A Beginner’s Guide to Google Adwords
This guide provides an overview to paid search and a fundamental understanding of how to use paid search to drive more leads for your business.

There are many search engines that support paid search campaigns but this guide focuses on Google and its paid search programme, Google AdWords.

1. Paid vs. Organic Search

Organic search is based on unpaid, natural rankings determined by search engine algorithms, and can be optimised with various SEO practices.

Search engine optimisation is essential for customers to find your organisation, which is the art and science of getting your website ranking higher in web searches. This is a process of improving the quality and volume of online traffic driven to a website by search engines. Basically, the earlier and more frequently a site appears in search results, the more visitors it will receive.

In contrast, paid search allows you to pay a fee to have your website displayed on the search engine results page (SERP) when someone types in specific keywords or phrases.

Organic and paid listings both appear in search results but they are displayed in different locations on the page, as illustrated here.

Paid search is a great option if you are not ranking well in the search engines with organic search alone. It can be an powerful tool for enhancing your company’s online presence.

Expanded Text Ads (ETAS)

Google announced the biggest change they have made to Adwords in 16 years, in July 2016. The new ads are designed to maximise your presence and performance on mobile search results with a bigger headline and an extra long description.

Expanded Text Ads are 2x bigger than old text ads. You now have a total of 140 characters of ad copy space to use, marking the end of the 25-35-35 limits.
### Upgraded components

<table>
<thead>
<tr>
<th>Previously</th>
<th>Now</th>
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<tbody>
<tr>
<td>More prominent headlines</td>
<td>Two 30+character headlines</td>
</tr>
<tr>
<td>Longer description line</td>
<td>One consolidated 80-character description line</td>
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<tr>
<td>Relevant display URL</td>
<td>Domain automatically extracted from your final URL to ensure accuracy. You can customise the URL path.</td>
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</tbody>
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### 2. Components of Paid Search

#### 1. Account Structure

There are four levels to an AdWords account. At the campaign level there is an overall objective that you are trying to achieve. The campaign is comprised of ad groups which are generally sub-themes of the campaign’s objective. The lowest level is what the ad groups are comprised of, which is keywords and ads. The keywords will trigger the ads, and the ads will link to the relevant page on your site that is related to the search query.

#### 2. Keywords

The three main elements of a paid search campaign are: **keywords, ads** and **landing pages**. You start by giving Google a list of keywords, which tells Google to display your ads on the results page when people search for those keywords.

It’s important to research the relevant keywords that your target market are using. Google Keyword Planner is a free tool which gives you suggestions for new keywords. After adding a few to your campaign, Google generates more keyword options you can include if relevant.

#### 3. The Ads

After you have added your keywords you need to create your ads. Think about what will drive people to click on your ad. Keep in mind that the Ad should also describe what people will see on the landing page the ad relates to.

You then write your ads to be shown for these keywords, with the goal to make them both relevant enough to the search query and attractive enough to get the searchers to click on them. When viewers click on your ads, they are redirected to your landing pages. The goal of your landing pages is to get the visitor to convert in some way – by buying your product, downloading an offer, sign up to a newsletter, etc. So paid search really comes down to managing, matching, and optimising these three things.
3. Keyword Match Types

Google has four keyword match types that you can use to give them more specific instructions for when to display your ads. These are: exact match, phrase match, modified broad match and broad match.

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<thead>
<tr>
<th>Ad Group</th>
<th>Keywords</th>
<th>Ad Copy</th>
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<tr>
<td>Websites</td>
<td>Website Design Dunedin</td>
<td>Dunedin Website Design and Development</td>
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<td>Website Development</td>
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<td></td>
<td>Marketing Specialists</td>
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4. Paid Search Location

Target ads to geographic locations

- AdWords location targeting allows your ads to appear in the geographic locations that you choose: countries, areas within a country, a radius around a location or location groups.
- Location targeting helps you focus your advertising on the areas where you’ll find the right customers, and restrict it in areas where you don’t - which could help increase your return on investment (ROI).

a. Exact match

Let’s say someone searches for the term “Roslyn student storage in Dunedin”. A keyword set to exact match will only display your ad if the search term includes that exact keyword, with the words in that exact order.

For example if “student storage Dunedin” is set on exact match and someone searches for “Roslyn student storage in Dunedin”, the ad will not be displayed, since there were other words included, making it not an exact match. The better option for this would be a phrase match.
b. Phrase match

A phrase match will display your ad if the search term contains the same order of the words but it can also contain additional words.

c. Broad match

A keyword set on broad match will display your ad when the search term contains any or some combination of the words in your keywords, in any order.

You should be aware however, that with broad match there can be outcomes you don’t want to appear for. For example, you have set “Student Storage Dunedin” as a broad match keyword, the search term “storage solutions for homes” will show your ad as it contains some of the keywords you have set.

d. Modified broad match

Adding modified broad match keywords can increase campaign clicks and conversions, while providing more precise control than broad match. Modified broad match lets you specify that certain broad match keyword terms, or their close variants, must appear to trigger your ad. Close variants include misspellings, singular/plural forms, abbreviations and acronyms, and stemmings (such as “floor” and “flooring”). Variants don’t include synonyms or related searches.

When you add the plus ‘+’ symbol in front of a keyword it becomes ‘modified’. You can add a plus sign to one or two words or to all keywords.

