Pay-per-Click (PPC) Marketing Best Practices: Proven Methodology, Proven Solutions to Maximize ROI on PPC Campaigns



A WordStream White Paper

Pay-per-Click (PPC) Marketing Best Practices: Proven Methodology, Proven Solutions to Maximize ROI on PPC Campaigns

If you're downloading this white paper, you obviously have an interest in pay-per-click marketing. Your interest, however, isn't a passive one — you're tasked with promoting a product or service, and you're looking for tangible, actionable search engine marketing (SEM) strategies that you can realistically implement. It's likely that one of the following applies to you:

- You're unhappy with your current PPC solutions.
- You don't yet have a PPC solution.
- You're open to new ideas (you wouldn't mind finding a *better* solution).

After reading this white paper, you'll understand exactly what negative keywords are and how they can improve the value and relevance of your paid search marketing efforts, as well as how to leverage WordStream's keyword management software to create negative keyword lists that will save you money and improve your ad campaign performance.

So you might be a marketer looking to find out what you can do with search, or how you can do *more* with search. You might be seeking more streamlined processes for PPC marketing and the most efficient means of servicing your clients or your company.

Regardless of why you're interested in PPC, it's essential that you're familiar with the best practices, and it's vital to your business interests that you find the most efficient way to carry them out. The following white paper covers seven proven methodologies for achieving greater pay-per-click marketing success and introduces WordStream, a powerful PPC management solution that will help you put these tasks into practice. Read on to find out how to take your pay-per-click efforts to the next level.

Seven Best Practices for Successful PPC

The following best practices are key to the success of your PPC campaigns. This white paper will explain why each practice is so important to your business and how WordStream for PPC can make implementing and maintaining these tasks on an ongoing basis much easier, more effective and more cost-efficient.

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One: Discover and Analyze Keywords

Build a comprehensive, personalized keyword database

Your keyword taxonomy is avaluable, proprietary marketing asset that enables you to better execute PPC.

You may already realize that developing and growing an extensive, relevant base of keyword research helps you better understand your potential customers. Why? Because you need to know how the people who are looking for the products or services you offer are searching for them. Those search queries will more or less constitute your "keywords." Your keyword taxonomy is a *valuable, proprietary marketing asset* that enables you to better execute PPC.

The first step in figuring out the search terms your potential customers are using is *keyword research.* Most people begin their "research" by brainstorming to create a list of words that describe their business and products. Any further keyword research will depend on two sources of data, public sources and private sources. You have a few options when it comes to public keyword sources, but all of them have notable weaknesses:

- ***Keyword suggestion tools*** *(e.g., WordTracker)* — These tools provide a limited list of terms with very rough estimates of search traffic. Because they favor historical popularity over relevance, the keywords may or may not have anything to do with your website and offering.

- ***Competitive keyword tools*** *(e.g., SpyFu, KeywordSpy)* — These tools offer information about your competitors, but don't tell you if their campaigns are actually working, and what is relevant for them may not be relevant for you.

- ***Keyword generator tools*** — These tools return mashed-up keywords that bear little resemblance to real searches.

These public tools should serve as a starting point only. It's important to supplement them with *private* sources — keywords *only you* have access to — such as:

- Keyword reports from Web analytics applications.
- Search query reports from Google AdWords.
- Data from Web server log files.

Aggregating keyword data from both public and private sources will give you a much more complete understanding of true search volumes and the true relevance of keywords.

Aggregating keyword data from both public and private sources will give you a much more complete understanding of true search volumes and the true relevance of keywords (since private keyword sources can map keyword search queries to actual goal conversions on your website).

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In the below figure, you can see that Google's keyword suggestion tool provides dubious traffic stats and gaps in information. These high-volume keywords also have more advertiser competition.

