrelevant keywords and for undesired target groups.

## 9.2 AdWords Ads Checklist

- Do you limit your AdWords ads to countries that can understand the language in the ad text?
  
- Have you found out which competitors have profitable AdWords ads? See the [How to Find the Smartest Competitors and Learn from Them](#)<sup>[81]</sup> chapter.
  
- Do you use the keyword in the headline?
  
- Are you using a question in the headline that addresses the most pressing issue that your product or service can resolve? For example, "Cellar damp?", "Cartridges too expensive?" or "Need a cheap lawyer?"
  
- Are you promising the customer a benefit in the ad text? For example, "Mold and humidity in the cellar never again.", "Brand name goods and refills, first cartridge free." or "Good council is not expensive with us. Free consultation."
  
- Are you using [powerful expressions that sell more](#)<sup>[74]</sup>?
  
- Does each keyword have its own AdWords ad?
  
- Have you tried several different AdWords ads for the same keyword?
  
- Are you using [split testing](#)<sup>[108]</sup> to find the most profitable headline? Are you using split testing to find the most profitable ad text?



### 9.3 Pricing Strategy Checklist

- Are you consistently following one of the successful pricing strategies as described in the chapter [Successful Pricing Strategies](#)<sup>[92]</sup>.
- Have you adjusted the setting in your AdWords account so that your ad is also displayed on Google's partner sites or Google's advertising network? If yes, turn this option off and observe the results for one to two weeks.
- If the average ad position is below 5.0, then try to increase the ad position. See the chapter [Troubleshooting: My AdWords ads appear too far down](#)<sup>[135]</sup>.
- Increase your [daily budget](#)<sup>[91]</sup>, even if your daily budget should not have been exhausted yet. Increase it above the value suggested by Google.
- If you specify the maximum cost-per-click for your keywords, are you taking into account the value of your customers? Remember that a one-time customer can inquire about additional products or services from you.

## 9.4 Destination Page Checklist

- Does each keyword have its own destination page?
  
- Does your destination page have the optimal structure and content as described in the chapter [How Your Destination Page Should Look](#)<sup>[101]</sup>?
  
- Are you using [split testing](#)<sup>[108]</sup> to continually test and optimize your destination page?
  
- Are you capturing the e-mail addresses of potential buyers on your destination page? If not, you should start. Send those who are interested more information about your product, perhaps in conjunction with a discount. You can win additional customers and the click on the paid AdWords ad was not in vain.
  
- Can you otherwise make money from the flow of visitors to your destination page if somebody decides not to purchase from you? For example, you could route these visitors to the manufacture pages of supplemental products and earn commissions.

## 9.5 Product or Service Checklist

- Are you bidding on expensive keywords to sell a product or service with a low profit margin?

If so, you should either find less expensive keywords (see the [Professional Tricks for Finding Inexpensive Keywords Nobody Uses](#)<sup>[45]</sup> chapter), or adjust the price of your product or service.

You could alternatively try to offer higher-priced products on your destination page, too.

- Are you upselling?

Upselling means selling supplemental products to your existing customers. You increase the value of each individual customer that you win through your Google AdWords ads.

A good insurance broker who advises you on homeowners insurance will also ask whether you have thought about your retirement and whether or not you need life insurance. Another example: When you order a menu item at McDonald's, they also ask you if you want to super size it or if you want dessert.

You could upsell, for example, by not only offering your customer an aquarium, but also fish and food.

## **10 Google AdWords Problems and Their Solutions**

## 10.1 Troubleshooting: My AdWords ad has been deactivated

Solutions:

- If your AdWords ad has been rejected because of its content, make sure that you have adhered to the [guidelines from Google AdWords](#). Change the text of your AdWords ad if necessary and reactivate it.
- Move the deactivated AdWords ad to another Ad Group to activate it again. If that doesn't work, change the text of the ad a little.
- You can write a friendly e-mail message to the Google AdWords Team. Explain who you are, which ad it concerns and try to tactfully explain why you believe the ad should be reactivated.

For example, I once gave up an AdWords ad for one of our software programs. The ad was deactivated by Google because they said that I had forgotten to identify it as an "affiliate." A friendly e-mail message in which I explained that I was the author of the software program was sufficient in getting the ad turned back on.

- If your AdWords ad has been deactivated because the clickthrough rate has fallen below 0.5%, then read the chapter [Troubleshooting: My clickthrough rate is too low](#)<sup>[138]</sup>.
- If Google deactivates your ads again and again, then you should consider giving up the keyword concerned. It simply may not be possible to write a successful AdWords ad for a certain keyword.

## 10.2 Troubleshooting: My AdWords ad does not appear or does not appear enough

Solutions:

- Increase your [daily budget](#)<sup>[91]</sup>, even if your daily budget should not have been exhausted yet. Increase it above the value suggested by Google.

