**1. Factors Affecting PPC Bidding:**

* **Bid Amount**: How much you're willing to pay per click.
* **Quality Score**: A score that shows how relevant and good your ad, keyword, and landing page are.
* **Competition**: How many other businesses are bidding for the same keywords.
* **Targeting**: Where, when, and who you're targeting with your ads.
* **Ad Rank**: Your position in the ad auction is based on your bid and quality score.

**2. How Search Engines Calculate Actual CPC:**

· Actual CPC (Cost Per Click) is calculated using your **Ad Rank** (which is based on your bid and Quality Score) and the **Ad Rank** of the ad below yours. It's usually lower than your maximum bid, to keep it fair.

· Formula:  
 **Actual CPC** = (Ad Rank of competitor below you) ÷ (Your Quality Score) + 1 cent.

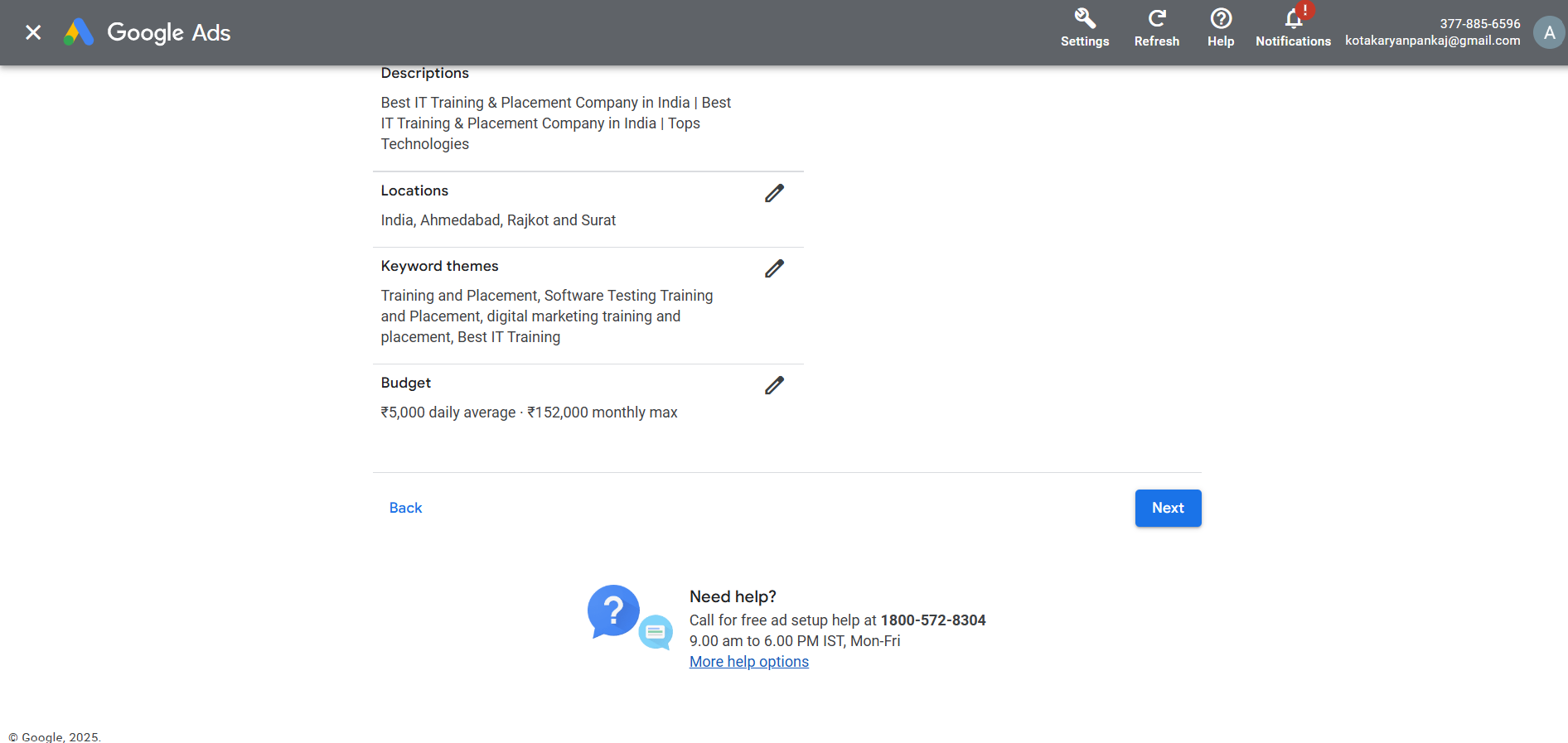