Keywords	Local Search Volume: April	Global Monthly Search Volume
custom cabinets	90,500	74,000
custom cabinetry	27,100	22,200
custom kitchen cabinets	12,100	9,900
custom cabinet	49,500	33,100
custom bathroom cabinets	2,400	1,900
custom wood cabinets	1,600	1,000
custom bath cabinets	480	320
custom kitchen cabinetry	1,900	1,300
custom design cabinets	720	720
custom built cabinets	2,900	2,400
custom cabinets prices	Not enough data	58
wholesale custom cabinets	Not enough data	110

Figure 1: Can you trust the data provided by Google's keyword tool?

WordStream, on the other hand, leverages private sources to build on public keyword research, providing real keyword data that is highly relevant to your business. This removes the guesswork from keyword research, so you'll know you're working with the right keywords. And, because WordStream integrated seamlessly with Google AdWords, you'll be able to see valuable PPC metrics for each keyword, such as Quality Score, clicks, impressions and click-through rate.

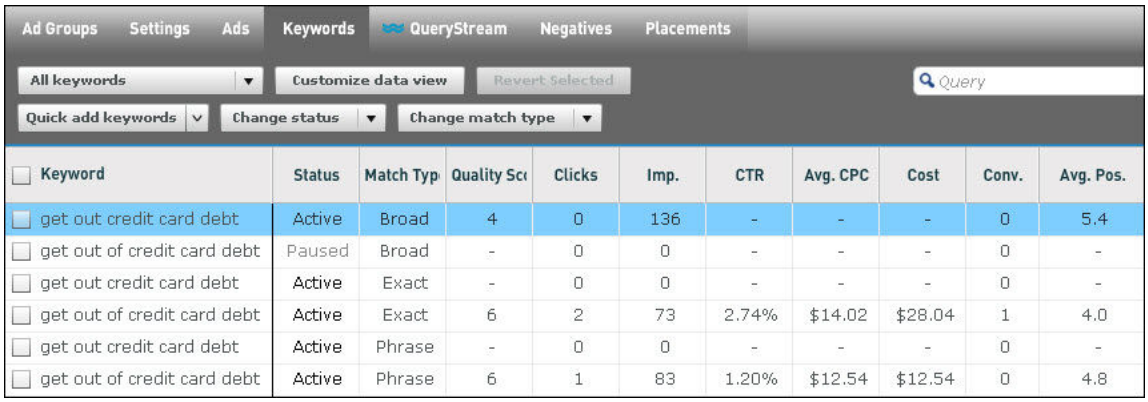


Figure 2: WordStream brings your keyword research and AdWords data together.

In addition, you'll have exclusive access to our huge long-tail database of more than 1 trillion unique search queries, so you can dig deep into niches that are highly targeted and less competitive.

By now you can see that a personalized database of real keywords is a valuable asset to your business. But what's the next step, once you've got all those keywords at your disposal?

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Two: Group and Organize Your Keyword Database

Segment your way to success

Another way that WordStream goes above and beyond the average keyword tool is by helping you form keyword groups and organize your keywords, which is critical to long-term PPC success. Solid organization will allow you to actually do something useful with your many keywords — namely, create ad groups and landing pages around them so all those searchers out there can find you. matches that you know won't convert.

WordStream's keyword grouping tools make it easy to break down a large set of keywords (such as all those related to "cabinets") into small, semantically related groups. You can use the Keyword Grouper to automatically organize a list of keywords into tightly knit groups based on relevance, or you can use the Ad Group Builder to quickly create new groups from scratch.