If it costs \$200 per day to show your ad throughout the day and your daily budget is only \$100, then your ad will only be displayed on every second search for your keywords.

It may also be the case that your ad receives a high number of clicks in the morning and early afternoon, so that your daily budget is exhausted earlier than Google AdWords had estimated.

- Turn on the option in your AdWords account to also display your ads on Google partner sites. Caution: This influences the clickthrough rate of your ads, since experience has shown that the clickthrough rate on partner sites is lower.
- Every time you change your AdWords ad, it can take anywhere from a few hours to two days for your ad to be released to Google's partner sites. Until that time, your ad will only appear on Google's search results pages.
- Your ad may have been turned off because it is seldom clicked on. Read the "Minimum Clickthrough Rate" section in the chapter [Introduction to Google AdWords Pricing System](#)<sup>[86]</sup>.
- If you delete a poorly performing keyword and then add it again, make sure that you are not using the keyword in any other Ad Group. Also delete the keyword in paused Ad Groups or campaigns. Otherwise, Google AdWords "remembers" that the keyword was not performing well.
- Google reexamines your ad text after it has been displayed 100,000 times (Congratulations!). This process can take a few days.
- The higher the ad position of your ad, the more likely your ad is to also appear on Google's partner sites. For example, Google partners AOL and Amazon.com only display the first three AdWords ad position on their websites. If your ad falls within the first three ad positions, then your website will receive many more visitors.

To achieve a high ad position, you either have to increase the [maximum cost-per-click](#)<sup>[86]</sup> or the clickthrough rate of your AdWords ad. You can increase the clickthrough rate of your ads by making them more interesting. Read the chapter on [headlines](#)<sup>[64]</sup> and [ad texts](#)<sup>[68]</sup>.

- Maybe your ad has been displayed, but you overlooked it. That can easily happen if your ad has slipped into a premium position (above the search results) or when your ad is displayed in the second or third results page.

Otherwise, check whether you have inadvertently entered one of your negative keywords.

- If you are in another country, it can happen that Google only displays AdWords ads from the respective country. Even entering the local Google address "www.google.com" does not help you.

Instead, simply search on Google for your keyword and then change the address in the web browser. Add "&hl=en" to the end of the URL, confirm that address by clicking on the Enter button, and then you can see all the English ads.

- If you have only just opened a new AdWords account, then it can take from a few hours to a few days (on the weekend) until your ads are turned on.
- If Google did not accept your credit card or the money could not be withdrawn, then all ads are locked until the money becomes available.

### 10.3 Troubleshooting: My AdWords ad is displayed too far down

Solutions:

- Read the [introduction to the Google AdWords Pricing System](#)<sup>[86]</sup>.
- Increase the maximum cost-per-click for your keywords.
- Increase the clickthrough rate of your ads by making them more interesting. Read the chapters [Headlines that Grab Your Attention](#)<sup>[64]</sup>, [How to Write Profitable Ad Text](#)<sup>[68]</sup> and [Troubleshooting: My clickthrough rate is too low](#)<sup>[138]</sup>.
- Bid on [other keywords](#)<sup>[20]</sup> that do not have as much competition.



## 10.4 Troubleshooting: I cannot find anymore keywords

Solutions:

- Have you used the keyword suggestion tools from Google, Overture and Espotting? More information is available in the [Popular Methods for Finding Keywords](#)<sup>[40]</sup> chapter.
- Have you used the singular and plural forms of each keyword (e.g. "bed" and "beds")?
- Have you checked each keyword for any other spellings (e.g. "eMarketing" and "E-Marketing")?
- Have you entered spelling error variations for your most important keywords (e.g. "books" and "boks")?
- Have you written out abbreviations and abbreviated words (e.g. "PC" and "personal computer," or "auto" and "automobile")?
- Have you changed the order of your keywords in quotation marks ("phrase match" keyword matching option) or in brackets ("exact match" keyword matching option), e.g. "low-cost camcorder" or "camcorder low-cost"?
- Have you looked for synonyms for your most important keywords (e.g. "baby," "infant," "newborn" and "toddler")?
- Have you formed new keywords using the over 200 supplementary keywords in the chapter [Professional Trick for Finding Inexpensive Keywords Nobody Uses](#)<sup>[45]</sup>?
- Have you created seasonal keywords (e.g. instead of "pastry," "Easter pastry" and "Christmas pastry")? More ideas are available in the chapter [Seasonal Keywords](#)<sup>[57]</sup>.
- Have you searched through technical journals for new keywords?
- Have you visited the websites of your competitors to look for new keywords?
- Have you searched on [www.eBay.com](http://www.eBay.com) for your own keywords to find new keywords?
- Have you used the inspirational aids in the chapter [Professional Tricks for Finding Keywords Nobody Uses](#)<sup>[45]</sup>?

