

Target CPA bidding (tCPA)

tCPA is an AdWords Smart Bidding strategy that sets bids to help get as many conversions as possible at your desired CPA.

How does tCPA bidding work?

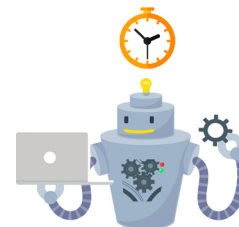
Using historical information about your campaign and evaluating the contextual signals present at auction-time, tCPA bidding automatically finds and sets an optimal CPC bid for your ad each time it's eligible to appear to achieve an average CPA equal to your target.



Define the Target CPA based on your business goals and any past performance data from previous campaigns.



The algorithm uses the Target CPA, the predicted CVR, and its understanding of the entire market of auctions to determine the right CPC for each auction.

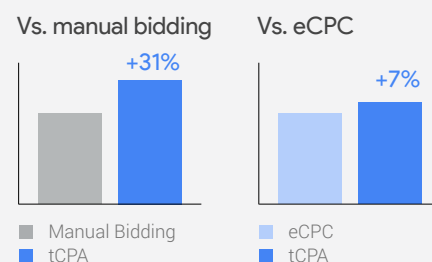


The algorithm regularly evaluates predicted vs. actual conversion rates, and predicted vs. actual CPA, to drive accuracy over time.

Benefits of tCPA Bidding

- 1 Attain as many conversions as possible, while maintaining your target CPA**
Automate routine bid management tasks using most impactful bids based on your performance.
- 2 Enacts real-time auction-level bid adjustments**
Offering unparalleled optimization frequency at auction time that only Google can provide.
- 3 Work faster with Google's powerful machine learning capabilities**
Rapidly evaluates vast sets of data signals to proactively set the optimal bid for every auction.

Conversion uplift *



* Average across advertisers on Google.com, 05/2018. Results may vary.

tCPA vs third-party platform bidding

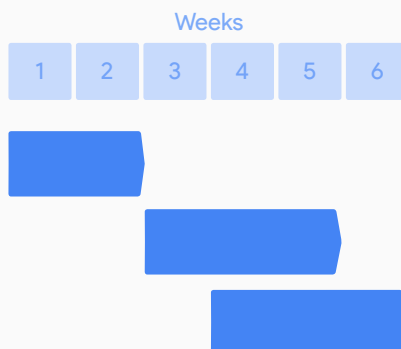
By using Adwords Drafts & Experiments A/B testing platform, you can now easily test tCPA against any third-party bidding solution (like Kenshoo, Marin Software or Adobe) or manual bidding. In a few clicks, you can create an experiment and see which bidding performs better.

[Learn more about Drafts & Experiments](#)

How to test tCPA with Drafts & Experiments

For effective testing, choose campaigns that use conversion tracking, and that have at least 30 conversions in the last 30 days. Use the timeline below as a reference.

- 1 Smart bidding Launch and ramp up**
Learning period, apply a 50/50 traffic split
- 2 Smart bidding running at full speed**
Allow test to run min. 2-3 weeks without changes
- 3 Performance evaluation**
Consider the conversion delay (5-10 days)



Success stories

Cosmos Direkt: +100% conv.; -25% CPA

Cosmos Direkt used tCPA Bidding to solve the challenge of valuing mobile, resulting in +100% Conversions, -25% CPA and -5% Mobile CPA.

[Cosmos Direkt case study](#)

Purple Bricks: +28% generic conv.

With tCPA & DDA, Purple Bricks reached +28% generic Conversions, Mobile Campaigns even achieved +70% increase in Conversion Rate.

[Purple Bricks case study](#)