

THE
Definitive Guide
TO Google AdWords

P E R R Y S . M A R S H A L L
& B R Y A N T O D D

THE
Definitive Guide
TO **Google AdWords**

How to Beat the Learning Curve
& Generate Instant Web Traffic
With the World's Fastest
Direct Marketing Machine

P E R R Y S . M A R S H A L L
& B R Y A N T O D D

The Definitive Guide to Google AdWords

By Perry S. Marshall and Bryan Todd

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Legal Stuff

Personally, I'd prefer a world where the teachers and musicians make \$200 an hour and the lawyers only make \$20 an hour, instead of the other way around. But 'til that day arrives, I've gotta dot all the i's and cross all the t's.

My attorney (he's a vicious pit bull of a lawyer, he charges well in excess of \$250 per hour, and is a terrifying opponent in court) says I need to include this, especially the stuff in capital letters. Let it hereupon be known that we're giving everyone the straight scoop.

Perry Marshall

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Thanks for trudging through all that legalese. Now that we've got that out of the way, let's help you use Google AdWords to get more traffic to your website, and more customers ...

# What Top Internet Marketers are Saying About Perry Marshall's Definitive Guide to Google AdWords and Coaching Program

## An Extra 20 Sales the First Day:

"Your book is one of the most informative ebooks I've read in a long time. And I buy a stack of them every month. It is directly responsible for an **extra 20 sales the first day** I applied your wisdom.

-**Rob Taylor**  
*Megastep International, Tillamook, Oregon*

## 0.3% to 48% in 30 Minutes!

It's simply amazing watching my Click Thru Rate go from 0.3% up to 48.0% in less than 30 minutes.

The most important part is, I AM BEATING THE COMPETITION in cost and better yet finding areas of "no competition".

Thanks for such awesome marketing advice, your material is by far the most valuable e-book I have purchased. Your concepts are working for me, and I intend on running this as a service for a lot of my web hosting clientele.

-**John Finney, HOST4NET Affordable Web Site Design and Hosting**

## Praise from the author of GoogleCash:

"I reference your book all the time. Your book will help my customers take their Google Cash knowledge to the next level. Thanks!"

-**Chris Carpenter, Author, GoogleCash, Salt Lake City, Utah**

## Instant 500% Boost:

"WOW! I got a 500% increase in response ... with just a quick "Band-Aid" fix. Can't wait to see what happens when I follow all of your suggestions."

-**Jenny Hamby, Copywriter & Seminar Marketing Consultant, SeminarMarketingPro.com, Plainfield, IL**

## 25% Improvement in 10 Minutes:

"I spent 10 minutes with it the day I got it and did one tweak that **increased my CTR by over 25%**. It's well written, brief, and filled with actionable suggestions."

-**Howard Jacobson, Leads Into Gold, Ewing, NJ**

## 2500% Return On Investment...

"I bought your Google AdWords course and had many Google clicks heading my way a week later. **It looks like I should make about a 20 to 25X return on Google campaigns.**"

-**Rob Northrup, Co-Founder, Advanced Extrusion Solutions, Norcross, GA**

## Immediate 10% increase in profits:

"I immediately implemented a handful of your advices which immediately resulted in increased profits. **I spend an average of \$500 on AdWords per day. With the data that I learned from you, I am getting at least 10% more clicks and conversions for the same money.**"

-**Hans P. Jeschke, Vita Vita Inc. / ExtremeTraffic.net, Clearwater, FL**

## "I'm struggling to keep up with the Sales Leads Coming In"

"I have only just started to experiment with his systems, and **I am struggling to keep up with the leads coming in, seriously**. So the only caution I offer is that if you are going to fit a turbo-charger like his system to your business, make sure you have a chassis that can handle it!"

-**Terence Dove, Terence Dove Transport, Wellingborough, UK**

## Four Times More Clicks...

"This is going to be a lot more fun now that I understand Google a little bit better. Today - 50 clicks and 7.4% Click Thru Rate. **On one promotion I took it from 1.1% all the way up to 4.5%**. Now that's Awesome!"

-**Kevin Thompson, Get Mold Solutions, Marysville, WA**

## Using AdWords to do Instant Market Research...

"Dear Perry,

I'm sitting here reading your book and it's AWESOME!!!!!!!!!!!!!!  
**I loved the example of using Google to determine the right product name.** Book authors can use the same technique to test prospective titles online."

-**Bill Harrison, President, Book Marketing Update, Lansdale, PA**

**More than Doubled his Click-Thru Rate:**

Thanks for breathing new life into my interest in Google AdWords!  
**So far I've pushed my CTR from about 1.4 up to 3.0%.**

PS Don't sell this to my competitors!

-John Owen, Nitmix.com, Leicestershire England

**Instant 32% Improvement**

"I implemented your simple phrase matching technique, and immediately cut my ad cost by 32%. The response rate on our promotion increased too!"

-Edward Dale, London, UK

**"Saved me a lot of wasted advertising money"**

I Just want to say what a valuable resource your course is, and I am so pleased I bought it. It has saved me a lot of wasted advertising money. Yours is one of the best courses I have bought, and I like the fact that it isn't inflated with a lot of padding as are many e-manuals!

-Elizabeth M. Beresford, www.Chronic-Pain-Haven.com, Otago, New Zealand

**"Significantly Increased my Client Base"**

One of my primary marketing activities has been direct mail. I developed a successful Internet campaign with Google Ad Words, with the mentoring of Perry Marshall, that has significantly increased my client base."

-Joe Chapon, Learning Forum, Oceanside, CA

**Success from a Self-Published Health Care Specialist...**

Just wanted to let you know that I currently have a very healthy click rate on my website, thanks to your instruction. Thanks again!

-Marcia Coulter, Author, Evanston, IL

**"You've set the standard"**

"Your books and updates are **succinct and to the point**, a quick read. I expect to see even better stuff out there, now that you have set the standard."

-Steve Robison, Steelhead Marketing, Toledo, OH

**"Stunning Amount of Traffic"**

Perry, your info is WAY to cheap for what it delivers. I've already used your Google AdWords toolkit and **have generated a stunning amount of traffic to my site**. Thanks for such a killer product.

-Andy Curry, HorseTipsAndSecrets.com, Lamar, CO

**Accolades from one of the World's Best-Known Online Marketers...**

"Perry Marshall has quickly and quietly earned a reputation for being one of the premier Google Ad Words experts by consistently giving his clients more leads and sales than they can handle - not a bad problem!"

-Yanik Silver, Surefire Marketing, Bethesda, Maryland

**"Very rare that I come across something so good"**

"One way or the other I end up purchasing several different courses every month and its **very rare that I come across something so good**. I have two other courses on ad words and two more on PPCs in general. And while everyone stressed the importance of split testing no explained how to make sure your numbers are statistically reliable.

The examples with screen shots (including subtle copy changes) are **extremely useful to get a feel for how the experts run AdWords campaigns**.

I have not seen your "expensive clicks on Overture / cheap clicks on Google" strategy anywhere else. The Tolkien example of testing headlines was probably one of the top three ideas I got from your book.

The text is lively, fun to read and fast paced. It kept my attention riveted. Clear as a bell and fast paced writing without an iota of dryness."

-Name Withheld, Web Design Firm, Sarasota, FL

**"37 downloads the first day"**

I have been in technical sales for 47 years and got so excited about using the laser approach to reaching interested prospects on the Internet. I sent folks to an obscure URL address on our website and got 37 downloads of my boss' technical paper the first day. Result: The company is going to divert advertising money from Overture to Google AdWords. This is going to be fun!

-Gene Ort, Bryan, Texas

**"I don't know how I would have survived"**

"I don't know how I would have survived the first couple of days of being up on Google AdWords Select without your guidance and direction to get my click-thru rates up. I can't thank you enough."

-Jack Carroll, President, Mentor Executive Search, Dana Point, CA

**"Amazed at the Results"**

I am quite amazed at the results already... I honestly thought I knew a lot about Google. I'm only on page 40 of your e-book and WOW, I just can't get over how much I am finding out that I DIDN'T know about having a successful Google campaign!

**-Shelley Ellis, Glen Rose Community Network, Glen Rose, TX**

**"300% Improvement "**

"I increased my CTR by 300%!! This is just what I needed to help take the company to a higher level."

**-Bill Flagg, Director of Sales & Marketing, RegOnline, Boulder, CO**

**"Singlehandedly reformed our marketing"**

"I read everything you send. Your advice/tips/training have single-handedly reformed our marketing budget for 2004"

**-Dave McAnally, Marketing Director, PowerSurge Technologies, Waterloo, IA**

**The Orders Started Coming in just 30 Minutes...**

"I was only about 30 pages into your "Definitive Guide"...but you did write: "Now Just DO it!...You can have this up in 10 minutes..." So I put up some new ads for my site. **Within 30 minutes I got an order for \$67.47. Since then I've built my list into the thousands of subscribers in less than 3 months!"**

**-Ken Alston, www.Japanese-Maple.com, Earlysville, VA**

**66% Signup Rate for an e-mail Newsletter...**

"I just wanted to give you some comments on the Google course - Man, it's great. It gave me insights I didn't have before and it's definitely increased my conversions. **I've got a 66% click to desired action for my newsletter signup!"**

**-Dave Bullock, National Accounts Representative, FANUC Robotics, Murfreesboro, TN**

**Six Times more clicks...**

"I took my click-thru rate from 0.9% to 5.7% after listening to your mp3 session. And our site just jumped from a google Page Rank 2 to a Page Rank 6 yesterday, after the last google dance."

**-Tony Kara, Mendax Microsystems, Montreal, Quebec**

**"No one I would recommend higher"**

"Your management of Google AdWords is second to none. The whole program is awesome. Out of all the marketing people, word smiths, Internet sales process companies I have ever met since first starting web sites - *Nevada Business Journal* in 1996 - there is no one I would recommend higher."

**-Stephen Brock, President  
Go Public Today, MCS Group and Pubco White Papers Inc.,  
Las Vegas, NV**

**"Top-Notch Professional"**

"Unlike various dumbed-down "copycat" pay-per-click how-to's, this new ebook on how to get the most out of Google AdWords is offered by a top-notch professional who has experience in helping high-tech companies market themselves to niche business clients. The course offers screen shots and other helpful aids."

**-Larry Chase, from product review in Web Digest for Marketers, New York, NY the Nation's #1 Internet Marketing Seminar...**

**From the nation's #1 Web Marketing Seminar:**

"Perry knows what it's like to take an idea and develop it into a multi-million dollar business. And he's become the leading authority on how to use Google AdWords not only to drive large quantities of inexpensive, qualified traffic, but also to quickly and painlessly test product ideas, headlines, and ad copy for pennies."

**-Ken McCarthy, The SYSTEM Seminar for Internet Marketing, Tivoli, NY**

**"One expert who really knows his stuff"**

"If there is one expert out there who really knows his stuff in terms of helping real-world marketers refine their sales process for business-to-business, especially technology, it's Perry Marshall. If you really want to drill down and focus on the B2B space, or get additional advice on how to make AdWords work for you in generating better-quality leads, then check out Perry's info."

**-Andrew Goodman, Principal, Page Zero Media, Toronto, Ontario**

**"\$30 to \$50 million"**

"Because of your efforts to enlighten us with Google Adwords, a company whose product is bought by pretty much everybody in this world called and is looking for a company to supply them with 3000 units a year. This could be a 30 - 50 million Dollar contract. I am not spending the commission quite yet, but without your tele-clinic, that company would not have known about us. I'll let you know when I land that contract and buy you a beer."

**-Juergen Flachowsky, Abacus Label, Maple Ridge, BC, Canada**

**"Hot, Responsive Leads"**

"Perry's techniques generate hot, responsive leads, build opt-in lists, and drive laser-targeted traffic to your website. His method beats the pants off Overture and other pay-per-click search engines by as much as three to one - on a consistent and predictable basis."

**-Jonathan Mizel, President  
Cyberwave Media, Maui, Hawaii**

# Part One: Getting Started

**Google AdWords & the Art of War:**  
**The Thrill, the Obsession, the Addiction, the Fun**  
*Perry Marshall & Bryan Todd*

Google's AdWords system is an awesome concept – extremely well thought-out and executed, and consistent with all of the other ideas that have made Google the world's number one search engine.

AdWords is the world's fastest crash course in real-life, street-level direct marketing. Effective direct marketing is an exciting, challenging, thrilling skill to learn. As one old sage put it, it's "much like war, minus the venom." You plan, you strategize, you advance and pull back, you watch for the critical moments to make your move, you outwit your competitor, and you come home with the thrill and sweet rewards of victory.

Mastering this challenging monster will energize your mind, excite your neurons, invigorate your thinking. You'll daydream of fresh plans and new strategies in the day, you'll wake up with sudden Eureka moments in the night, you'll scribble furious brainstorm notes at all odd hours as mastery of AdWords becomes your newfound addiction.

This is your playbook. This is your bible. This is your "Art of War" guide. This is your new best friend, your beloved dog-eared companion who will sit at your side during work, accompany you at mealtimes, follow you to bed and night, rest with you under your pillow and whisper ideas to you in your sleep.

You see, you've picked now as the perfect time to dive into these precious pages. Bid prices in many markets are topping \$50.00 a click. Average folks write to us all the time and tell how last week they threw together a Google account and let it run carelessly for a few days and came back only to find themselves several thousand dollars in the hole with no idea how they're going to pay the colossal credit card bill.

But not you, not any longer. You've forever made the wise, life-changing choice. This book will be your blessed salvation and your key to final victory.

You can and you will sidestep the pitfalls and the gargantuan expense and have Google working night and day for you in that special niche that you're there to occupy. This guide will give you the powerful good sense to you along as you work with more smarts and better tools than your underequipped competitors.

So let's get started ...

## 14 Crucial Steps to Creating an Effective Google Campaign

1. **Get inside your customer's mind.** When they have a problem that your product can solve, what words will they search on? Make a list.
2. **Count your competitors, calculate your odds.** Search those terms on Google. Who's advertising, and how many are there?
3. **Count your keyword costs.** Go to <http://www.overture.com/> and find out what your keywords are bidding at. Also go to <http://inventory.overture.com> and see how many searches there were for your keywords last month.
4. **Generate a *big list* of keywords.** Even on a narrow subject area you should have at least 100 words and phrases; 200-300 is better still.
5. **Break down your keywords.** Create clusters of five to twenty-five *closely related terms*. You're going to assign a different ad to each of these tight groups.
6. **Brainstorm ads.** You get 25 characters on the first line, 35 characters on the second and third lines, and a space for your URL.
7. **Choose the exact webpage to send visitors to.** It probably won't be your home page. You might have different landing pages for different ads.
8. **Set up a conversion tracking system.** Use Google's, and try ad-tracking services such as <http://www.hypertracker.net> and others.
9. **Create your Google Account** at <https://ads.google.com/select>. Choose your language, location, write your ad, enter your keywords, set your daily budget limit and name your maximum bid price. Register to get a confirmation e-mail, enter your credit card info, and your ads will run. Create more ads and more campaigns.
10. **Split-test multiple ads to get a higher clickthrough rate.** This is the #1 key to continuous improvement. Use your keywords in your ad. Try different words and concepts. After 30 or more clicks each, delete the loser and create a new ad to test. Every time you improve your ad, you get more traffic while spending proportionately less money. *The way you win in Google AdWords is to constantly beat your control.*
11. **Let it run, and come back.** If you're getting hundreds of clicks per day, check these campaigns every two hours and work fast. If the traffic is slow, it will take days or weeks for your numbers to develop. Be patient!
12. **Do peel and stick.** Delete keywords that are performing differently than the rest, or which don't match their ad copy, and re-enter them in new ad groups with ads of their own.

- 13. Keep brainstorming for new keywords.**
- 14. Improve your website's conversion process.** Success is simply a matter of maximizing the conversion rate at each step – higher clickthrough rates and lower bid prices, stronger opt-in rates, better sales, and more repeat customers.

Now it's in your hands. You can have a simple Google campaign up and running solidly in as little as ten minutes. And every next step, every careful move we've described above, we'll talk you through in this handbook in careful, helpful, explicit detail.

So read this, your precious guide. Then read it again. Mark it through and through with red ink. Cover it yellow with sticky notes. Know it forwards, think it backwards, breathe it upside down, devour it inside out. This is your brand new hobby, your newfound thrill.

Welcome to the game!

# **Why Google AdWords is So Important ...and Why Your Online Business Would be Lost in the Dust Without It**

*Perry Marshall*

This toolkit isn't ultimately about *Google*... or Google AdWords... or even Internet Marketing.

Here's what it's really about:

This is about getting in front of people who are looking for what you sell *right this moment* and *getting them to respond*. It's about understanding your audience, refining your sales message, perfecting your sales process and determining your return on investment, *faster than ever before in the history of marketing* – and making a profit doing it.

It may be a dog-eat-dog world out there. But this guide will show you how to stay afloat. But first ...

## **Let's Put This in Historical Perspective**

Direct marketing has been around since the mail-order days of the late 1800's. Back then you would run an ad in a magazine with an order form and the reader would have to cut out the ad, write a check, enclose it in a letter, head to the post office and mail it. No 800 numbers, no Internet, no credit cards.

Four to eight weeks later – assuming the vendor was honest – you'd get your stuff in the mail.

Advertisers quickly discovered that they could "key" the order forms with a code, according to which magazine, which advertising copy and offers were used, and get enormously different responses. Within a few decades this became a rigorous science – some of the very best books on direct marketing, in fact, were written almost 100 years ago. The guys who did this lived and died by their ads!

Today direct marketing is used, at least somewhat, in every form of media – magazines, newspapers, radio, television, the Internet, you name it. Nevertheless, the biggest obstacle to direct marketing is that it has always taken lots of time and patience to test all the various elements and get them right. If you advertise in a magazine, you'll rarely get feedback on a single ad in less than two months.

The more feedback loops you have, and the more opportunities you have to put a message out there, test it and then try another, then the faster your campaigns become profitable, and the faster you can discover new markets and sell your products profitably.

## **How Pay Per Click Has Changed Everything**

*Pay per click has ramped up the speed 10x, 20x even 100x over what it used to be. Now you can test ideas in minutes and hours – not days, weeks or months. And you can do it for tens or hundreds of dollars – not thousands, tens of thousands or hundreds of thousands of dollars ... if you follow the sound advice in this guide.*

This can take 90% of the risk out of starting a new business or launching a new product ... *if you follow the sound advice in this guide.*

And while developing products is time consuming and expensive, you could float an idea in front of web visitors and test their response – before you actually develop the product. And the messages that work in your pay per click marketing campaigns will usually also work in other media ...

*... if you follow the sound advice in this guide!*

And once you've got a handle on how to manage the system, you'll find this to be quite fun. Interesting, provocative, challenging, full of unexpected surprises and new insights into the psychology of your market, at every step along the way.

As long ago as 1996, forward-thinking people viewed the Internet as the ultimate marketing machine. Bill Gates used the term “frictionless commerce” to describe the possibility of directly accessing markets efficiently, easily and profitably. Of course by 1998, it was so “obvious” that the Internet was a killer marketing medium that millions of investors blindly dumped their money into Dotcom companies and created a huge bubble ... and the recession that followed. Ouch.

### **Why Did the Bubble Burst?**

Why was the Dotcom era such a bomb, and why did so many large businesses fail at it?

Here's the simplest answer I can give you: Thousands of companies were spending \$200 to get a \$60 customer – and they were *too dumb to know it!*

You don't have to do what those Dotcom companies did. That's why this toolkit is for you. You can make your marketing profitable. You can do it faster than your competitors.

When money is tight, when you've got little or no margin for error, when your spouse is standing in the doorway with hands on hips glaring at you with eyes warning that there will be hell to pay if this month's utility checks don't get written and the electricity gets shut off ... know with confidence that these principles will make it work, without the frustration, the agony, the embarrassment – none of that.

You see, advertising is an investment, just like any other, whether stocks, bonds, real estate or anything else. It has to pay for itself, without smoke and mirrors.

*Direct marketing is the art and science of making advertising pay.*

This is a crash course in direct marketing, and Google AdWords is your advertising medium. With this toolkit you can learn the Google ropes without the colossal risk. You won't spend yourself into oblivion, you won't end up in the doghouse or the welfare office. You'll love what you do.

### **The Painful Lesson that the Dotcoms Learned for You – So You Don't Have To**

During the Dotcom insanity of the late 1990's, companies raised venture capital and bought banner ads, Super Bowl commercials, blimps, print ads, key chains, talking socks and everything else. Then they waited for the customers to come pouring in.

Few buyers came, and companies spent far more money getting those customers than they were really worth.

Here's what the fundamental problem was:

*They used the Madison Avenue approach  
of "branding" and "awareness"  
instead of the lean, mean, practical approach  
of response-accountable direct marketing.*

And they lost their shirts – and their underwear, and their talking socks. And so did the shareholders.

As Harvey Mackay Says, "Beware the naked man who tries to sell you his shirt."

### **Why Pay-Per-Click is So Important**

Pay per click advertising is not a fad, and it's not a flash in the pan. It's here to stay – permanently. As a matter of fact, in my professional opinion, history will show it to be the most important development in advertising during this decade.

Why? Because it combines three enormously powerful concepts:

- (1) You only advertise to people who are looking for what you have *right now*
- (2) You only pay when they respond – when they click through to your site
- (3) Pricing is determined by an ongoing, real-time auction based on true market values.

## **Google or Overture?**

There are two major players in Pay-Per-Click: Google and Overture/Yahoo. At the time of this writing, I believe Google is far superior, particularly for most of my customers. Why?

First, Google had traditionally catered much more to technical audiences, B2B buyers and savvy Internet users, who are more likely to use Google than Yahoo, MSN or other Overture partner sites.

Second, Google rewards high-click through rates (i.e., high relevancy) with better positioning and proportionally better pricing. Overture ranks you based only on the price you bid, so you are not rewarded for relevance.

Third, Google is instantaneous – you get instant results and can make instant changes, while Overture requires a three- to six-day waiting period while their staff reviews everything you submit.

Fourth, Google lets you market to specific countries, states, cities and geographic areas. That's a very serious advantage, because most of us can't afford to waste our money buying traffic from non-buyers in places like Russia or Paraguay or Kiribati. It also means that you can use Google to reach people in your very own community, at very reasonable bid prices.

Google's instantaneous capabilities make it the ultimate, highest-speed direct marketing tool ever devised in the history of mankind – and I'm not exaggerating. Google's commitment to relevance and fair play has long since put them head and shoulders above all the other players in the search engine world.

Since their public offering we can now only sit and watch, hoping that they don't turn evil and sell out to Wall Street and a crowd of ham-fisted shareholders!

## **Learning the Google System**

In April of 2002, just weeks after its inception, I began buying Internet traffic on Google AdWords both for myself and for several of my corporate consulting clients. Most of my customers, and probably you, found my website and became a customer or client through this powerful tool.

In addition to the toolkits I sell, I also develop publicity, direct mail, advertising and e-mail marketing campaigns for my customers. Since the Internet is such an important part of this mix, I help them systematically improve the results they get from their websites.

So I've been using AdWords intensively – some might say obsessively – for four years now. AdWords was a very exciting new ingredient to add to the mix.

## **Your Unique Advantage**

There are a number of subtleties to using AdWords, which create a monstrous learning curve for the uninitiated. Most people find their Google AdWords experience very frustrating at first because they can't seem to pull down minimum bid requirements, or they overpay for popular keywords that have high bid prices and can't get traffic to convert.

But that doesn't have to be your story. This toolkit will rescue you from the jaws of online ignorance.

### **Why Google Succeeded – and Why it Matters to You**

Google was a relative latecomer in the search engine game. When I started marketing on search engines in 1998, Google was brand new, a tiny little player in a world of established giants. Yahoo, Altavista, Lycos, Hotbot, Inktomi, Excite, AOL Search, Northern Light, AllTheWeb and dozens of others were duking it out.

But with those search engines it was often hard to find what you were looking for. You'd search for something, and page one's entries would be junky, so you'd go deeper – page two and three and four, hunting for something that looked helpful. Then you'd go back and search again with different phrases and often feel just as confused.

The most obvious difference with Google was that while all the other search engines were cluttered with ads and links, Google was simply a clean white screen and a search box.

I started to notice that Google's results were always easy to read – they always had useful pieces of text from the webpage listed, and it felt easy to find things.

Then they started adding interesting things – searching for images, searching news groups, “find an expert” services – and eventually Google became my browser home page. I lost interest in AltaVista and the others.

*Who needs ten mediocre search engines – if you have one good one?*

That was the key to Google's success.

Google's mantra, their guiding philosophy, is *relevance*: give the people what they're looking for – as fast and as easy as possible.

## **How Did Google Make a “More Relevant” Search Engine?**

A complete answer is far beyond the scope of this course, but here’s a simple version. Google believed that the relevance of a web page could be measured by certain kinds of natural activity:

- A website that lots of other similar sites link to is probably important and useful. Google ranks sites according to how many other related sites link to them. Google calls this *Pagerank*. The idea came from the old principle that the most important scientific research papers are referred to by lots of other scientific research papers that come later
- A website that people want to visit has useful, problem-solving information – not just a bunch of keywords stuffed in to artificially manipulate search engine rankings.

The bottom line: When you do a search on Google, they want what you’re looking for to come up, and they want you to click on it and go on your merry way – until you need something else. Then they want you to come back to Google and search again.

### **Relevance in Advertising**

So when Google decided to sell advertising, they had to make sure that it didn’t compromise the quality or usefulness of their search engine. Done properly, advertising would actually enhance it.

So when they came up with Google AdWords, they decided to provide anywhere from eight to eleven spaces for advertisements (“sponsored links”) on the top and right side of the page.

Except for the top two or three that are marked with a blue background, the listings going down the left are *free* listings, according to Google’s complex (and secret) ranking formula – the one webmasters are always trying to crack. The ads you see on the right are AdWords ads. The advertiser pays every time you click, and only when you click.

As you can see here, there are ten AdWords ads showing for the term “used cars.” There’s a first, second, third position and so on.

If you sell cars, you can open a Google AdWords account and start getting *used cars* traffic in less than ten minutes.

The lowest position, a few pages back, is available for as little as two or three cents a click.


[Web](#) [Images](#) [Groups](#) [News](#) [Froogle](#) [Local](#) [more »](#)

used cars

Search

[Advanced Search](#)  
[Preferences](#)
**Web**Results 1 - 10 of about 94,900,000 for **used cars**. (0.10 seconds)**Used Cars**

AutoExtra.com Buying **used** has never been easier. Choose from a huge selection today!

**Used Cars**

[www.AutoTrader.com](http://www.AutoTrader.com) Find A Car In Your Area. View New & **Used** Local Listings Now!

**Kelley Blue Book - New Car Pricing, Used Car Values**

Research accurate retail or trade-in Blue Book values for **used cars** and dealer invoice and MSRP for new **cars**.

[www.kbb.com/](http://www.kbb.com/) - 74k - Oct 2, 2005 - [Cached](#) - [Similar pages](#)

**Used Cars, Sell Your Car, Auto Financing & Insurance - AutoTrader ...**

AutoTrader.com - Your **Car** is Waiting. Visit AutoTrader.com to find listings and information on hundreds of thousands of **used cars**: location, pricing, ...

