



The Full Value of (PPC) Pay per Click Advertising for Your Business

A Pay per Click (PPC) White Paper



Pay per Click (PPC) Advertising that Generate Revenue (positive ROI)

According to research unveiled by WordStream, Inc., small businesses are wasting nearly 25% of their pay-per-click (PPC) marketing spend due to simple managerial and strategic errors.¹

Pay per Click is all too often (and no thanks to its name) associated with cost. As business owners and executives, you want to focus on what is generating revenue, profit margin, and return on ad spend (ROAS). It is easy to throw together a PPC Campaign with keywords, ad copy, and a fixed daily or monthly budget. The platform, whether Google AdWords, Bing Ads or other, will automatically keep track of your impressions, clicks, and cost. However, these metrics alone will not tell you if your PPC is successful and is helping you grow your business. In order for you to determine if your PPC is really working, you first need to know what you want to accomplish. This includes your strategy, objectives, and goals. Next is turning that strategy into action. This is more than setting up and activating a PPC account, it also includes integrating analytics, email marketing, social media, customer relationship management (CRM) and more to track how these marketing efforts work together to achieve your business goals and impact your bottom line.

Pay per Click Strategy, Goals, and Objectives

Before you start spending your marketing budget, establish your strategy, objectives, and goals so that you know what you want to accomplish through PPC advertising.

Strategy	Objective	(Example) Goals
Branding	Build Brand Awareness	<ul style="list-style-type: none">- Increase Branded Search by 5% monthly- Increase Direct Traffic by 15% quarterly
Lead Generating	Acquire Prospects	<ul style="list-style-type: none">- Generate an additional 25 calls per month- Increase Online Leads by 25% annually
Direct Selling	Online/Offline Sales	<ul style="list-style-type: none">- Increase In-Store Visits/Sales by 10% quarterly- Generate at least \$1,000 in online sales monthly

Once you have the basic strategy, objectives, and goals set, remember that a benchmark of your current performance is crucial so that you have something to compare it to in order to show progress. There is a big difference in saying that you generated 50 calls last month compared to being able to say 50 calls, which is an increase of 20% over the previous month.

Not only does this give your PPC a clear goal to achieve, it also allows you set Key Performance Indicators (KPIs) to monitor the accounts success. With these KPIs you can quickly assess the progress and value of your PPC

30 Billion Calls were generated through call extensions (showing your phone number in addition to your ad copy) on PPC ads in 2013.²

efforts without digging through keyword, ad copy and landing page data. But before KPI reporting and dashboards can be set up, the strategy needs to be executed in a way that your KPI are being measured correctly as they happen across different devices (desktops, tablets, phones) as well as in-store.

Execution of the Pay per Click (PPC) Strategy

Depending on the size of your company and how hands on you are as an owner or executive, you may not be the one actually creating the campaign, keywords, and ad copy inside Google AdWords, Bing Ads, or other PPC platforms. However, the set-up of these components are critical to your PPC success. Here are some high level questions that focus on your user's experience that you will want to ask your (PPC) marketing manager:

- a** Are the Ad Copy and Landing Page(s) consistent? Your Landing Pages should deliver on the the expectations that are set by your Ad Copy.
- b** Is the Conversion Funnel clear and concise? Whether your goal is to generate leads, calls, or sales, removing all unnecessary steps from the process will help boost completion rates.

A study by User Interface Engineering showed a 45% increase in customer purchases when forced registration was removed from the checkout page.³

- c** Are you testing various PPC components (Keywords, bids, ad copy, and landing pages) to ensure you are speaking to and engaging with your target audience?
- d** How does the user experience vary across different devices? From the look of your ads, to navigation of pages, all the way through your conversion funnel, a user should have a good experience no matter which device, or even how many different devices.

After you have your PPC account is set-up, you will want to ensure that your analytics, CRM, and other marketing efforts (email, social, ecommerce, etc.) are aligned and synced as far as data collection. This will allow you to monitor what is bringing new user to your site, what is bring them back to the sire, and what is turning visitors into leads, calls, and/or sales (either online or in-store.) Tracking this way opens up opportunities to accredit every marketing method that contributed to generating revenue.