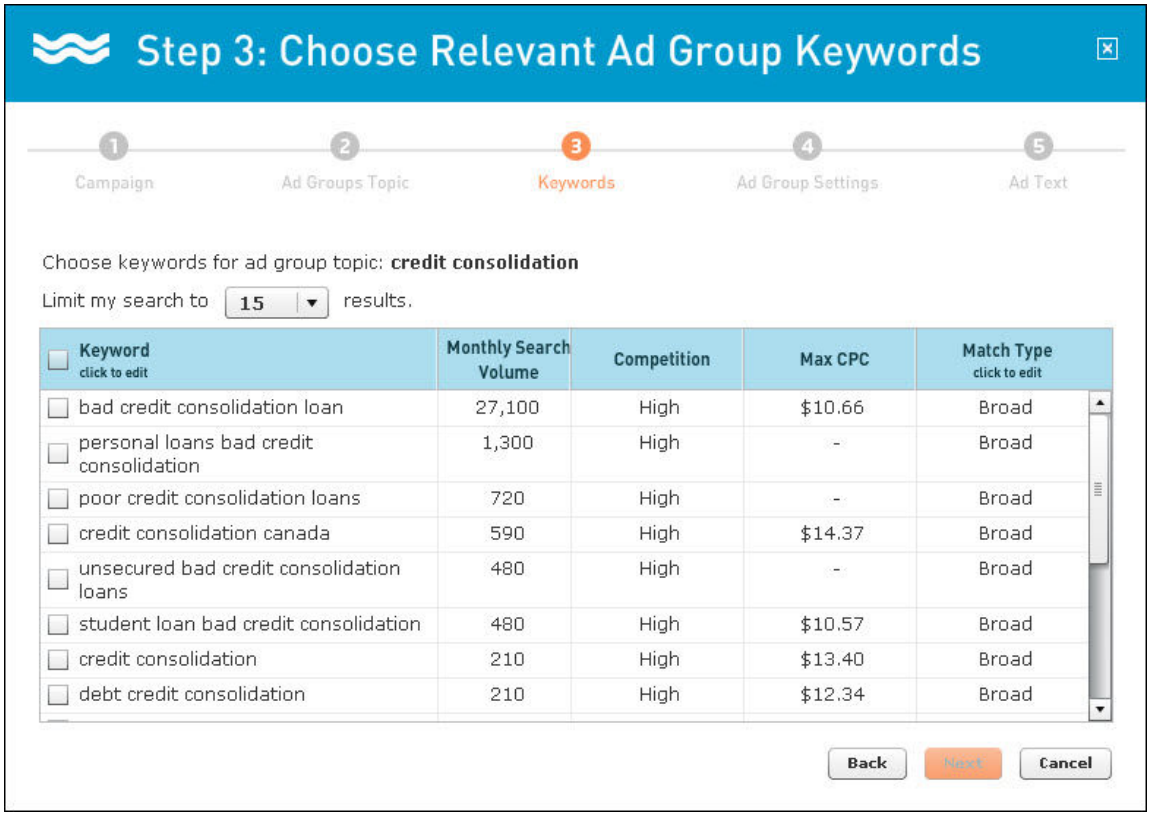


Figure 3: The Ad Group Builder helps you build targeted, profitable ad groups.

You can easily organize your keywords into a hierarchy of closely knit, traffic-driving keyword groups that are ready to act on in your AdWords account.

With WordStream, you can easily organize your keywords into a hierarchy of closely knit, traffic-driving keyword groups that are ready to act on in your AdWords account.

If you keep track of your keywords in a cumbersome, static spreadsheet application like Microsoft Excel, you're wasting a lot of time trying to manage the organization yourself. Excel is not dynamic. It doesn't have the power to automatically find and group related

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Excel is not dynamic. It doesn't have the power to automatically find and group related keywords in a huge and growing database.

keywords in a huge and growing database. WordStream does. This is one of the major benefits of the solution: While it's discovering new keywords based on how users are finding your site, WordStream is funneling those keywords into the keyword groups that you've already set up and suggesting new groups as necessary.

Why is this so important? Because organizing your keywords into a topical taxonomy with tight segmentation will help you target the right keywords in your PPC campaigns and craft more relevant ad text and landing pages, which will improve your click-through rate and Quality Score. To get and keep a high Quality Score, you need to:

- ***Maintain a high CTR*** — The click-through rate is the percentage of people who see your ad that actually click on it.
- ***Create relevant ad groups*** — An ad group is an association of one or more specific keywords which in turn triggers the display of one or more text ads. The ad copy in your text ads should closely reflect the keywords that you're bidding on.
- ***Link your campaigns to relevant landing pages*** — The Web page the user is sent to upon clicking your ad (i.e., the "destination URL") also has to closely reflect the keywords that were used to trigger the ad.