[www.autotrader.com/](http://www.autotrader.com/) - 50k - Oct 2, 2005 - [Cached](#) - [Similar pages](#)

**New car prices, used car pricing, auto reviews by Edmunds car ...**

Edmunds **car** buying guide lists new **car** prices, **used car** prices, **car** comparisons, **car** buying advice, **car** ratings, **car** values, auto leasing.

[www.edmunds.com/](http://www.edmunds.com/) - 47k - Oct 2, 2005 - [Cached](#) - [Similar pages](#)

**Buy new & used cars online, research prices & dealers, sell your ...**

Cars.com is your online source to buy new and **used cars**. Sell your **used car**, or research **car** prices, reviews and more.

[www.cars.com/](http://www.cars.com/) - 31k - Oct 2, 2005 - [Cached](#) - [Similar pages](#)

**Used Cars for sale at usedcars.com: a FREE used car guide and ...**

Searchable database of **used cars** for sale online by owner and by dealer.

[www.usedcars.com/](http://www.usedcars.com/) - 38k - Oct 2, 2005 - [Cached](#) - [Similar pages](#)

**NADA Guides - New Car Prices, Used Car Values**

NADA new **car** pricing, **used car** values, model comparisons, reviews and buying resources for new and **used** vehicles.

[www.nadaguides.com/](http://www.nadaguides.com/) - 28k - [Cached](#) - [Similar pages](#)

**NADA Official Used Car Guide Company**

The NADA Official **Used Car** Guide Company has provided **used**-vehicle valuation products and services to the auto, finance, fleet/lease, and insurance ...

[www.nada.com/](http://www.nada.com/) - 4k - Oct 2, 2005 - [Cached](#) - [Similar pages](#)

**New Cars, Used Cars For Sale, Car Prices & Reviews at Automotive.com****Sponsored Links****Sponsored Links****Used Cars**

Find New & **Used Cars**, Local Dealers, Prices and Research!  
[www.cars.com](http://www.cars.com)

**Used Cars at CarMax**

Actual Prices & Photos of Over 20,000 New & **Used** Vehicles Online  
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[www.hondacarsofbellevue.com](http://www.hondacarsofbellevue.com)

**Find Used Cars Near You**

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[www.CarsDirect.com](http://www.CarsDirect.com)

**Blast a million ads**

Your Ads to over a million viewers Blast the World with your AD's  
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**Cheap Cars**

Save money! 1000s of **cars** online. Compare prices, options, photos.  
[www.autosite.com](http://www.autosite.com)

**Used Cars**

Huge Selection of Local **Cars** Local Dealers and Private Party  
[www.LiveDeal.com](http://www.LiveDeal.com)

**Used Cars & More**

Research & locate your next car. Reviews, Specs, Photos, & More.  
[www.carsmart.com](http://www.carsmart.com)

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## **Google's Partner Sites**

Google *Syndicates* their results to other search engines – normally only the top two to four results are included. I've included examples on the following pages. As you can see, AOL buys the top three AdWords positions from Google. EarthLink and Ask Jeeves show the top four positions.

This means that being in the top three or four gives you exposure to a larger audience – perhaps twice as many searches as Google alone, in some cases. This is strategically important, as you will see later. It also tends to drive the bid prices up even more, for those special top spots.

So when you write an ad and place it in AdWords, you have access to an audience as large as 100 million people – instantly. And you get instant feedback.

[AOL Main](#) | [Mail](#) | [AIM](#) | [People Connection](#) | [Shopping](#) | [AOL A to Z](#) | [Search](#)  
**Used Cars** powered by [AutoTrader.com](#)

[What is this?](#)

Select a Manufacturer:

Acura

Enter Your ZIP Code:

Find Models

[Sell Your Car](#)  
[Kelley Blue Book Values](#)  
[Used Car Research](#)  
[Compare & Decide](#)  
[CARFAX](#)

**WEB OFFERS &  
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**Serving Your Area.**  
Call Toll Free: **866-309-7690**
- **[Used Cars](#)** - Buying **used** has never been easier. Choose from a huge selection today!  
**AutoExtra.com**
- **[Used Cars](#)** - Find A Car In Your Area. View New & **Used** Local Listings Now!  
**www.AutoTrader.com**
- **[Used Cars](#)** - Find New & **Used Cars**, Local Dealers, Prices and Research!  
**www.cars.com**
- **[Used Cars at CarMax](#)** - Actual Prices & Photos of Over 20,000 New & **Used** Vehicles Online  
**www.carmax.com**

## Matching Sites | Page 1 of 439334

[Learn more about Matching Sites](#)

- **[Kelley Blue Book - New Car Pricing, Used Car Values](#)**  
Research accurate retail or trade-in Blue Book values for **used cars** and dealer invoice and MSRP for new **cars**.  
**http://www.kbb.com/**
- **[Used Cars, Sell Your Car, Auto Financing & Insurance - AutoTrader ...](#)**  
AutoTrader.com - Your Car is Waiting. Visit AutoTrader.com to find listings and information on hundreds of thousands of **used cars**: location, pricing, ...  
**http://www.autotrader.com/**
- **[New car prices, used car pricing, auto reviews by Edmunds car ...](#)**  
Edmunds car buying guide lists new car prices, **used** car prices, car comparisons, car buying advice,



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Select Search Category [Web](#) [Local](#) [Images](#) [Shopping](#) [EarthLink](#)

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Buying **used** has never been easier. Choose from a huge selection today!  
[www.AutoExtra.com](http://www.AutoExtra.com)

- **[Used Cars](#)**

Find A Car In Your Area. View New & **Used** Local Listings Now!  
[www.AutoTrader.com](http://www.AutoTrader.com)

- **[Used Cars](#)**

Find New & **Used Cars**, Local Dealers, Prices and Research!  
[www.cars.com](http://www.cars.com)

- **[Used Cars at CarMax](#)**

Actual Prices & Photos of Over 20,000 New & **Used** Vehicles Online  
[www.carmax.com](http://www.carmax.com)

- **[Honda Cars of Bellevue](#)**

Giant Savings, Selection & Service only at Omaha's Honda Giant!  
[www.hondacarsofbellevue.com](http://www.hondacarsofbellevue.com)

- **[Find Used Cars Near You](#)**

Search local listings in your area. All Inventory is updated daily!  
[www.carsdirect.com](http://www.carsdirect.com)

**Web Results** 1 - 10 of about 6,200,000. Search took 0.10 seconds. Powered by 

- **[Kelley Blue Book - New Car Pricing, Used Car Values](#)**

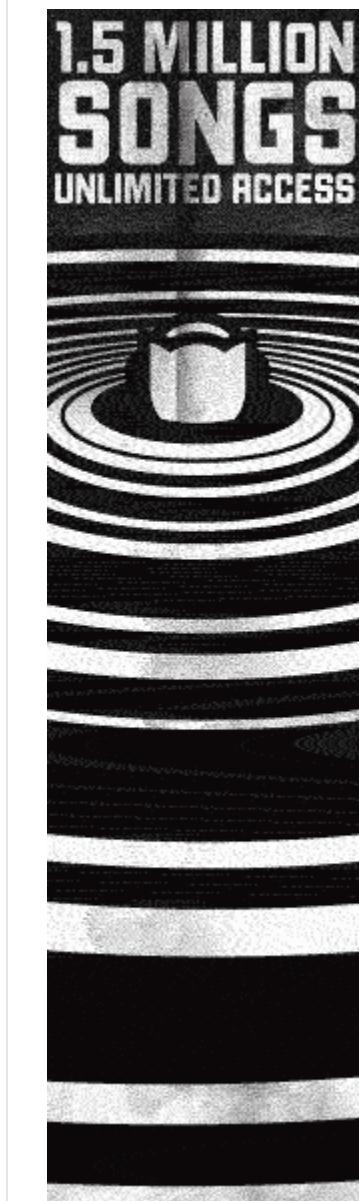
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<http://www.kbb.com/> - 74k - Oct 2, 2005 - [similar pages](#)

- **[Used Cars, Sell Your Car, Auto Financing & Insurance - AutoTrader ...](#)**

AutoTrader.com - Your **Car** is Waiting. Visit AutoTrader.com to find listings and information on hundreds of thousands of **used cars**: location, pricing, ...  
<http://www.autotrader.com/> - 50k - Oct 2, 2005 - [similar pages](#)

- **[New car prices, used car pricing, auto reviews by Edmunds car ...](#)**

Edmunds **car** buying guide lists new **car** prices, **used car** prices, **car** comparisons,



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used cars

[Search](#) | [Advanced Options](#)**Web Search:** used cars

Results 1-10 of 46,690,000

**Search Local**

Find used cars near you by entering your location below:

 [Search Local](#)

Location (city or zip)

[About](#)[Narrow Your Search](#)[Used Car Prices](#)[Used Cars Online](#)[Used Car Sales](#)[Buying Used Cars](#)[Search for Used Cars](#)[Used Car Dealers](#)[Cheap Cars](#)[Used Cars UK](#)[Used Vehicles](#)[Used Police Cars](#)[More »](#)[Expand Your Search](#)[Auto Trader](#)[Used Trucks](#)[Used Automobiles](#)[Honda](#)[Carmax](#)[More »](#)**Sponsored Web Results****[Search for Used Cars](#)**Search and compare vehicles from dealers near you with AutoMart.com  
[automart.com](http://www.automart.com)**[Used Cars](#)**Buying **used** has never been easier. Choose from a huge selection today![AutoExtra.com](http://www.AutoExtra.com)**[Used Cars](#)**Find A Car In Your Area. View New & **Used** Local Listings Now!  
[www.AutoTrader.com](http://www.AutoTrader.com)**Web Results****[Used Cars, Sell Your Car, Auto Financing & Insurance -](#)**AutoTrader.com - Your Car is Waiting. Visit AutoTrader.com to find listings and information on hundreds of thousands of **used cars**: location, pricing,  
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WEB SEARCH

used cars

GO

[White Pages](#)

[Maps](#)

[Yellow Pages](#)

## Search Results: used cars

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### Sponsored Results

[Used Cars](#) Buying **used** has never been easier. Choose from a huge selection today!

[AutoExtra.com](#)

[Used Cars at CarMax](#) Actual Prices & Photos of Over 20,000 New & **Used** Vehicles Online

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[Honda Cars of Bellevue](#) Giant Savings, Selection & Service only at Omaha's Honda Giant!

[www.hondacarsofbellevue.com](#)

[Find Used Cars Near You](#) Search local listings in your area. All Inventory is updated daily!

[www.carsdirect.com](#)

[Cheap Cars](#) Save money! 1000s of **cars** online. Compare prices, options, photos.

[www.autosite.com](#)

### Related Searches:

Find what you're looking for? If not try...

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### Shopping Results

Results for "used cars"

powered by Shopping.com

[used cars Products](#) Shop by Category: [Used Cars](#) (5566 Model Matches); [Car Speakers and Subwoofers](#) (3590 Model Matches); [Sport and Outdoor](#) (17596 Store Offers);

[MORE RESULTS >](#)

### Web Results 1 - 10 of about 6,010,000. Search took 0.18 seconds.

#### [Kelley Blue Book - New Car Pricing, Used Car Values](#)

Research accurate retail or trade-in Blue Book values for **used cars** and dealer invoice and MSRP for new **cars**.

Description: Research accurate retail or trade-in Blue Book values for **used cars** and dealer invoice and MSRP for new **cars**.

Category: [Home/Consumer Information/Automobiles/Purchasing](#)

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#### [Used Cars, Sell Your Car, Auto Financing & Insurance - AutoTrader ...](#)

AutoTrader.com - Your **Car** is Waiting. Visit AutoTrader.com to find listings and information on hundreds of thousands of **used cars**: location, pricing, ...

Description: Features decision guides, reviews and photo ads of new and **used** vehicles available for sale.

Category: [Shopping/Vehicles/Autos/Buyer\\_Services](#)

<http://www.autotrader.com/> - 53k - [Cached](#) - [Similar pages](#)

#### [New car prices, used car pricing, auto reviews by Edmunds car ...](#)

Edmunds **car** buying guide lists new **car** prices, **used car** prices, **car** comparisons, **car** buying advice, **car** ratings, **car** values, auto leasing.

Description: Guides, reviews, wholesale and retail pricing information and advice for every aspect of automobile purchasing and ownership.

Category: [Home/Consumer Information/Automobiles](#)

<http://www.edmunds.com/> - 47k - [Cached](#) - [Similar pages](#)

#### [Buy new & used cars online, research prices & dealers, sell your ...](#)

**Cars.com** is your online source to buy new and **used cars**. Sell your **used car**, or research **car** prices, reviews and more.

Description: Comprehensive site with vehicle profiles, dealer locator, and financing information.

Category: [Shopping/Vehicles/Autos](#)

# **Building a Campaign from Scratch: An Easy-to-Follow, Step-By-Step Example**

*Perry Marshall & Bryan Todd*

Beware of trying to dive headfirst into Google. You simply cannot afford to rush in and start running ads for your product without knowing in advance what your competitors are up to, how much demand there is for your services, and how much it will cost you to be seen.

We'll give you an intelligent strategy to start out with. This may save your butt!

Let's say that we sell Customer Relationship Management software. I'm going to show you exactly how we build a campaign for that type of product, starting with some sensible market research.

Before we set up with Google, we want to get an idea of what the bid prices are going to be, how many searches this term gets, and how many competitors there are.

## **What are People Paying for Bids?**

Overture/Yahoo shows advertisers' actual bids and Google doesn't. To see this, we'll go to <http://www.overture.com>, and click on their "Visit the Resource Center" link:

The screenshot shows a web browser window with the URL <http://www.content.overture.com/d/> in the address bar. The page header includes the Overture logo and a search bar with the query "customer resource manageme". Below the header is a large image of modern skyscrapers. A text banner states "Overture products are now Yahoo! Search Marketing products." Underneath, there are three main sections: "Current advertisers", "New advertisers", and "Partner Solutions". The "Current advertisers" section contains a link "Visit the Resource Center" which is highlighted with a large black arrow pointing towards it. The "New advertisers" section features a link "Search Marketing products". The "Partner Solutions" section has a link "Partner Solutions".

From there we'll click on the "View Bids Tool" link, and then enter "customer relationship management" in the box to see what advertisers are bidding for their positions on Overture/Yahoo:

The screenshot shows a Mozilla Firefox browser window with the URL <http://searchmarketing.yahoo.com/rc/srch/>. The main content area is titled "View Bids" and contains a search bar with the query "customer relationship m". Below the search bar are two results:

- 1. Mid-Market CRM Made Easy with Oncontact**  
Oncontact software offers an affordable, quick-to-implement CRM system to manage customers and prospects for mid-market companies. Click here for more info.  
[www.oncontact.com](http://www.oncontact.com)  
(Advertiser's Max Bid: \$4.53)
- 2. Customer Relationship Management**  
IBM offers CRM consulting services designed to improve efficiency and effectiveness of your marketing, sales and customer service relationships. Functional expertise from IBM - learn more.  
[www.ibm.com](http://www.ibm.com)  
(Advertiser's Max Bid: \$4.52)

On the right side of the interface, there is a sidebar titled "TOOLS" which includes links to "Keyword Selector Tool", "View Bids Tool" (which is highlighted in red), "ROI Calculator", and "CPM Calculator". Arrows point from the text descriptions of the two search results to their respective bid amounts (\$4.53 and \$4.52).

As you can see, top bids are in the \$4.50 range. (You'll see later on how to gauge max bid prices on Google.)

### How Many Folks are Searching for This?

We also want to know how many searches this term gets in a month. Let's go to Overture's Keyword Selector Tool at <http://inventory.overture.com> and see what it tells us:

The screenshot shows a web browser window with the URL <http://inventory.overture.com/d/searchinventory/suggestion/>. The page title is "Keyword Selector Tool". It includes instructions for entering a search term and getting suggestions, noting that it may take up to 30 seconds. A note states that suggested terms are subject to editorial review. Below this, a table lists search terms and their counts:

| Count | Search Term                                     |
|-------|-------------------------------------------------|
| 50239 | customer relationship management                |
| 3424  | customer relationship management software       |
| 2707  | crm customer relationship management            |
| 1673  | customer relationship management solution       |
| 1003  | customer relationship management system         |
| 697   | definition of customer relationship management  |
| 664   | small business customer relationship management |
| 565   | customer relationship management crm software   |
| 469   | customer relationship management tool           |

That's interesting – looks like for the top term there were over 50,000 related searches last month on Overture's partner sites (including Yahoo and MSN). We can also see what other similar terms people are typing in.

### How Many Competitors are there on Google?

The next step is to count how many other bidders Google has. Google will show eight paid ads on the right side of the page, and often shows the top two or three best ads at the top left – which then makes room for more ads on the right and brings the total ads per page to ten or eleven. Then eight to ten more are shown on page two, and eight more on page three, and so on.

Watch for the first ad to show up again and you'll have a complete count. You can also go into your "preferences" page on Google and set it to show up to 100 results per page. That may make it easier for you to count the total together.

The screenshot shows a Google search results page with the following details:

- Search Query:** customer relationship management
- Results:** 1 - 10 of about 50,600,000 for [customer relationship management](#) (0.38 seconds)
- Web Results:**
  - [Too many CRM choices?](#)
  - [Pivotal.com](#) 5 principles for CRM success. Download the Pivotal business paper
  - [Top 10 CRM Systems](#)
  - [www.2020software.com](#) Find the right CRM for your needs. Free demos, comparisons, reviews.
  - [CRM and Customer Relationship Management advice from InsightExec](#)
  - [The Customer Management Community \(CMC\), is a CRM service which provides news, information, advice and best practice case studies to help its members make ...](#)
  - [www.insightexec.com/](#) - 48k - Sep 11, 2005 - [Cached](#) - [Similar pages](#)
  - [CRM Today: #1 CRM Resource - Customer Relationship Management](#)
  - [#1 CRM portal for Customer Relationship Management and Marketing offering CRM news, events, CRM articles, white papers, analyst gurus, strategy views, ...](#)
  - [www.crm2day.com/](#) - 60k - [Cached](#) - [Similar pages](#)
  - [Darwin Executive Guides - Customer Relationship Management](#)
  - [Your customers are the heart of your business; don't make the mistake of putting customer service last on your list. Learn how technology can help you fill ...](#)
  - [guide.darwinmag.com/technology/enterprise/crm/](#) - [Similar pages](#)
  - [CRM Software | Customer Relationship Management | Affordable CRM](#)
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  - [Learn About "The Other IBM" & Get Effective Business Consulting Svcs.](#)
  - [www.ibm.com/services](#)
  - [Customer Relationship Mgt](#)
  - [CRM for Sales, Marketing & Customer Service. Easy to use and implement.](#)
  - [www.eoncrm.com](#)
  - [CRM Marketplace.com](#)
  - [Source and Research Products and Services](#)
  - [www.crmmarketplace.com/](#)
  - [Market Directions, Inc.](#)
  - [Organized Curiosity To develop marketing solutions](#)
  - [www.marketdirections.com](#)

As I write this there are a total of more than 90 bidders. *Ninety-plus bidders!* This is a *ferociously competitive* market.

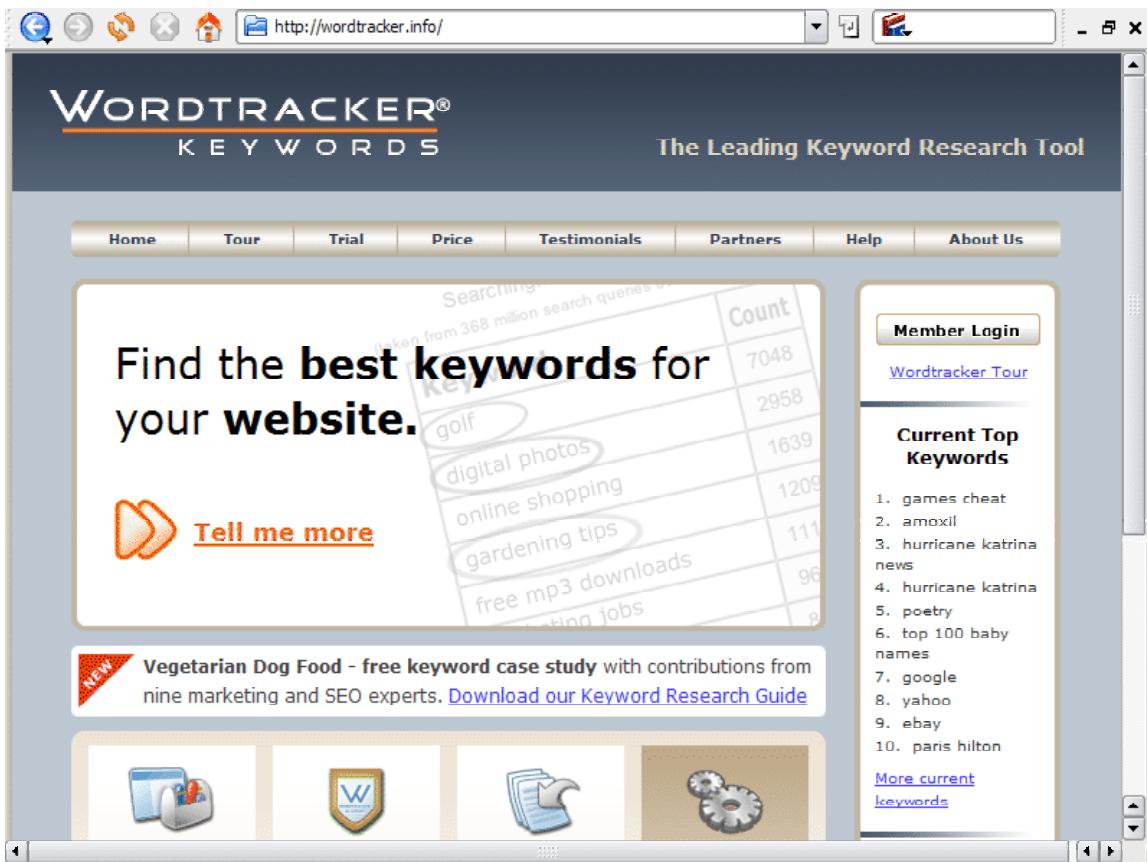
Some of the rules of the game:

- To be on page one, you need to be one of the eight to eleven best (not necessarily highest) bidders
- You can always get the bottom position by bidding Google's minimum required bid, so if there were less than eight bidders you could conceivably get the bottom slot on the first page of search results for as little as a penny.
- The more bidders there are, the more vicious it's going to be. In my opinion, less than sixteen bidders means it's going to be fairly easy. More than fifty means it's going to be nasty and you'll need every trick in the book to do well.
- There's nothing wrong with going into a hyper-competitive market. The more competitors there are, the more money is available to the winners. But be warned: if you don't rigorously use split-testing, rock-solid copywriting skills, follow up sequences and traffic conversion techniques (in addition to all the Google AdWords-specific tricks I teach you in this book) there's simply no way you can win in any of the majority of today's competitive markets.
- The more bidders there are, the more money you will have to invest in testing before you're profitable.

## What Keywords Can You Use?

It's time to do some keyword research.

I'm going to use Wordtracker (<http://www.wordtracker.info>) because it's the most thoroughly exhaustive keyword research and generation tool available. This is a subscription service, and you can sign up for ongoing monthly or yearly use, or pay for just one day's service.



I'll sign into my account, go to the "Keyword Universe" feature, and do a *wide search* – what Wordtracker calls a Lateral/Thesaurus Search. I come up with as many as 300 suggestions for terms generically related to what I typed in. Those are listed on the left:

The screenshot shows a web browser window for Wordtracker at the URL <http://wordtracker.com/database/frames/loadframes.php>. The page title is "Wordtracker Webmaster Keywords". The navigation menu includes Home, Support, Account, News, and Projects.

**Related keywords for customer relationship management**

Why do I need related keywords? [Click here](#)

1. [customer relationship management](#)
2. [CRM](#)
3. [crm](#)
4. [Customer Relationship Management](#)
5. [management](#)
6. [SFA](#)
7. [call center](#)
8. [crm software](#)
9. [relationship](#)
10. [sales force automation](#)

**Popularity Search**

Find out how popular your words actually are. Select words from the left window or simply enter your own into the text box below (up to 100 separated by carriage return, maximum of 10 for Overture).

[Proceed >>](#)

**Choose database**  Compressed **Adult filter**  Go [\(?\)](#) [Remove offense](#) [Delete last term](#) [Clear all](#)

Keywords for Wordtracker : 0 **Click here for step 3**

Now I'm going to click on "Customer Relationship Management" and do a *deep search*, which will show up on the right:

The screenshot shows a web browser window for the Wordtracker website. The URL is http://wordtracker.com/database/frames/loadframes.php. The page displays related keywords for "customer relationship management" on the left and a search results table on the right.

**Related keywords for customer relationship management**

- 1. customer relationship management
- 2. CRM
- 3. crm
- 4. Customer Relationship Management
- 5. management
- 6. SFA
- 7. call center
- 8. crm software
- 9. relationship
- 10. sales force automation
- 11. news

**Search results table:**

| Keyword (?)                                   | Count (?) | Predict (?) |
|-----------------------------------------------|-----------|-------------|
| customer relationship management              | 893       | 799         |
| customer relationship management software     | 206       | 184         |
| crm customer relationship management          | 69        | 62          |
| customer relationship management solution     | 65        | 58          |
| automotive customer management relationship   | 54        | 48          |
| customer relationship management system       | 54        | 48          |
| customer management relationship software web | 52        | 47          |

**Bottom navigation and search controls:**

- Choose database: Compressed
- Adult filter: Go (?) Remove offens (Delete last term) Clear all
- Keywords for Wordtracker : 1
- Click here for step 3 →
- Last term added: customer relationship

The numbers you see next to these keywords tell you how many searches per day Wordtracker's search engine sources get.

We're going to narrow this keyword list even more by scrolling down and clicking on "customer relationship management software" – the full four-word phrase:

The screenshot shows the Wordtracker interface at <http://wordtracker.com/database/frames/loadframes.php>. The top navigation bar includes Home, Support, Account, News, and Projects. The main content area displays a list of keywords on the left and a detailed table on the right.

**List of Keywords:**

- 14. [call center software](#)
- 15. [Customer Service](#)
- 16. [customer relationship management software](#)
- 17. [call centers](#)
- 18. [Customer Management](#)
- 19. [data mining](#)
- 20. [knowledge management](#)
- 21. Customer Relationship Management software
- 22. [Call Center](#)
- 23. [Business Intelligence](#)
- 24. [telephony](#)
- 25. [help desk software](#)
- 26. [marketing automation](#)

A large black arrow points to the keyword "Call Center".