Recent research – sponsored by Webtrends and conducted by PhoCusWright – found that leisure travelers average more than 6.5 digital touch points before they book a trip.⁴

(Pay per Click is one of many digital touch points that should be leveraged to reach new customers.)

Dr. Jeffrey Lant’s “Rule of Seven” states that to penetrate the buyer’s consciousness and make significant penetration in a given market, you have to contact the prospect a minimum of seven times within an 18-month period.⁵

Reporting on Full Value of PPC

Once the connections are made, it is easy to track leads, calls, and sales coming from your PPC campaigns. As long as there is a value assigned to these conversions, the measuring, tracking, and reporting on revenue generated and ROAS becomes very easy. The final piece is deciding how the value of a conversion, which took multiple touch points, will be distributed to the marketing channels.

For example, you generate a \$100 sale via direct traffic (last touch point). However, ten days prior to that online sale, the same visitor came to you through organic branded search. 5 days prior to that visit, the user found your company via a PPC ad for a non-branded product search. In the given scenario should all \$100 of that sale be credited towards the direct traffic, when only 15 days prior the end user was not even aware of your company? The solution to this problem is attribution modeling, but within this solution there are a few options. The image below depicts a few of the attribution options that are offered by Google Analytics.

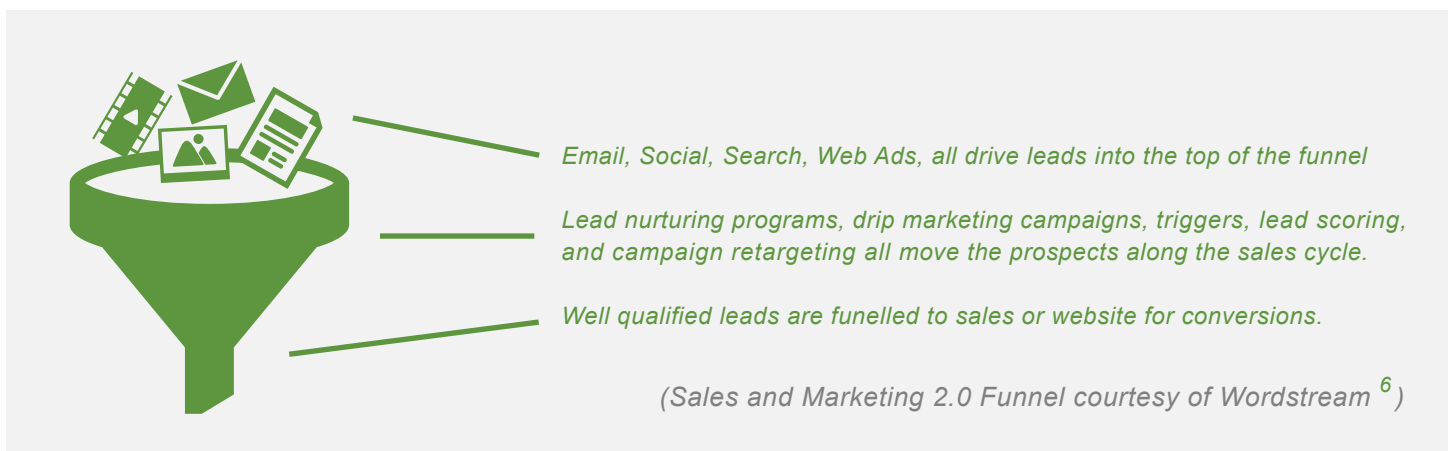
MCF Channel Grouping ?	Conversions & Value						% change in Conversions (from Last Interaction)	
	Last Interaction		Linear		Time Decay		Linear	Time Decay
	Conversions ↓	Conversion Value	Conversions	Conversion Value	Conversions	Conversion Value		
1. Referral	578.00	\$61,968.00	478.78 (38.36%)	\$42,172.28 (16.64%)	480.19 (38.48%)	\$42,617.38 (16.81%)	-17.17% ↓	-16.92% ↓
2. Direct	344.00	\$77,521.04	328.15 (26.29%)	\$80,626.80 (31.81%)	333.95 (26.76%)	\$81,796.81 (32.27%)	-4.61% *	-2.92% *
3. Organic Search	305.00	\$104,910.30	411.49 (32.97%)	\$119,054.55 (46.97%)	404.40 (32.40%)	\$117,779.25 (46.46%)	34.92% ↑	32.59% ↑
4. Paid Search	17.00	\$5,769.97	25.47 (2.04%)	\$9,920.99 (3.91%)	25.27 (2.02%)	\$9,594.61 (3.78%)	49.85% ↑	48.66% ↑
5. Social Network	3.00	\$2,238.57	0.73 (0.06%)	\$562.68 (0.22%)	0.84 (0.07%)	\$588.24 (0.23%)	-75.79% ↓	-72.11% ↓