- Have you downloaded the [free demo version](#) of the Windows application IBP? It includes a fully functional keyword generator.

## 10.5 Troubleshooting: My clickthrough rate is too low

Solutions:

- Change the [keyword matching options](#)<sup>[21]</sup> for your keywords. Use the keyword matching options "Phrase Match" and "Exact Match."
- Add [negative keywords](#)<sup>[26]</sup> to your keyword list so that your AdWords ad is not displayed for irrelevant keywords.
- Use targeted keywords. Do not bid on general keywords such as "furniture" or "garden," but rather on specific terms such as "backyard furniture" or "pruning shears." Read the chapter [Which Keywords are Profitable](#)<sup>[38]</sup>.
- Improve the ad position of your AdWords ads. Increase the maximum cost-per-click for your keywords or make your ad text more interesting. More information is available in the chapters [Headlines that Grab Your Attention](#)<sup>[64]</sup> and [How to Write Profitable Ad Text](#)<sup>[68]</sup>.
- Write AdWords ads that fit your keywords exactly. Do not use one or two AdWords ads for all your keywords.
- Use the keyword in the headline.
- Use the dynamic keyword function for the headline. The chapter [Headlines that Grab Your Attention](#)<sup>[64]</sup>.
- Use [powerful expressions that sell more](#)<sup>[74]</sup>.
- Select the right country and language settings for your AdWords ads. If you have a German-language AdWords ad, you should only show the ad in predominantly German-speaking countries such as Germany and Austria. Once your clickthrough rate has recovered, you can then add Switzerland, Luxemburg, Liechtenstein and even Belgium.

## 10.6 Troubleshooting: My AdWords costs are too high

Solutions:

- Read the chapter [Successful Pricing Strategies](#)<sup>[92]</sup>.
- Test and optimize your AdWords ads again and again. Only through continuous testing can you find out how to make your AdWords ads more profitable. More information is available in the [How to Test Your AdWords Ads and How to Increase Your Profits](#)<sup>[108]</sup> chapters.
- Increase the conversion rate of your destination pages. Read the chapter [How to Optimize Your Destination Pages](#)<sup>[98]</sup>.
- Create special destination pages for your most expensive keywords at a minimum that deal with the keyword.
- Bid on the right keywords. Read about [Which Keywords are Profitable](#)<sup>[38]</sup>.
- Assign the most expensive keywords in an Ad Group different maximum costs-per-click. You can accomplish this using Google's [power posting funktion](#).
- If your competition is continually driving up the price for your keywords, read the chapter [How to Avoid Bidding Wars](#)<sup>[95]</sup>.
- Read the [How to Set the Maximum Cost-Per-Click](#)<sup>[90]</sup>.
- If your ads are profitable, there is really no reason to turn down more clicks and buyers. However, if you have a short-term budget crunch, reduce the [daily budget](#)<sup>[91]</sup> for your keywords.
- You can pause your Ad Groups at any time in the AdWords user interface so that your ads are temporarily not displayed (or billed).

## 10.7 Troubleshooting: I am not realizing any sales

Solutions:

- You are probably attracting the wrong target group with your keywords.
- You may be paying for too few clicks and reaching too few visitors for your website. You may need to pay for more clicks that translate into sales. Increase the [maximum cost-per-click](#)<sup>[86]</sup> for your keywords and your [daily budget](#)<sup>[91]</sup>.
- If you do not want to pay for more clicks, you have to increase the clickthrough rate of your ads. Read the chapter [Troubleshooting: My clickthrough rate is too low](#)<sup>[138]</sup>.
- Make sure that you exclude visitors only interested in free products by using [negative keywords](#)<sup>[26]</sup>.
- Make sure that a click on your AdWords ad actually goes to one of your websites, and that these websites can be reached online.
- Maybe your destination page is too complicated, maybe potential buyers are lacking the trust to purchase from your website, or maybe the product features are not clearly explained. More information is available in the chapter [Destination Page Optimization](#)<sup>[101]</sup>.
- Your product or service may be too expensive. Expensive products or services are sold better using a two-step method. Lead potential customers with your AdWords ads to a destination page where you offer a free product sample or brochure. Then concentrate your marketing on those interested, i.e. those that have requested the product sample or brochure.
- In rare cases, it can happen that your product or service is not marketable on Google AdWords, e.g. because your target group rarely uses the Internet.
- Many AdWords beginners are simply too impatient. Potential customers that click on your AdWords ads need time to make the decision to buy. It may take four or five visits to your website before they can make that decision. Wait at least one month (preferably longer) before coming to the conclusion that Google AdWords does not work for you. Use this month to [find new keywords](#)<sup>[20]</sup> and to optimize your [ad text](#)<sup>[62]</sup> and [destination pages](#)<sup>[98]</sup>.