WordStream's features provide you with the basis for creating those relevant ad groups. Even better, WordStream actually suggests algorithmically relevant ad copy for you, based on the keywords in your ad group that are driving the most traffic. You can incorporate these suggestions into your ad copy to create a more relevant and compelling message.

WordStream helps you a target a more specific audience — the one that is looking for exactly what you're offering — so that you can get more exposure through desirable ad placement in search engine results.

At this point you can start to see some really positive results from your keyword database. But there's one *negative* best practice you can't afford to ignore.

Three: Discover and Expand Negative Keywords

Negative keywords, positive results

The idea, in any marketing initiative, is to try to get your message in front of as many *interested* parties as possible. You want hot leads and qualified clicks. What you *don't* want is to waste your money showing ads to people who have no interest in buying what you're selling.

Luckily, Google and other search engines support something called "negative keywords." This means that within a given ad group, you can designate not only the terms you want to bid on, but also the variations of terms you *don't* want included in your basket of paid clicks.

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if you don't specify a list of negative keywords, you'll capture (and pay for) lots of useless impressions.

Negative keyword discovery is a critical component of any effective PPC campaign. Designating negative keywords will ensure that you're not wasting money on superficially similar but irrelevant keywords. Google's "broad match" keyword matching option is potentially very useful, in that it allows you to capture impressions from search strings that are semantically similar but not an exact match to your purchased keyword. However, if you don't specify a list of negative keywords, you'll also capture (and pay for) lots of useless impressions. To return to the cabinet example, you might want to bid for the keyword "US cabinet sales," but you certainly wouldn't want your ad to display for "US cabinet members."

WordStream provides the world's first and only patented negative keyword suggestion tool. It would be impossible to manually maintain an accurate and complete list of negative keywords for your website, but WordStream automates much of the tedious discovery work by showing you what keywords your ads are actually broad-matching on. (Trust us — you'll be shocked to learn some of the search queries you've been paying for!)

WordStream suggests terms that may not be relevant to your business, saving you the trouble of sorting through each and every keyword looking for possible negatives. All you have to do is click "NO" to tell WordStream that a keyword isn't relevant to your business or a specific campaign, and that keyword will be added to your negative keyword list and applied in your account.

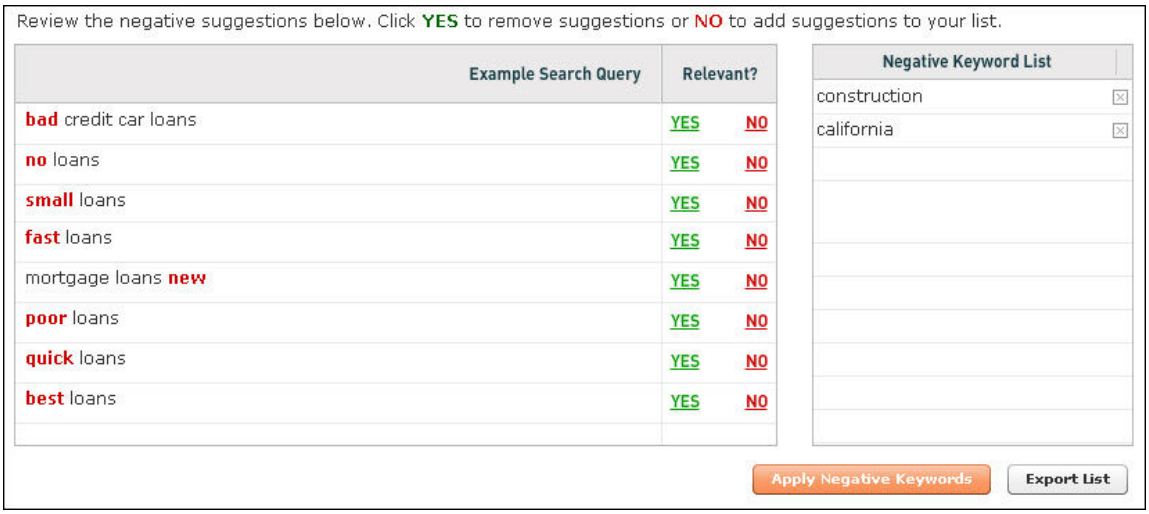


Figure 4: Use the negative keyword tool to filter out irrelevant keywords.