**Table Data:**

| Keyword (?)                                                          | Count (?) | Predict (?) | Dig (?) |
|----------------------------------------------------------------------|-----------|-------------|---------|
| <a href="#">customer relationship management software</a>            | 206       | 184         |         |
| <a href="#">customer management relationship software web</a>        | 52        | 47          |         |
| <a href="#">customer lead management relationship software</a>       | 6         | 5           |         |
| <a href="#">automotive customer management relationship software</a> | 4         | 4           |         |
| <a href="#">customer relationship management software reviews</a>    | 4         | 4           |         |

**Search Bar:**

Choose database: Compressed    Adult filter: Go (?) Remove offense     Keywords for Wordtracker : 1  
Delete last term    Clear all  
Last term added: customer relationship

**Call to Action:**

Click here for step 3

Now this will give us a pretty narrow "silo" of keywords, but that's good – we can match these to the same ad and know that we know *exactly* what customers are searching for.

Now we're ready to build our Google campaign.

## The Right Way to Get Set Up a Google Account

Go to <http://adwords.google.com/select> to get started, and click on the “Click to Begin” button:

The screenshot shows the Google AdWords 'Select' landing page. On the left, there's a 'Existing Customer Login' form with fields for Email and Password, and a 'Login' button. Below it is a 'Common Questions' sidebar with links to 'Is AdWords right for my business?', 'What does it cost?', and 'Where will my ads appear?'. Further down are logos for EarthLink, Online, and Ask Jeeves. On the right, there's a main content area with a heading 'Find buyers searching for what you sell.' followed by text about Google AdWords ads connecting businesses to potential customers. There are also sections for 'Place Your Ad Here' (with a link to www.your-url.com) and 'Google AdWords ads appear on Google and partner sites'. At the bottom, there's a 'Learn More' section with links to 'Sign-up demo' and 'Program Details and FAQ', and a prominent 'Sign Up Now' button with the text 'Click to begin' inside a red box. A large red arrow points from the bottom-left towards this 'Click to begin' button.

Now you can choose the languages you want to target. This way if you choose German as one of your languages, for example, then users whose Google preferences are set to German-only will see your ad, even if it's written in English.

The screenshot shows the 'Target customers by language' step of the AdWords targeting wizard. A dropdown menu lists several languages, with 'English' currently selected. Other options include Chinese (simplified), Chinese (traditional), Danish, Dutch, Finnish, French, and German. Below this section, there's a 'Target customers by location' section asking about the size of the area for ads to appear. Three radio button options are listed: 'Countries' (selected), 'Regions and cities', and 'Customized'. A 'Continue >' button is at the bottom. On the right side of the window, there's a sidebar with 'ACCOUNT STRUCTURE' links and a 'Search Help' section.

Google also lets you target entire countries, or just cities, or specific geographic locations such as latitude/longitude coordinates or a five- or ten-mile radius around a certain street address, for example.

After we've specified our geographic location, we can write an ad:

The screenshot shows the 'Create an ad' wizard in the AdWords interface. The top navigation bar includes links for 'Target customers', 'Create ad', 'Choose keywords', 'Set pricing', 'Review account', and 'Sign up'. A 'Common Questions' sidebar on the right lists links to 'Where will my ads appear?', 'What should my ad say?', 'What are Google's Editorial Guidelines for ads?', and 'AdWords Glossary'. Below the headline, there is a section titled 'Example short ad:' containing sample text: 'CRM Software', '1-to-1 Marketing for Every Prospect', '30-Day Free Trial & 24/7 Support', and 'www.CRM1to1.com/FreeTrial'. The main form fields are: Headline (CRM Software), Description line 1 (1-to-1 Marketing for Every Prospect), Description line 2 (30-Day Free Trial & 24/7 Support), Display URL (http://www.CRM1to1.com/FreeTrial), and Destination URL (http://www.CRM1to1.com/freetrial/google1.html). At the bottom are buttons for '« Back', 'Reset Ad', and 'Continue ►'.

Let's explain what we just did, and why.

Whenever possible, show your major keyword in the headline of your ad. In this case, I would much prefer to type the full phrase "Customer Relationship Management Software" in the headline, but there's not enough room. "CRM" will have to do.

The second line is a *benefit* – it's my very best guess of what people searching for 'CRM Software' want to gain from it. Benefits always come before features.

The third line is a *feature* – it's what they actually get when they come to my site. Features always come after benefits.

The fourth line is the *display URL* – notice that I capitalized it and included the /FreeTrial subdirectory. Your display URL needs to resolve to an actual page on your site.

The fifth line is the actual *destination URL*, or landing page. We *do not* want to take people to our homepage and hope they look around. We want them to find the *exact* download page for the thirty-day free trial.

Now we can insert our keywords. I'm going to put quotes "" and brackets [ ] around all of them. (I use Howie Jacobson's tool at <http://www.TheAdTool.net> to do this.)

**Choose keywords**

Enter one keyword or phrase per line.

[Example list](#)

```
customer relationship management soft
customer relationship management soft
comparisons of customer relationship n
"customer relationship management soft
"customer relationship management soft
"comparisons of customer relationship
[customer relationship management soft
[customer relationship management soft
[comparisons of customer relationship
```

OR - enter a keyword below to see relevant results from our Keyword Tool.

[Get More Keywords](#)

**Common Questions**

- [What are the steps to creating a keyword list?](#)
- [Where can I find keyword ideas?](#)
- [What is Google's trademark policy?](#)
- [What are keyword matching options?](#)
- [What is the expanded matching feature?](#)
- [How does expanded matching benefit me?](#)

Next we'll tell Google which currency to use (U.S. Dollars, Pounds, Euros, etc.), and then set our **daily budget**:

**Choose a currency**

Pay for this account using:  [View payment options](#)

This determines only how you pay us, not how you handle transactions with your customers.

Note: This setting can't be changed once you activate your account.

**What is the maximum you would like to spend, on average, per day?**

The daily budget [\[?\]](#) controls your costs. When the daily limit is reached, on average, your ad will stop showing for that day. (The budget controls the frequency of your ad, not its position.) Raise or lower your budget as often as you like.

Enter your daily budget: \$

**What is the maximum you are willing to pay each time someone clicks on your ad?**

You influence your ad's position by setting its maximum cost per click (CPC) [\[?\]](#). The max CPC is the highest price you're willing to pay each time a user clicks on your ad. Your max CPC can be changed as often as you like.

Enter your maximum CPC: \$  (Minimum: \$0.01)

Higher CPCs lead to higher ad positions, which usually get more clicks.

**Common Questions**

- [When do my ads start accruing costs?](#)
- [How are ads ranked?](#)
- [How do I get my ad in the top position every time?](#)
- [How do I control the cost of my ads?](#)
- [When do you bill?](#)
- [AdWords Glossary](#)

**Search Help**

[Go](#)

Would you like Google to do this for you instead? [Let our experts help.](#)

**Note:** If you can only afford \$50 per day instead of \$170, it's better to achieve that by cutting your bid prices also, than by only cutting your daily budget. The reason: the daily budget causes your ads to only be served part of the day, until you've hit your maximum; not all the time.

But generally, lower positions convert to sales better, so if you're on a budget, it's better to just go to position eight and be seen all the time, than to be at position two but cut your daily budget and only be seen 25% of the time.

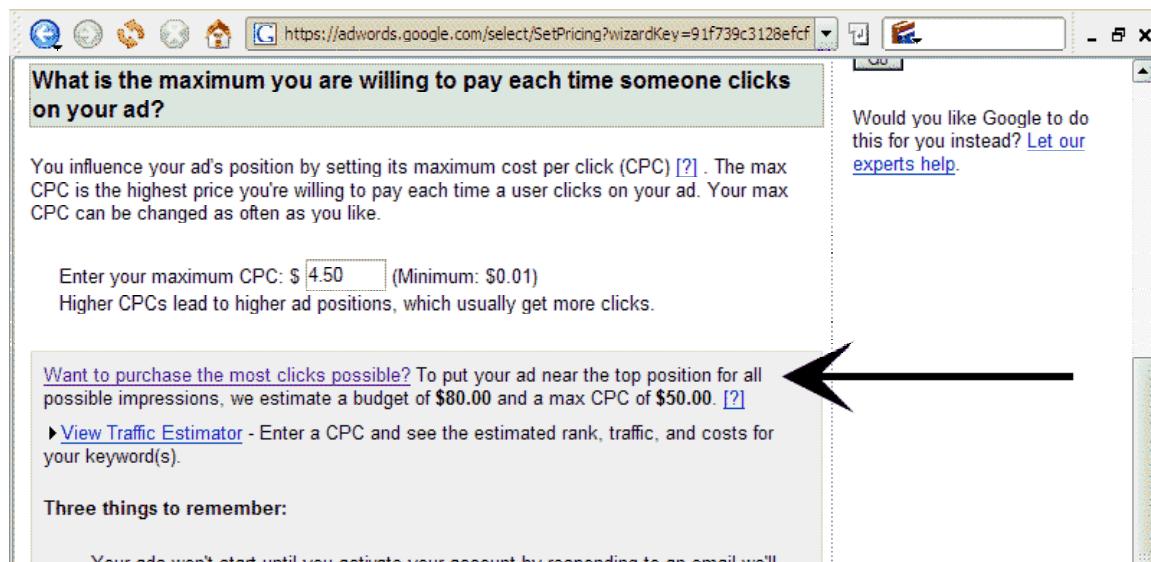
Also, please note that Google's daily budget tool is usually a bit conservative, so if you want your ads to show 100% of the time, you might want to bump that number up. If you set that number too high, it won't be a problem unless a zillion people suddenly start searching on that term and clicking on your ad for some odd reason.

Now you'll set your maximum overall cost per click (CPC):

The screenshot shows a web browser window for the AdWords Set Pricing wizard. The URL is https://adwords.google.com/select/SetPricing?wizardKey=91f739c3128efcf. The main content area has a header 'What is the maximum you would like to spend, on average, per day?'. Below it, a note states: 'The daily budget [?] controls your costs. When the daily limit is reached, on average, your ad will stop showing for that day. (The budget controls the frequency of your ad, not its position.) Raise or lower your budget as often as you like.' A text input field shows 'Enter your daily budget: \$ 170.00'. To the right, a sidebar lists links: 'top position every time?', 'How do I control the cost of my ads?', 'When do you bill?', and 'AdWords Glossary'. Another section, 'What is the maximum you are willing to pay each time someone clicks on your ad?', includes a note: 'You influence your ad's position by setting its maximum cost per click (CPC) [?]. The max CPC is the highest price you're willing to pay each time a user clicks on your ad. Your max CPC can be changed as often as you like.' A text input field shows 'Enter your maximum CPC: \$ 4.50 (Minimum: \$0.01)' with a note: 'Higher CPCs lead to higher ad positions, which usually get more clicks.' A large black arrow points from the text 'Higher CPCs lead to higher ad positions...' to the '\$ 4.50' input field. At the bottom left, a link says 'Want to purchase the most clicks possible?'. On the right, a note asks 'Would you like Google to do this for you instead? [Let our experts help.](#)'.

Recall that on Overture/Yahoo the top positions are going for just above \$4.50 per click. On Google, however, the competition is much more ferocious, and bidding \$4.50 is actually quite conservative.

I could bid as little as \$0.01 if I wanted, though Google would probably require a higher minimum bid than that for such a competitive set of keywords.



The screenshot shows a web browser window for the Google AdWords Set Pricing wizard at the URL <https://adwords.google.com/select/SetPricing?wizardKey=91f739c3128efcf>. The main question is "What is the maximum you are willing to pay each time someone clicks on your ad?". Below it, a note says: "You influence your ad's position by setting its maximum cost per click (CPC) [?]. The max CPC is the highest price you're willing to pay each time a user clicks on your ad. Your max CPC can be changed as often as you like." A text input field contains "\$ 4.50" with a note "(Minimum: \$0.01)". A note below states: "Higher CPCs lead to higher ad positions, which usually get more clicks." A callout box on the right asks, "Would you like Google to do this for you instead? [Let our experts help.](#)". Another callout box at the bottom left says: "Want to purchase the most clicks possible? To put your ad near the top position for all possible impressions, we estimate a budget of \$80.00 and a max CPC of \$50.00. [?]" An arrow points from this callout to the main text area. A link "▶ [View Traffic Estimator](#) - Enter a CPC and see the estimated rank, traffic, and costs for your keyword(s)." is also present. A section titled "Three things to remember:" lists: "Your ads won't start until you activate your account by responding to an email we'll send you." and "You can change your ad's position at any time by changing its CPC." A third item is partially visible.

To stay on top position on the page virtually all the time, Google says here that I would have to bid \$50.00 per click to beat out other bidders. Now *that's* some serious competition!

When I click to view Google's Traffic Estimator, I can get a very *rough* idea of how much traffic I can expect to get each day. I also know whether my keywords will be active or inactive at the bid price I set. According to this, they're all safely active:

The screenshot shows a web browser window for the Google AdWords Traffic Estimator. At the top, there is a message: "Want to purchase the most clicks possible? To put your ad near the top position for all possible impressions, we estimate a budget of \$80.00 and a max CPC of \$50.00. [?]" Below this is a link: "▼ View Traffic Estimator - Enter a CPC and see the estimated rank, traffic, and costs for your keyword(s)." A yellow tip box contains the text: "💡 Tip: If you're unfamiliar with some of the terminology, take a look at our [Traffic Estimator glossary](#)." In the main area, there is a form with "maximum CPC: 4.50" and a "Get New Estimates" button. Below the form, it says "If you enter your own maximum CPC, use the total cost to help determine your daily budget." A table titled "Estimates for the maximum CPC: \$4.50 USD" lists keyword performance. The columns are: Keywords, Avg. Position, Clicks / Day, Cost / Day, Avg. CPC, and Status. The rows show various permutations of keywords like "comparisons of customer relationship management software" and "[comparisons of customer relationship management software]". Most rows have an "Avg. Position" of 1.0 and "Clicks / Day" of < 0.1, with "Cost / Day" being \$0.00 and "Avg. CPC" being \$0.05. One row for "customer relationship management software" has an "Avg. Position" of 4.8 and "Clicks / Day" of 1.0, with "Cost / Day" of \$3.44 and "Avg. CPC" of \$3.44. All rows are marked as "Active".

| Keywords                                                   | Avg. Position | Clicks / Day | Cost / Day | Avg. CPC | Status |
|------------------------------------------------------------|---------------|--------------|------------|----------|--------|
| Overall                                                    | 5.2           | 1.6          | \$5.00     | \$3.09   | -      |
| comparisons of customer relationship management software   | 1.0           | < 0.1        | \$0.00     | \$0.05   | Active |
| "comparisons of customer relationship management software" | 1.0           | < 0.1        | \$0.00     | \$0.05   | Active |
| [comparisons of customer relationship management software] | 1.0           | < 0.1        | \$0.00     | \$0.05   | Active |
| customer relationship management software                  | 4.8           | 1.0          | \$3.44     | \$3.44   | Active |
| "customer relationship management software"                | 5.3           | 0.6          | \$1.28     | \$2.33   | Active |

You'll also notice that the actual cost per click will be much less than \$4.50 for most of these keywords most of the time. The \$4.50 price is only a maximum.

Google is telling me that I'll be in positions one through five on these keywords. However, our experience has been that this prediction is often very far off. In actuality my ads on some of these keywords will end up on the fourth or fifth page of search results, unless I'm willing to bid a lot more for them.

Google will let me set separate bid prices for individual keywords after our account is fully set up.

I'm satisfied with the prices and estimates for now, so next I'll review and edit everything I've done so far:

The screenshot shows a web browser window for the AdWords account setup. The URL in the address bar is <https://adwords.google.com/select/ReviewAccount?wizardKey=91f739c312>. The main content area is titled "Review your selections". It displays the following configuration details:

- Campaign name: Campaign #1
- Language(s) that your customers speak: English [\[Edit\]](#)
- Location(s) of your customers: United States [\[Edit\]](#)
- Currency: US Dollars (USD \$) [\[Edit\]](#)
- Daily budget: USD \$170.00 [\[Edit\]](#)

Below this, under "Ad Group name:", is "Ad Group #1". Under "Ads:", there is a preview box containing:  
CRM Software  
Marketing for Every Prospect  
30-Day Free Trial & 24/7 Support  
[www.CRM1to1.com/FreeTrial](http://www.CRM1to1.com/FreeTrial)  
[Edit](#)

Under "Keywords:", the following terms are listed:  
[comparisons of customer relationship management software]    "comparisons of customer relationship management software"  
[customer relationship management software]

At the bottom, the "Maximum CPC" is set to "USD \$4.50" with an [\[Edit\]](#) link. Navigation buttons at the bottom include "« Back" and "Continue to Sign Up »".

This looks fine. We'll go next to sign up for the new account.

I'll enter my e-mail address and a password and click through to create the account:

The screenshot shows a web browser window for the Google AdWords sign-up page at <https://adwords.google.com/select/SignUp?wizardKey=91f739c3128efcfc>. The page title is "Sign up". The main content area contains fields for "Email address" (you@yourname.com), "Re-enter email address" (you@yourname.com), "Password" (\*\*\*\*\*), and "Re-enter password" (\*\*\*\*\*). Below these fields are two checkboxes: one for receiving service announcements and another for periodic newsletters. A note states that clicking a button will send a verification email. At the bottom is a large blue "Create My AdWords Account" button. To the right of the main content is a sidebar titled "Common Questions" with links to various help topics like "When do my ads start running?", "How and when do I enter my billing information?", and "What are my payment options?". There is also a "Search Help" input field and a "Go" button.

Google will send me a confirmation e-mail to the address I gave them. I'll open the e-mail, click the link in it back to Google, and then enter my credit card or payment information to officially open the account and start my ads showing.

### Ah, But Wait – We're Not Done Yet!

The first thing we're going to do is write a *second* ad to split-test against the first one we wrote. Why?

The #1 key to success for a higher CTR on Google  
is to *always* split test ads against each other!

This is one of the most crucial methods that folks in our Mastermind Club use to get their CTRs through the roof. So I'm going to write a *different* ad and let both of them run, so that we can pick a winner later. Google will rotate them evenly for us.

So I click on “Create New Text Ad” to write a second one:

The screenshot shows the Google AdWords interface. At the top, there's a navigation bar with links for Campaign Management, Reports, and My Account. Below that is a sub-navigation bar with Campaign Summary, Tools, and Conversion Tracking. A breadcrumb trail indicates the user is at Campaign Summary > Ad Group.

**Ad Group:** Active | Pause Ad Group | Delete Ad Group      1 of 4

Ad Group Max CPC: USD      [edit bid]

Tools: Filter Keywords | Add Keywords | Edit Keywords | Keyword Tool

A specific ad entry is highlighted:

**CRM Software**  
1-to-1 Marketing for Every Prospect  
30-Day Free Trial & 24/7 Support  
www.CRM1to1.com/FreeTrial

Below the ad, there are buttons for Delete and Edit CPCs/URLs.

An arrow points to the '+ Create New Text Ad' link, which is located above the ad list.

The main table lists ads with columns for Keyword, Status, Max CPC Bid, Clicks, Impr., CTR, Avg. CPC, and Cost.

We'll only change the second line for this ad:

Served - 12.0% ([more info](#))  
[Edit](#) - [Delete](#)

+ Create New [Text Ad](#) | [Image Ad](#)

**CRM Software**  
Manages 1,000 to 10,000 Customers  
30-Day Free Trial & 24/7 Support  
[www.CRM1to1.com/FreeTrial](http://www.CRM1to1.com/FreeTrial)

Ad text with any revisions you make below.

Headline (maximum 25 characters)  
**CRM Software**

Description line 1 (maximum 35 characters)  
**Manages 1,000 to 10,000 Customers**

Description line 2 (maximum 35 characters)  
**30-Day Free Trial & 24/7 Support**

Display URL (maximum 35 characters)  
**[http:// www.CRM1to1.com/FreeTrial](http://www.CRM1to1.com/FreeTrial)**

Destination URL (maximum 1024 characters)  
**<http://www.CRM1to1.com/freetrial/google1.html>**

Your ad will link users to this URL, which may differ from the above "Display URL" if you choose. URL shows one click return to Google using the browser's back button.

[Save New Text Ad](#) [Cancel](#)

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## One Last Thing

Let's create yet another ad group, specifically for "CRM software," which is a slightly different keyword phrase. Wordtracker shows that the abbreviated phrase "CRM software" gets a lot more searches than the whole phrase spelled out. In fact, Wordtracker gives us 70 different phrases to work with.

Here's a partial list of them, with the terms that do *not* apply to my product marked in red:

crm software  
crm software reviews  
crm software free trial  
**free crm software**  
**dealership crm software**  
crm software solution  
**crm software uk**

(The download is free, but the software isn't!)  
(I'm not selling dealerships.)  
(I only sell in the US and Canada.)

|                                         |                                                 |
|-----------------------------------------|-------------------------------------------------|
| crm software application                |                                                 |
| microsoft crm software                  |                                                 |
| <b>dissertation on crm software</b>     | (I don't have any dissertation to offer.)       |
| crm software for hedge funds            |                                                 |
| e crm software                          |                                                 |
| <b>crm software Australia</b>           | (Again, I'm only selling to the US and Canada.) |
| <b>crm australia software</b>           |                                                 |
| vertical software crm                   |                                                 |
| conversion of crm software to asp model |                                                 |
| crm software solutions                  |                                                 |
| software wawi erp crm                   |                                                 |
| crm software solutions bucks            |                                                 |
| crm software pda                        |                                                 |
| <b>crm software solutions uk</b>        |                                                 |
| crm softwares                           |                                                 |
| which crm software should i use         |                                                 |

We're going to separate the ones we want into a "positive" keyword list, with the ones we don't want put into a *negative* keyword list.

*Positive keywords:*

|                                         |  |
|-----------------------------------------|--|
| crm software                            |  |
| crm software free trial                 |  |
| crm software reviews                    |  |
| crm software solution                   |  |
| crm software application                |  |
| microsoft crm software                  |  |
| crm software for hedge funds            |  |
| e crm software                          |  |
| vertical software crm                   |  |
| conversion of crm software to asp model |  |
| crm software solutions                  |  |
| software wawi erp crm                   |  |
| crm software solutions bucks            |  |
| crm software pda                        |  |
| crm softwares                           |  |
| which crm software should i use         |  |

*Negative Keywords* (the words and phrases we don't want, with a minus sign in front of them):

- free crm software
- dealership
- uk
- dissertation
- australia
- crm free software

Now remember: negative keywords cancel out positive ones. If we're sloppy and put contradictory positive/negative keywords in our list, Google will stop and warn us, and won't let us go on until we fix the problem.

To create a new ad group, we'll go into our "campaign" view and click on the "Create New Ad Group" option just above the campaign name list:

The screenshot shows the Google AdWords interface under 'Campaign Management'. At the top, there are tabs for 'Campaign Management', 'Reports', and 'My Account'. Below the tabs, a green bar contains links for 'Campaign Summary', 'Tools', and 'Conversion Tracking'. A breadcrumb trail shows 'Campaign Summary >'. The main area is titled 'Campaign:' and includes sections for 'Campaign Daily Budget' (USD \$), 'No campaign negative keywords.', and buttons for 'Edit Campaign Settings', 'Add', and 'Show all Ad Groups'. A large black arrow points from the text 'click on the "Create New Ad Group" option' to the '+ Create New Ad Group' button. Below this, there's a table header with columns for 'Ad Group Name', 'Current Status', 'Max. CPC', 'Clicks', 'Impr.', 'CTR', and 'Avg.'. Several rows of data are visible, each with a checkbox and a blurred 'Ad Group Name'.

And from here we can write a new ad – we'll actually write two – and then paste in the complete keyword list, negatives included.

*Now we can sit back and watch the traffic come in!*

### What We've Done that's So Different

What I've just shown you is the *proper* way to set up an AdWords campaign. Here's what we did that's unlike everyone else:

- ☞ We scoped out the competition first
- ☞ We researched bid prices on Google *and* Overture/Yahoo first
- ☞ We broke our campaign down into narrow groups of keywords: "customer relationship management software" and "crm software." We would similarly create individual ad groups for "1 to 1 marketing," "one to one marketing," "contact management software," etc.

- ☞ We started by writing two ads, instead of one. We're always playing to beat our old "high score."
- ☞ We didn't take Google's suggested bid price; we started at a lower price
- ☞ We didn't send people to our home page; we sent them to a specific page within our site that has a specific free download offer that's related to our keywords.
- ☞ We deal with budgets by adjusting bid prices, not by relying exclusively on Google's Daily Budget Tool.

<http://www.PerryMarshall.com/mastermind>

## Anatomy of a Real-Life Pay Per Click Campaign

Bryan Todd & Perry Marshall

This is actually not a lesson in how to run an AdWords campaign. It's a lesson in how to use AdWords to figure out your market. It's about how *not* to advertise to people that you don't want as customers. It's about finding the people who *can* and *should* be your customers, and then marketing to them sensibly.

It's about excitement and frustration. It's about getting kudos and pats on the back, and also about being called an idiot and a scam-artist. It's about losing inspiration and finding it all over again. It's about being patient and steady and unwavering in your purpose, and getting the job done and meeting a simple goal.

And through all the corny storytelling, you will in fact learn a better way to manage a real-life AdWords campaign.

### How to Start Up an AdWords Campaign Even Before You Have Anything to Sell

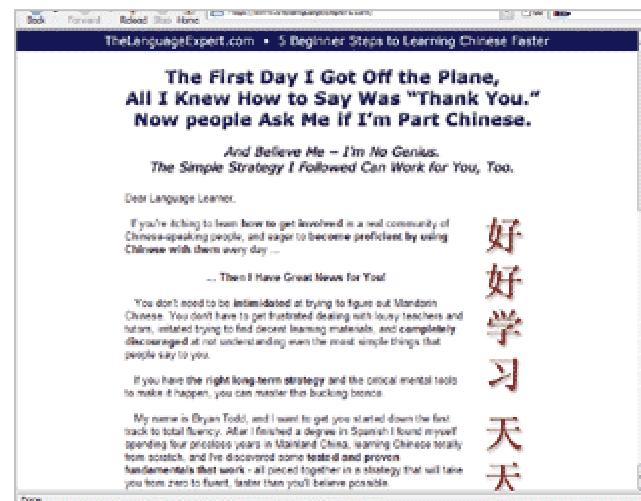
It is entirely possible to get customers even before you know exactly what it is you're going to be offering to them. That's exactly what I did. It worked, mostly.

I once lived for more than four years in mainland China. During that time I went from not even knowing how to say "hello" to being conversationally fluent in the language. And it saddened me as I watched many of my American friends there struggling with the language and getting nowhere.

I learned through trial and error a host of practical, working methods for acquiring the language. Multiple times during my stay there my American friends would tell me, "You need to share your whole method with me, because whatever it is, it's obviously working."

So after returning to the U.S. I sat down and decided to write an e-book that would teach others like me to do what I did. Not a book that just teaches a bunch of Chinese, but rather one that teaches you how to go into a real Chinese-speaking environment and become fluent more quickly than you'd think possible.

But to make this a true challenge, I decided to write a series of autoresponder e-mails and buy Google traffic *first*, and sell the book to my



customers after the fact. So the heat was on.

I wrote five messages about the basics of learning a foreign language and then threw up a simple opt-in page to get folks to sign in. Now I was ready for some visitors.