## 10.8 Troubleshooting: The AdWords user interface is too slow

Solutions:

- In a webmaster forum, a Google employee recommends the following limits so that the AdWords user interface is not too slow:
  - Maximum 25 campaigns
  - Maximum 100 Ad Groups per campaign
  - Maximum 750 keywords per Ad Group
  - Maximum 2,000 keywords per campaign
  - Maximum 50,000 keywords per AdWords account

These recommendations were made in September 2004. It may be an easy thing for Google to push these limits up.

- If you manage a very large number of Ad Groups and keywords, then logging in becomes a daily game of patience. It is much faster if you set the time range to a short period before logging out of your account, e.g. "yesterday."

Also set the options to "Active campaigns," "Active Ad Groups" and "Active keywords." When you next log in to your AdWords account, the login process is much faster.

## 11 Important Differences Between Google AdWords and Overture

[Overture](#) is a pay-per-click (PPC) search engine that works similarly to Google AdWords. With both PPC systems, you only pay when someone clicks on your ad.

If you are interested in advertising with Overture or are already advertising with Overture and are not interested in advertising on Google, you should know the differences between the two largest pay-per-click systems.

### Difference #1: Reach

Overture has been able to attract several search engines and websites as partners that display Overture listings as "sponsored listings." For example, Overture partners include AllTheWeb, AltaVista, AOL, Arcor, GMX, Lycos.com, MSN.com, RTL.de, Yahoo and Web.de (as of August 25, 2004).

If you want to advertise in other languages and countries, then you have to open a separate Overture account in the respective countries (with their own fees and minimum spending requirements).

Google has been able to attract only smaller search engines as partners, but the AdWords ads appear on their own search results pages that have a far reach. AdWords ads also appear on well-known partner sites.

You can set a number of countries and languages in your Google AdWords account in which your ads should appear.

### Difference #2: Costs

To register with Overture, you have to set up an account and deposit a \$50 starting balance. The minimum bid for a keyword is \$0.15 with a monthly minimum spending requirement of \$25 for all keywords combined.

Most Overture partner sites display only the first three paid entries for a keyword so that you have bid relatively high with Overture.

With Google AdWords, the activation fee is only \$5 and the minimum bid is only \$0.05. There is no minimum spending requirement.

Google ads appear on [well-known partner sites](#)<sup>[12]</sup>, and Google itself displays the first eight AdWords ads on its own search results pages.

	Google AdWords	Overture
Startup fee	\$5	\$50
Minimum bid	\$0.05	\$0.15
Minimum monthly spending requirement	Not applicable	\$25

### Difference #3: Ad Size

Overture permits a considerably longer ad text than does Google AdWords:

	Google AdWords	Overture
Headline	25 characters	40 characters
Ad text	2 rows @ 35 characters = 70 characters	190 continuous characters

### Difference #4: Ad Position

With Overture, the ad position is determined exclusively by the price. If two or more advertisers enter the same bid on the same keyword, the advertiser that first bid on the keyword is assigned the higher position.

With Google, a combination of the bid and clickthrough rate determines the ad position. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

### Difference #5: Keyword Matching Options

The keyword matching options from Overture and Google AdWords have a very similar name, but do not work in the same way.

Overture offers the keyword matching options Standard Match, Broad Match and Phrase Match:



- Standard Match displays your Overture ad if the search matches your keyword, if the search matches the singular/plural form of your keyword, or if the search matches a version (spelling error) of your keyword.
- Broad Match displays your Overture ad if your keyword appears in the search in any order.
- Phrase Match displays your Overture ad, if your keyword appears in exactly the same order in the search.

Furthermore, Overture uses a tool called [Match Driver](#) with which different spellings are assigned to a keyword. For example, if you are bidding on "data recovery," then your ad also appears with a search for "data recovery."

Match Driver causes your Overture ads to be displayed for searches that you have not even bid on! It is enough when the search appears completely in the title or description of your Overture ad.

In comparison: [Keyword matching options in Google AdWords](#)<sup>[24]</sup>.

Both Overture and Google AdWords offer to specify keywords for which your ads should not appear ([negative keywords](#)<sup>[26]</sup>).

### Other Differences

- After you create ads on Google's AdWords, they appear within a few minutes. Ads are always manually checked at Overture, so that it can take a day before your Overture ad appears.
- Overture is often more strict in terms of destination pages. The keyword that you are bidding on must appear on the destination page. This helps the ad quality and the conversion rate can turn out higher.
- Since on Overture the ad position is determined by the bid only, bidding wars occur more frequently.