When you find and specify negative keywords with WordStream, you eliminate keywords that won't lead to clicks or conversions, which reduces wasteful PPC spending. In other words, you could be spending less for a far more effective PPC campaign.

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Four: Use Integrated Research Tools and Workbenches

Connecting analytics with action

Analytics are useless if you don't translate the insights into things you do.

Too often, there's a disconnect between the software used to analyze keyword data and the software used to implement a PPC strategy based on that data. This is why search marketers need "actalytics" — tools that go beyond analytics to help them organize and act on keyword research. After all, analytics are useless if you don't translate the insights into things you do. Without action, they're just charts and spreadsheets.

WordStream isn't just a keyword research tool; it's designed to be actionable. Even if you're already pouring a lot of resources into search marketing, your progress is hampered by the fact that your team is using disparate, disconnected search marketing tools. Web analytics and reporting dashboards (such as Google Analytics) are not integrated with standard search marketing workbenches. So you're not getting the maximum value out of the insights the analytics tools provide. The information sitting in those applications isn't going to apply itself!

Microsoft Excel is a popular search marketing workbench, but it's not designed for keyword management or PPC. WordStream is an integrated keyword management system that brings keyword research and organization tools together with Google AdWords and content authoring tools. This integration makes it much easier to implement the valuable information derived from a dashboard. And the workbench tools are designed with the specific needs of search marketers in mind, so you won't have to bend Excel to your will.

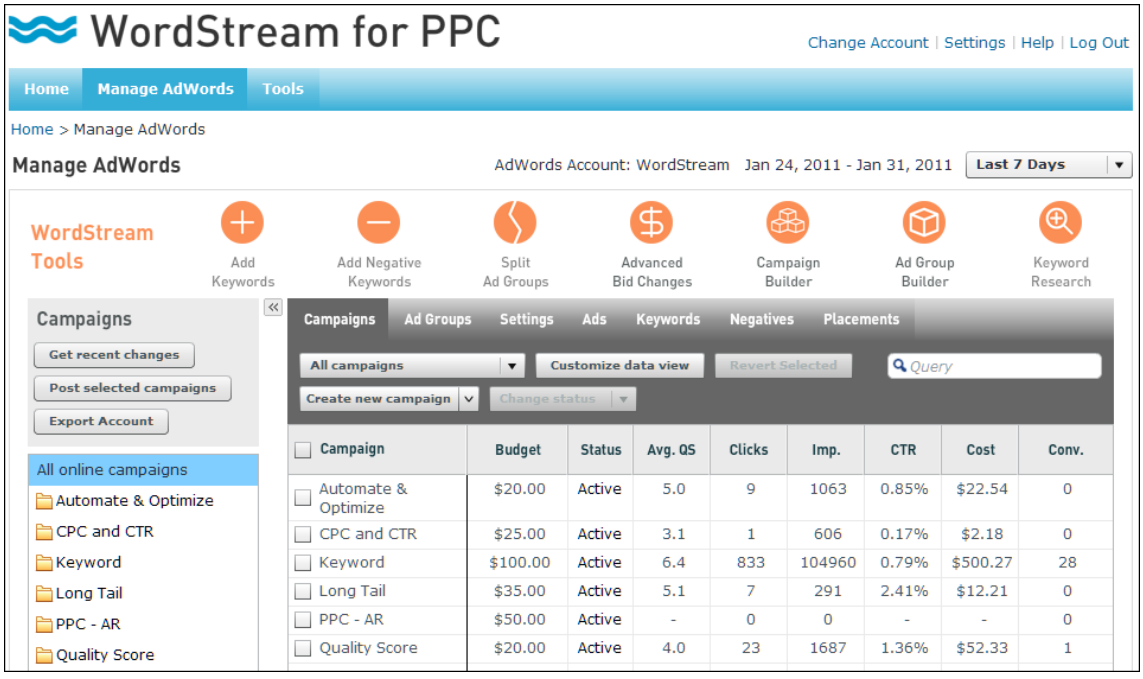


Figure 5: Take instant action on your account data with WordStream.