For example, if you sell furniture and you are bidding on the keyword “red leather couch” on a phrase match type, you could be missing out on relevant traffic – queries that have similar intent but different phrasing. This is where modified broad comes in handy. If you put the plus sign in front of red, leather and couch, like so:

`+red +leather +couch`

you are telling Google that you want to make sure your ad DOES NOT show up for any search queries unless all three words are in it, regardless of the order. Therefore, someone searching for “leather couch” you would not see your ad, because “red” was not in the search query but if someone searches for “Leather couch in red” or “looking for a leather couch in red” your ad would appear.

Negative keywords

If you don’t want to waste money, you must use negative keywords which help better target your ads. This means your ads won’t show to irrelevant traffic. For example, if you only have red couches you would include other colours such as gold, blue, white and so on.

4. What Determines Your Ad Position or ‘Ad Rank’

Ad position refers to the position on a search engine results page (SERP) in which your advertisements appear in relation to other ads on the page. Ad position, or ad rank, is determined by the following formula:

\[
\text{Ad Position} = \text{Max Bid} \times \text{Quality Score} \times \text{Expected Impact of Extensions}
\]

It’s important to understand that ads do not remain static in terms of their positioning. Paid search platforms such as Google AdWords and Bing Ads function as an auction, which means that every time a user performs a search the position of your ads may change. This is one reason why regular ad optimisation is crucially important, and can help your ads achieve consistently strong positioning on the SERP.

Google uses an auction-style bid to set their prices but your ad position isn’t just determined by increasing your budget. There are a number of factors that influence where your paid ad will appear.
Quality Score

While your bid does play a large role in determining whether or not your ad is served for a given keyword, Google also uses something called “quality score” in making these decisions. Quality score is an algorithm that scores each of your ads for relevancy. It looks at how closely your keyword relates to your ad and how closely your ad relates to your landing page content.

In other words, Google actually scans your landing pages to ensure that you’re not just buying keywords and directing them to totally irrelevant pages.

A higher Quality Score means a better position with a lower price.

Although Google’s precise methodology for calculating Quality Score remains a well-kept industry secret, we do know that Google calculates Quality Score using an approximation of the following formula:

Relevance – how relevant your ad is to the user’s search query – is determined by assessing several factors, such as:

- Click-through rate
- Relevance of keywords to their associated ad groups
- Landing page relevance and optimisation
- Relevance of the ad text
- Overall historical AdWords performance

5. Setting Your Budget, Time and Dates

Google allows full control over your budget as you decide your daily budget for each campaign.

As a cost reducer, you can control when your Ads are displayed – during the week or on the weekends. Customised action of when your audience will be most likely searching for your keywords, can play an important role in better performing ads and reducing placement costs.

6. Measuring Your Success

In order to measure make sure your Google AdWords account is connected to your Google Analytics account.

There are four basic metrics that are important for paid search: impressions, clicks, spend and conversions.

- An impression is a single instance of your ad being displayed when someone types in the search keyword for it. You can consider the number of impressions to be roughly the number of people who look at your ad, or at least the number of viewers to whom the ad is served.
A click is a viewer actually clicking on your ad once it has been displayed.

Spend is simply the amount of money that you have spent on your campaign so far.

A conversion could be as simple as someone downloading a file, subscribe to your newsletter or clicking a button. On an e-commerce site your conversions would be online purchases.

Now you have created your account structure, keywords, and your ads you will have to regularly optimise all of these to avoid wasting your budget.

7. Optimisation

The planning and setting up your AdWords campaign is only half the battle. The other half is optimising your campaign once it’s live. Even the best, most perfectly set up campaign will ultimately fail if it’s not managed properly. Optimisation is the process of continually analysing your results - reviewing bid levels, locations, keyword performance, landing page conversions and so on to ensure your campaigns are on track.

Summary

- Paid search is based on a pay-per-click (PPC) model.
- Account structure is critical. Organise your campaigns, ad groups, keywords, and ad copy appropriately.
- Aim for high quality scores to increase performance and reduce costs.
- It’s easy to waste money, so be careful how you choose to spend it.
- Use paid search to compliment your inbound marketing.
- Always optimise! There’s never a shortage of ways to improve your paid search campaign. Keep making improvements so you can drive your performance up and your costs down and ultimately run a successful PPC campaign.
- Don’t be afraid to seek assistance. Google Adwords is very complex.

No one marketing tool is going to work ‘magic’ and the same applies to paid search. It should be used to complement other inbound marketing strategies. Paid online advertising takes a great deal of time and effort, resources and ongoing management.

If you are struggling with your Adwords or would like an audit to see where improvements could be made, give Cre8ive a call 03 474 1075.

We are Google Adwords Certified, officially recognised by Google as being proficient in all aspects of Google Adwords.
About the Author

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*BCom (Hons), DipGrad in Marketing, Google Adwords Certified*

An innovative strategic thinker, Philippa has been working in the industry for over 17 years and provides strategic marketing services for all sectors. She is also accredited with Google Adwords which recognises her proficiency in basic and advanced aspects of AdWords.

Philippa drives the overall strategy, vision and execution for the company, ensuring that Cre8ive is a dedicated partner in helping its clients transform their digital marketing.

Along with her expertise in traditional marketing channels, design direction, website copy & planning, media and print negotiation, she is now heavily involved with social media marketing and inbound marketing. She translates her knowledge to guide organisations on how to navigate these challenging times, consulting on how to integrate content marketing, digital and social media into their overall strategy.

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