## 12 Additional Resources

### Internet Addresses to Google AdWords

You can contact Google AdWords customer service and receive additional assistance through the following:

- [Google AdWords Homepage](#)
- [Google AdWords Inquiries on Customer Service](#)
- [Google AdWords Support \(Questions and Answers\)](#)
- [Google AdWords Demos and Guides](#)
- [Google AdWords Account Navigation](#)
- [Google AdWords Editorial Guidelines](#)

There are unofficial Internet forums in which you can find additional help for Google AdWords:

- [Google AdWords Forum at WebmasterWorld.com](#)

Get an overview of the partner sites of the Google AdWords program:

- [Google AdWords' Partner Sites](#)

Google AdWords is now available in many countries. You can change the user interface of all international AdWords websites to English:

- [Google AdWords USA](#)
- [Google AdWords Denmark](#)
- [Google AdWords Finland](#)
- [Google AdWords France](#)
- [Google AdWords Germany](#)
- [Google AdWords UK](#)
- [Google AdWords Italy](#)
- [Google AdWords The Netherlands](#)
- [Google AdWords Norway](#)
- [Google AdWords Portugal](#)
- [Google AdWords Sweden](#)
- [Google AdWords Spain](#)

### AdWords Services

- [Google AdWords premium service level for large advertisers](#)

- [Atlas OnePoint](#) (previously GoToast)

### AdWords Software Programs

I have not tested any of the following software programs, i.e. I am only listing them for the sake of completeness and with reservation:

- [Dynamic Bid Maximizer](#)
- [AdWord Analyzer](#)
- [AdWords Clever Wizard](#)
- [AdWord ProfitSoft](#)

### Other Pay-Per-Click Search Engines

If your AdWords ads earn a profit, you should then try to advertise on other pay-per-click search engines. Please note that their services vary significantly from Google AdWords in terms of reach and cost:

- [Active Webmasters Directory PPC search engines](#)

### Web Promotion Software Programs

- [Link Popularity Check](#) is a free Windows application that you can use to determine the link popularity of your website. Link popularity is an important factor for search engines when placing your website on their search results pages. The program compares the link popularity of your website with other websites and represents the results graphically. The program is available completely free of charge.

If you want to obtain high search engine placement with regular search results, I can recommend to you the following two software programs:

- [Internet Business Promoter \(IBP\)](#) offers ten professional tools for search engine marketing and Internet promotion. For example, your website can be submitted to search engines, catalogs and industry-specific websites and the placement of your website checked in over 200 search engines. It also has a Keyword Generator that you can use for your Google AdWords ads. The Keyword Generator is fully functional in the free demo version that you can download from the link above.
- [ARELIS](#). This software program helps you to increase the link popularity of your website, thus achieving higher search engine placement in search engines that place a value on link popularity (such as Google).

## 13 Appendix

### 13.1 Tips for Printing This Book

#### Printing Tips

This book uses a relatively large font, so that you can easily read it on the screen. You can also use the large font size for printing in order to save half of the paper.

The following process has proven most successful:

1. First print the title page in its original size (US Letter). In Acrobat Reader, select the menu item `File > Print...` and in the Print Range print the first page only. You now have a cover page.
2. Print all subsequent pages so that two pages of the PDF are printed on one US Letter page. The exact process depends on your printer model.

It often works like this: Select the menu item `File > Print...` to open the print dialog box. Click on the Properties button to open the properties dialog box of your printer. Choose here to print two book pages per sheet of paper.

#### Printer Troubleshooting

In the rare case that you are unable to print, try the following:

1. Make sure that your printer is correctly attached and is ready to use. Print a test page in another program.
2. Install the current driver for your printer. Go to your printer's manufacturer website.
3. Ask a friend to print out the PDF book for you. Or, have the book printed in a copy shop, which is even sometimes more cost effective.

If you want, you could even have the copy shop or a stationary shop bind the printed book. You can get a spiral binding for less than \$5. Also ask about the price for thermobinding.

## 13.2 Contact

If you find this book helpful or you owe a stunning success with Google AdWords to this book, we would be very grateful for your feedback. :-)

With your permission, I will list your feedback, together with your name, company name and website in the next book revision.

Contact address:

Axandra - Voget Selbach Enterprises GmbH  
Mosaik Str. 16  
D-56235 Ransbach-Baumbach  
Germany

Customer service & contact:

<http://www.Axandra.com/support-desk>

Please understand that we cannot answer any questions about individual AdWords problems. However, you can find individual answer to your questions at these locations:

- [Google AdWords Forum at WebmasterWorld.com](http://www.GoogleAdWordsForum.com)

### 13.3 Legal

**This book contains a digital, personal signature with your name.** Copies are in fact technically possible, but traceable. In this way, we can forgo copy protection, allowing you to read and print the book for personal use without any problems.