Image of Attribution Model Comparison from inside a Google Analytics account.

The last interaction gives all the value to the final method the customer used to reach your site. Linear divides the value equally across all methods used throughout the purchase journey. Finally, time decay gives all methods credit, but the most recent gets more and the first gets the least. The image above shows that the value contributed to Paid Search can vary from \$5,700 to almost \$10,000 depending on how the revenue from conversions is divided among the marketing channels. This could easily be the difference between a campaign showing in the red or having a positive return on ad spend (ROAS).

Better Decisions and Lead Nurturing

Not only does attribution models impact the ROAS of your marketing channels, it also reveals which channels are working at nurturing visitors into leads and sales. Connecting your PPC and other marketing efforts to your analytics and CRM will help identify opportunities and how to best follow-up with your prospects. Using your data to continuously improve your nurturing process among your marketing channels will help boost the performance of PPC and other channels by shortening the sales process, reducing cost, and increasing profit margins.



The Full Value of Pay per Click (PPC) Advertising

The process starts with developing a strategy that outlines your goals and includes a game plan for achieving them. After the plan is set, the next step is putting the strategy into action. This includes creating accounts, writing ad copy, targeting keywords, and of course, paying for your Pay per Click to run. While it is up and running, you will want to monitor your KPIs closely to ensure you are not wasting your marketing budget, but instead making strides to reach the goals in your PPC strategy. As the data continues to populate, it will reveal which keywords, ad copy, and landing pages are generating clicks and revenue. The final part is leveraging the insights from the data collected to modify your strategy to ensure that your PPC campaigns continuously move towards achieving and even surpassing your goals and maximizing your ROAS.

End Notes:

1

<http://www.wordstream.com/press/smb-ppc-research>

2

BIA/Kelsey, 2012; Call-Based Ads: Eliminating the Unknown from Advertising

3

<http://www.shopify.com/blog/8484093-why-online-retailers-are-losing-67-45-of-sales-and-what-to-do-about-it>

4

<http://www.webtrends.com/blog/2014/09/cross-channel-attribution-is-about-more-than-campaigns-and-touch-points/>

5

<http://www.businessinsider.com/how-many-contacts-does-it-take-before-someone-buys-your-product-2011-7#ixzz3eCjdg4TV>

6

<http://www.wordstream.com/blog/ws/2013/09/23/get-more-leads-with-ppc>

DaBrian Marketing Group

DaBrian Marketing Group (DMG) is a full service digital marketing agency focused on providing innovative, strategic marketing solutions for businesses that want to obtain digital awareness, cultivate meaningful customer relationships, and gain insights to achieve their goals. We live by our tagline “Driven by Strategy. Proven by Analytics.” All of our services, including PPC Management, begin with developing a strategy and continue with executing on your digital marketing, analyzing the data collected, and revisiting the strategy to ensure that your business goals are achieved.



DaBrian Marketing Group is a certified Google Partner, which means our team members are certified (AdWords and Analytics) and have experience managing clients’ PPC accounts. In addition, we are also certified through Bing to run PPC on the Yahoo-Bing partnership network. Since we are a full-service digital marketing agency, we have capabilities beyond PPC, including SEO, Web Design, Social Media, Analytics, and more. Whether you have any questions about “Pay per Click (PPC) Advertising that Generates Revenue (positive ROI)” or would like a PPC Quote or Audit, contact us today. You can also sign-up for our newsletter to stay informed and up-to-date on digital marketing.



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