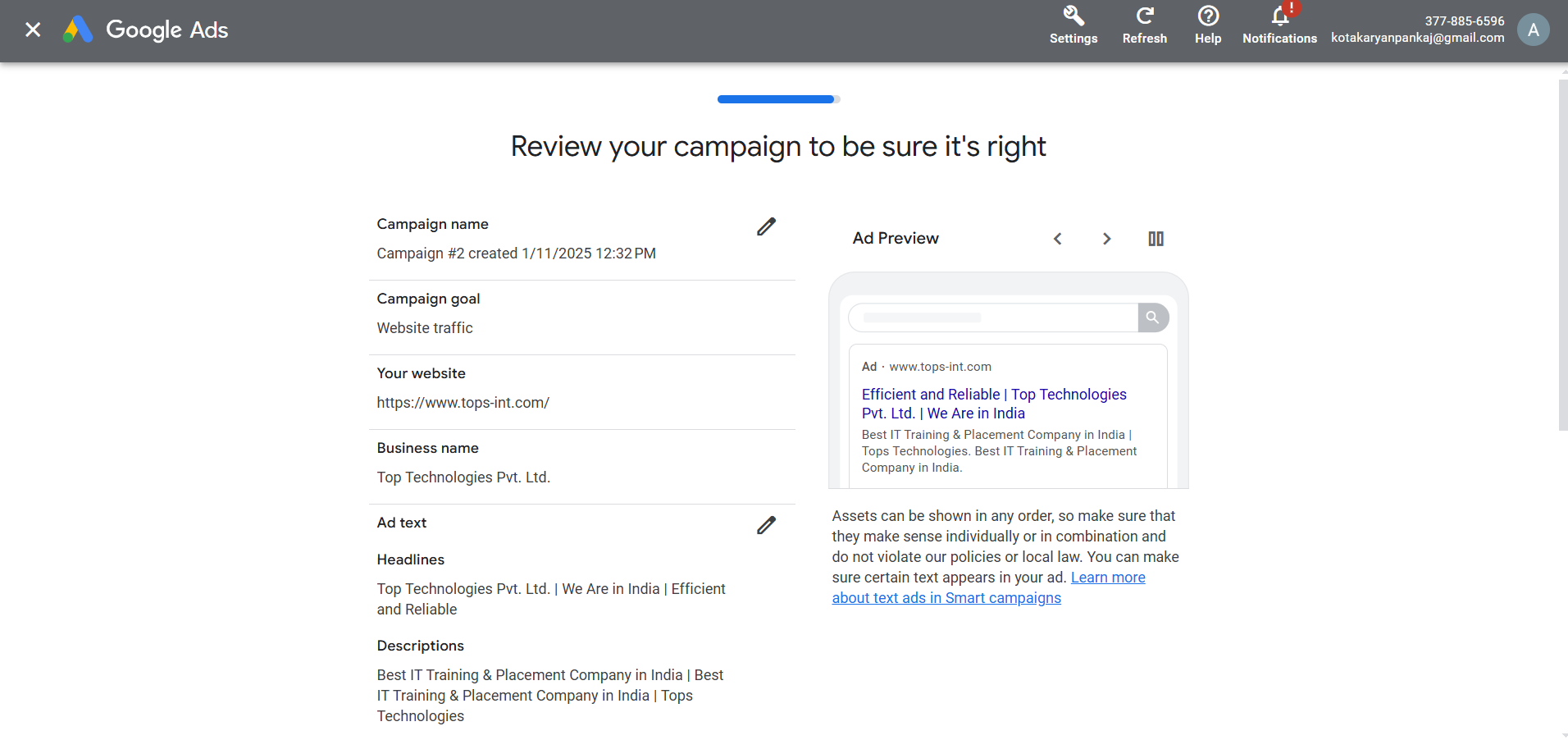
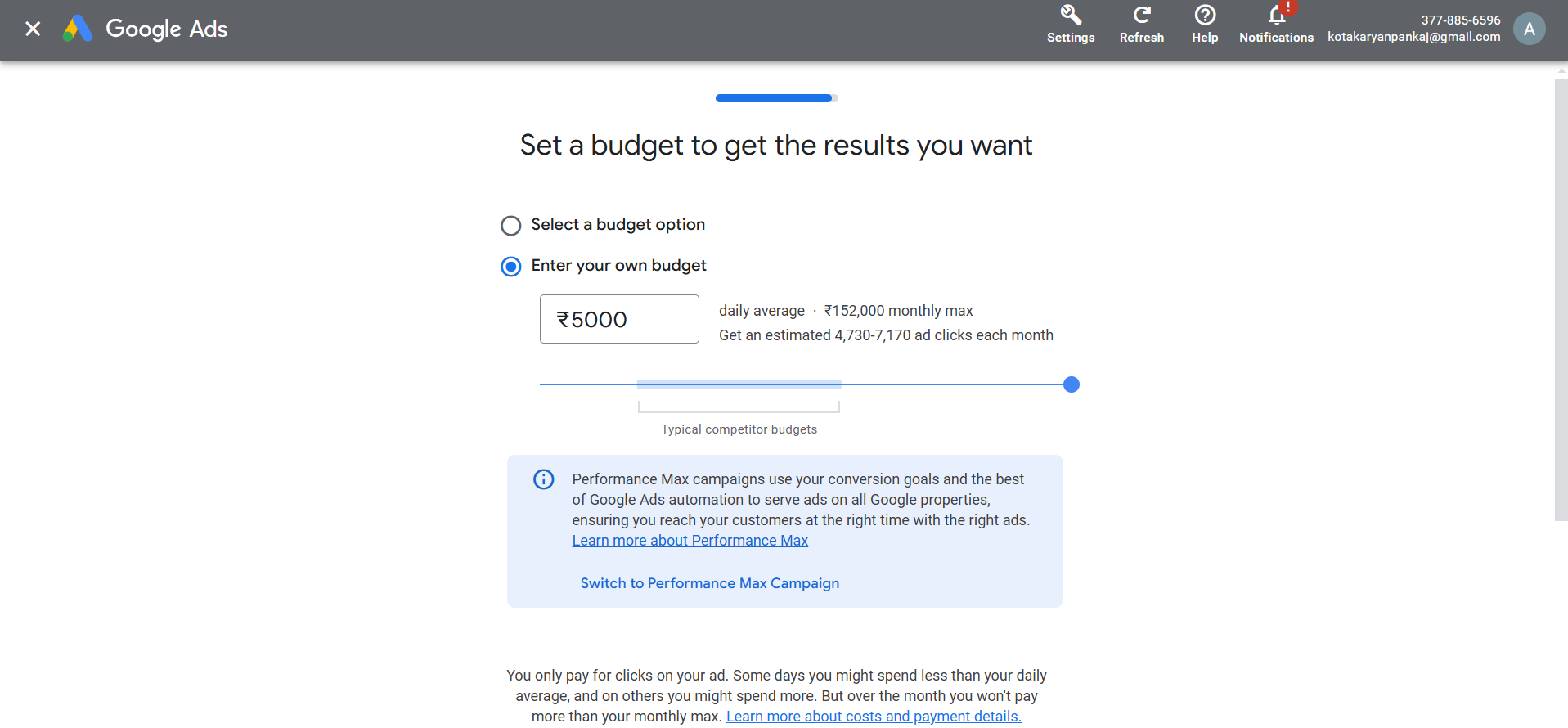
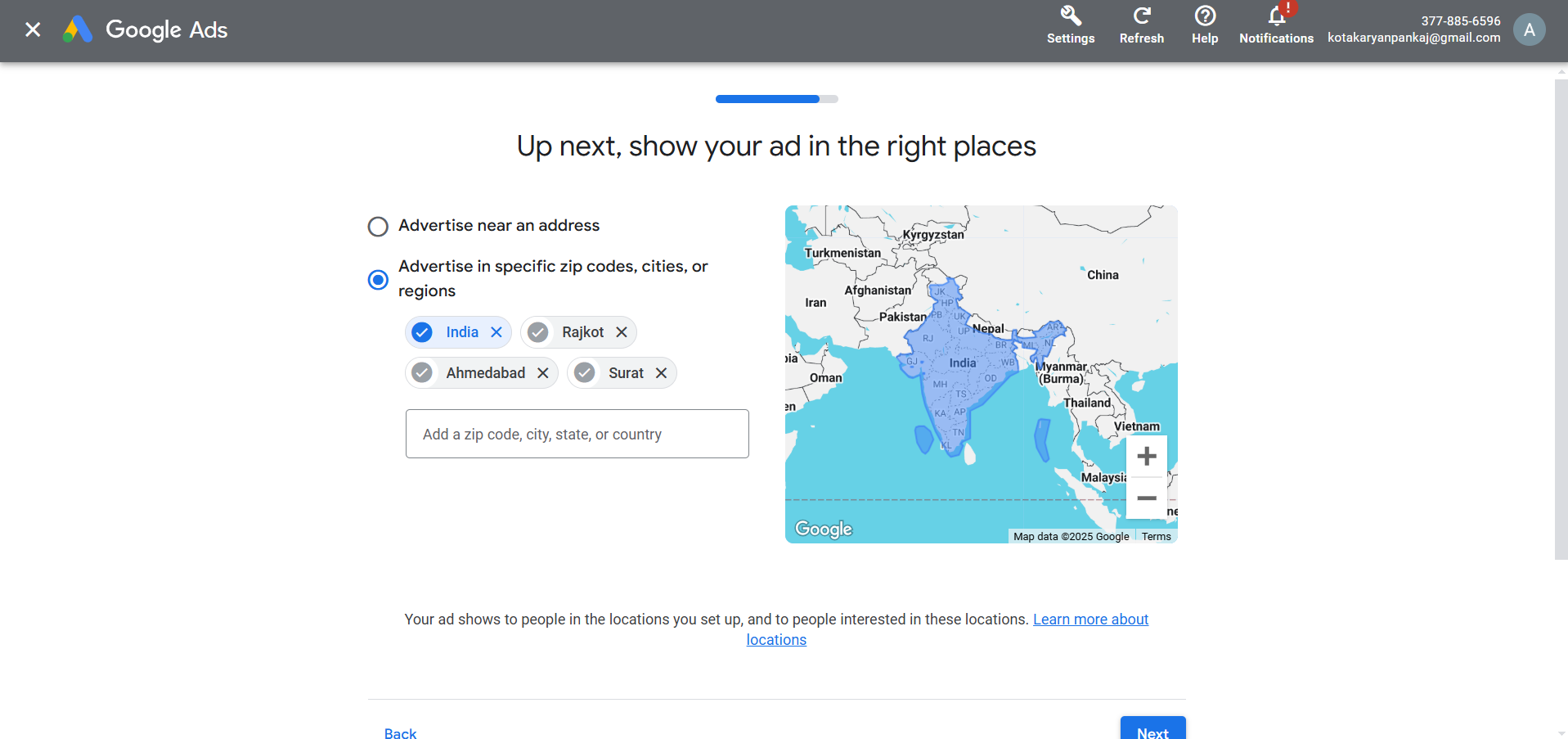
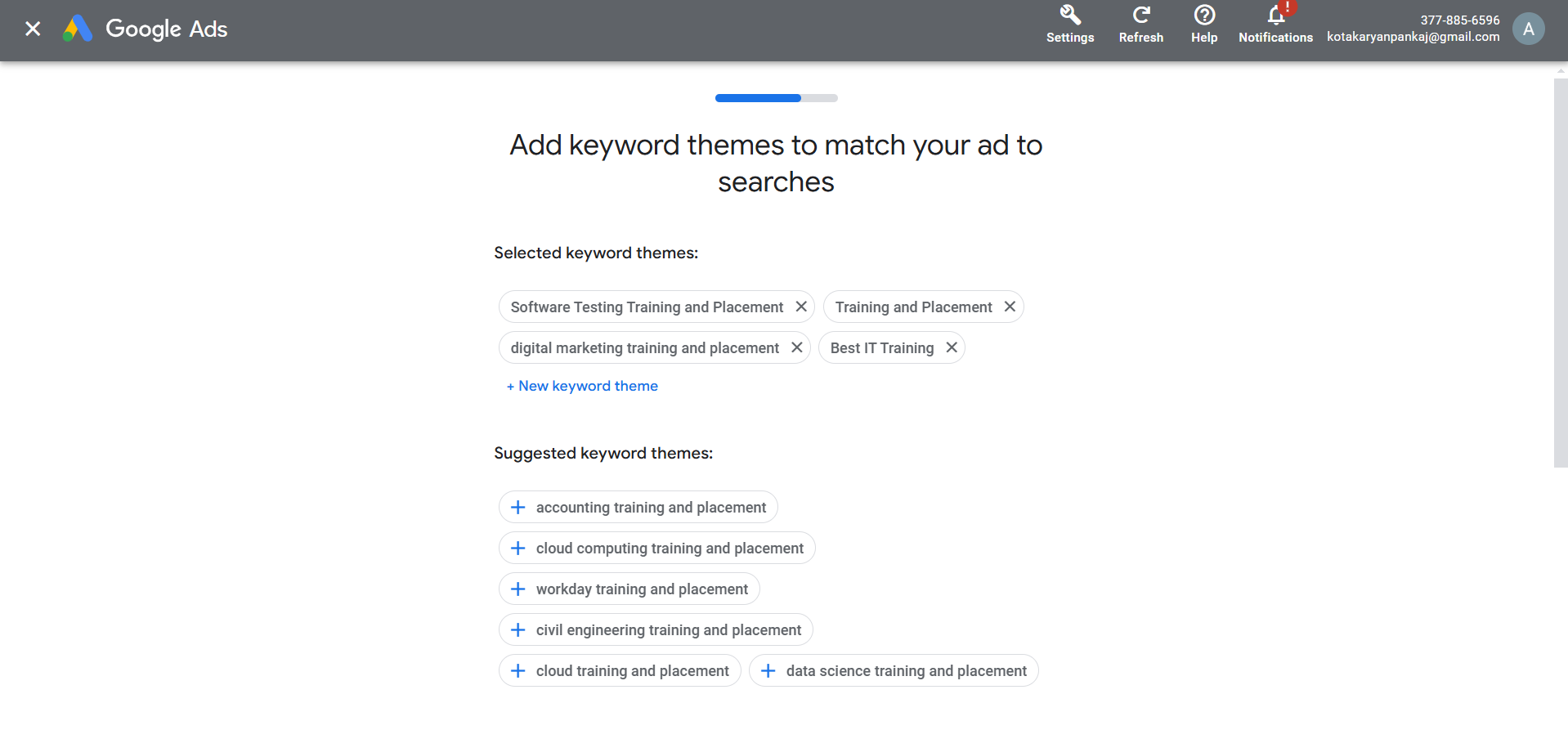
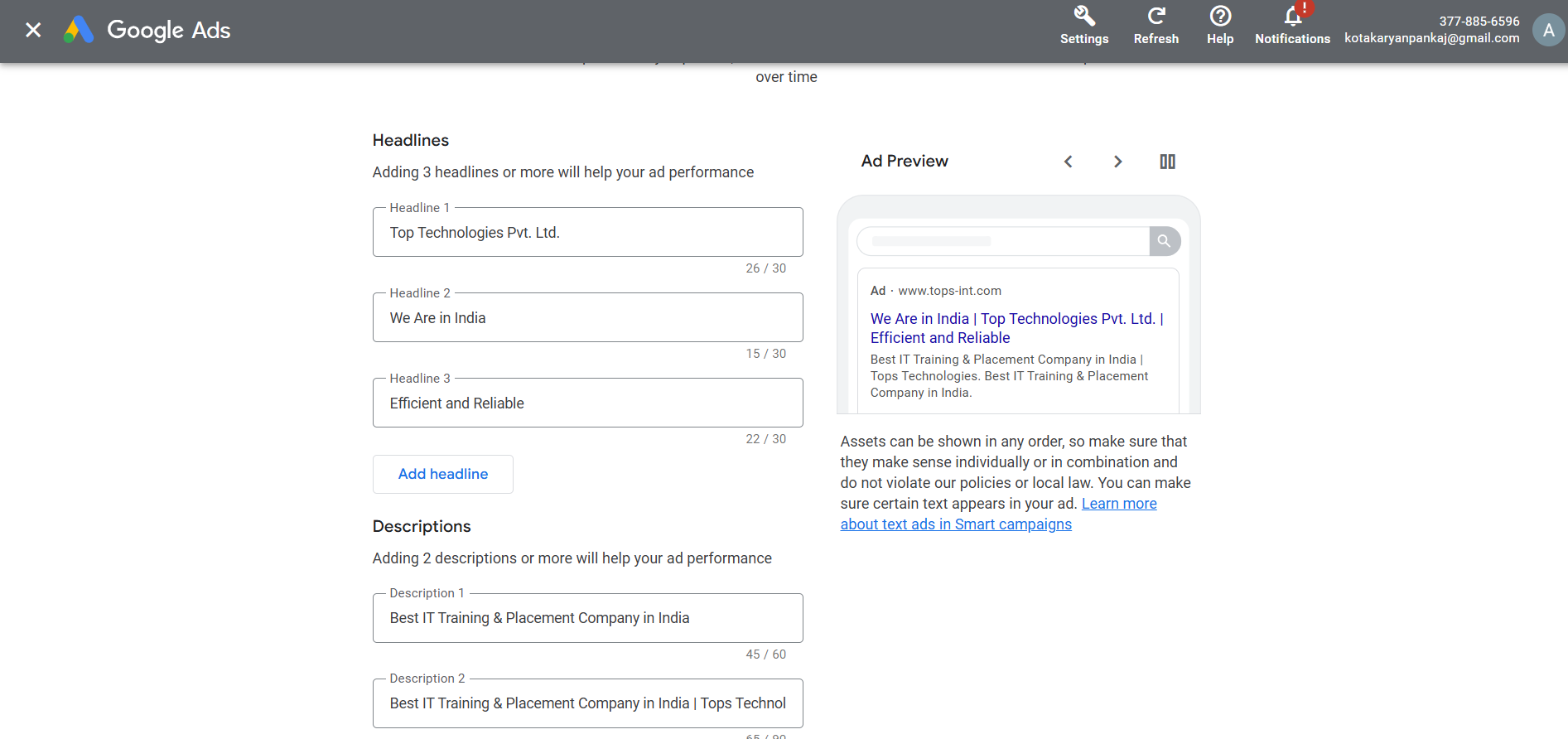
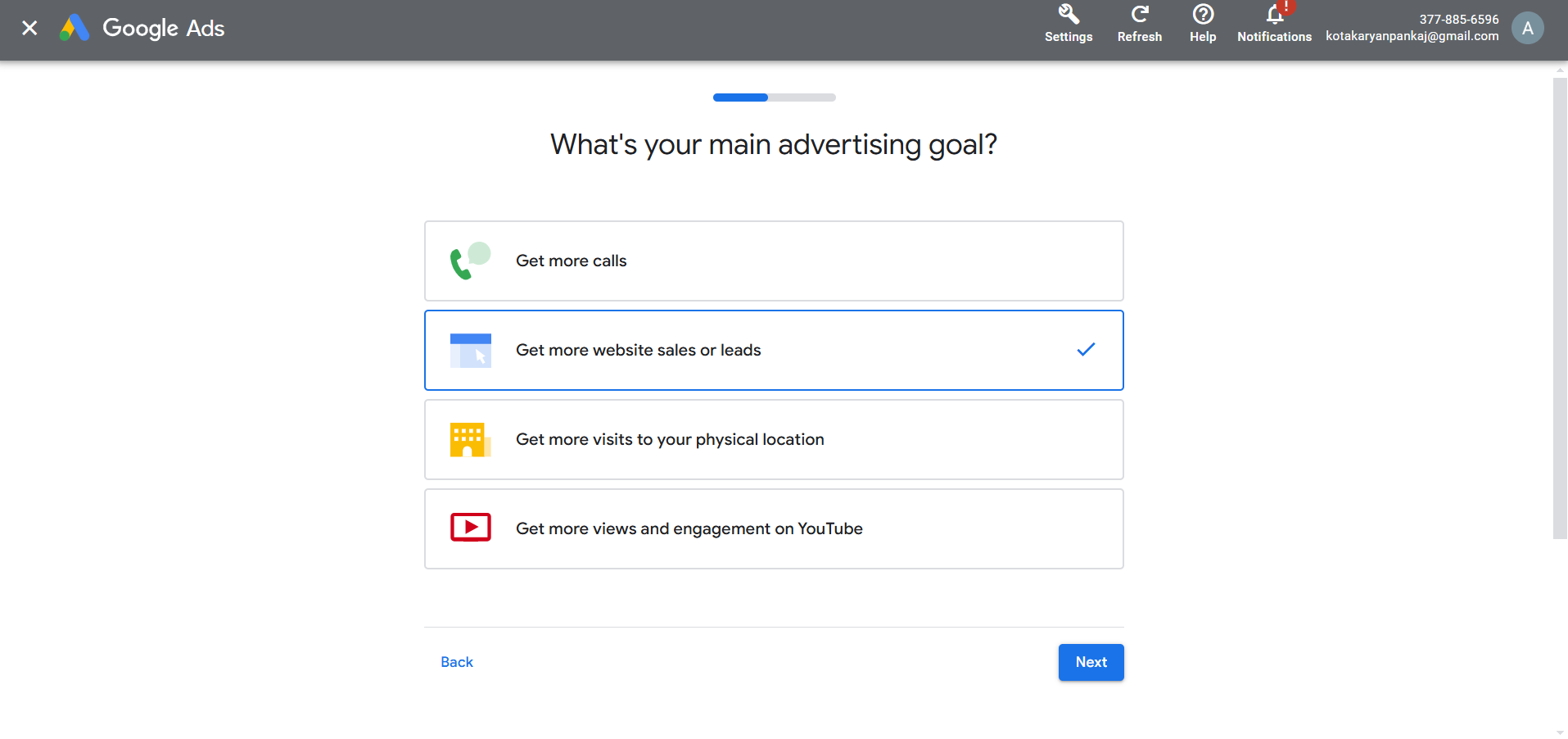