### **Buying the Traffic First: Keywords**

When I first started into this project, Google had a severe policy on the performance of keywords. If your keyword wasn't getting a minimum CTR of 0.5%, Google would disable it, and there was no way to get it back into use again.

So if you took your average set of keywords and dumped them into your campaign without giving it much thought, Google would have put your most valuable keywords On Hold before you even got around to setting the final bid price.

And it was no threat. It was a promise. Google did it every day.

What this did was enforce a certain level of discipline that is actually good to replicate even today, with Google's much more lenient policies. Though the risks are nothing like they used to be, I still recommend that you start into your campaigns this way yourself.

The first key is this:

#### **1. Get 60-80% of your traffic set up in the first few minutes: Do your keyword research according to the 95/5 Rule**

Ninety-five percent of your traffic will come from just five percent of your keywords. So start off by intelligently estimating which keywords are going to get searched on, and clicked on, the most.

You can be up and running with 95% of your traffic already in place just by following these steps first, in a tenth of the time that it would take using other methods.

The first thing I did was to come up with a preliminary quick listing of generic keywords related to Chinese learning:

chinese  
speak chinese  
learn chinese  
study chinese  
mandarin  
learn mandarin  
mandarin chinese

Now I needed to know which of these terms was going to get searched on the most *and* offer me a good chance of getting a solid CTR. Plus I knew there were other keyword variations I hadn't thought of yet. So I went to Wordtracker, found additional

suggested search terms, and got a count on how many times these had been searched on over the last two months:

|                        |      |
|------------------------|------|
| chinese                | 7859 |
| learn chinese          | 363  |
| chinese language       | 359  |
| mandarin               | 214  |
| mandarin chinese       | 50   |
| learn mandarin         | 44   |
| learn to speak chinese | 39   |
| how to speak chinese   | 31   |
| mandarin language      | 22   |
| learn chinese language | 14   |
| speak chinese          | 13   |
| study chinese          | 9    |

This is important to mention: Without an online tool to give me all of this information I would have virtually *no way* of guessing how many searches each of these terms would get relative to each other. For example, I was shocked to discover that “learn Chinese” gets almost *thirty times* as many searches as “speak Chinese.” Keywords can vary *wildly* in their value to your business!

I saved these numbers in a spreadsheet so I could refer to them later.

So now I could make a very intelligent choice. I knew which terms were getting searched on the most: (1) “Chinese” (2) “learn Chinese” (3) “Chinese language” and (4) “Mandarin” – in that order. So I should start with “Chinese” and work from there, right?

But wait – I wouldn’t want to do that. “Chinese” is such an impossibly broad term that I’d have to think up every imaginable negative keyword in the book to keep from getting worthless impressions on it. And people searching on that term by itself could have anything in mind besides just learning the language; I didn’t want a term that a bunch of disinterested knuckleheads were going to search on.

So I set that on the back burner, and went with “learn Chinese” instead.

Next I went back to Wordtracker and did a *deep search* on that phrase. These were my results:

| Keyword (?)                                   | Count (?) | Predict (?) | Dig (?) |
|-----------------------------------------------|-----------|-------------|---------|
| <a href="#">learn chinese</a>                 | 257       | 230         | ✓       |
| <a href="#">jin learn<br/>chinese</a>         | 47        | 42          | ✓       |
| <a href="#">learn to speak<br/>chinese</a>    | 34        | 30          | ✓       |
| <a href="#">learn chinese<br/>for free</a>    | 25        | 22          | ✓       |
| <a href="#">learn chinese<br/>kanji</a>       | 23        | 21          | ✓       |
| <a href="#">learn chinese<br/>quick</a>       | 21        | 19          | ✓       |
| <a href="#">learn mandarin<br/>chinese</a>    | 21        | 19          | ✓       |
| <a href="#">learn chinese<br/>language</a>    | 20        | 18          | ✓       |
| <a href="#">learn chinese<br/>free</a>        | 14        | 13          | ✓       |
| <a href="#">learn chinese<br/>connecticut</a> | 12        | 11          | ✓       |
| <a href="#">learn chinese<br/>online</a>      | 11        | 10          | ✓       |
| <a href="#">iin - learn</a>                   | 8         | 7           | ✗       |

I planned to build a campaign around this and the keywords I already had, but I had to start with just *five*. And I'd put some of those in separate ad groups with their own ad. Why just five? Because I didn't know if they would perform marginally or not, and at the time Google only allowed five marginal keywords to run before they started deactivating or even disabling the rest. So this was to ensure that my keywords got searched on, and then clicked on, and that I had room to work with.

So which five was I going to choose? I wanted to go for the lowest hanging fruit first – the largest number of people who would be most interested in my e-book. Here are the ones I decided on:

|                  |     |
|------------------|-----|
| learn chinese    | 363 |
| chinese language | 359 |
| mandarin         | 214 |
| mandarin chinese | 50  |
| learn mandarin   | 44  |

## Toss Out the Crap Keywords

Did you notice what the second most searched on term was, in that Wordtracker list above? It was “Jin learn Chinese.” That’s actually the name of an R&B song, Jin being the name of the artist. Also, “Kanji” is a Japanese term for traditional Chinese writing, so people who search on that aren’t my type. And people who want to learn Chinese for “free” aren’t my type either.

I don’t want any of those searches! So I had to add in “Jin” and “Kanji” and “free” as negative keywords. In some cases you can *double your CTR* just by adding in the right negative keywords.

## 2. Write your ads, and then break down your keyword list according to your ad copy.

Here are the three ad groups I started off with:

### Want to Learn Mandarin?

5 Secrets You Must Know  
To Master Chinese, and Fast  
[MasterChineseFaster.com](http://MasterChineseFaster.com)

[mandarin]

### Chinese Language Learning

5 Crucial Principles You Must Know  
To Master Chinese, and Fast  
[MasterChineseFaster.com](http://MasterChineseFaster.com)

[chinese language]

### Eager to Learn Chinese?

5 Unique Steps in 5 Days  
A Strategy Like You've Never Seen  
[MasterChineseFaster.com](http://MasterChineseFaster.com)

[learn chinese]  
[how to speak chinese]  
[learn to speak chinese]

-jin  
-kanji  
-free

Now did you catch the subtle detail in what I just did?

*I only bid on exact matches* – keywords in brackets only. Why? Because this way I bid on the precise keywords that Wordtracker told me were being searched on the most. And they are the most direct and specific searches that people do, so I knew I had a much better chance of getting these to stick.

I planned to ad the more generic broad- and phrase-matched keywords after I was certain that these first five worked for me.

One other detail here: My *actual* website domain name is [www.TheLanguageExpert.com](http://www.TheLanguageExpert.com). I chose that name to keep open the possibility that some day I can teach people principles for learning *any* foreign language regardless.

However, to be more relevant to people searching for Chinese resources, I bought the domain name [www.MasterChineseFaster.com](http://www.MasterChineseFaster.com), had ZoneEdit.com redirect that

automatically to my LanguageExpert home page, and now I could use the more relevant Chinese URL in my Google ad.

### 3. Start the Machine Running, then Add More Keywords

I turned on the traffic and let it go. And I wrote a second ad for each ad group to split test against the first.

Despite Google's tight policy on keyword performance, I didn't run into any troubles at all with my keywords. So I knew it was time to add in the rest of the search terms I had collected.

Now having ten or twenty well-chosen keywords may bring the lion's share of your traffic to you. But to cover all the possible niches and outdo your competitor, you should have at least 200, probably more.

#### Shock, Shame and Embarrassment

But then I got my results. They made me nervous, very nervous. And they confused me, too.

To start with, only a day or two into it I had already racked up over \$20.00 in AdWords costs. Now I don't sweat the \$20.00, but I didn't even have a book written yet, and I wasn't going to charge more than \$30.00 or so for it. This meant I was going to have to either write the book *lightning fast* and get it out and selling, or else put the brakes on this and stop spending so fast for such a cheap product.

Less shocking, but a surprise still, was to find that my keywords were bringing in traffic at different rates than my original research suggested they would:

| + Create New Ad Group    |                  | View All Ad Groups |          |        |       |      |          |         |
|--------------------------|------------------|--------------------|----------|--------|-------|------|----------|---------|
|                          |                  |                    |          |        |       |      |          |         |
| <input type="checkbox"/> | Ad Group Name    | Current Status     | Max. CPC | Clicks | Impr. | CTR  | Avg. CPC | Cost    |
| <input type="checkbox"/> | Mandarin         | Active             | \$0.50   | 57     | 2,826 | 2.0% | \$0.28   | \$16.09 |
| <input type="checkbox"/> | Learn Chinese    | Active             | \$0.50   | 9      | 621   | 1.4% | \$0.39   | \$3.54  |
| <input type="checkbox"/> | Chinese Language | Active             | \$0.30   | 7      | 385   | 1.8% | \$0.38   | \$2.69  |
| Total - all 4 Ad Groups  |                  | -                  | -        | 73     | 3,832 | 1.9% | \$0.31   | \$22.32 |

Sometimes that just happens. "Mandarin" ended up being the keyword set that brought in the most clicks.

But things got worse.

I hadn't given very good thought to *who* exactly I was trying to reach with this, nor had I decided *where* I would go looking for my customers! That can be a real problem when you start advertising before you've put crystal-clear advanced thought into creating your product.

It occurred to me that advertising in the U.S. and U.K. simply would not make sense for what I was trying to do. You see, I was planning a book that teaches you *how to go into a foreign country* and learn the language. Which means that it's really only going to sell well via Google to people who are already there.

I had written a starter e-mail course about learning Chinese. What happened when I tried to court people in North America and Europe who were searching on Google to learn Chinese?

Check out these e-mail responses I got from people who signed up for my five-day course:

You have shown me absolutely nothing. You have wasted my time and paper printing off your worthless e-mails. I learned more in five minutes from a Chinese business website than I could ever expect to learn from your time-wasting activities.

D.M.

You have not provided me with any practice Mandarin lessons, which is what I wanted. Instead you provided generic information, as a "carrot" to buy your course. This is a scam.

F.P.

Oh, crap! Here I am writing a book about learning the language living in China, while these people are in their home country looking for simple online lessons. How could I be so stupid?

### **Get Your Bearings First**

Don't ever go marching into a new market without knowing what the people in your market are really looking for. This was lesson one for me.

But did this mean I needed to cancel my project and forget about trying to get people to learn a language the right way? My supposed market seemed to be telling me that nobody was looking for what I had to offer. Was I just screwed?

This really bothered me. I *knew* from experience with friends and with my own struggle in China that I had something that was useful to people. In fact, I met people all the time, even here in the U.S., who told me that they needed a book just like I was planning to write. But how was I going to find the folks who really needed it?

Trying to reach people like this in North America and Europe would be like searching for a needle in a haystack. *At least it would be using Google.* That would be a colossal message-to-market *mismatch*. So I needed to do some filtering:

- (1) Change my geographic location settings (my biggest issue, by far)
- (2) Use as many negative keywords as I could possibly find
- (3) Put crystal-clear disclaimers on my landing page that tell people that I'm not teaching them Chinese but instead teaching them how to learn it for themselves

Taking step (1) would also solve my money problem, thank goodness. And for step (2) the easiest negative keywords would come from hints that those two angry e-mailers had already given me: block out the searches using words like "online" and "lessons."

### **"Unless You Live in China, My Book is Not for You"**

So I first tried setting my geographic locations to Asian countries with Chinese-speaking populations. Apart from China and Taiwan this also included Japan, South Korea, Singapore, Malaysia, Indonesia and a few others.

But the e-mail feedback I got this time, though not at all hostile, told me that people in these countries were still having difficulty finding enough native speakers to practice with. My book, now finished and ready to sell at this point, was for people who had the opportunity to be immersed among native speakers.

So did I have to limit my traffic to China and Taiwan? That could kill my clickthroughs! Or so I thought ...



I did it anyway. I went into my campaign settings and (1) set my ads to show regardless of the language people were using on their browser, and (2) set my ads to show only in Taiwan and Mainland China (not even in Hong Kong, where Cantonese and English are more common than Mandarin).

## **When Everything Finally Starts Working**

That's when the positive e-mails started pouring in. Grateful readers who had moved to China and Taiwan from Israel, Germany, Australia, the U.K., New Zealand, India and from all over the globe wrote in to tell me that they were finding my e-mail course to be helpful and relevant. More importantly, *they started buying the book* and telling me that they were using it. I even found myself doing late-night telephone consultations to Beijing with my customers now, helping them improve their Chinese-learning strategy even further.

One buyer had this to say:

At about midnight last night, I paid for and downloaded your products. I thought I would take a quick glance before going to bed.

It is now five o'clock on Sunday afternoon, and I haven't been to bed yet. I read the entire document twice; your bonus article three times. During this time, I experienced a gamut of emotions; everything from the knowing smile, kissing the computer screen, wildly punching the air, and dancing around the room.

Your product is excellent, Bryan, and worth every cent I paid for it. For the price, I could not have had a better night! Don't even think about returning my money, as I love your work, and I am looking forward to any stuff you do in the future.

—A.V.

When you find your market, *boy, do you ever find them!*

One other confirmation that I had hit the bulls-eye in my market: Since I re-targeted my geographic location, not *one single person* has ever unsubscribed from my e-mail list. Nobody at all, in all this time, to this very day. That means they're convinced that what I'm giving them is *relevant*.

(Giving people exactly what they need and having them thank you for it, is the *true joy of marketing!*)

## **A Lesson for the Ages**

You see, there's an age-old principle in marketing. It's the first, and by far the most important rule for succeeding online and anywhere else:

*Just earn one dollar.*

Can you walk away at the end of the day with just one extra dollar from sales than you spent in advertising? This is a major hurdle. And once you've cleared it, your whole strategy now changes. Instead of fighting to plug all the leaks, now your goal becomes taking something that most definitely works, and simply making it work better.

When I get my paid traffic to convert extremely well, then I can throw any kind of traffic at it (free organic searches, affiliate traffic, banner ads, offline-to-online, and more) and it will convert.

There's a number of different steps I can take now:

- (1) Add in as many keywords as possible
- (2) Split test more new ads and pull up my CTR even further
- (3) Systematically work to lower my cost per conversion
- (4) Cut the bid prices on keywords that rarely convert but cost a lot in clicks
- (5) Test content-targeted traffic and get it to convert profitably
- (6) Split test a new landing page against my current one to get more opt-ins
- (7) Improve my autoresponder series to sell more books
- (8) Improve my sales letter through a better headline, stronger copy, better testimonials and more compelling offers

### Making Phrase- and Exact-Matched Keywords Work for You

I eventually was able to get the generic one-word search term [Chinese] to work, simply by bidding exclusively on the exact-matched word by itself, in brackets. This blocked out all searches for anything else – Chinese food, Chinese music, Chinese art, Chinese movies, Chinese dating services, Chinese checkers; everything.

The CTR was good and the incredibly low bid price (\$0.05 for second position!) ensured that my cost per conversion stayed reasonable – just over \$1.00:

| Keyword       | Status | Max CPC Bid | Clicks | Impr. | CTR  | Avg. CPC | Cost   | Avg. Pos | Conv. Rate | Cost/Conv. |
|---------------|--------|-------------|--------|-------|------|----------|--------|----------|------------|------------|
| Search Total  |        |             | 67     | 3,279 | 2.0% | \$0.05   | \$3.21 | 1.9      | 4.48%      | \$1.07     |
| Content Total |        |             |        |       |      |          |        |          |            |            |
| [chinese]     | Active | \$0.10      | 67     | 3,279 | 2.0% | \$0.05   | \$3.21 | 1.9      | 4.48%      | \$1.07     |

In different markets, different things may also happen when you use the broad, phrase "" and exact [ ] matching options in your keyword list. But very often, the exact match brings you the strongest CTR. Perry provides this example from the world of self-defense instruction:

| Keyword        | Clicks | Impr. | CTR  | Avg. CPC | Cost   | Avg. Pos |
|----------------|--------|-------|------|----------|--------|----------|
| "self defense" | 33     | 4873  | 0.6% | \$0.11   | \$3.61 | 3.3      |
| [self defense] | 15     | 820   | 1.8% | \$0.11   | \$1.65 | 2.7      |
| self defense   | 1      | 295   | 0.3% | \$0.15   | \$0.15 | 2.0      |

## Rhythmic Ad Copy

Take a look at these two ads, also from the self defense world:

### Easy Self Defense

For Ordinary People  
Fast Personal Protection Training  
[www.tffgroup.com](http://www.tffgroup.com)

0.6% CTR

### Simple Self Defense

For Ordinary People  
Easy Personal Protection Training  
[www.tffgroup.com](http://www.tffgroup.com)

1.1% CTR

I'm not certain why the second ad performed better, but I have a hunch. "Simple Self Defense" rolls off the tongue better than "Easy Self Defense." In other words, it has a better *rhythm*.

*Here's an important secret!* One of the things we've found, after testing hundreds of AdWords ads, is that people respond to ads with *rhythm*.

It sounds crazy, but it's true. One of the best tests of an AdWords ad is to read it *out loud*. Does it have a bit of a cadence?

If you can make the rhythm of the ad flow a little better, you'll almost certainly improve the response rate. Really good AdWords ads have a sort of singsong quality to them.

Before you laugh at me, try it!

## The Amazing Sensitivity of Google Ads to Small Copy Changes

Reversing the order of two tiny sentences cut the response by 83%. Or, to put it another way, the correct order increased response by 517%!

### Ethernet Basics Guide

Simple Tutorial on Ethernet, TCP/IP  
5 Page Paper - Free PDF Download  
[www.xyz.com](http://www.xyz.com)

3.7% CTR

### Ethernet Basics Guide

5 Page Paper - Free PDF Download  
Simple Tutorial on Ethernet, TCP/IP  
[www.xyz.com](http://www.xyz.com)

0.6% CTR

This example is even more dramatic. Reversing the order cuts the response by 97%. Or, the correct order results in an increase of 3600%!

### Popular Ethernet Terms

3 Page Guide - Free PDF Download  
Complex Words - Simple Definitions  
[www.xyz.com](http://www.xyz.com)

0.1% CTR

### Popular Ethernet Terms

Complex Words - Simple Definitions  
3 Page Guide - Free PDF Download  
[www.xyz.com](http://www.xyz.com)

3.6% CTR

Now if you look carefully at what happened here, you can figure it out. The good ads put a *benefit* first ("complex words – simple definitions") and the *feature* ("3 Page Guide – Free PDF Download") last.

People are more likely to read the second line and just skip the third. So you want to emphasize benefits in the second line, since folks will instinctively respond to personal benefits more so than to mere features.

This pair of ads provides the best illustration of features-versus-benefits that I've ever seen.

Now look at these three ads. Only *one* small detail separates them. Can you tell what it is?

|                                                                                                                                                                |                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Marketing Has Changed</u><br>Replace Brute Force Selling<br>With Marketing Intelligence<br><a href="http://www.PerryMarshall.com">www.PerryMarshall.com</a> | <u>Marketing Has Changed</u><br>Replace Brute Force Selling<br>With Marketing Intelligence<br><a href="http://www.perrymarshall.com">www.perrymarshall.com</a> |
| 2.3% CTR                                                                                                                                                       | 0.4% CTR                                                                                                                                                       |
| <u>Marketing Has Changed</u><br>Replace Brute Force Selling<br>With Marketing Intelligence<br><a href="http://www.Tannah.net">www.Tannah.net</a>               |                                                                                                                                                                |
|                                                                                                                                                                | 0.9% CTR                                                                                                                                                       |

Look again. That's right ... the only thing that changed was the *text* and *capitalization* of the URL.

The lesson here is this: Even the tiniest details can swing huge differences.

Most people don't have the patience to do this kind of experimentation, so they'll get lower CTRs and pay more for their clicks. But play the game of "high scores" and you'll win in the end.

*Important secondary lesson:* This is not at all unique to Google AdWords. *All* advertising copy is extremely sensitive to changes. Little things like capitalization and the choice of a single word make a huge difference anywhere – direct mail, websites, print advertisements and everywhere else.

But very few advertisers ever actually *test*. You can understand why, since it takes months to get results back from magazine ads. But with Google we can find out in days or even hours.

*Before* you spend lots of money in other advertising media, start small and perfect your messages and headlines on the web using AdWords and your website. It takes less time and costs less money, and will let you learn far more about how your customers think. Once you've got a system that works, expand into other forms of web advertising and other media entirely, and your odds of success will be far greater.

<http://www.PerryMarshall.com/mastermind>

## Your “Getting Started” Ad Content Checklist

\_\_\_\_\_ I've “entered the conversation going on inside my customer's head.” My headline and text tell him *exactly* what he's looking for.

\_\_\_\_\_ The text in my ad matches what my customer is searching on.

*If you're bidding on “self defense,” put the words “self defense” in your ad. Google will put those words in bold, which makes your ad stand out more.*

\_\_\_\_\_ I'm bidding on close matches on very specific phrases.

*Also bid on longer phrases like “how to change oil,” “how to change the oil in my car,” “how do I change the oil in my car,” or “how to change the oil in your car.” Then write an ad with the text, “How to Change the Oil in Your Car.” Exact phrases like these aren't typed in often, but when they are, the person is obviously looking for something extremely specific. By doing this you can get CTRs of 10-20%. Sometimes seldom-searched specific phrases like these will generate more total clicks than more popular general terms.*

\_\_\_\_\_ I'm playing “beat the control” by rotating at least two ads simultaneously in every one of my ad groups.

*After twenty or thirty clicks, delete the poorer of the two, then write another one and try to beat it. Direct mail people call this “beating the control” – the “control” is your best-performing ad to date. Play this constantly, and your position on the page – and your number of clicks – will continue to climb.*

\_\_\_\_\_ I've matched every relevant word in my ad to what my customer is typing in.

\_\_\_\_\_ I'm taking full advantage of the space Google gives me in each line.

\_\_\_\_\_ When I list benefits and features, I list the benefits first.

\_\_\_\_\_ I've got a good display URL that looks and sounds relevant to what my customers are looking for.

\_\_\_\_\_ I'm testing the use of capital letters in my headline, body text and URL to see if those will earn me a higher CTR.

\_\_\_\_\_ I've read my ads out loud to myself to see if they have good rhythm and flow.

\_\_\_\_\_ I'm playing to my hunches. I'm thinking of ad copy ideas when I'm taking a shower or playing with the kids, and I'm writing it all down so I don't forget!

\_\_\_\_\_ I'm keeping a close eye on what other advertisers are doing.

## How to Advertise in Local Markets

Bryan Todd & Perry Marshall

Did you know? A whopping 25% of all Internet searches are for local products and services. That's one in every four – people searching for buildings to rent, dry cleaners, plumbers, electricians, IT consultants, movies and every other imaginable thing.

You may have thought of the Internet as a solely international medium. But not so any more.

Google uses IP addresses and a few other tricks to identify the physical location of web surfers, and then they serve up regionally targeted ads. Here's a local search on the phrase "buy a house" in San Diego, California. Notice how you get a mix of both local and national listings:

The screenshot shows a Google search results page for the query "buy a house". The results are filtered by "Web" and show approximately 141,000,000 results found in 0.36 seconds. The results are a mix of national and local listings. National listings include "RealEstate.com New Houses", "Rancho Santa Fe, CA Homes", "Buy A House" (Quicken Loans), and "MSN House & Home - Buying a Home". Local, regionally targeted listings are highlighted with arrows and include "Find Your Dream Home" (RealtyTracker.com), "San Diego Mortgage" (crestfunding.com), "Buy a Home" (AgentMachine.com), "Buy A House" (eHouseHunting.com), and "Coldwell Banker®" (coldwellbanker.com). These local results specifically mention "San Diego, CA" or "California".

All of the regionally targeted listings here say "San Diego, CA" or "California," and they're mixed in with the national listings.

So does Google give any advantage or disadvantage to a local listing over a national one? Answer: No. The bidding rules, the rankings based on bid price and click-thru rate are exactly the same – they have no special preference for local advertisers.

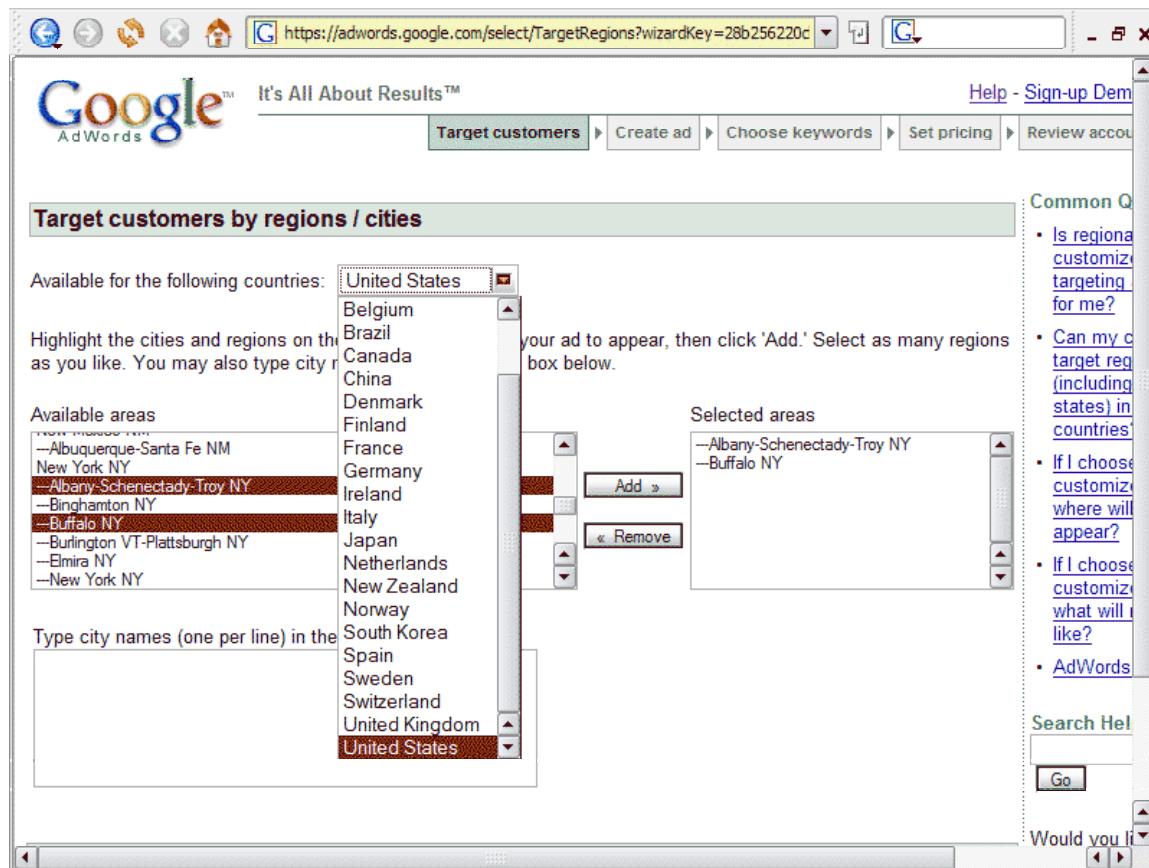
## The Most Important Thing You Need to Know About Doing Regional Targeting

You need *two* ad campaigns, not just one: One that's regionally targeted with general keywords, and another that's nationally targeted, with *all* local keywords. Google's system for showing local ads is not 100% accurate, so this helps you cover your bases.