The authors have with great care strived to create a high-quality, informative and helpful instructional book. Nevertheless, errors can occur. The author therefore feels obligated to emphasize that neither any guarantee nor legal responsibility nor any liability for consequences resulting from incorrect data can be assumed. The author encourages notification of errors at any time.

This work is copyright protected. The rights justified thereby, particularly those of translation, reprint, citation, removal of figures and tables, radio transmission, microfilming or duplication in any other manner and saving in data processing systems remain reserved, even if only excerpts are used.

The duplication of this work, or parts of this work, by permission only on an individual basis within the limits of the legal requirements of the Copyright Act of the Federal Republic of Germany in the respective applicable version. It is essentially royalty-based. Offenses are subject to the penal provisions of the Copyright Act.

The use of registered names, trade names, product designations, etc. in this work does not justify the assumption, without special designation, that such names in the sense of registered trademark and service marks law are to be regarded as free and that anyone can use them.

The procedures and programs shown in this book are communicated without consideration of the patent situation. They are intended for amateur and learning purposes.

No warranty of any kind in regards to the completeness or accuracy of the content of this book is given. Likewise, no liability by loss or damage is assumed as a direct or indirect result of the use of this book.

## 14 Glossary

### Term Definitions

**A/B Split Testing.** A/B Split Testing describes a procedure for measuring the advertising effectiveness of two different ads. More information is available in the [Testing and Optimization Opportunities for Increasing Your Profits](#)<sup>[115]</sup> chapter.

**AdWords Discounter.** The AdWords Discounter is an automatic function in Google AdWords. It ensures that you only pay one cent more than your competition. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Ad Group.** An Ad Group is used to manage one or more ads. More information is available in the [How an AdWords Campaign is Structured](#)<sup>[17]</sup> chapter.

**Ad Text.** The second and third line in an AdWords ad is designated as Ad Text. More information is available in the [How an AdWords Ad is Structured](#)<sup>[63]</sup> chapter.

**Bidding War.** We are talking about a bidding war when two or more competitors continually outbid each other and drive the cost-per-click up. More information is available in the [How to Avoid Bidding War](#)<sup>[95]</sup> chapter.

**Broad Match.** This is the most comprehensive keyword option and the default option in Google AdWords. The words in your keyword or key phrase can appear in any order in the search. Other words may also appear in the search that belong to your keyword. See also "Expanded Broad Matches" and the [Keyword Options in Google AdWords](#)<sup>[21]</sup> chapter.

**Campaign.** A campaign consists of one or more "Ad Groups" (see above). The AdWords Ads in a given campaign share the same daily budget, language, country targeting, and the same start and end dates. More information is available in the [How an AdWords Campaign is Structured](#)<sup>[17]</sup> chapter.

**Click Fraud.** Click fraud is the behavior when someone knowingly clicks on an AdWords Ad in order to drive up the costs for the advertising company. More information is available in the [Keywords that Attract Click Defrauders](#)<sup>[60]</sup> chapter.

**Clickthrough Rate.** The clickthrough rate is the number of clicks your AdWords ad receives divided by the number of times your AdWords Ad is shown. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Conversion.** A conversion occurs when a click on your ad leads to user behavior that

you deem valuable, such as a product order. More information is available in the [How to Use Google's Conversion Tracking and Other Tracking Software](#)<sup>[112]</sup> chapter.

**Conversion Rate.** The conversion rate indicates the number of people that click on your AdWords ad divided by the number that actually purchase. More information is available in the [How to Test Your AdWords Ads and How to Increase Your Profits](#)<sup>[108]</sup> chapter.

**Conversion Tracking.** A conversion occurs when a click on your ad leads to user behavior that you deem valuable, such as a product order. Conversion Tracking is the process and technology of measuring a conversion. Google has developed its own tool for Conversion Tracking. More information is available in the [How to Use Google's Conversion Tracking and Other Tracking Software](#)<sup>[112]</sup> chapter.

**Cookie.** Cookies are small text files that a Web site or the Tracking Software stores on the user's computer. The text file contains information, for example, about when the user clicked on the ad and for which keyword. If you use Google's Conversion Tracking software, it places a cookie on the user's computer, when your ad is clicked. More information is available in the [How to Use Google's Conversion Tracking and Other Tracking Software](#)<sup>[112]</sup> chapter.

**Cost-per-Click.** Cost-per-click (CPC) is the amount you pay each time a user clicks on your AdWords ad. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Daily Budget.** With Google AdWords, you can specify a daily budget, or in other words, a maximum amount you are willing to pay each day for a campaign. Google AdWords conforms to your daily budget, i.e. it attempts to distribute your campaign ads equally throughout the day, so that your daily budget is met. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Destination URL.** This is the URL to which your AdWords ad will link. The destination URL is the page users see when they click on your ad.