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Unlike Excel, WordStream automatically analyzes your data and suggests appropriate segmentations based on actions you define. In other words, you can turn analytic insights into intelligently segmented keyword groups in just a few clicks. And from there, it's equally easy to take further action on those groups — you can split ad groups, cleanse and de-duplicate your groups, add new keywords and more.

PPC-related tasks no longer take all your available time, because WordStream is designed to accomplish them efficiently.

Now you've got the right keywords, you've organized them into the right groups, and you've put all your work into action by converting those groups into ad groups. And amazingly, these PPC-related tasks no longer take all your available time, because WordStream is *designed* to accomplish them efficiently.

Once you've freed up a lot of valuable time by automating the most repetitive search marketing work, how do you decide how those extra hours *should* be spent? How can you divide your resources strategically to get fast ROI on your PPC efforts?

Five: Prioritize Strategic PPC Tasks

Keep the work flowing with workflow tools

When you implement WordStream, you'll begin to amass an ever-growing sea of keywords. You'll have more than enough data to build out very substantive pay-per-click campaigns. But where do you start? How do you decide which areas deserve the most attention?

There is literally no end to the amount of work you can do to improve your PPC results, but unfortunately you have limited resources. So it's pivotal to identify the work that is most pressing and will offer the greatest reward for your time.

WordStream's workflow tools will tell you exactly where to focus your time and attention for the strongest, most immediate results. You'll see the greatest benefit if you follow these tips:

- Keep keyword groups small and manageable.
- Convert keyword groups into ad groups.
- Create specific landing pages for each keyword group.
- Designate negative keywords.

It's important to keep your keyword groups to a manageable size. If your groups are too big, it will be hard to craft compelling, targeted landing pages and text ads around them — and that's the reason you're creating these groups in the first place!

You can customize the settings in the Workflow tab so the software knows which kinds of results are most important to you — then WordStream will tell you which keyword groups are producing the most traffic or meeting another goal that you specify, and move those tasks up your to-do list.

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The next step in perfecting PPC workflow is syncing up processes across your marketing team — not so easy when everyone's working a mile a minute within disconnected applications.

Six: Work Collaboratively from a Single, Shared Workspace

Getting everyone on the same page

Effective search marketing requires collaboration among team members across an organization. Your search marketing efforts will have limited success if the tools you're using don't support coordination and collaboration.

If you have multiple people working on the same account or project, it's quite difficult to keep a spreadsheet updated so that everyone sees the same "version of the truth."

This is something Excel does not, well, excel at. Among other shortcomings, Excel isn't designed to be collaborative. If you have multiple people working on the same account or project, it's quite difficult to keep a spreadsheet updated so that everyone sees the same "version of the truth." This is a major obstruction to workflow.

Unlike Excel, WordStream offers a single, shared workspace for multiple users so that PPC efforts can be coordinated and streamlined. At any stage in your marketing campaign, all the members of your team, from marketers to copywriters to developers to SEOs, will be on the same page. WordStream's workflow tools identify the tasks and areas that need immediate attention (according to rules you specify), ensuring effective division of labor. When your SEM tools are collaborative, work isn't duplicated and your team wastes less time. Everyone knows what jobs are most high-priority and who is working on what. All your team members have a shared knowledge of best practices as well as specific objectives and targets.

Now your PPC tools are integrated and your marketing team is working collaboratively. There's just one more element that will keep your PPC processes running smoothly long-term: doing it all over and over again.

Seven: Perform PPC on a Continuous, Iterative Basis

Why once is not enough

You can't look at SEM as a one-time activity. The world of search is always changing, and you need to perform new keyword research and hone your PPC campaigns on an active, iterative basis or risk losing ground to your competitors.