When you're first setting up your campaign, select regional targeting like this:

The screenshot shows the 'Target customers by language' section of the AdWords Targeting Wizard. A dropdown menu lists languages: English, Chinese (simplified), Chinese (traditional), Danish, Dutch, Finnish, French, and German. The 'English' option is selected. Below this, the 'Target customers by location' section asks how large the area should be. Three radio button options are shown: 'Countries' (selected), 'Regions and cities' (not selected), and 'Customized' (not selected). A large black checkmark is drawn over the 'Regions and cities' option. At the bottom is a 'Continue >' button. The URL in the browser bar is https://adwords.google.com/select/TargetingWizard?wizardKey=28b25622f.

Then you can choose your country, followed by your state/province and even a city or group of cities. This particular ad campaign is targeted at the United States, and specifically at two metropolitan areas in New York State:



From this point forward, everything else we do in this campaign is the same as is described in the rest of the book, but our ads will only be seen in Albany and Buffalo, New York.

### You're Not Done Yet!

There's a second strategy you need to employ as well: A nationally targeted campaign, with keywords that specifically mention place names. So, for example, if you're selling used cars in Albany, you would open a separate *campaign* that's set for the entire U.S., but with specific keywords such as "Albany used cars" or "used cars in Albany."

If we were advertising for a computer consultant in the Chicago metro area, we would set up a nationwide campaign but with local terms like "Illinois computer consultant" and "Chicago computer consultant."

So we'd grab a map or a listing of cities from a website and create a keyword set like this:

Illinois computer consultant  
Chicago computer consultant  
Schaumburg computer consultant  
Villa Park computer consultant  
Palatine computer consultant  
Illinois IT consultant  
Chicago IT consultant  
Villa Park IT consultant  
Palatine IT Consultant

To really do this right you need to combine a large list of general keywords (the same ones you used on the regionally targeted campaign) with a large list of cities and towns. You can use a spreadsheet to mix and match them together.

You'll end up with a huge keyword list; 95% of them will never get searches, and the other 5% may only get a few. However, it doesn't cost anything to bid on these keywords if nobody clicks, and when people do click, they'll only be five or ten cents. Not much traffic, but what you do get will be bargain priced.

So our computer consultant's Google account will be set up like this:

**Campaign #1: Regional Targeting Only**

Group 1: computer consultant

Group 2: IT consultant

**Campaign #2: National Targeting – entire USA**

Group 1: Chicago computer consultant

Group 2: Chicago IT consultant

Now you have both bases covered, and you'll be getting as much traffic as possible for your local market. In most cases it won't be very much traffic, but it will usually not be very expensive.

**Targeting Your Market Geographically:  
One More Feature**

If you want to get even more specific than your country, state and city, you can tell Google that you want a precise address, or a set of latitudes and longitudes where you want your ads to show. That way only computer users in that particular area will see your ads.

To set up this feature, when you're determining your Campaign Settings, after you've selected your language, you can choose "Customized" from your list of location targeting options:

The screenshot shows a web browser window for the AdWords Targeting Wizard at the URL <https://adwords.google.com/select/TargetingWizard?wizardKey=28b25622>. The main content area is divided into two sections: 'Target customers by language' and 'Target customers by location'.  
**Target customers by language:**  
A dropdown menu titled 'English' lists supported languages: English, Chinese (simplified), Chinese (traditional), Danish, Dutch, Finnish, French, and German.  
**Target customers by location:**  
A question asks, 'How large is the area where you'd like your ad to appear? Choose one:'  
Three radio button options are listed:

- Countries - Your ads will appear for searches made anywhere in the countries you select.
- Regions and cities - Your ads will appear for searches made in the regions and cities you choose.  
(Not available in all countries.)
- Customized - Your ads will appear for searches made within a specific distance from your business or other location you choose.

A large black arrow points from the text '(Not available in all countries.)' down towards the 'Customized' radio button.

At the bottom left is a 'Continue >' button. At the bottom right is a link to '©2005 Google - [AdWords Home](#) - [Editorial Guidelines](#) - [Privacy Policy](#) - [Contact Us](#)'.

The right sidebar contains a vertical list of links:

- What is regional location targeting? Customized location targeting?
- Is regional or customized location targeting appropriate for me?
- [AdWords Glossary](#)

Below the links is a 'Search Help' input field with a 'Go' button. At the bottom of the sidebar is a note: 'Would you like Google to do this for you instead? [Let our experts help.](#)'.

That will then take you to the next page where you can choose how you want to describe your geographic area:

It's All About Results™

Target customers Create ad Choose keywords Set pricing Review account Sign

**Target customers by your business location or other location you choose**

Target customers in a circular area around your location.

1. Define a location:

Use a physical address.  
 Use latitude and longitude coordinates.

Address: 7800 Beverly Blvd  
 City: Los Angeles  
 State or province: CA  
 Postal/zip code: 90036  
 Country: United States



Advanced option  
 Skip to our [multi-point option](#), where you'll enter a list of coordinates to define a non-circular area.

2. Define the distance:  
 Show my ads to searchers located within  
 15 miles of my location.  
 (Note: A larger area typically yields more impressions and leads. We recommend a minimum of 20 miles or 35 kilometers.)

Common Questions

- [How does customized targeting work?](#)
- [How do I find my latitude and longitude coordinates?](#)
- [AdWords Glossary](#)

Search Help

Go

Would you like Google do this for you instead?  
[Let our experts help.](#)

« Back Continue »

You can use your business's address or latitude and longitude, and target all searches within a radius that you can select. Google even gives you the advanced option of choosing your own customized set of coordinates that you want to target.

This is a very helpful way of being sure you're operating in a very targeted marketplace, and saving on your click costs.

# Part Two: Managing the Basics

## Campaigns, Ad Groups & Keywords: How to Break Them All Down

Bryan Todd & Perry Marshall

In a perfect Google AdWords world, you'd have a separate ad perfectly matched for every individual keyword. But in the real world, that's just plain impractical.

So what do you do? Do you create one ad group, put every last keyword you have in it and throw it all up against the wall and hope something sticks?

No, you don't need to do that. In the chapter on managing a real-life campaign I recommended to you an effective way to "drip" your keywords separately by small handfuls into your AdWords account, starting off with the most productive keywords first and getting them to sell, then adding in the rest. I've showed you how important it is from the start that your keywords show up in the copy of your ad, especially the headline.

### Campaigns vs. Ad Groups

Let's refresh our memory again on the difference between "campaigns" and "ad groups." Ad groups are the smallest individual units that contain your keywords and your ads together. Multiple ad groups, then, can be contained together in a single campaign. A campaign is just a handy way to organize ad groups, usually according to broad topic.

And of course, in a single Google account you can have any number of campaigns, and some individual campaigns may actually deal with a completely different topic, selling completely different services and sending traffic to a completely different website.

How you separate out your *campaigns* is simply a matter of preference. How you separate *ad groups*, however, most definitely *is* an issue. Within each individual ad group your keywords need to match the ad closely, otherwise your CTR will suffer.

### An Example of How to Organize Your Campaigns & Ad Groups

|             | <i>Campaign #1:<br/>Self Defense</i> | <i>Campaign:<br/>#2: Martial<br/>Arts</i> | <i>Campaign #3:<br/>Fighting</i> | <i>Campaign #4:<br/>Security &amp; Safety</i> | <i>Campaign #5:<br/>Protection</i> |
|-------------|--------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------------|------------------------------------|
| Ad Group #1 | Women's Self Defense                 | Karate                                    | Wrestling                        | Personal Safety                               | Self Protection                    |
| Ad Group #2 | Defense Class                        | Tae Kwon Do                               | Grappling                        | Women's Safety                                | Women's Protection                 |
| Ad Group #3 | Defense Video                        | Aikido                                    | Hand to Hand Combat              | Personal Security                             | Child Protection                   |
| Ad Group #4 | Defense Tactic                       | Hapkido                                   | Weapons Combat                   | Children's Security                           | Assault protection                 |

Being well organized makes it *so much easier* to manage campaigns and match your keywords well to ads within each ad group.

### **What is “Peel & Stick”?**

Take my advice and plan up front to drip keywords carefully into your new account at first, starting with the most-searched terms, matching each major one closely to its own ad, and creating as many different ad groups as you need for this to work.

And surprise! Sometimes after you turn on your traffic you’ll discover that there are keywords in some of your ad groups that get a lot more traffic than you were expecting. *And* their CTRs, you’re convinced, could be a lot higher.

*Delete any keyword you find like that and stick it into a new ad group with a clever ad that matches it perfectly.*

That’s “Peel & Stick.” As simple as that. Doing this can do wonders for your CTRs. Here’s proof:

### **A Real-Life Example of Peel & Stick**

When we set up this provocative campaign dealing with religious topics, we deliberately stuck a lot of keywords into one ad group, even though we knew that these *should* be broken up.

Here’s how the campaign developed after the first couple of weeks; I’ve arrowed the ones that need to be “peeled”:

| <a href="#">Religion Run Amok</a><br><a href="#">7 Great Lies Of Organized Religion</a><br><a href="#">A Hard Look at Past &amp; Present</a><br><a href="#">CoffeehouseTheology.com</a> |                                | <a href="#">+ Create New Text Ad</a>   <a href="#">Image Ad</a><br>1 of 21 Ads: <a href="#">View all below</a> |        |   |           |      |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------|--------|---|-----------|------|--|
| <a href="#">Delete</a>                                                                                                                                                                  | <a href="#">Edit CPCs/URLs</a> |                                                                                                                |        |   |           |      |  |
| <input type="checkbox"/> Keyword                                                                                                                                                        | Status [?]                     | Max CPC Bid                                                                                                    | Clicks | ▼ | Impr.     | CTR  |  |
| Search Total                                                                                                                                                                            |                                |                                                                                                                | 5,106  |   | 605,222   | 0.8% |  |
| Content Total [?] — image ads                                                                                                                                                           |                                |                                                                                                                | 0      |   | 0         |      |  |
| Content Total [?] — text ads                                                                                                                                                            |                                |                                                                                                                | 1,843  |   | 1,270,376 | 0.1% |  |
| <input type="checkbox"/> what is religion                                                                                                                                               |                                |                                                                                                                | 501    |   | 19,380    | 2.5% |  |
| <input type="checkbox"/> world religion                                                                                                                                                 |                                |                                                                                                                | 153    |   | 15,126    | 1.0% |  |
| <input type="checkbox"/> [history of religion]                                                                                                                                          |                                |                                                                                                                | 123    |   | 5,424     | 2.2% |  |
| <input type="checkbox"/> jewish religion                                                                                                                                                |                                |                                                                                                                | 107    |   | 2,017     | 5.3% |  |
| <input type="checkbox"/> [freedom from religion]                                                                                                                                        |                                |                                                                                                                | 91     |   | 2,700     | 3.3% |  |
| <input type="checkbox"/> [anti religion]                                                                                                                                                |                                |                                                                                                                | 86     |   | 2,713     | 3.1% |  |
| <input type="checkbox"/> [what is religion]                                                                                                                                             |                                |                                                                                                                | 79     |   | 6,291     | 1.2% |  |
| <input type="checkbox"/> christian religion                                                                                                                                             |                                |                                                                                                                | 77     |   | 7,787     | 0.9% |  |
| <input type="checkbox"/> "catholic religion"                                                                                                                                            |                                |                                                                                                                | 69     |   | 7,759     | 0.8% |  |
| <input type="checkbox"/> world religions                                                                                                                                                |                                |                                                                                                                | 67     |   | 4,778     | 1.4% |  |
| <input type="checkbox"/> "organized religion"                                                                                                                                           |                                |                                                                                                                | 65     |   | 2,316     | 2.8% |  |
| <input type="checkbox"/> [world religion]                                                                                                                                               |                                |                                                                                                                | 62     |   | 6,515     | 0.0% |  |

Now mind you, the CTRs on most of these aren't bad at all. But couldn't we do better? Of course we could.

So here's what I did with the three phrases. My first strategy is to match the copy in the ad to the keyword phrase:

| <a href="#">Dark History of Religion</a><br>7 Great Lies Of Organized Religion<br>A Hard Look at Past & Present<br><a href="http://CoffeehouseTheology.com">CoffeehouseTheology.com</a> | <a href="#">+ Create New</a> <a href="#">Text Ad</a>   <a href="#">Image Ad</a><br>7,878 Clicks   0.3% CTR   <a href="#">[more info]</a><br>Served - 100.0% <a href="#">[more info]</a><br><a href="#">Edit</a> - <a href="#">Delete</a> |                             |                          |                       |                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------|-----------------------|---------------------|
| <a href="#">Delete</a> <a href="#">Edit CPCs/URLs</a>                                                                                                                                   |                                                                                                                                                                                                                                          |                             |                          |                       |                     |
| <input type="checkbox"/> <a href="#">Keyword</a>                                                                                                                                        | <a href="#">Status [?]</a>                                                                                                                                                                                                               | <a href="#">Max CPC Bid</a> | <a href="#">Clicks ▾</a> | <a href="#">Impr.</a> | <a href="#">CTR</a> |
| <b>Search Total</b>                                                                                                                                                                     |                                                                                                                                                                                                                                          |                             | <b>271</b>               | 10,484                | 2.5%                |
| <b>Content Total [?]</b>                                                                                                                                                                |                                                                                                                                                                                                                                          |                             | <b>7,607</b>             | 2,295,102             | 0.3%                |
| <input type="checkbox"/> history of religion                                                                                                                                            | Active                                                                                                                                                                                                                                   |                             | <b>150</b>               | 6,431                 | 2.3%                |
| <input type="checkbox"/> [history of religion]                                                                                                                                          | Active                                                                                                                                                                                                                                   |                             | <b>100</b>               | 3,314                 | 3.0%                |

And sure enough, the CTR on [history of religion] jumped from 2.2% up to 3.0%. That's an improvement of 36%, and it took so little work!

Notice also that when a person searches for "history of religion" on Google and the ad has that exact text in it, it will be boldfaced, making it even more noticeable:

Thank you, Google!

Another keyword we did peel & stick with was the term "organized religion." That also deserved an ad group of its own, and it resulted in yet another improvement in our CTR:

| <p><a href="#">Organized Religion - 2005</a><br/>     7 Great Lies Of Organized Religion<br/>     A Hard Look at Past &amp; Present<br/> <a href="#">CoffeehouseTheology.com</a></p> <p><a href="#">Delete</a> <a href="#">Edit CPCs/URLs</a></p> | <p><a href="#">+ Create New Text Ad</a>   <a href="#">Image Ad</a></p> <p>1 of 2 Ads: <a href="#">View all below</a></p>  |             |        |       |      |   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------|-------|------|---|
| <p><a href="#">Delete</a> <a href="#">Edit CPCs/URLs</a></p>                                                                                                                                                                                      |                                                                                                                                                                                                              |             |        |       |      |   |
| <input type="checkbox"/> Keyword                                                                                                                                                                                                                  | Status <a href="#">[?]</a>                                                                                                                                                                                   | Max CPC Bid | Clicks | Impr. | CTR  | A |
| <input type="checkbox"/> Search Total                                                                                                                                                                                                             |                                                                                                                                                                                                              |             | 189    | 3,753 | 5.0% |   |
| <input type="checkbox"/> Content Total <a href="#">[?]</a>                                                                                                                                                                                        |                                                                                                                                                                                                              |             | 0      | 2,094 | 0.0% |   |
| <input type="checkbox"/> "organized religion"                                                                                                                                                                                                     | Active                                                                                                                                                                                                       |             | 145    | 2,885 | 5.0% |   |
| <input type="checkbox"/> [organized religion]                                                                                                                                                                                                     | Active                                                                                                                                                                                                       |             | 29     | 542   | 5.3% |   |
| <input type="checkbox"/> organized religion                                                                                                                                                                                                       | Active                                                                                                                                                                                                       |             | 15     | 326   | 4.6% |   |

That improved the clickthrough rate by 79%. Impressive!

Of course, you'll notice that the keyword shows up not once but *twice* in the ad copy. That didn't hurt a bit.

### Irrelevant Keywords

Sometimes in your keyword collecting you'll inadvertently be bidding on terms in your keyword list that don't belong at all. For example:

|                                                            |  |   |
|------------------------------------------------------------|--|---|
| <input type="checkbox"/> [religion during the renaissance] |  | 0 |
| <input type="checkbox"/> [ancient greece religion]         |  | 0 |
| <input type="checkbox"/> "hindu religion"                  |  | 0 |
| <input type="checkbox"/> "ancient egypt religion"          |  | 0 |
| <input type="checkbox"/> "losing my religion lyrics"       |  | 0 |
| <input type="checkbox"/> [asian religions]                 |  | 0 |
| <input type="checkbox"/> [mesopotamia religion]            |  | 0 |
| <input type="checkbox"/> [ancient chinese religion]        |  | 0 |

Most of the keywords here, in fact, are irrelevant to what we were going after. They got zero clicks. Of course, the "losing my religion lyrics" search term takes the cake. We'll delete that keyword and then stick in the term "lyrics" as a negative keyword, and we'll get a higher CTR.

### The Math of Negative Keywords: Only Good News

Remember that if you include negative keywords in your lists, you'll pull down the number of impressions that your ads get because they'll show for fewer searches.

Which means that your CTR will go up automatically. But notice the math of this: If you could pull down your number of impressions by 20%, your CTR would improve not by 20%, but by 25%. Likewise,

- if you cut unwanted impressions by 30%, your CTR will increase by 42%
- if you cut unwanted impressions by 40%, your CTR will improve by 67%
- if you cut unwanted impressions by 50%, your CTR will double.

That's the math of it. Negative keywords won't affect the CTR of exact-matched keywords, but they will help your CTR on phrase- and broad-matched terms. If you manage them right there's no way they *can't* help.

### Matching Keywords to Ads: More Examples

Here are some ads that some of our associates ran for their businesses, with a sample of a few of the actual keywords they used. They're a great start, but they ain't perfect. They can definitely be improved even more:

#### How to Sell Anything

Skills Your Competitors Don't Have  
Powerful Secrets You Won't Believe  
[www.XYZ.com](http://www.XYZ.com)

how to sell  
[how to sell]  
"how to sell"  
-marijuana  
-devil  
-soul

*These negative keywords are kind of funny. You definitely don't want those searches!*

#### Dentures to Be Proud Of

Free In-Office Consultation & More  
For a Smile that Wins New Friends  
[www.XYZ.com](http://www.XYZ.com)

dentures  
affordable dentures  
denture repair  
same day dentures  
permanent dentures  
partial denture

*How many clicks is "denture repair" or "partial denture" getting? If there are a lot, each of them needs peel & stick.*

More on the next page ...

[Power Supplies to Order](#)

Custom Design Requests Welcomed  
Any OEM Application, ISO 9002  
[www.XYZ.com](http://www.XYZ.com)

power supply  
power supplies  
12 volt power supply  
5v power supply  
class 2 power supply  
ac power supply

*Try a separate ad group just for  
“AC power supply.”*

[A/C Transformers Qty 250+](#)

For OEM Applications, ISO 9002  
Custom 1-Day Quote, Fast Delivery  
[www.XYZ.com](http://www.XYZ.com)

transformers  
power transformer  
transformer accessories  
power supply transformers  
power transformer tube  
-robots in disguise

*Admittedly, the length of some of  
these search terms might make  
peel & stick a bit challenging,  
especially if you’re trying to fit  
the keyword in the headline and  
be descriptive at the same time.*

[Toothache Relief, Finally!](#)

Your Local Pain-Free Dentist  
Improves Your Health & Much More  
[www.XYZ.com](http://www.XYZ.com)

toothache  
toothaches  
toothache remedies  
toothache cure  
toothache relief  
toothache pain

*If “toothache remedies” gets  
enough searches to make a  
difference, do peel & stick with it.*

[Day Trading Course](#)

Develop Your Personal Schedule  
Maximize Your Trading Potential  
[www.XYZ.com](http://www.XYZ.com)

trading course  
[trading course]  
trading training  
[trading training]  
"trading books"  
commodities course  
futures course

*If “trading training” is getting  
enough clicks already, pull it out  
and put it with a new ad.  
“Commodities course” and  
“futures course” belong in their  
own separate ad groups, no  
question.*

## Syndication Subtleties

Google has an careful policy concerning syndicated ads: they have to be approved by Google’s editorial staff before they appear on syndicated sites, whereas pure Google-only ads go up right away. This is true both for search network ads (EarthLink, AskJeeves) and content network ads, a.k.a. AdSense.

The implication is that if you’re constantly changing your ads to improve the copy, your ads might disappear from AOL for a couple of days.

The solution: Always change only one ad at a time and leave the “control” up and running. And change ads no more than once every two days.

### **Beginner’s Luck**

Never forget this: people usually search more than once.

All things being equal, I usually find that campaigns have a better CTR when they’re brand new than after they’ve run a few hours or a few days. I simply call this beginner’s luck, and it’s not to be confused with the AdWords learning curve. It’s the fact that a new ad being seen for the first time gets more clicks.

Think about it: When you’re searching for something, and not finding what you’re looking for right away, what do you do?

You go back later – maybe a few hours, or a few days later – and search again ... sometimes multiple times. I frequently search three or four times for things, and in some rare cases ten to twenty times and more.

What that means is that when you get a 1% CTR, in some situations you may really be getting 5-10% of the people who are actually searching. When you get a 10% CTR, you really may be getting 50% of the people who are searching!

<http://www.PerryMarshall.com/mastermind>

## “Keyword Status”: How Google Rewards You for Relevance

*Bryan Todd*

Google has a fairly uncomplicated system for telling you the condition of your keywords. Simply put, your keywords are either showing, or they aren’t.

This is because you’ve got two “status” levels: Active, or Inactive. When you first open up your Google account and set your bids, you may be puzzled to find that some of your keywords have already been put on “inactive” status, and (according to Google, though there are frequently exceptions) won’t trigger ads to show.

Up until August 2005 there was a minimum bid of \$0.05 for every keyword in every category. Nowadays, in many cases, minimum bids start at three to five cents, while in some markets the bids start as high as fifty cents, a dollar, \$5.00 and much more.

If you won’t pay Google’s minimum required bid for a particular keyword, Google will simply put your keyword on “inactive” status and won’t show your ad when folks search on that term. But as long as you agree to bid the required minimum amount or higher for a keyword, that keyword *will* trigger ads.

There also used to be a minimum required clickthrough rate of 0.5%. Not so anymore. You can be getting an extremely low clickthrough rate on a host of keywords, and Google won’t do anything to them as long as you’re paying the minimum required bid.

Now you may consider yourself lucky to have keywords that are getting CTRs as low as 0.1% and which never get slowed or disabled. (We’ve seen CTRs in some campaigns as low as 0.07%!) Ah, but this is actually a double-edged sword. If you’re getting an electrifyingly high CTR of 25% or even better, that won’t do a thing for you if Google is requiring a minimum bid of \$1.50 and you can only be profitable paying \$0.75 or less. If you don’t bid the \$1.50, your keyword won’t trigger ads to show, even *despite* your through-the-roof clickthrough rate.

In other words, unlike the old days, (1) your keywords can’t be automatically disabled just for falling below 0.5%; and (2) your keywords aren’t automatically safe anymore if they’re well above 0.5%.

### **What Can I Do With Inactive Keywords?**

If Google deactivates your keywords and demands higher bids for them, then you have at least two options, not just one: (1) Bid what Google asks, (2) tweak the copy of your Google ad to convince Google’s computers that the ad is relevant.

If you’re going to choose the first option, then you had better be sure that it’s truly necessary, and that you can afford it. If you’re going to choose the second option – and

we *strongly* recommend that you do – then the trick that usually works best is quite simply this:

*Take the keyword and stick it into the headline of your ad.*

It's that simple.

If you can't do that without screwing up the ad and making it a mismatch for all the other keywords, then do Peel & Stick – take that keyword out of your list and put it into a new ad group by itself with an ad that uses it in the headline. That will convince Google's computers that you're writing relevant ads, and you are likely (though never guaranteed) to be allowed to bid a somewhat lower price.

Besides, you're almost assured a higher CTR by doing this with your keywords.

It is an unfortunate fact that you're not really being judged on relevance here, you're being judged on *perceived* relevance. Google's system won't offer you a lower minimum bid price because you've got any kind of high CTR; the system will only do so if it sees that you're using your keyword in the ad. So when all is said and done, the test is not in whether you're *actually* relevant to consumers; the test is only in what Google's computers *think* looks relevant.

Nevertheless, it's a very sensible way to set up an ad group. Here's an example of how this looks when done right:

The screenshot shows the Google AdWords interface. At the top, there are tabs for 'Tools', 'Edit Keywords', and 'Add Keywords'. Below the tabs, a search bar contains the query 'Want to Learn Mandarin?'. To the right of the search bar, there are buttons for '+ Create', '8 Clicks', 'Served', and 'Edit - D'. A large blue box highlights the headline 'Want to Learn Mandarin?' and the ad text '5 Key Principles You Must Know To Master Mandarin Chinese Faster' followed by the URL 'MasterChineseFaster.com'. Below this, there are 'Delete' and 'Edit CPCs/URLs' buttons. A table follows, with the first row showing a checkbox next to 'Keyword' and a 'Status' column. The table has three sections: 'Search Total', 'Content Total [?]', and a list of keywords. The list includes 'mandarin', '[learn mandarin]', '[mandarin chinese]', and 'mandarin language'. Each keyword entry has a checkbox, a status column ('Active'), and a 'Status' column.

| Keyword            | Status |
|--------------------|--------|
| mandarin           | Active |
| [learn mandarin]   | Active |
| [mandarin chinese] | Active |
| mandarin language  | Active |

And here's an example of what it looks like when you do it wrong:

| <p><a href="#">Chinese Language Learning</a><br/> <b>5 Beginning Principles in 5 Days</b><br/> <b>And a Long-Term Strategy that Works</b><br/> <a href="#">MasterChineseFaster.com</a></p> <p><a href="#">Delete</a> <a href="#">Edit CPCs/URLs</a></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; padding: 2px;"><input type="checkbox"/> <a href="#">Keyword</a></th><th style="text-align: right; padding: 2px;"><a href="#">Status</a> <small>▲ [?]</small></th></tr> </thead> <tbody> <tr> <td style="padding: 2px;"><b>Search Total</b></td><td style="text-align: right; padding: 2px;">Inactive</td></tr> <tr> <td style="padding: 2px;"><b>Content Total</b> <small>[?]</small></td><td style="text-align: right; padding: 2px;"><a href="#">Increase quality or bid \$0</a><br/><a href="#">activate</a></td></tr> <tr> <td style="padding: 2px;"><input type="checkbox"/> mandarin</td><td style="text-align: right; padding: 2px;"></td></tr> </tbody> </table> | <input type="checkbox"/> <a href="#">Keyword</a>                        | <a href="#">Status</a> <small>▲ [?]</small> | <b>Search Total</b> | Inactive | <b>Content Total</b> <small>[?]</small> | <a href="#">Increase quality or bid \$0</a><br><a href="#">activate</a> | <input type="checkbox"/> mandarin |  | <p><a href="#">+ Create New Tex</a></p> <p>1 of 2 Ads: <a href="#">View a</a></p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------|---------------------|----------|-----------------------------------------|-------------------------------------------------------------------------|-----------------------------------|--|-----------------------------------------------------------------------------------|
| <input type="checkbox"/> <a href="#">Keyword</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <a href="#">Status</a> <small>▲ [?]</small>                             |                                             |                     |          |                                         |                                                                         |                                   |  |                                                                                   |
| <b>Search Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Inactive                                                                |                                             |                     |          |                                         |                                                                         |                                   |  |                                                                                   |
| <b>Content Total</b> <small>[?]</small>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <a href="#">Increase quality or bid \$0</a><br><a href="#">activate</a> |                                             |                     |          |                                         |                                                                         |                                   |  |                                                                                   |
| <input type="checkbox"/> mandarin                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                         |                                             |                     |          |                                         |                                                                         |                                   |  |                                                                                   |

If you have keywords in your list that don't show up in the ad – just like “mandarin” in the above example, Google may well penalize you by putting your keywords into Inactive status.