**Destination Page.** If someone clicks on your AdWords ad, the destination page of the ad is displayed. Several tips for your destination page are available in the [How to Optimize your Destination Page](#)<sup>[98]</sup> chapter.

**Display URL.** This is the URL that appears in an AdWords ad in the fourth or lowest line. More information is available in the [How an AdWords Ad is Structured](#)<sup>[63]</sup> chapter.

**Effective Cost-per-Click.** This is the actual amount you pay for each click on your ad after the AdWords Discounter (see above) has reduced your cost-per-click, as needed. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.



**Exact Match.** This is a keyword option in Google AdWords. If you surround your keywords in square brackets, your AdWords ad is only displayed, if the user searches exactly for the words in the keyword and in the exact same order. No other words can be included in the search. See also "Phrase Match" and the [Keyword Options in Google AdWords](#)<sup>[21]</sup> chapter.

**Expanded Broad Matches.** This is an expansion of the "Broad Matches" keyword option (see below). Google also runs your AdWords ad on highly relevant keywords, including synonyms. For example, your ad is displayed when a search is made for "nursery" even though your keyword is "garden". See also "Expanded Broad Matches" and the [Keyword Options in Google AdWords](#)<sup>[21]</sup> chapter.

**Expanded Match.** See "Expanded Broad Matches" keyword option above.

**Google Network.** The AdWords ads are displayed not only in the Google search results, but also on Google's partner sites. More information is available in the [Google AdWords Partner Sites](#)<sup>[12]</sup> chapter.

**Headline.** The headline is the first row in an AdWords ad. More information is available in the [How an AdWords Ad is Structured](#)<sup>[63]</sup> chapter.

**Impression.** The number of impressions is the number of times your AdWords ad is displayed. If Google, for examples, displays your add 150 times, you have received 150 impressions. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Keyword.** A keyword is a search term that you have with Google AdWords. If keywords and searches match (according to the "Keyword Options", see below), your AdWords ad is displayed. Several keyword tips are available in the [How to Select the Right Keywords](#)<sup>[20]</sup> chapter.

**Keyword Options.** For each keyword you have with Google AdWords, you can select the type of search where your ad should appear. An overview and explanation of keyword options is available in the [Keyword Options in Google AdWords](#)<sup>[21]</sup> chapter.

**Keyword Tool.** Google provides an online tool that you can use to create and expand a list of keywords. More information is available in the [Common Methods for Finding Keywords](#)<sup>[40]</sup> chapter.

**Maximum Cost-per-Click.** You choose the maximum cost-per-click (CPC) or in other words, how much you are prepared to pay for a click on your AdWords ad. The "AdWords Discounter" (see above) automatically reduced the cost-per-click to just one cent above the minimum required to keep the position of your ad on the page. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Minimum Clickthrough Rate.** Each AdWords ad must maintain a minimum number of clicks. In this way, Google ensures that only relevant ads are displayed. Information on how high the minimum clickthrough rate must be is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Negative Keyword.** This keyword option falls somewhat unusual in that it affects all other keywords in the Ad Group or the campaign. If you enter a keyword preceded by a minus sign, then this keyword is a negative keyword. That means your AdWords ad is not turned on, if the query contains the negative keyword. More information is available in the [Keyword Options in Google AdWords](#)<sup>[21]</sup> and [Increase Your Clickthrough and Conversion Rates with Negative Keywords](#)<sup>[26]</sup> chapters.

**Overdelivery Credit.** Google guarantees that your daily budget is met on a monthly average. If your ad exceeds the daily budget, Google issues a credit that is indicated on your invoice as an overdelivery credit. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

**Phrase Match.** This is a keyword option in Google AdWords. If you enter your keyword in quotation marks, your AdWords ad will only appear, if your keywords appear in exactly the same order as in the search. See also "Exact Match" above and the [Keyword Options in Google AdWords](#)<sup>[21]</sup> chapter.

**Return on Investment (ROI).** These are your profits minus your advertising costs. Information about how you can increase your profits is available in the [How to Test Your AdWords Ads and How to Increase Your Profits](#)<sup>[108]</sup> chapter.

**Split Testing.** Split Testing, also known as A/B Split Testing, describes a procedure for measuring the advertising effectiveness of two different ads. More information is available in the [Testing and Optimization Opportunities for Increasing Your Profits](#)<sup>[115]</sup> chapter.

**Traffic Estimator.** If you specify the maximum cost-per-click for your keywords in the AdWords user interface, Google's Traffic Estimator then calculates the average ad position and the average cost-per-click for each keyword. More information is available in the [Introduction to the Google AdWords Pricing System](#)<sup>[86]</sup> chapter.