WordStream makes it easy to keep your keyword database fresh, by adding new, highly targeted keywords to your database every day, so your search campaigns can evolve. How?

WordStream mines your AdWords data to continuously add new search queries to your database. Your keyword lists won't stagnate in spreadsheets. And while your database is expanding, WordStream keeps your keyword groups in order so they stay tight, relevant and always up-to-date.

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If you don't change anything on your site or in your PPC campaigns, your results will plateau at best; mostly likely, they'll degrade.

As you continue to discover and organize new keywords, you'll need to update your existing ad copy and landing pages as well as create new content and ads. If you don't change anything on your site or in your PPC campaigns, your results will plateau at best; mostly likely, they'll degrade. To stay on top of your game, you need to keep track of new data and act on it.

Luckily, WordStream is on your side. WordStream's keyword grouping and organization, workflow prioritization, negative keyword discovery and ad text tools will enable you to implement all seven best practices on an ongoing basis. The WordStream solution ramps up the value of your search marketing efforts by driving continuous improvement in three areas:

- ***Productivity*** — Prioritize your workflow to get more done in less time.
- ***Relevance*** — Maintain high Quality Scores and pay less for more exposure to the right customers.
- ***Value*** — Reduce your SEM costs for maximum PPC ROI.

PPC Best Practices in Action: Putting It All Together for Search Success

WordStream is a proven technology producing real results. A number of leading companies currently rely on WordStream as their PPC solution, and to great success. Take SC Publishing — a multidisciplinary provider of continuing education programs for nurses and other healthcare professionals. SC Publishing came to WordStream with one goal in mind: increasing the rate of conversions for paid search ad clicks.

The company's biggest challenge was identifying an efficient way to grow keyword inventory. The marketing team struggled with finding the time to research, organize and manage thousands of potential keywords, much less take action on that research to enact more effective PPC. They had hit a wall.

The solution to these problems arrived in WordStream's keyword management system. The company utilized the keyword discovery tools to uncover an extensive list of relevant, long-tail keywords, and the segmentation tools to easily organize the expanded list into tight segmentations — allowing the marketers to write much more focused and relevant text ads to speak directly to the intent of searchers in its potential customer base.

SC Publishing's keyword list grew from a modest 300 to 18,000 long-tail keywords, and conversion rates jumped 270% in just three months.

The results?

- ***Higher conversion rates*** — SC Publishing's keyword list grew from a modest 300 to 18,000 long-tail keywords. These keywords were automatically distributed into relevant ad groups, with no Excel spreadsheet bottlenecks holding up the process. With these process improvements, conversion rates jumped **270%** in just three months!

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- ***Lower cost per acquisition (CPA)*** — As SC Publishing's conversion rates were climbing, cost per conversion was dropping — by 55% in the same time period. Implementing WordStream cut the cost of acquiring a new customer almost in half, and those customers were signing on at a much faster clip.

Ian Hughes, SC Publishing's e-commerce marketing manager, put it this way: "The bottom line is that the more relevant traffic converts more often. Long-tail search engine marketing has been the key to that for us. WordStream took the pain out of discovering and organizing long-tail keywords and made it possible for us to easily reach and surpass our conversion goals."

WordStream continues to enable companies like SC Publishing to reach new levels of productivity, relevance and value, and our PPC tools could do the same for you.

About WordStream

WordStream Inc. is a provider of software and services that help search marketers maximize the performance of their PPC and SEO campaigns, driving traffic, leads, and sales for lower costs. The company's easy-to-use PPC management software facilitates more effective paid search campaigns by increasing relevance and Quality Scores in Google AdWords, automating proven best practices, and delivering expert-level results in a fraction of the time. WordStream also offers a best-in-class Keyword Research Suite for finding and organizing targeted, profitable keywords for use in paid and organic search initiatives.

In addition, WordStream provides full-service PPC management and other value-added services to help advertisers who are new to AdWords or strapped for time get stellar results from pay-per-click marketing

For more information about WordStream and to sign up for a free trial, visit http://www.wordstream.com.

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