### What Our Own Tests Have Shown

We did some testing, and here are some fascinating numbers we were able to dig up concerning Google's minimum required bid:

- ☞ If Google sets a minimum bid at \$0.10, there's a 10-20% chance you'll be able to reduce that to \$0.05 just by putting your keyword in the headline of your ad
- ☞ If Google's minimum is \$0.20, there's a 50% chance that you can put the keyword into the headline of your ad and get the bid down to \$0.10
- ☞ If Google requires \$0.30 or more, peel-&-stick as described above will knock at least 30% off the required minimum bid
- ☞ If Google requires \$1.00 or more, peel-&-stick will typically knock 50-60% off the minimum required bid

### Google's Secret “Quality Score” Formula

How are Google's computers going to decide how much your minimum bid price is in the first place? It's through a formula that they call “Quality Score.” Here's what they tell you about it:

Quality Score is determined by your keyword's clickthrough rate (CTR), relevance of your ad text, historical keyword performance, and other relevancy factors.

So Google quotes four essential factors in their decision. Now the *clickthrough rate*, as far as we've been able to detect, actually makes little to no difference at all in Google's decision-making process. By *relevance of your ad text* they mean whether their computers find your keywords in the text of your ad or not – which we call “keyword-to-adtext match.” The *historical keyword performance* refers to how that particular keyword

has tended to perform in all Google campaigns everywhere over time – in other words, whether it tends usually to get good clickthrough rates or bad, whether it gets a high number of searches, whether it's bid on by a large number of people, and how long on average folks have been able to make it “stick.”

The *other relevancy factors* are the rest of the secret formula that Google just plain isn't going to share with you.

If we are to rank these four factors in terms of which ones make the biggest difference, it breaks down like this:

1. Historical keyword performance across Google
2. Keyword-to-adtext match
3. Other relevancy factors
4. Your CTR

So since you can't change how a keyword has always performed throughout Google's history, since your CTR makes precious little actual difference if any, and since they're not going to tell you what those “other relevancy factors” are, you're left to tweak the text of your ad to include your keyword. But that pretty much by itself will earn you the ability to pay a lower minimum bid for a keyword.

### **Why Shouldn't I Just Agree to Bid More and Be Done With It?**

Your profit margins may be so fat that it makes no difference to you whether you're required to bid \$0.05 versus \$0.10, or one dollar versus five dollars. If that's the case, then skip the rest of this and read on to the next chapter. More power to you.

But if you're *not* running on mile-wide profit margins, and if a sizeable portion of your traffic depends on getting as low a bid price as possible, then you're going to need to play extremely smart to stay alive.

You see, Google for the longest time used to penalize uneducated or incompetent advertisers by disabling their keywords and not letting them show ads anymore. Markets all across the spectrum became more and more competitive, and the players who couldn't or wouldn't write solid, relevant ads and set up their keywords and ad groups in competent fashion bombed out and got disabled.

And as the rains descended and the floods came, the incompetent advertisers would bang on the outside door of the Google ark begging to be allowed to pay more, to do anything at all just to get back in the game.

Well, Google now has Wall Street to please, and with enough advertisers demanding to pay more, the decision makers in Mountain View finally got wise and said yes. Which now means that you're free to run perfectly irrelevant, utterly ineffective,

poorly-constructed ads and ad groups through Google. They'll just charge you more to do it.

### **Advice from Big Dave, the Homeless Guy**

I used to live in a not-so-terrific neighborhood in Los Angeles, and one day found myself at a friend's place having dinner with a homeless guy named Dave. Dave was a big fellow who had gone to high school in nearby Granada Hills and played center on the school football team in front of John Elway.

Elway went on to win two Superbowl rings. Dave on the other hand, through a series of tragic events, lost his wife, was cut off from his children, injured himself and was unable to work, and eventually ended up living homeless on the streets of the San Fernando Valley.

I asked Dave for an insider's scoop on how he thought we ought to respond to homeless people asking for money. Conventional wisdom tells you that if you come across a needy person then you give food or clothes but you *never* give money, since they might use it to buy alcohol, or drugs, or worse.

"If you're convinced the person is going to buy alcohol or drugs, then by all means, *give them the money*," was Dave's answer. "Let them cycle down all the faster. That just means one less homeless drug addict for the City of L.A. to worry about."

Mind you, we are *not* advocating this as a means to deal with urban homelessness! This was just Dave's opinion based on his limited experience.

But Google understands this principle: The fool and his money soon go their separate ways and if, by acting in their own self-interest by responding to customers who want to make up for ineptness simply by paying more money, Google forces insensible advertisers to spend themselves into oblivion faster, that then opens up the market even sooner for advertisers with *good marketing education* and *good common sense* to step in and take the place of the casualties.

### **How Google Rewards You for Relevance**

We mentioned above that your CTR does almost nothing to win you a lower minimum required bid. But when it comes to *ad rank*, the placement of your ad on the search results page next to your competitors, the opposite is true. And this is a very good thing.

Roughly speaking, the first position is given to the highest bidder. But Google has long maintained an ingenious little twist. Here's a simplified version of it:

$$\text{Your Relative Position} = (\text{Your Bid Price}) \times (\text{Your Clickthrough Rate})$$

The fuller version is essentially your bid price multiplied by your Quality Score. However, in this case your CTR swings the biggest difference apart from the price you bid.

(Which CTR, exactly? *The CTR of your individual keywords as they perform on Google alone*. Not the total CTR of your ad groups, or the CTR of any of your ads; and not the CTR of your ads as they're performing on Google's search partner sites or AdSense.)

If you have a high clickthrough rate then you don't have to bid as much for the position. Google rewards you for relevance.

Example: I bid \$1.00 and my ad gets a CTR of 1%. Your ad gets a CTR of 2%. You can get the same position as me by bidding \$0.50. If you bid \$0.51 then you'll get the position above me.

Also: If you're bidding \$1.00 and I'm bidding \$1.00 – but you have twice the CTR as me – then I'll pay \$1.00 per click but you'll only pay \$0.51 – *even though you bid \$1.00*. Google only charges you one cent more than the position below you.

And in theory, if your competitor is getting 0.6% and you're getting 6%, he should have to pay *ten times* as much as you ... in theory.

## More Useful How-To's

### *How to Reactivate Old Disabled Keywords*

Under the old system (prior to August 2005) if your keyword's CTR fell below the official 0.5% minimum for any period of time, Google would "disable" your keyword, and there would no longer be any way to get it to trigger ads. Thankfully now, that has changed.

| ad or persuasion         | status                                                                 | bid    |
|--------------------------|------------------------------------------------------------------------|--------|
| "persuasion"             | Active                                                                 | \$0.15 |
| persuasion theory        | Active                                                                 | \$0.15 |
| [persuasion speech]      | Inactive<br><a href="#">Increase quality or bid \$0.30 to activate</a> | \$0.15 |
| "nlp persuasion"         | Disabled                                                               | \$0.15 |
| "persuasion engineering" | Disabled                                                               | \$0.15 |
| "persuasion psychology"  | Disabled                                                               | \$0.15 |
| "persuasion sneech"      | Disabled                                                               | \$0.15 |

To reactivate any disabled keywords in your list that you lost prior to the August 2005 changeover, simply delete the keyword and re-enter it into your list. In some cases Google may require you to bid a higher price for it before it gets fully activated.

## *How to See the Minimum Bids for All Your Keywords*

To find out the lowest bid prices that Google will accept for each of the keywords in your ad group, click on ‘Edit Keywords’ and then ‘Estimate Traffic.’

## *How to Set All of Your Keywords Automatically to the Minimum CPC*

- (1) Use the “Find and Edit Max CPC” tool under the “Tools” section. One of the options is “Increase each keyword’s Max CPC to the recommended minimum bid”
- (2) Go to the Ad Group view, select all of your keywords, click the “Edit CPCs/URLs” button, and then from the drop-down list that says “Prefill all keywords ...” select the last option.

The screenshot shows the Google AdWords interface. At the top, there are three tabs: 'Campaign Management', 'Reports', and 'My Account'. Below these is a secondary navigation bar with links to 'Campaign Summary', 'Tools', and 'Conversion Tracking'. The main content area is titled 'Edit CPCs/URLs' and contains instructions: 'Enter optional Max CPCs and/or Destination URLs for any keyword. Use the costs more closely. If you wish to paste in an entire list of keywords, URLs page.' Below this, there is a 'Default Ad Group CPC: \$ 0.20' input field and a note: 'Leave fields blank to use default Ad'. A dropdown menu is open, showing several options: 'Prefill all keywords...', 'Prefill all keywords...', 'Clear all Max CPCs', 'Clear all destination URLs', and 'Increase all CPCs to minimum'. The 'Increase all CPCs to minimum' option is highlighted with a red border. To the right of the dropdown, there is a table with columns for 'Status', 'Max CPC Bid', and 'Destination U'. Two rows of data are visible: one row with 'Active' status, '\$' placeholder, and a dropdown menu; another row with 'Active' status, '\$' placeholder, and an empty box.

## **Let's Sum This All Up**

- Your keywords now have two status levels, Active and Inactive.
- There's no longer a universal minimum bid of \$0.05.
- There's no longer a minimum required CTR.
- To get keywords activated, bid the minimum amount required.
- To get Google to lower the minimum amount that they require, put your keyword into the text of your ad, preferably the headline, or do Peel & Stick.
- To reactivate an old disabled keyword, delete it and re-enter it into your list.
- Your Relative Position = (Your Bid Price) x (Your Clickthrough Rate)
- Don't pay more if you don't have to!

**Andrew Goodman's  
“Goldilocks” Theory of Good Ad Copy**  
*Perry Marshall & Bryan Todd*

The worst thing you can ever do with AdWords is bore people.

The second worst thing you could do is to overwhelm them with explosive, hyperbolic, shocking language.

In writing ad copy for many different kinds of products and companies, I have consistently found that Google searchers do not respond well to excessive hype in ads. Nor do they respond to messages that are too plain. What works is something in the middle – intriguing, yet not pushy.

Andrew Goodman, the well-known Google AdWords specialist, has a great way of describing this. He calls it the “Goldilocks” principle. Not too hot; not too cold; you want the temperature to be *just right*.

Here's an example from one of my campaigns; the first one worked just fine, but the second one is too far “over the top.”

D.I.Y. Sales Leads  
Don't hire telemarketers  
Make prospects chase you instead  
[www.perrymarshall.com](http://www.perrymarshall.com)

42 Clicks | 1.0% CTR

Escape Voicemail Jail  
Get Customers to Chase You Instead  
with Savvy Guerilla Marketing  
[www.perrymarshall.com](http://www.perrymarshall.com)

20 Clicks | 0.3% CTR  
**Deleted**

### A Different Kind of “Over the Top”

Here's an ad that was very bold, *and* performed well at first ...

Prospecting Sucks  
Make B2B clients call you first  
with smart guerilla marketing  
[www.perrymarshall.com](http://www.perrymarshall.com)

1.1% CTR  
**Disapproved**

... until Google's editor *disapproved* it. They don't let you use inflammatory words like "Sucks" or "Hate." They did let me get away with the word "stinks," however:

[Prospecting Stinks](#)  
Telemarketing Annoys People  
Guerrilla Marketing is King  
[www.PerryMarshall.com](http://www.PerryMarshall.com)

1.3% CTR

### **Be Specific – Be Very Specific**

The all-time winningest formula for good ad copy is to be specific. Unapologetically, factually, provably specific. This is also the number one secret behind the success of the world's greatest copywriters – big hitters like Gary Bencivenga, Dan Kennedy and John Carlton.

In many markets on Google this will mean using numbers, dollar amounts and exact time frames, as well as specific mention of free items and a good disclaimer:

[6 Figure Income From Home](#)  
Generate \$250K-\$500K First Year  
In Business. Free info. Not mlm.  
[www.OutcomeFinancialFreedom.com](http://www.OutcomeFinancialFreedom.com)

This can be especially crucial if you're working in a market that people might associate with shady business or too-good-to-be-true promises.

Being clear and unambiguous removes the need for you to invent strong language and risk disapproved ads. It can also put an end to angry customers who think you've just played bait-and-switch with them.

## Expanded Phrase Matching & the Power of Negative Keywords

Bryan Todd & Perry Marshall

As you're sludging through the sometimes-tedious job of trying to come up with an exhaustive list of keywords, you may overlook a singular here or a plural there, and may forget a synonym or two that's closely related to one of your niche phrases.

Google has already foreseen this problem, and provides an extra feature, expanded phrase matching, which adds singulars and plurals, similar phrases and relevant synonyms to your keyword list for you.

Google provides this example:

If you're currently running ads on the keyword **web hosting**, expanded matching may identify the keyword **website hosting** for you. The expanded matches will change over time as we learn more about which new keywords best suit the true meaning of your ads.

You'll need to be careful here, however: this service will work for *broad-matched* keywords in your list, but it won't work for *phrase matches* or *exact matches*.

### Broad-Matched Keywords

When you insert keywords at the time you're setting up your campaigns, these are the keywords that don't have any *delimiters* around them. For example:

used cars  
japanese used cars  
used cars for sale

You need to be cautious, because if you don't provide negative keywords, that keyword phrase *used cars* will show your ad for all of the following searches:

used cars  
german used cars  
used cars cleveland  
used police cars

and it may even show your ad for this wonky search:

cars used in filming dukes of hazzard

## **Phrase Matches**

These keywords are placed with quotes "" around them. For example:

"used cars"  
"japanese used cars"  
"used cars for sale"

These will make your ad show in searches that include these terms in this order, without extra words inserted. Such as the following:

used cars  
old japanese used cars  
used cars for sale chicago

Your ad won't show for this search, however:

used police cars

## **Exact Matches**

These keywords are placed with square brackets [ ] around them. For example:

[used cars]  
[japanese used cars]  
[used cars for sale]

With these keywords, only people who typed in these exact phrases, in this order, will see your ad. None of the following keyword searches will show your ad:

used cars chicago  
german used cars  
old japanese used cars  
used cars for sale chicago  
used police cars

## **Negative Keywords, Too**

Don't overlook this important little AdWords feature. This is the quickest way to inch up the CTR on your broad- and phrase-matched keywords, and filter out searches and clicks from folks who wouldn't qualify for your offer.

The most common example by far is when you need to filter out people who are looking for "free" things. Simply include "-free" as a keyword and your ad will not appear any time the word "free" is in the search.

We were bidding on the word "OEM" (*original equipment manufacturer*, a market we consult in) which is a cheap word that sells for only \$0.10. But we couldn't

get this campaign to work until we added a whole load of negative keywords. This got rid of irrelevant searches and got us a higher CTR:

The screenshot shows the Google AdWords Keyword Planner interface. At the top left, there's a campaign summary for 'OEM Marketing Tactics' with the URL [www.PerryMarshall.com](http://www.PerryMarshall.com). To the right, there are buttons for creating new ads, viewing stats (2,235 Clicks | 0.6% CTR | \$0.05 CPC), and serving 100.0% of traffic. There are also date filters for 'today', 'Apr 2', and a checkbox for 'Include delete'.

Below the summary, there are two buttons: 'Delete' and 'Edit CPCs/URLs'. The main area is a table with columns: Keyword, Status [?], Max CPC Bid, Clicks ▾, Impr., and CTR. The table contains several rows of negative keywords, all marked as 'Active' with a max CPC bid of '\$0.10'. The data is as follows:

| Keyword                              | Status [?] | Max CPC Bid | Clicks ▾ | Impr.   | CTR  |
|--------------------------------------|------------|-------------|----------|---------|------|
| <input type="checkbox"/> oem         | Active     | \$0.10      | 2,235    | 349,674 | 0.6% |
| <input type="checkbox"/> -auto       |            |             |          |         |      |
| <input type="checkbox"/> -honda      |            |             |          |         |      |
| <input type="checkbox"/> -part       |            |             |          |         |      |
| <input type="checkbox"/> -bmw        |            |             |          |         |      |
| <input type="checkbox"/> -mitsubishi |            |             |          |         |      |
| <input type="checkbox"/> -dodge      |            |             |          |         |      |
| <input type="checkbox"/> -nissan     |            |             |          |         |      |
| <input type="checkbox"/> -ford       |            |             |          |         |      |
| <input type="checkbox"/> -acura      |            |             |          |         |      |
| <input type="checkbox"/> -chrysler   |            |             |          |         |      |
| <input type="checkbox"/> -mazda      |            |             |          |         |      |
| <input type="checkbox"/> -microsoft  |            |             |          |         |      |

Negative keywords won't make a difference if you're only bidding on [ ] exact matches. But they are virtually indispensable for broad- and phrase-matched searches.

## Turning Solid Traffic from Ultra-Generic Keywords

Bryan Todd

There was a time when you could get top position on high-volume, non-specific keywords such as “China” or “business” or “running” or “headache” for as little as \$0.05 a click. If you did a Google search on one of these terms, only one or two results would show up, telling you that clicks were available for ultra cheap.

This was because Google had a minimum required CTR of 0.5%, and if you didn’t meet that minimum your keyword would get disabled.

So little wonder, folks had a very hard time getting a generic term like “running” to stick. Especially in the early days before phrase- and exact-match options were available. A person who typed in a keyword like “business” could have any of a thousand completely different ideas in mind for what he was looking for, so he was not only unlikely to click on your ad, but even if he did click on it he was that much less likely to buy anything from you.

(One solution was to stick a mile-long list of negative keywords and hope that that filtered out all the bad traffic. Often it didn’t.)

But now the rules have changed. There’s no longer a minimum CTR, and so maintaining a certain number of clicks isn’t an issue. And advertisers are much smarter now than they were even two years ago, and are turning these generic terms into profitable information marketing opportunities.

So there’s now value in bidding on generic, non-specific, high-traffic keywords. But how do you make them work?

(1) You’ll have to run trials, test copy ideas and try again, writing ads until one works. This can take a long time, and you may continually fail a number of times before you find a winning formula. But you’ll *win by attrition*, if you can keep testing and testing until something works.

(2) Make full use of negative keywords.

(3) Include statements in your ad that disqualify people you don’t want. If you offer “Free Golf Instruction” in your ad, you’ll get riff-raff which you may not want. If you offer a “\$49 Golf Video” you’ll get people who will seriously consider purchasing it, and very little of anyone else.

(4) Market information, not just products. Send people to a landing page that collects opt-ins, and offer a free guide or a tutorial or an e-mail course of some kind, which will establish you as an information source, create longer-term customers, and grow your visitor value to where even the most generic clicks are worth getting.

# PERRY MARSHALL & BRYAN TODD'S GOOGLE ADWORDS™ CHEAT SHEET

## Your Basic Setup

1. Choose Your Language
  2. Choose Your Location
    - Global/Nationwide
    - Regions & Cities
    - Customized
  3. Write Your Ad Copy
    - First Line: 25 chars.
    - 2nd, 3rd & Display URL: 35 chars.
    - Destination URL: <1024 chars.
  4. Enter Your Keywords
  5. Set Your Max CPC
  6. Set Your Daily Budget
  7. Review Everything
  8. Complete Sign Up
    - Enter Your E-mail & Password
    - Confirm by E-mail
    - Enter Your Billing Info
- Your ads will start running right away.*

## Google's Ad Copy Ground Rules

- ✓ Concise
- ✓ Relevant, accurate text
- ✓ Targets specific keywords
- ✓ Accurate display URL
- ✓ Working destination URL
- ✓ Proper grammar, no coded numbers/symbols
- ✓ Capitalize only the first letter of any word
- ✓ Affiliates: Only one advertiser per landing page
- ✓ Trademark compliant
- ✓ Support competitive claims on landing page
- ✓ No repeated symbols/punctuation
- ✓ No double-serving from multiple accounts
- ✓ No superlatives
- ✓ No inappropriate language
- ✓ No direct calls to action
- ✓ No pop-ups on landing page

## Making it Work

You must pay Google's **minimum bid** or your keyword will be made inactive. Your **position** = Your Bid Price x Your CTR. Write ads that **closely match** the keywords you're bidding on. Use **negative keywords** to filter out searches you don't want. Do "Peel & Stick": Pull out underperforming keywords & put them in a new ad group with a better-targeted ad. Choose where your ads show:  
**Google Only**  
**Search Partner Sites:**  
 AOL – EarthLink – AskJeeves  
**Content-Targeted Sites = AdSense:**  
 New York Times – Business.com  
 You can set up **conversion tracking** to track your sales & opt-ins, all the way back to each individual keyword. You can **generate reports** and graph your campaigns' performance

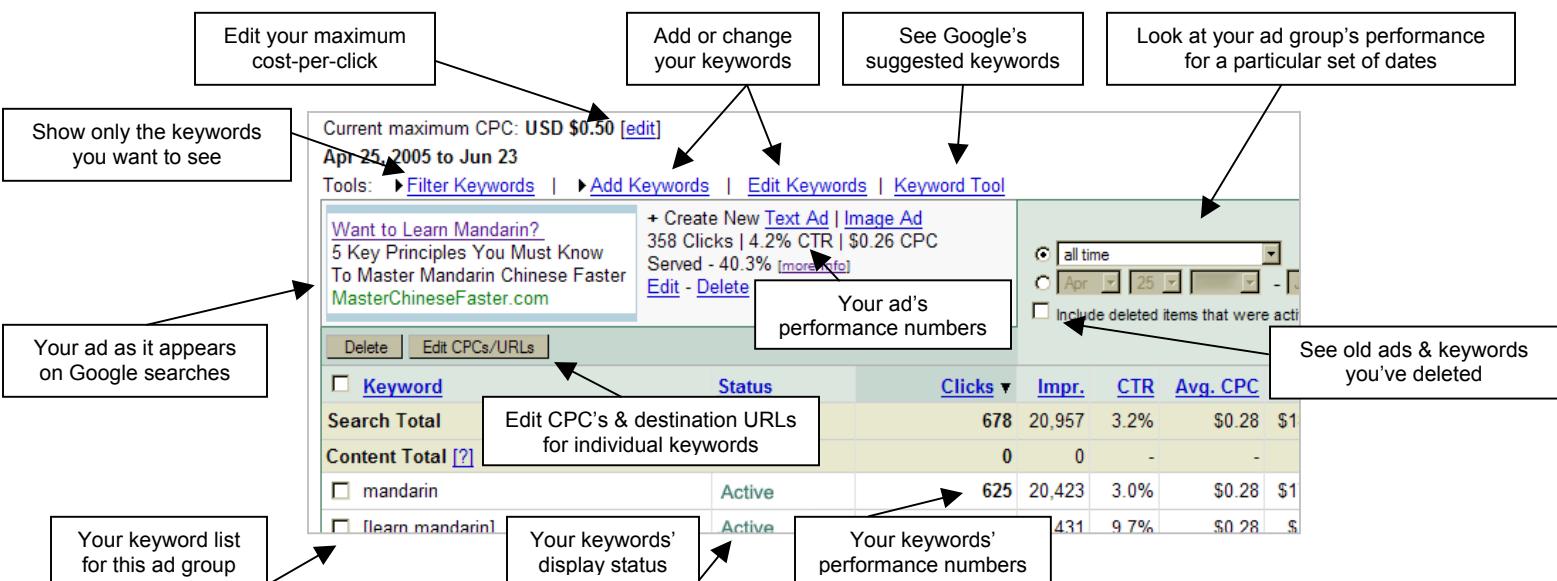
## What Do All These Terms Mean?

**Ad Group:** Has one or more ads, and targets one set of keywords  
**Average Position:** The average position on a page that your ad will normally get shown at  
**Broad Match:** A keyword or phrase in your list without any quotes or brackets. Triggers your ad when people's searches include that keyword  
**Phrase Match:** A keyword or phrase in your list with quotes ". Triggers your ad when people's searches include that phrase in that order  
**Exact match:** A keyword or phrase in your list with brackets [ ]. Triggers your ad only when people type in that exact word or phrase by itself  
**Campaign:** Has one or more ad groups, and lets you set budget, language, country, dates & syndication for all of them  
**Click-through rate (CTR):** The number of clicks your ad or keyword gets, divided by the number of impressions  
**Conversion:** When a Google user buys something or requests more information on your site. Google lets you track this  
**Conversion Rate:** Your number of conversions, divided by the number of clicks  
**Cost Per Conversion:** For any campaign, ad group or keyword, the amount you spend on Google clicks, divided by your number of conversions  
**Cost-Per-Click:** The amount you pay each time a person clicks on your ad. May vary over time

**Max CPC:** You set the maximum cost-per-click you're willing to pay  
**Average CPC:** The overall average amount you'll pay each time a person clicks on your ad  
**Daily budget:** You set the maximum dollar amount you're willing to pay for any one day  
**Destination URL:** The actual URL people will go to / go through when they click on your ad. Can be a tracking link  
**Display URL:** The URL people will see in your ad – has to be the same domain as your landing page  
**Disapproved:** Your ad content doesn't meet Google's Editorial Guidelines  
**Keyword:** A search term people use to find your product or service. Can be a word or a phrase  
**Keyword Status**

- Active:** Your ads are showing normally
- Inactive:** You must bid Google's minimum required bid or higher for this keyword to get it to start triggering ads

**Impressions:** The number of times your ad gets shown on Google or its network partners  
**Negative Keyword:** Put a minus (-) sign in front of a keyword in your list, and your ad won't show when people include that term in their search  
**Optimized Ad Serving:** If you enable this, Google will display your better-performing ad(s) more often than poorer-performing ones



# Part Three: Making Your Traffic Pay

## **Converting Your Traffic to Sales: The Most Critical Success Ingredient**

*Perry Marshall*

In 1903, at the same time that Orville and Wilbur Wright were struggling to fly the world's first airplane at Kitty Hawk, North Carolina, another man, Samuel Pierpont Langley was also trying to build an airplane – with the assistance of an entire staff.