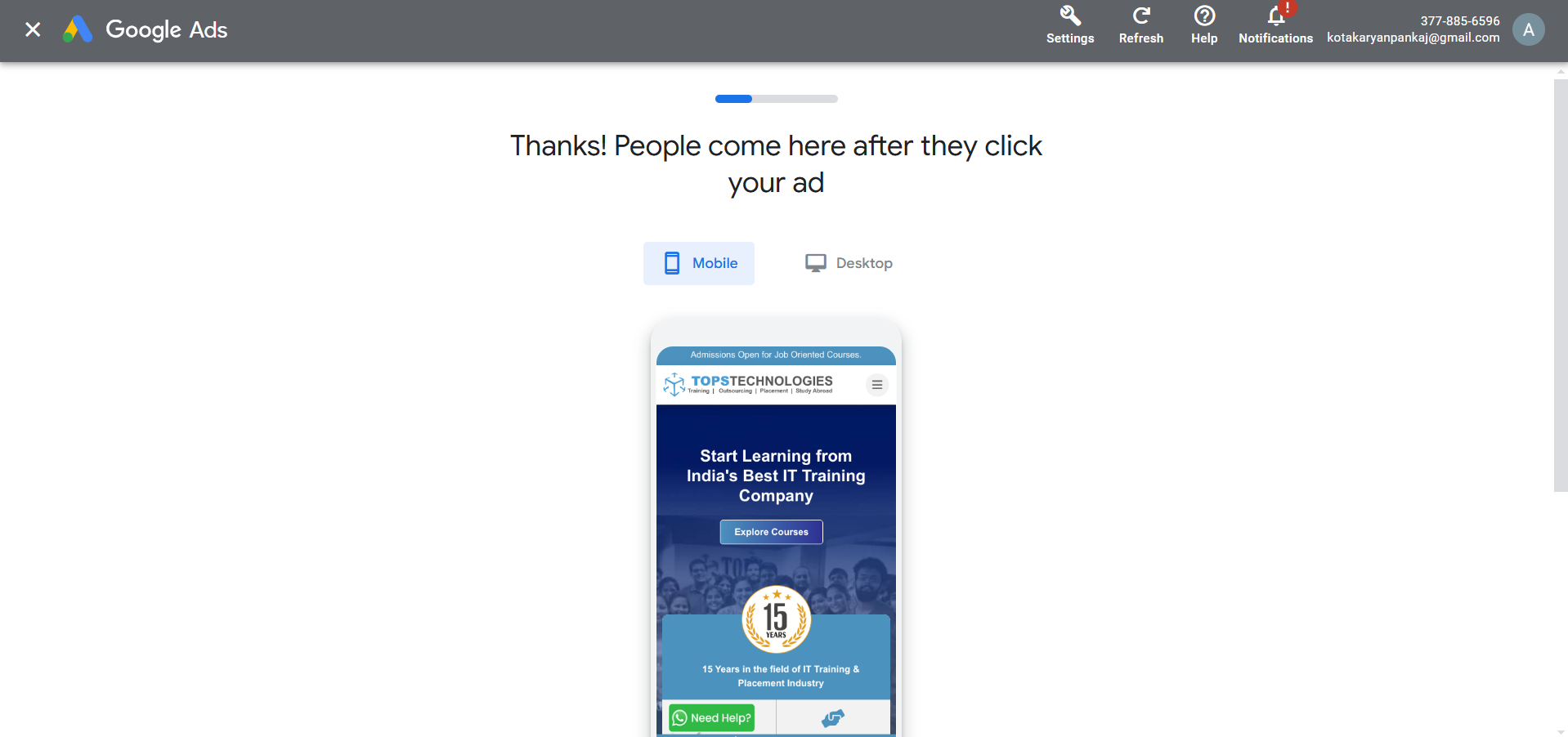
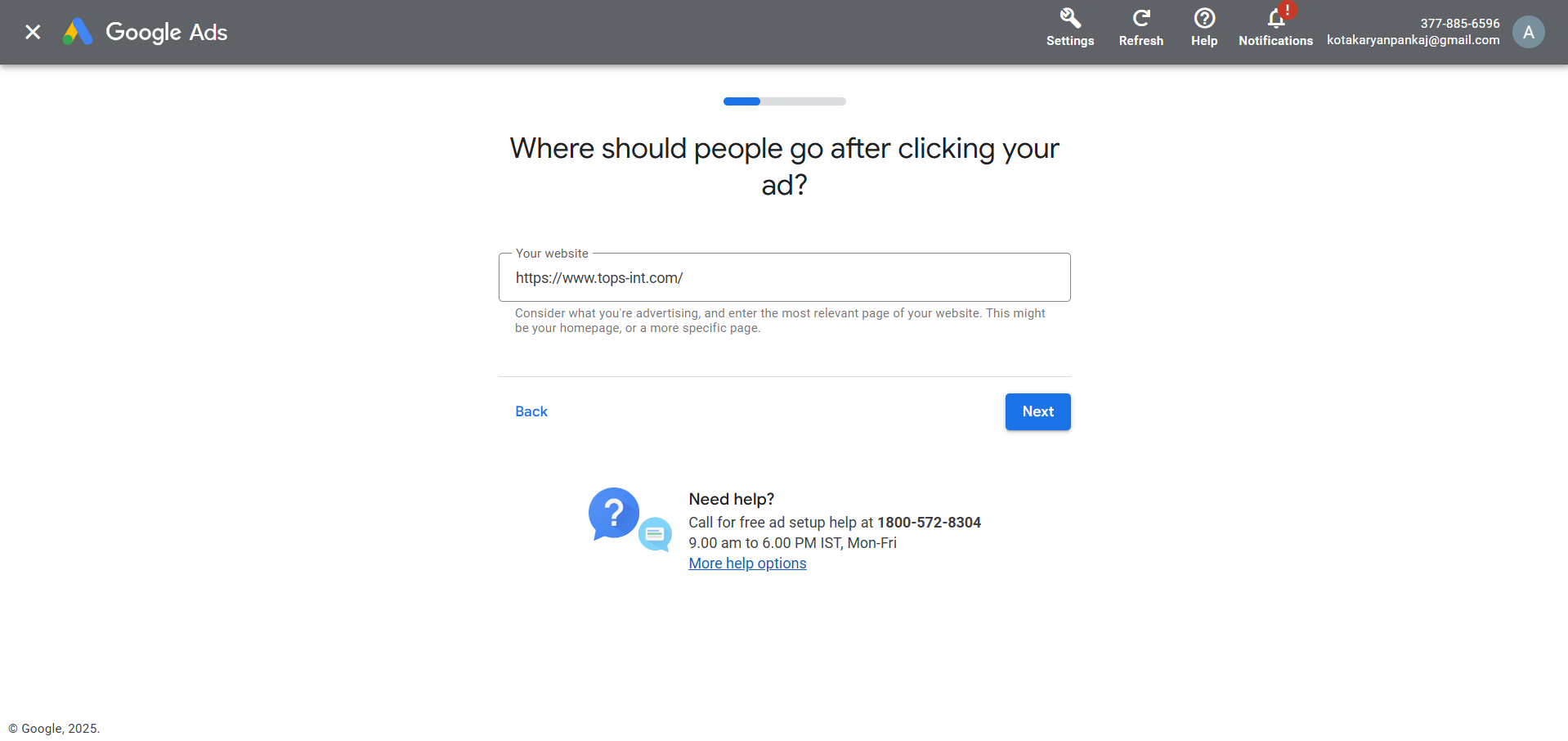
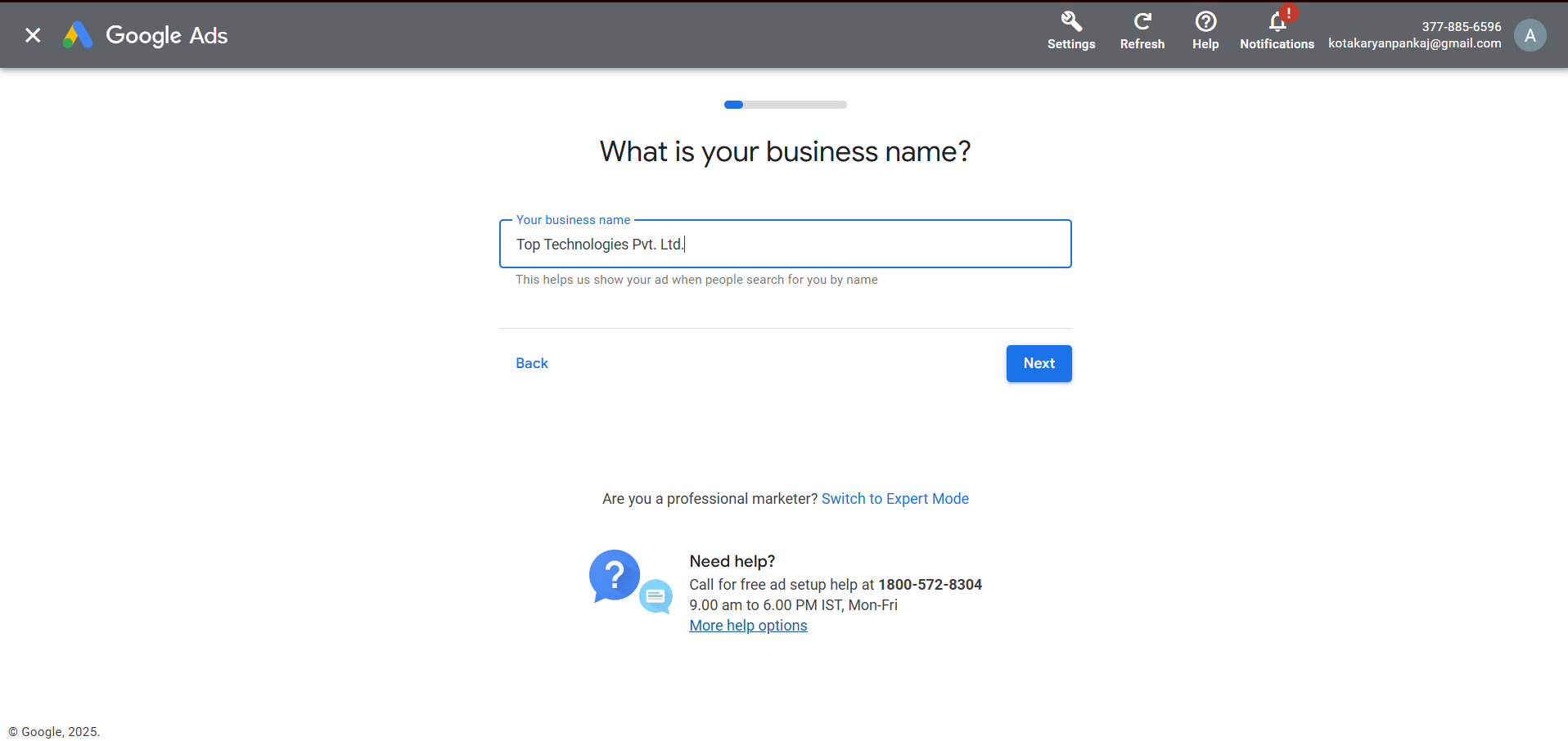
**3. What is Quality Score and Why is it Important?**

Quality Score is a rating (1-10) from Google that shows how relevant your ad is. It's based on:

* **CTR (Click-Through Rate)**: How often people click your ad.
* **Ad Relevance**: How well your ad matches what people are searching for.
* **Landing Page Experience**: How good your website is when users click your ad.

A higher Quality Score means lower CPC and better ad placement.

**4.** **Google Ads**

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