## Additional Terms

Are you unable to find a specific term? You might try using the search function from within Acrobat Reader (i.e. the program that displays this book).

You may also be able to find the term in the Google [AdWords glossary](#).

# Index

## A

- A/B split-testing 115, 122
- accelerate user interface 141
- activation fee 9
- ad group 17
- ad text 63, 68, 74
- AdSense 12
- AdWords 141
  - accelerate user interface 141
  - ad deactivation 132
  - ad does not appear 133
  - ad groups 17
  - ad position 86, 135
  - ad structure 63
  - ads 127
  - advantages 11
  - bidding wars 95
  - campaigns 17
  - conversion tracking 112
  - customer service 11
  - daily budget 91
  - deactivation 132
  - destination pages 99, 129
  - difference to Overture 142
  - dynamic keywords 64
  - e-mail 11
  - geotargeting 115
  - guidelines 64, 72
  - image ads 83
  - keyword options 21
  - keyword suggestion tool 40
  - limits 17
  - lower costs 139
  - open Account 16
  - partner sites 12
  - position 86, 135
  - pricing information 82
  - pricing strategies 92, 128
  - questions and answers 131
  - split-testing 115
  - study 92
  - test preparations 111
  - testing 115

- tracking software 112
- troubleshooting 131
- write ads 62
- AdWords discounter 86
- affiliate programs 68
- avoid bidding wars 95

## B

- bidding wars 95
- breakeven point 90
- broad matching 21

## C

- campaign 17
- checklist 126, 127, 128, 129, 130
- click 86
- click fraud 60
- click potential 97
- click rate 10, 86, 138
- click-through rate 86
- ClickTracks 112
- competition 81
- contact 148
- contract length 11
- conversion 112
- conversion rate 90, 109
- conversion tracking 112
- ConversionRuler 112
- cookies 112
- copying 149
- copyright 149
- cost per click 9, 10
- cost-per-click 86, 90
  - effective 86
  - maximum 86, 90
- costs 9
- cpc 9, 86
- create trust 101
- CTR 86
- customer benefit 101
- customer service 11

## D

- daily budget 86, 91

destination pages 98, 99, 101, 115, 122, 129  
dialer programs 68  
difference to Overture 142  
displayed URL 63, 72  
double profit 109  
duplication 149  
dynamic keywords 64

## E

effective cost-per-click 86  
e-mail 11  
Espotting 40  
exact match 21  
excluding keywords 21, 26

## F

find keywords 40  
fraudsters 60  
Froogle 12

## G

geotargeting 115  
glossary 150  
Gmail 12  
Google Groups 12  
Google image ads 83  
guidelines 64, 68, 72

## H

headline 63, 64  
how it works 8  
how to optimize 13

## I

IBP 145  
illegal keywords 61  
images ads 83  
impression 86  
increase sales 140  
introduction 5

## K

keyword options 21  
keyword phrases 38  
keyword suggestion tools 40  
keywords 20, 21, 26, 45, 57, 60, 61, 126  
    excluding 21, 26  
    find 40, 45, 136  
    illegal 61  
    negative 21, 26  
    number 36  
    obvious 38  
    profitable 38  
    seasonal 57  
    specific 38

## L

legal 149  
Link Popularity Check 145  
links 145  
lower costs 139

## M

maximum cost per click 86  
maximum cost-per-click 90  
Meta Robots tag 115  
mimimum bid 11  
minimum click rate 86  
minimum spending commitment 11

## N

negative keywords 21  
nevative keywords 26  
number of keywords 36

## O

obvious keywords 38  
online gambling 68  
online pharmacies 68  
open account 16  
optimization options 122

optimization overview 13  
optimize destination pages 98  
optimize target pages 98  
order process 101  
Overture 40, 142

## P

phrase match 21  
phrases 38  
power posting feature 86, 139  
powerful expressions 74  
PPC study 92  
price 9  
pricing information 82  
pricing strategies 85, 92, 128  
print 147  
printing 147  
product 130  
profit 109  
    double 109  
profitable keywords 38

## Q

questions and answers 131

## R

ressources 145  
return on investment (ROI) 109  
robots.txt file 115  
ROI 109

## S

save a campaign 125  
search terms 20  
seasonal keywords 57  
service 130  
solutions to AdWords problems 131  
specific keywords 38  
spelling mistakes 64, 68  
split-testing 115, 122  
study 92  
superlatives 64, 68

## T

target pages 72, 98, 99  
target URL 72  
targeted visitors 38  
test preparations 111  
testing 109, 115  
tracking software 112  
trademarks 61  
traffic estimator 86  
troubleshooting 131

## U

unique selling proposition (USP) 101  
usability 101

## V

visitors 38  
    targeted 38

## W

web site usability 101