His assumption was that if he put a big enough engine on the airplane, it would fly. He focused all his effort on that one project: creating a powerful engine for the plane.

The Wright Brothers' approach, however, was to build a glider that would glide from a hilltop with no engine at all. They focused their energy on balance and steering – power was almost an afterthought. Only after it worked with no power would they try to put an engine on it.

After three years of tedious experimentation the glider was working well, so they commissioned bicycle shop machinist Charlie Taylor to build them an engine. It was the smallest engine he could design – a twelve-horsepower unit that weighed 180 pounds.

Needless to say, the Wright Brothers changed the world and became famous historical figures, while few have ever heard of Mr. Langley. Their approach of making the plane fly before applying high power was the superior one.

Langley had spent most of four years building an extraordinary engine to lift their heavy flying machine. The Wrights had spent most of four years building a flying machine so artfully designed that it could be propelled into the air by a fairly ordinary internal combustion engine.

– *Smithsonian Magazine, April 2003*

Skill comes by the constant repetition of familiar feats rather than by a few overbold attempts at feats for which the performer is yet poorly prepared.

– *Wilbur Wright*

There's a direct analogy to Internet marketing here. The search engine is the motor. The website is the glider. A motor without a good set of wings does you no good. When you put an engine on a glider, you have a plane. When you feed traffic to a website that can "fly," you have a business.

If you have an effective website with no traffic, you have a glider. All you need to do is put a lightweight engine on it and you can fly. But if you have traffic that's going to a lousy website, you don't have a business. You have a money pit.

Here's the lesson:

*Google AdWords can bring you a lot of traffic, but it's only valuable to the extent that your website can convert the traffic to leads and sales.*

What that means is that when you're getting started, Google is like a lightweight engine that you can turn on and off instantly. You can test your glider safely without crashing, killing a potential joint venture partnership, or spending a lot of money.

Once again, this is the lesson that the Dotcoms learned the hard way. They were a lot like Langley. They focused on the engine instead of the wings. When it didn't take off, they just poured more gas into the engine. When that didn't work, they put it on a rocket launcher and forced it up into the air.

Think of all those Dotcoms with their Super Bowl commercials and talking socks. They made a beautiful arc, smashed into the ground and exploded in a ball of flames!

You know what's interesting? We *knew* the crash was coming. All of my friends in direct marketing were quietly laughing while business journals and pundits pontificated about whether it was possible for stock values to remain high on companies that were in the red. Wall Street seemed surprised, but we weren't.

### **The Biggest Website Mistake that Marketers Make**

I'll bet this happens to you all the time. An associate of mine sent me this e-mail about a very typical frustration he ran into:

I went searching for "hedge funds" yesterday. Only one of the AdWords ads had that exact phrase in it, so I clicked. The ad had made it appear that I would get some very clear, helpful directives on that webpage for where to go for more information.

But not so. The ad just took me to their home page, which had no such information whatsoever.

After several minutes of clicking about the site, I completely gave up on finding the information I needed!

This is so common it's not even funny. Now it may be quite understandable with regular organic search engine traffic. But on a pay per click campaign, you can send them *exactly* where they want to go. And you should.

Now the hedge fund experts probably assumed that my associate would call them on the phone and ask for hedge fund advice. *Wrong!* He left and did something else.

*The best way to improve your conversion rate  
is to offer people exactly what they're looking for  
as soon as they arrive.*

Believe it or not, with the folks who join our Mastermind Club we spend relatively little time working with them on boosting their CTRs. People discover very

quickly that the real issue is the whole sales process *after* the click. Getting that clickthrough is only step one in a sophisticated chain.

And that's what needs the most work: the process. Because if you're collecting a high percentage of opt-ins, if your site sells well, if you're tracking every step of the process and split-testing new pages to continually improve them, then your marketing glider just becomes all the more formidable.

<http://www.PerryMarshall.com/mastermind>

## Your Most Strategic Number

Perry Marshall & Bryan Todd

There's one single number in all of your marketing efforts that carries far more pointed implications for the future of your selling process than any other. It's not your percentage of opt-ins. It's not your percentage of sales to clicks. It's not even your monthly net profit, critical though that number is.

The most *strategic* number associated with your website is your *visitor value*. It's the amount of money the average website visitor spends with you. It's your sales value divided by your number of clicks.

If you make 50% margin on a \$1000 product, and one out of every 100 visitors buys, then your visitor value is \$10.00 and in theory you can spend up to \$5.00 per visitor to buy the traffic and still break even.

(As any good accountant would point out, this is an extreme oversimplification of what margins are and how they work, but the basic idea is fairly straightforward.)

If one out of every 1000 visitors buys, then your visitor value is \$1.00 and in theory you can spend up to \$0.50 to buy the traffic.

When you're split testing landing pages, opt-ins and sales, you're not merely going after percentages. Mere percentages by themselves won't tell you, for example, that by offering a second and third higher priced option on your sales letter, more people chose that option and you doubled the value of your clicks.

But visitor value does tell you those kinds of secrets, combining percentages with dollar values to establish how much you can bid. Once that's settled you move on to adjust for your ultimate big number – your net profit.

Buying web traffic reduces a complex process to a simple question: *How much can you afford to pay for a visitor and still make a profit?* At first, you may not know how many visitors you need to make a sale. But you can find out pretty fast: just buy traffic and test it.

### Quick & Dirty Checklist for Improving Your Visitor Value

\_\_\_\_ Follow the time-honored classic formula for an effective sales letter:

- (1) An attention-getting, benefit-driven headline
- (2) A statement of unique value
- (3) An unbeatable offer
- (4) A clear and specific call to action
- (5) An easy way to respond

\_\_\_\_ Continually test new headlines.

*Headlines have the biggest influence on whether your visitors continue to read or not, and will make the biggest difference in your sales.*

- \_\_\_ Offer something clear and specific on the landing page.  
*Tell visitors where to go, what to do and why it will help them. A site full of pretty images and polite puffery won't sell nearly as well as a simple, clearly-written page that tells people what they'll get if they respond today. Most of the main pages on my website <http://www.perrymarshall.com> have a specific offer and call to action.*
- \_\_\_ Continually change your offer, to test response.  
*You may well find that by changing the payment terms, including a free bonus gift, offering free delivery or adding an option to gift-wrap the item, you double your sales!*
- \_\_\_ Add an opportunity for your visitor to opt-in.  
*Offer a report, coupon, discount, e-book, book, CD, software, or problem-solving tool in exchange for their name and e-mail address.*

### **The Value of the First-Time Opt-In**

It's hard to get the one-step sale ... and getting harder.

If 1% of your visitors buy but everyone else leaves without giving you any feedback or contact information, then you'll never find out who 99% of your visitors are. However, if you do a good job asking for an opt-in, you'll typically get anywhere from 5% to 40% of the visitors to respond. Now you have a chance to build a relationship and sell to them later – not once, but multiple times.

On the following page is a very succinct, complete summary of the art of web traffic conversion, on a single sheet of paper.

# Perry Marshall's Web Traffic Conversion "Cheat Sheet"

There are two kinds of websites: **Lead Generation Sites** and **E-Commerce Sites**.

There are two kinds of traffic: **First-Time Visitors** and **Repeat Visitors**.

All calculations on this sheet can be made for your site for any fixed period of time.

## 1. Traffic Generation

To maximize your results, you must begin with what happens before the visitor comes to your site: At the search engine, portal, affiliate web site, email link, or offline advertisement. What percentage of people who see your link or advertisement click through? This is the ratio of **impressions to visitors**:

Visitors

|                                             |                             |
|---------------------------------------------|-----------------------------|
| # Visitors who clicked through to your site | # Who did NOT click through |
|---------------------------------------------|-----------------------------|

Number of Impressions: A= \_\_\_\_\_ Number of Visitors: B= \_\_\_\_\_ Cost per Click: D= \_\_\_\_\_ Click-Thru Rate: C=B/A x 100% = \_\_\_\_\_

**How to improve click-thru rates:** Better copy & headlines, brainstorm more relevant keywords, message to market match, higher search engine rank, higher pay per click ad rank, affiliate sites that match your ideal customer, joint ventures, link swapping, endorsements from credible people, clear compelling offer, careful measurement of everything.

## 2. Traffic Conversion

Most sites have some sort of intermediate action, such as a newsletter signup, downloading a file, etc:

Actions

|                   |                           |
|-------------------|---------------------------|
| # Who took action | # Who did NOT take action |
|-------------------|---------------------------|

Number of Actions: E= \_\_\_\_\_ Action Rate: F=E/B x 100% = \_\_\_\_\_

There may be several action steps in the process of obtaining a sale or sales lead. *Every significant action should be measured and improved.* In an E-Commerce site, the desired result is an online purchase. All good lead generation sites have a response form. Getting people to fill it out is the chief desired result of the site:

Sales or Leads

|             |                 |
|-------------|-----------------|
| # Converted | # Not Converted |
|-------------|-----------------|

Number of Sales OR Leads: G= \_\_\_\_\_ Conversion Rate: H=G/B x 100% = \_\_\_\_\_

Total Sales Volume: J= \_\_\_\_\_ Cost of Sales: K = DxB = \_\_\_\_\_ Return on Sales Investment (Gross): J/K x 100% = \_\_\_\_\_

Cost per Sales Lead: K/G = \_\_\_\_\_ Visitor Value (Gross Sales per Visitor): J/B = \_\_\_\_\_

**How to improve conversion rates:** Better copy & headlines, message to market match, personality & human touch, addressing concerns (i.e. fear of SPAM), linear sales process with very definite purpose, clear call to action, clean appearance, fast loading pages, fewer choices & distractions, custom landing page for each traffic source, experimentation with offers, upsells, downsells, quality information, unique content, credibility builders, testimonials, popup windows, exit surveys, limited time offers, contests, white papers, information "widgets," gifts, free reports, memberships, access to private areas of site, measuring everything, and testing, testing, testing!

**Getting visitors to return dramatically improves your conversion rate.** Ways to bring them back: Autoresponders, e-zines, personality, fax, postcards and direct mail, well-written reports and white papers with solid information, high quality products, good service, one-on-one communication and rapport, personalized emails, discussion & chat boards, memberships, dynamically changing content, hyperlink & USP on your signature file, quality & quantity information on site, industry related links, new content, news and publicity.

## 3. Results

The bottom line for an E-Commerce site is profit. For a lead generation site, the bottom line is qualified sales leads.

Profitability

|            |                                  |
|------------|----------------------------------|
| Net Profit | Cost of Goods +<br>Cost of Sales |
|------------|----------------------------------|

Cost of Goods: L= \_\_\_\_\_ Net Profit: M = J-L-K= \_\_\_\_\_  
Net Profit Margin: M/J x 100% = \_\_\_\_\_

OR

Leads Generated

|                            |                               |
|----------------------------|-------------------------------|
| # Qualified Sales<br>Leads | # Nonqualified Sales<br>Leads |
|----------------------------|-------------------------------|

Qualified Sales Leads: N= \_\_\_\_\_ Cost per Qualified Sales Lead: P=K/N x 100% = \_\_\_\_\_

After lead generation, the next sequence in the sales process is similar to this sheet, with typical steps being callbacks → appointments → quotations → orders.

**How to increase profitability:** Systematically increase response rates and reduce advertising cost at each step. Stick to business & direct marketing basics. Buy in quantity, minimize shipping & overhead costs, carefully monitor ROI on every advertising campaign, test small before spending big, drop poorly performing campaigns. Use this sheet for continuous improvement.

**How to increase qualified sales leads:** Generate leads with problem solving information instead of product information. Gather information about buying cycles and plans. Grade leads according to schedule and purchase size. Thoroughly follow up via email, direct mail, telephone, fax, face-to-face sales; Use Joint Ventures to profit from leads you can't convert.

**Systematic Improvement:** Online marketing success comes by continuously improving the results of each step.

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## **The Critical Importance of Tracking Your Conversions & Sales**

*Bryan Todd*

Could this happen to you?

You're cruising along nicely with your new AdWords campaigns; your clickthrough rates are averaging 2%, 4%, even as high as 9-10% on some of your ad groups; traffic is rolling in like nobody's business, you're bringing in a handsome list of new opt-ins and sales leads by the day and sales are higher than they've ever been ...

... but when you sit down midway through the month to go through your books and total up your sales and advertising expenditures, you discover to your horror that you've actually been *losing* money on your AdWords campaigns.

Yes, this absolutely could happen to you. This is the all-too-common death knell for far too many otherwise could-be-successful AdWords campaigns.

Though the level of competition has skyrocketed, Google AdWords is *still* the most controlled, safest and easiest place to test ideas and improve your sales process, *before* you go get traffic from other less predictable, less measurable, and possibly more expensive sources.

You see, high CTRs are critical – however, they may tell you what's getting people's attention, but not necessarily what actually sells. If you're not carefully tracking every penny you're spending on your AdWords campaigns, you could be unwittingly spending hundreds, even thousands of wasted dollars on high-traffic, high-volume ad groups and keywords that don't bring you so much as a penny in sales.

I'm going to start off with a few basic principles for how to get better conversions and sales, then I'm going to show you how to track those sales and adjust your AdWords spending to end up with a better profit. Finally, I'll give you some helpful tips on how to use tracking programs to do continual split testing for better results.

First, let's talk about turning AdWords ads into conversions and sales.

### **Know How the Content of Your AdWords Ads Ties into the Content of Your Landing Page**

Don't miss this crucial fact: Successful selling with AdWords is a matter of striking the perfect marriage between well-managed and highly successful AdWords ads and a highly effective landing-page sales message.

In other words, each ad you write has to be a brief, compelling, logical and *accurate* introduction to your sales message. One of the ways it has to do that is by making the best possible use of the keywords you're targeting. People searching on a

particular keyword will respond better when they see that keyword in the text of your ad. In the same way, when people come to your landing page and they see that you're addressing those same keywords and speaking to the exact needs they have, they'll stick around.

### **Know What Kind of Customer Your AdWords Campaign is Going to Help You Find**

Aim at the people you want to sell to, people who can actually be expected to opt in or to buy – not at people who can't or won't buy.

Are you writing to the engineer, or to the guy in the purchasing department? Is your message written to the CEO when it's the human resources manager who's actually doing the Google search? Are you writing to husbands when it's really the wives who are going to make the executive decision?

In a later chapter we're going to talk about what I call *turn-the-corner keywords*, which are keywords that you bid on with the specific intention of getting the searcher to change his mind about what he's looking for. Nevertheless, all of these questions are every bit as relevant to what goes on your landing page and sales letter as they are to the content of your AdWords ad.

### **Know Exactly How Much You Need to Spend to Get the Kind of Traffic You're Aiming For**

In the last chapter we talked about *visitor value*, which is the most highly strategic number you need to know about your online advertising. Your visitor value is the average amount of money that each of your visitors spends with you. It's your sales dollars averaged out to each individual click.

Simply put, if your total visitor value is less than your average cost per click, then you're losing money with AdWords. Or, at the very least, you're losing money acquiring new customers. This might be fine if you've got a sophisticated, working back end that's bringing in a healthy number of upsells and cross-sells from your existing customers. But if that's not the case then you're in bad shape.

The quickest and simplest broad-brush answer to a less-than-profitable marketing campaign is just to reduce your bid prices across the board so that you're spending less than your visitor value.

However, if you've got a clumsy sales process with huge room for improvement, then that approach is just a quick band-aid, and may tip you over backwards into a bad situation where you're bidding so little for clicks that you can't get good positions.

In any case, the long-term answer for you lies in smarter testing and tracking.

## **Know How to Use Your Conversion Numbers to Tell You Where to Refocus Your Time and Money**

Don't get me wrong: there are all kinds of situations where pulling down your bid prices *will* make you more profitable. But it's only by tracking your conversions that you'll know where to do this, and know what position on the page, for example, is the perfect "sweet spot" for your ads in your particular market.

This is actually a very crucial little detail.

You see, when your position on a page goes up, you're not just attracting more customers. You're attracting more *tire kickers* too! The top few positions on the Google search results page are a favorite magnet for compulsive people who happily click on everything without thought.

In our *Ultra-Advanced Google AdWords Strategies* guide (<http://www.AdWordsBlackBelt.com>) we talk in detailed specifics about what research says are the most profitable positions on each page, what the tradeoffs are, where ROI passes up bid price and so forth. But the simplest advice to you here is that you'll probably be best avoiding the very top two or three positions on a page.

Nevertheless, if you're tracking everything and testing the results, then you'll know for yourself where you need to be.

### **What Should Be On Your Landing Page?**

To do its job well, your landing page has to be a sensible continuation of the message that folks first got from your AdWords ad. If the key point of your Google was that you've got a free report, then that needs to be top, front and center on your landing page. If you're offering a video tutorial, then give visitors access to that immediately.

*Your ad and your landing page need to speak to the same person.* If your ad is aimed at the junior sales associate, then your landing page is written to that person too. If your ad is written to a Christmas gift giver, then your landing page needs to be too.

*It must have the power to close the deal.* Be clear, straightforward, provocative, relevant and compelling, and you'll get people to click, to sign in, to buy.

*Google has to approve it.* This means no pop-ups. It means your landing page has to actually work. It also means that if you make a product comparison claim that you have to provide proof when people first arrive.

## **Some Great Tools for Tracking Conversions**

More and more sales tracking services are becoming available to Internet users, and they're pretty sophisticated. These include 1ShoppingCart, LinkCounter, ROIBot, AdTrackz, Synergyx or Hitslink (which install on your site), and others.

Hypertracker (<http://www.hypertracker.net>) is a powerful ad tracker that we especially like, as it allows you to do multiple dimensions of automated split-testing and lets you analyze your results however you please.

Also, Google's conversion tracking service is free for AdWords users. In fact, you should probably be using Google's tracker regardless. It doesn't conflict with any other trackers and it's incredibly easy for a webmaster to set up. Most importantly by far, it tracks your conversions *all the way down to individual keywords*. That's invaluable.

### **What Are You Aiming For?**

For some campaigns, your AdWords advertising may be aiming straight for direct online sales of your product or service. A person sees your ad, clicks on it, finds the product he's looking for, and buys from you right then and there.

For other campaigns, you may be trying to build a list of sales leads, of likely potential clients. A person sees your ad and clicks on it, he comes to an opportunity to opt-in, he gives you contact information in exchange for a book or a paper or a CD or a preliminary gift, and then you court him and build his trust through e-mail or direct mail or phone calls, and at the end of a series of conversations or exchanges with him he may then decide to spend a much larger sum of money to buy a whole set of products or services from you.

Either way, whether you're aiming for straight sales or for opt-ins, you still want to squeeze *as much value* out of each AdWords advertising dollar *as you possibly can*.

Now I'm going to show you how we do this.

## Hands-On Conversion Tracking: A Real-Life Example

Bryan Todd

A good external tracking program will let you track sales back to individual ad groups. For example, these are the actual sales over a period of time in an AdWords campaign that offers products for golfers, broken down by each ad group:

| Ad Group      | Clicks      | Sales     | Sales Value    |
|---------------|-------------|-----------|----------------|
| Golf #1       | 189         | 0         | 0              |
| Golf #2       | 99          | 0         | 0              |
| Golf #3       | 0           | 0         | 0              |
| Golf #4       | 270         | 7         | 542.00         |
| Golf #5       | 0           | 0         | 0              |
| Golf #6       | 152         | 3         | 228.75         |
| Golf #7       | 667         | 7         | 708.00         |
| <b>Total:</b> | <b>1377</b> | <b>17</b> | <b>1478.75</b> |

Already there's a red flag: a couple of these ad groups (#1-2) got a lot of clicks but no sales at all. That happens. And it's something we'll have to fix.

When we go back to our AdWords campaign in Google, we get our costs for the various ad groups:

| Ad Group Name | Current Status | Max. CPC | Clicks | Impr.  | CTR  | Avg. CPC | Cost     |
|---------------|----------------|----------|--------|--------|------|----------|----------|
| Golf #1       | Active         | \$1.20   | 184    | 36,377 | 0.5% | \$0.89   | \$163.14 |
| Golf #7       | Active         | \$0.30   | 679    | 25,368 | 2.6% | \$0.19   | \$127.07 |
| Golf #2       | Active         | \$0.10   | 89     | 23,003 | 0.3% | \$0.09   | \$7.58   |
| Golf #8       | Active         | \$0.15   | 36     | 12,335 | 0.2% | \$0.13   | \$4.71   |
| Golf #4       | Active         | \$0.35   | 279    | 10,868 | 2.5% | \$0.28   | \$76.80  |
| Golf #6       | Active         | \$0.55   | 166    | 10,809 | 1.5% | \$0.31   | \$50.98  |

You'll also notice that the numbers of clicks recorded in our tracker (above) and on Google are very close, but not identical. You'll never get absolutely perfect records from either source.

Now I'm going to paste these into a homemade spreadsheet that will crunch my numbers for me:

|    | A                       | B        | C       | D           | E       | F            | G           | H             |
|----|-------------------------|----------|---------|-------------|---------|--------------|-------------|---------------|
| 1  | Sales Results, May 1-31 |          |         |             |         |              |             |               |
| 2  | Ad Group Name           | # Clicks | # Sales | Sales \$    | VPV     | AdWords Cost | Average CPC | Net Profit \$ |
| 3  | Golf #1                 | 189      | 0       | \$ -        | \$ -    | \$ 163.14    | \$ 0.86     | \$ (163.14)   |
| 4  | Golf #2                 | 99       | 0       | \$ -        | \$ -    | \$ 7.58      | \$ 0.08     | \$ (7.58)     |
| 5  | Golf #3                 | 0        | 0       | \$ -        | #DIV/0! | \$ -         | #DIV/0!     | \$ -          |
| 6  | Golf #4                 | 270      | 7       | \$ 542.00   | \$ 2.01 | \$ 76.80     | \$ 0.28     | \$ 465.20     |
| 7  | Golf #5                 | 0        | 0       | \$ -        | #DIV/0! | \$ -         | #DIV/0!     | \$ -          |
| 8  | Golf #6                 | 152      | 3       | \$ 228.75   | \$ 1.50 | \$ 50.98     | \$ 0.34     | \$ 177.77     |
| 9  | Golf #7                 | 667      | 7       | \$ 708.00   | \$ 1.06 | \$ 127.07    | \$ 0.19     | \$ 580.93     |
| 10 |                         |          |         |             |         |              |             |               |
| 11 | Total                   | 1377     | 17      | \$ 1,478.75 | \$ 1.07 | \$ 425.57    | \$ 0.31     | \$ 1,053.18   |
| 12 |                         |          |         |             |         |              |             |               |

This highlights the two numbers that matter the most: my net profit after paying the Google bill and, important for strategic reasons, my value per visitor (VPV).

### Let's Pick This Apart

Don't miss this: The value of a single keyword can vary by a factor of 100 or more! We're tracking this carefully so that we know which is which.

This campaign made \$1,053 in profit. I don't mind that a bit, but we lost \$163 on Golf #1, which really sticks in my craw. I paid an average of \$0.86 per click for that – far more than any other ad group – but I got zero sales.

*What do I do about the ad group that lost money?* Either I'm going to have to do some serious work on the landing page for that ad group, or else cut back that bid price. If worse comes to worst, I'll just pause the ad group and stop spending the money on all those empty clicks.

I'm getting the biggest bang for my buck out of Golf #4. Those clicks pay me back more than two bucks apiece. Nice. I'm going to go back and take a look at the sales process for this ad group and see what I'm doing so right, because this is converting clicks to sales more efficiently than anything else I've got running.

My fattest profit – more than half of it – comes from Golf #7, which also accounts for more than half of my clicks in this whole campaign.

*That VPV column is very enlightening.* It's telling me that the average person who visits my site spends \$1.07 with me. The number itself may not say anything about my actual profit or the amount of my expenditures, but it does tell me what my clicks are really worth.

If I can inch that number up little by little, then I can either pocket the difference or I can start paying more for clicks. For example, I can already bump up the bid price for those excellent clicks in Golf #4, which means I'll get higher positions on the page and even more visitors.

So over the next few months I'm going to try that, and see if I can't walk away with an even bigger net profit in my pocket.

Now pay attention here: these same landing pages also have affiliates sending traffic to them. If I can improve the sales process and improve the visitor value even further, then people are going to sit up and take notice. More affiliates are going to come find me, and even my competitors will eventually discover that *they can make more money just sending traffic to me than they can selling their own products!*

## **Moving Products Like Hotcakes But Barely Breaking Even: What's Wrong?**

*Bryan Todd & Perry Marshall*

Did you have a record number of sales this month, but you're still spending two dollars to earn one dollar?

The simplest place to start is to run through each of your ad groups with your fine-toothed comb, and finding out which ones have been costing you the heap of money without producing good sales.

### **The More You Pay, The Worse Your Traffic May Get**

Do not assume that you'll make the most money by being in the top positions! Very often, the opposite is true: you'll *lose* the most money by being in the top positions.

It's because of (1) the price you pay to get into those positions, and (2) the low quality traffic that you get from them.

One of our clients, John Jaworski of X-Streamers, sells confetti and party supplies for large events and venues. He was doing conversion tracking just like we've described here, and words like "party confetti" and "wedding confetti" were doing just fine. But he was paying \$0.65 per click for a high-ranking position on "confetti" and had gotten 1,200 visitors ... with zero sales.

We advised him to cut his bid price by 90%, and get his listing on page two of the search results instead of page one. He changed his bid to \$0.07, and the traffic started *seriously* converting!

This is not unusual, and for big-market, high-traffic categories (i.e. the top few hundred most searched terms on the web), even the page-two and -three listings can get you decent amounts of traffic.

Real savings and money well spent comes in finding that "sweet spot" between paying a *low price* for clicks (which improves the conversion rate) and still getting a *good position* (which increases your traffic). You have absolute direct control over this because you set the price. And as you watch your campaigns over time you can move that CPC up or down to hit the perfect middle ground between price and position.

You'll know you've hit that "sweet spot" when your net profit is the highest.

## **Your CTR Still Matters!**

Remember: Google rewards you for a good CTR by giving you a better position, which means you get more traffic without having to pay a higher rate for it. Again, in greatly simplified form:

$$\text{Your Position} = (\text{Your Bid Price}) \times (\text{Your CTR})$$

Improving your clickthrough rate is the fastest route to getting more clicks *and* more profit at the same time.

With shrewd re-management of your CPC and by achieving better CTRs, you may discover that you got fewer sales this month than last, but find that you're paying proportionally less money to get those sales and therefore taking home a bigger net profit.

### **Could This Be Your Biggest Money Pit?**

Could you cut your AdWords expenditures one-half to one-third by excluding *content-targeted ads* from your campaigns?

Content-Targeted advertising, what Google also calls their AdSense program, means that Google displays your ads on sites such as the New York Times website, Dictionary.Com and any smaller vendors who display AdSense ads on their sites. Though Google tries their best, the traffic from these sites can be very generic and untargeted, and could cost you much more money than it's worth.

Why is it this way? Because the people who search on Google are proactively searching for solutions and are often in the frame of mind to spend money to have their problem solved. Folks who visit sites like the New York Times or Dictionary.Com, on the other hand, or more likely in search of news or quick factual information or the definition of a word, and are less likely to be looking for something to buy.

