

## Pay Per Click Terminology



Before starting your PPC campaign, it's important to get familiar with PPC terminology.

PPC can get confusing, and it's very easy to blow a lot of money quickly if you don't know what your doing. This document will help you get comfortable with many of the key terms that are commonly used in PPC.



# Pay Per Click Terminology

- **Account** - the top level of PPC account structure.
- **Ad Group** - the second sub level in an account. You create ad groups within a campaign. Your ads will be stored within these ad groups.

For example, if your campaign is “auto insurance”, then ad groups within that campaign could be “liability only” and “full coverage”, etc.

- **Average Position** - the average position of your ad in the search results.

For example, if your average position is 3.5, that means it shows up between the 3<sup>rd</sup> and 4<sup>th</sup> positions.

- **Broad Match** - a matching option where ads appear for searches that include your selected keyword or phrase, a variation of the keyword or phrase, and searches that are considered related.

For example, if you’re targeting the phrase “auto insurance”, and a consumer searches “San Diego auto insurance” or “San Diego car insurance”, your ad will appear since both are related to the phrase “auto insurance”. Broad Match is the default setting in Adwords.

- **Campaign** - The first sub level in an account.

For example, you could have campaigns for different types of insurance—“auto” or “home”.



# Pay Per Click Terminology

- **Click-Through Rate (CTR)** - a percentage calculated by the number of clicks the ad receives divided by the amount of times it is seen. The goal is to have the CTR as high as possible (assuming the traffic is quality, of course).
- **Conversion Rate** – the percentage of users that carry out a desired action.

For example, the rate at which your website visitors convert into a contact or download your ebook.

- **Cost Per Click (CPC)** - the cost of a click for a keyword, phrase, banner ad, or any other click source.
- **Exact Match** - a matching option where ads appear for searches that are an exact match for the keyword or phrase selected.

For example, if the phrase is “auto insurance”, your ad will only appear when someone searches “auto insurance”.

- **Geo-targeting** - setting up ads to target a specific geographic area.
- **Impression** - each time your ad has been shown is called an impression.
- **Keyword/Key Phrase** - a word or phrase that triggers results to show up in search engines.



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- **Keyword Matching** - the different methods to match keywords and key phrases to your ads. They include Broad Match, Exact Match, Phrase Match, and Negative Match.
- **Negative Match** - a keyword matching option that lets you prevent ads from showing up in searches based for specific keywords.

For example, if you don't want to be found for any searches related to "auto insurance", you would select negative match.

To trigger this match you must put a minus sign in front of the keyword.

- **Phrase Match** - a matching option where ads appear for searches that include a select phrase.

For example, if the phrase is "auto insurance", and a consumer searches "San Diego auto insurance" your ad will appear, but it won't appear for "San Diego car insurance" because the phrase "auto insurance" was not included.

To trigger this match you must put your phrase in quotes.

- **Quality Score** - the score search engines give your ad based on how relevant they feel your ad is for the keyword or phrase you want the ad to appear for.



# Conclusion

Now that you have a better idea of the terminology used in the world of Pay Per Click, you'll be better prepared to get started on a PPC campaign without being caught off guard or discouraged by the lingo.

To book a marketing consultation on this topic (or other), go to:

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