However, Google's *Search* sites are different. Those are sites like Ask Jeeves, Netscape, AOL Search, and others like them. Those are real search engines, they get good traffic, and the CTRs are actually higher than the Google's. That's the kind of traffic you want.

### **What AdSense Can Do to Your Numbers**

I've told you about my small site that advertises only to western expats living and working in China and Taiwan. Folks click through and are given an immediate chance to opt in for a five-day e-mail course. I've set up Google's conversion tracker and it tracks the percentage of people who sign up and tells me how much I'm spending on average for each opt-in.

The traffic on this campaign creeps in slowly and the costs are low, but the conversions are solid. Here's how it performed from the sixth to the nineteenth of the month. I've highlighted the total cost, the conversion rate and the amount of money I'm spending for each opt-in:

|    | <u>Clicks</u> | <u>Impr.</u> | <u>CTR</u> | <u>Avg. CPC</u> | <u>Cost</u>    | <u>Avg. Pos</u> | <u>Conv. Rate</u> | <u>Cost/Conv.</u> |
|----|---------------|--------------|------------|-----------------|----------------|-----------------|-------------------|-------------------|
| 60 | 72            | 5,682        | 1.2%       | \$0.20          | \$14.15        | 2.2             | 26.39%            | \$0.74            |
| 60 | 33            | 3,879        | 0.8%       | \$0.32          | \$10.58        | 5.4             | 18.18%            | \$1.76            |
| 10 | 3             | 1,259        | 0.2%       | \$0.08          | \$0.24         | 2.5             | 0.00%             | \$0.00            |
| 30 | 20            | 1,016        | 1.9%       | \$0.13          | \$2.62         | 2.6             | 10.00%            | \$1.31            |
| -  | 128           | 11,836       | 1.0%       | \$0.22          | <b>\$27.59</b> | 3.3             | 21.09%            | <b>\$1.02</b>     |

But notice at the change that happened in just two days' time. Here are the numbers for the twentieth and twenty-first of the month:

|  | <u>Clicks</u> | <u>Impr.</u> | <u>CTR</u> | <u>Avg. CPC</u> | <u>Cost</u>    | <u>Avg. Pos</u> | <u>Conv. Rate</u> | <u>Cost/Conv.</u> |
|--|---------------|--------------|------------|-----------------|----------------|-----------------|-------------------|-------------------|
|  | 53            | 26,108       | 0.2%       | \$0.04          | \$2.26         | 1.5             | 1.89%             | \$2.26            |
|  | 63            | 18,762       | 0.3%       | \$0.30          | \$19.20        | 2.5             | 12.70%            | \$2.40            |
|  | 50            | 3,719        | 1.3%       | \$0.13          | \$6.69         | 2.1             | 8.00%             | \$1.67            |
|  | 10            | 3,142        | 0.3%       | \$0.17          | \$1.70         | 3.0             | 10.00%            | \$1.70            |
|  | 176           | 51,731       | 0.3%       | \$0.17          | <b>\$29.85</b> | 2.0             | 7.95%             | <b>\$2.13</b>     |

Sure, I got more clicks in two days than I got in two weeks. And the cost per click was less. But the conversion rate dropped by almost 66%! And my cost per conversion more than doubled.

All of this, because I simply turned on content-targeted traffic. The visitors coming from content-targeted sites were not *nearly* as good quality as the visitors coming straight from Google. This is very, very typical!

The drop in the conversion rate speaks volumes already. However, the most significant number here is my *\$2.13 cost per conversion*. My cost to get a lead has now doubled. This tells me that I have to make my sales process that much more efficient in order to make those leads convert to sales.

Now this is very important:

If I can get my sales process up to the point where every lead is worth \$2.75 to me, then I'll turn on the content-targeted traffic, since I'll get 7-8x more visitors from it. However, if the traffic that I've gotten from content targeting so far is any indication, it's going to be that much harder to make *those* leads convert to sales and good customers.

I *will* improve my sales process through better autoresponder e-mails, a more dynamic and effective sales letter, offering multiple bonuses and price points, and selling more products to my existing customers in the future. That may buy me the opportunity in the future to multiply my traffic through AdSense ... but I'm still going to be skeptical of the value of that kind of traffic.

For now, I'm turning content-targeted traffic off.

### **When Content Targeting is Helpful**

Now sometimes content-targeting is good. Here are a few scenarios – most advertisers are in one of them:

- ☞ You're competing in a high-traffic, highly competitive market and you have to watch your profit margins very carefully. There's plenty of traffic available, but it's expensive. If that's you, content targeting probably will not be a good choice.
- ☞ You sell something that's high value, nichy and specialized. Like a \$35,000 software license for some particular industry. Your clicks on Google are pretty cheap, especially compared to your \$35,000 price tag. You just wish you could get more leads from Google, because there aren't very many searches and you only get two every day. Content targeting will probably help you, at least a little bit.
- ☞ You sell refurbished ZX-9611 valve controllers, and nobody else is bidding on that term – so clicks are \$0.05 or less when you can get them. If that's you, content targeting is probably a *good* choice.

### **One Additional Word of Caution with AdSense**

For folks who run AdSense ads on their sites, Google has incentivized getting bigger numbers of clicks. Customers click, they get a cut of the bid price. This is fine. But sneaky short-term opportunists will always find a way to turn a good thing on its head.

A recent phenomenon to be wary of is AdSense *click fraud*, where folks bring in extraordinary numbers of clicks on ads like yours, most or all of which are fraudulent, worthless, and bring you nothing. And yet you still pay for the clicks.

Another issue to watch for is site owners who structure their sites to show AdSense solely for the purpose of getting folks to click on the ads and leave. If your ads are appearing on pages like that, then you're more likely to get worthless clicks from it.

This is not to discourage you from using AdSense. It's just to remind you that there are risks that you'll need to take into account.

### **Landing Pages that Sell vs. Landing Pages that Don't**

A brief little AdWords ad usually won't be able to tell customers enough about who you are or what you offer; there will always be a cross-section of traffic that discovers you're not what they were actually looking for.

*So your landing page has to turn the trick.*

Nevertheless, as we said at the beginning, you're in a winning position when both your AdWords ad and your landing page are working in perfect cooperation.

Here are some keys to ensure that they're working for each other, and not against each other:

(1) Make sure your AdWords ad tells the truth, or you'll lose credibility instantly. Avoid bait-and-switch ads that have nothing to do with, or even openly contradict, what's on your landing page. I'm not about to accuse you of being dishonest, I'm just pointing out that if you try enough ideas with your ads, you'll eventually hit a home run with a promise you couldn't possibly keep.

For example, you might post this sensationalistic ad:

[High-Performance CB Ban](#)  
Police Warn It Works Too Well  
Must Liquidate; Credit Card Only  
[www.XYZRadios.com](http://www.XYZRadios.com)

But upon visiting the actual site and reading the sales story clients discover there's no ban spoken of, no urgent deadline, no mention of liquidating inventory in a hurry, nothing of the sort. You've got a load of traffic expecting one thing, but arriving at the site and being told another. Those kinds of ads just don't allow you to complete any meaningful sales.

(2) Make sure your landing page sells to the same people that are clicking on the ad.

- ☞ If your landing page is aimed at the guy in the purchasing department, don't write up an AdWords ad that's aiming for the guys in the engineering department
- ☞ If your AdWords ad is offering a consumer product at Christmas to family members buying gifts for golfers, don't send potential gift-buyers to a landing page that sells only to the golfer and not to the gift-giver.

(3) Do you have an eye-catching and memorable web address or URL that tells your story, boosts your CTR and allows clients to remember you even if they've left without buying or opting in on their first visit? URLs can make a huge difference.

(4) Make sure before the campaign starts that all of your weblinks and URLs meet Google's editorial guidelines, and that they work correctly.

(5) Think ahead: Some keywords will simply never convert to sales of your particular product.

Consider this: A consumer doing a keyword search on "lose 5 pounds" is likely never to spend \$30, \$40 or \$50 on a bottle of diet pills, or sign up for a six-month dieting program. However, someone trying to lose fifteen or thirty pounds just well might.

And in your industry there may be a thousand other good examples of keywords that might be logically connected to your product, but where businesses doing searches on those terms wouldn't be inclined to buy your particular product to help them with that particular need.

The better you can foresee this, the more money you'll save in failed attempts at keywords that just don't deliver.

### **Turning the 80/20 Principle on its Head**

It is a fact:

*More than 80% of your sales will come from fewer than 20% of your campaigns.*

Some keywords and ads are just naturally, almost automatically, going to bring in good, consistent sales, while others simply never will.

Your job is to find out which ones are which in your particular niche of the market, put your money and effort into those campaigns that produce, and take your time and money away from the ones that don't.

It might even be 90% of the traffic that comes from 10% of the keywords. Most of the time the most productive 20% of keywords will be obvious to everyone, and there will be bidding wars.

You can strive to test copy and do a little better than everyone else, but the fact is, you're still in that bidding war. The productive 20% of keywords that get 80% of the traffic often cost *five times* more than the 80% of keywords that produce 20% of the traffic.

One way around this – and it is an extreme measure – is to turn the 80/20 principle on its head. If you can get by with a smaller amount of traffic, you can cut your costs dramatically.

### An Actual Example

We've been buying traffic with the keyword "Ethernet switches" and a whole host of its variations. We're bidding \$0.50 per click.

Let's say I go to Google and want to find out what happens if I double the bid, up to \$1.00 per click. Google will give me this estimate:

|                      |      |               |        |
|----------------------|------|---------------|--------|
| Current Clicks/Day:  | 11.7 | Current CPC:  | \$0.33 |
| Forecast Clicks/Day: | 14.0 | Forecast CPC: | \$0.50 |

Our cost per click will go up by 50%. When we crunch the numbers, what actually happens is that we'll get 20% more traffic for 76% more money.

So what if we go in the opposite direction and drop the bid price to \$0.05? Here's what Google predicts:

|                      |      |               |        |
|----------------------|------|---------------|--------|
| Current Clicks/Day:  | 11.7 | Current CPC:  | \$0.33 |
| Forecast Clicks/Day: | 6.4  | Forecast CPC: | \$0.05 |

This shows that we will get half the traffic at \$0.05 as \$0.50, but pay only *one tenth* as much for it!

Caveat: I am certain that some of these keywords will now get lower CTRs and get disabled. *We may very well lose 80% of the traffic, not just 50%.* But we'll still be paying out much less money than before.

So by turning the 80/20 rule on its head, you get 1/4 the traffic and you only spend one-twentieth as much money!

Reminder: You can only "invert" the 80/20 rule if you're bidding on *lots* of keywords and their variations. Use "" and [ ] keyword matching options on phrases to further specify your bids – it naturally puts you ahead of advertisers who don't use them.

As you can see, "points of diminishing returns" are more of a problem when you're bidding too much than too little.

## **Summing It Up: Conversion Tips**

*Your Quick and Dirty, Start-to-Finish Conversion Tracking Checklist*

- My ad is a fit introduction to my sales story.
- My ad is a credible representation of what visitors will find on my landing page.
- My ad sells to the same person that my landing page does.
- I have an eye-catching and memorable URL.
- My URLs meet Google's criteria, and they work.
- I can reasonably expect the keywords I've chosen to attract the kind of people who will buy my product or service.
- I'm focusing my time and money on the 20% of my ad campaigns that will likely bring in 80% of my sales.
- I've carefully chosen a CPC that finds the "sweet spot" between a low price and a good, productive position that brings in sales.
- I'm getting the best possible position through solid, high CTRs.
- My tracking software or service is reporting all of my results and reporting them accurately.
- My tracker tracks all of my specific ad groups.
- I know precisely how much I can and cannot spend to get each new opt-in or sale.
- I've made sure I'm not losing money by advertising on content-targeted sites.

## Using Google's Conversion Tracker

Bryan Todd

Clients often ask us whether they should use Google's conversion tracker, or some other tracking program or software. Our answer is always "yes."

In other words, it's a both-and question, not either/or. There are tracking programs available that are extremely sophisticated, often integrated with shopping cart or autoresponder services, capable of multi-level split-testing and more, and you'd do well to use a service like that.

Google's conversion tracker is none so elaborate, but it's free to Google users, it's incredibly easy to use, and it gives you pinpointed conversion results down to the keyword.

To set it up, go into your Google account and click on "Conversion Tracking" in the green bar at the top. All you need is some custom-generated code that you'll stick into the HTML of your "success" page. Click on "Get conversion page code":

The screenshot shows the Google AdWords interface under the 'Conversion Tracking' tab. At the top, there are three main navigation links: 'Campaign Management', 'Reports', and 'My Account'. Below these, a secondary navigation bar includes 'Campaign Summary', 'Tools', and 'Conversion Tracking'. The 'Conversion Tracking' link is highlighted. The main content area features a heading 'Conversion Tracking - Free!' followed by a sub-instruction: 'Looking for your conversion data? Find it on the [Campaign Summary](#) page of your AdWords campaign.' A callout box contains a lightbulb icon and the text: 'New! Now that you've set up AdWords conversion tracking, see how it works across all your advertising campaigns. If you use other advertising channels — like Overture, email campaigns, or direct traffic — you can set up cross-channel tracking to analyze and compare all your online advertising in one place. Set up cross-channel tracking | Learn more'. In the bottom left, there's a section titled 'AdWords Tracking' with a status of 'Active' and two links: 'Get conversion page code' and 'Stop AdWords tracking'. To the right, there's a 'Helpful Documentation' sidebar with links to 'Understanding conversion tracking', 'Setup guide (.pdf)', and 'Cross-channel guide'. Another sidebar on the right lists 'Common Questions' with links to 'What is a conversion?' and 'How will this tool help me?'. A large black arrow points from the text 'Click on "Get conversion page code"' in the previous slide to the 'Get conversion page code' link in the AdWords interface.

Next, you'll tell Google which kind of conversions you want to track. Leads, such as opt-ins, tend to be the most common.

The screenshot shows a web browser window for Google AdWords at the URL <https://adwords.google.com/select/convtrackingsignup>. The page title is "Choose conversion types > Customize Text Block > Insert Code > Test setup".

**What types of conversions do you want to track?**  
Group your conversion data into different categories (conversion 'type') to help you manage your tracking data. Use the examples below to determine your own tracking needs. You can select as many types as you want, or create your own category.

| Conversion type                                                                                                                                         | Sample pages where you could place conversion code         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| <input type="checkbox"/> Purchase/Sale<br>Helps online commerce sites track purchases and sales to determine return on investment (ROI).                | Page that says:<br>"Thank you for your purchase."          |
| <input checked="" type="checkbox"/> Lead<br>Appropriate for sales organizations tracking how many users requested follow-up calls for more information. | Page that says:<br>"Thank you for contacting us."          |
| <input type="checkbox"/> Signup<br>Designed for sites interested in tracking sign-up statistics for subscriptions or newsletters.                       | Page that says:<br>"Your subscription has been processed." |
| <input type="checkbox"/> Views of a key page<br>Helps sites track how many times users have landed on a single page that's important to your business.  | Key page on your website.                                  |
| <input type="checkbox"/> Other                                                                                                                          | Place code wherever you like.                              |

**Helpful Documentation**

- [Understanding conversion tracking \(Flash\)](#)
- [Setup guide \(.pdf\)](#)
- [Cross-channel guide](#)

**Common Questions**

- [Which conversions will be tracked by Google?](#)
- [How do I set up conversion tracking?](#)

At the bottom left are buttons for « Back and Continue ».

After you tell Google how you want your “Google Site Stats” text to look, you can have the system generate custom tracking code for you.

If you’re tracking opt-ins, for example, you copy this JavaScript and paste it into the HTML of the “thankyou” page that people arrive at *after* they’ve signed up.

The screenshot shows a web browser window for <https://adwords.google.com/select/convtrackingsignup>. The page has a sidebar with the title "The conversion code is working?" and a bullet point: "• What value do I enter the conversion options I selected?". The main content area includes:

- DISCLAIMER:** A note about site owner responsibility and code implementation.
- 1. Select your conversion page language.**: Set to English (US).
- 2. Select a security level.**: Set to http://.
- 3. Copy the code. Paste it into the relevant landing webpage(s). Then, publish.**: Or, paste the code snippets into a file and have your web team insert them later. This section contains a large black arrow pointing to the code editor.
- Lead [?]**: Click anywhere in the box to select all code.
- Advanced option: conversion value**: A dropdown menu with the following text: "How much is each conversion worth to you? Provide a value, or enter a variable to capture each conversion's value. Then click 'Refresh.' [?]" and a "Value: USD \$ 97.00" input field with a "Refresh" button and a "See examples" link.

```
<!-- Google Code for Lead Conversion Page -->
<script language="JavaScript"
type="text/javascript">
<!--
var google_conversion_id = 1070305978;
var google_conversion_language = "en_US";
var google_conversion_format = "1";
var google_conversion_color = "FFFFFF";
-->
```

Beware: Don’t paste this JavaScript on your landing page! This goes onto the page that people *only* see if they opt in or buy from you. If you paste this into your landing page, your stats will tell you that you’re getting 100% conversion and higher.

(No website ever converts 100% of its traffic!)

You’ll notice on the lower right that you can also tell Google how much each conversion is worth. This is relevant specifically when you’re tracking sales and need to record transactions of different values.

Google also has a feature called Cross-Channel tracking, which you use to track conversions and sales from banner ads, search ads, e-mail ads and more. You can set that up from this interface as well.

Once you've set up the tracking code on your site, Google will start reporting your numbers along with your clicks. You can go into your campaign summary or ad group view to see how well you're converting.

Google will show you conversion statistics for entire campaigns, for ad groups, and for individual keywords. In each case, in the regular campaign summary you'll see your conversion percentage and your cost per conversion on the far right:

The screenshot shows a Google AdWords interface with a table of data. The columns are labeled: Clicks, Impr., CTR, Avg. CPC, Cost, Avg. Pos, Conv. Rate, and Cost/Conv. The last row of the table is highlighted in yellow. A note at the bottom left says "See included here."

|   | Clicks | Impr.  | CTR  | Avg. CPC | Cost     | Avg. Pos | Conv. Rate | Cost/Conv. |
|---|--------|--------|------|----------|----------|----------|------------|------------|
| 0 | 445    | 13,866 | 3.2% | \$0.29   | \$127.14 | 1.8      | 18.45%     | \$1.53     |
| 0 | 49     | 2,552  | 1.9% | \$0.37   | \$18.04  | 3.5      | 22.86%     | \$1.60     |
| 0 | 69     | 1,958  | 3.5% | \$0.35   | \$23.89  | 2.0      | 14.55%     | \$2.21     |
| 0 | 9      | 1,054  | 0.8% | \$0.04   | \$0.32   | 1.6      | 0.00%      | \$0.00     |
| - | 572    | 19,430 | 2.9% | \$0.30   | \$169.39 | 2.1      | 17.93%     | \$1.61     |

If you have a specific keyword that's been bringing in large numbers of clicks but no sales over a long period of time, this feature will tell you.

Be aware that there is a 24-hour delay in conversion reporting; they're not shown in real time.

If you want to see more detailed conversion information, such as exact numbers of conversions and dollar amounts, you can go into the "Reports" section and generate a full report of your results.

We're often asked if Google can tell you if one *ad* is converting better than another. In a word, no. Google has probably been asked for this information but they've chosen not to include it in your conversion tracking results.

### Huge, Huge, Huge Differences in Sales Conversion Rates

You can bid on 1000 keywords, but when you track them to sales, they vary *enormously* in their ability to convert to sales. Visitors from some keywords may consistently be worth \$100, even though you may only be paying \$0.50. Visitors from other keywords will be worth *nothing*, even though you may be paying \$2.00.

This is what really separates the men from the boys, and this is where you get rid of the waste.

As I told you before, the value of a single keyword easily varies by a factor of 100 or more. I cannot overemphasize how much cost savings and intelligence you will acquire when you track everything from the source to the sale. It is truly enlightening, and it has a *huge* impact on your bottom line. Huge.

So use Google's conversion tracking service even if you're already using another tracker such as 1ShoppingCart or Hypertracker. Google won't interfere with the other tracker, and it will give you a precise set of numbers that you'll get no place else.

## **What are “Turn The Corner” Keywords, and Why are They Critical?**

*Bryan Todd*

Some weeks back I sat down and consulted with Scott, an extremely sharp seminar speaker from Colorado who travels the U.S. teaching people how to improve their life through good nutrition.

Now Scott's been on the lecture circuit for years, and is making huge waves in his world promoting sound eating and living habits, an integrated approach to diet and exercise that aids in a host of health issues, including even acne.

He happened to be focusing on the acne issue at the time, and his challenge was how to get this to work using Google AdWords. What we started off with was to go through his campaigns and rearrange his keyword groups to fit his ads better, which always gives a big jump in CTR.

### **But I noticed something ...**

There was something that I could tell was going to be a challenge for Scott. It's a characteristic of the Google market that's often the bane of folks selling effective long-term solutions to health and personal habit issues.

There's no medium built more for the instant-gratification crowd than Google. This is the quintessential quick-fix, get-it-now marketing machine.

But Scott's product was quite the opposite. He was selling people a change in habits and lifestyle. No quick fixes here at all.

You see, most folks who jump online looking for solutions to their acne, just want something they can glop on their face tonight and get clear skin tomorrow morning. After all, acne is a skin problem, right?

But Scott teaches the exact opposite: Acne is first and foremost a diet problem. Eat the wrong foods, fill your digestive tract with the right toxins, and your face will be an acne nightmare, guaranteed.

But Scott wants to advertise this on Google. And it would seem that he's created a serious hurdle for himself. He now has to convince people that, not only is acne *not* primarily a skin issue, but that in order to fix the problem they have to change their most beloved bad habits.

Scott hadn't realized this about Google. That was his first “Aha!” moment.

But then came the next one: I suggested to Scott that aiming for the skin-care crowd was not the first place he ought to start.

Instead, Scott ought to be going after people who are already searching for nutrition. If he wants to get his cash flow going, Scott needs to start with that crowd, not the acne crowd. The folks who are looking for nutrition are the lowest hanging fruit, and Scott needs to go after them first. The acne crowd comes later.

Why?

Because people who are looking for good advice on sound nutrition don't have to turn any corners to get to you. What you offer is plainly what they're looking for.

Which simply is not true of the acne crowd. They're looking for a quick fix, and you're trying to get them to "turn the corner" and accept your change-your-habits, long-term solution.

### **Speaking to the Fringe**

Don't miss this: *every* market has elements on its fringe that are exactly like this.

Now Scott doesn't need to give up hope forever on making the acne deal work. In fact, a week later, he joined us for a Mastermind coaching call where everyone could weigh in on his marketing scheme. And let me tell you, the "aha!" moments that he enjoyed there are too many to count.

Other AdWords customers shared their experiences in the nutrition and self-improvement world. They told Scott how he can use Google and his landing pages to directly respond to people's most immediate perceived wants and provide emotional reassurance that with his product they're getting the most important elements of their solution now, rather than later.

Scott went away with his head spinning from all the great ideas that fellow marketers had provided – creative and intelligent approaches for "turning the corner" that he could go on and implement in his Google ads, his landing page and his autoresponders that would do exactly that: get visitors to "turn the corner" in their thinking and buy his product.

This is a challenge, to be sure, but it's one that you need to take up.

And it starts by knowing that you're doing it in the first place. Have a strategy in mind to reach the corners and fringes of your market, and your revenue will grow.

### **What Exactly is a Turn-the-Corner Keyword?**

You may be one of the rarer folks who found our AdWords course after doing a Google search for the term "Overture." Every day there are people who were initially looking for Overture but came and checked us out because they were interested in our ad.

Sure, we'll bid on the term "Overture," even though our service isn't what people are necessarily looking for when they first type it in. Google and Overture are competitors, and for us, "Overture" is a turn-the-corner keyword.

### [Beat the Overture System](#)

Discover the AdWords Alternative  
Access 100 Million People in 10 Min  
[www.PerryMarshall.com/adwords](http://www.PerryMarshall.com/adwords)

*A turn-the-corner keyword is any keyword you use to get people to change direction in their thinking or consider an alternative as they're searching.*

And if you're good at what you do, then your keyword lists should include several of these. They represent what I call a "border niche" within your market.

If you're selling ibuprofen, then you should be trying to reach people searching for acetaminophen. If you deal in lithium batteries, you should connect with folks looking for alkaline. If you offer a paid service, woo over some of the folks who want free service.

Some turn-the-corner keywords involve upselling people to a higher-level product or service. Some people looking for just a carwash might buy a complete detailing. Some people just wanting to clean a small spot on their bathtub might need the help of an entire mold-removal service.

Now common sense will tell you that these types of keywords and campaigns will be notoriously hard to convert to sales. But it should be part of your sales process. Two things you can do will help make this work:

- (1) Use the term "alternative" in your AdWords ad
- (2) Create a landing page around the theme of the original keyword or subject that the person was searching on.

### **Cashing in on Surprise Keywords**

A couple of years ago I was managing an Asian travel site that was all about Lijiang, a spectacularly beautiful southwestern Chinese city in the foothills of the Himalayas.

One nuance of travel in that part of the world is that different cities and provinces may celebrate different ethnic festivals, which adds to the draw for tourists. So I included a page on the site that listed all of the major local festivals and their meaning, peppered in among the standard holidays on the Chinese annual calendar.

Bidding in the terms "Lijiang" and "Yunnan Province" brought in an acceptable amount of traffic, although I was always self-conscious of the fact that we couldn't get generic terms like "China" and "Chinese travel" to be profitable for us at the time. This was based on the limited spending and testing we were able to do, plus the fact that these are already extremely non-specific keywords that are hard to make tourist money from in the remote location we were advertising for.

But I discovered to my surprise one day that the term “Chinese calendar” gets a very large number of searches every month, and if you offer people exactly that, you’ll have no difficulty getting plenty of clicks and plenty of happy visitors.

So I bid on the term “Chinese calendars” and structured the site in such a way that those folks landed on the calendar page they were looking for ... but after getting the info they wanted they simply could not resist browsing further around my site. We were then able to keep contact with these visitors via e-mail.

In all of this, a simple turn-the-corner keyword became the biggest traffic source I had found to date. Not bad at all.

If you’ve got a turn-the-corner keyword, the most important thing is that you realize it. Know how to take your prospect from point A to point B, even to point C, to the place that he’s ready to buy from you.

Now you’ve turned a “border niche” into something seriously profitable.

<http://www.PerryMarshall.com/mastermind>

## **Value Per Visitor & Affiliates**

*Perry Marshall*

There's really no such thing as *the* visitor value of your website, except as it relates to specific sources of traffic. But the name of the game is to up your visitor value, whether your visitor value is \$0.10 and you're paying \$0.05 for clicks, or if visitor value is \$100 and you're paying \$30 per click.

A few years ago if you had an affiliate program, you could e-mail a bunch of other people who had e-mail lists and they'd promote your product to their list. Today, if the affiliate you're approaching has a big list, they won't cooperate unless you can give them proof of having good visitor value. They want to know, for example, that they'll make \$0.50 in commissions for every person on their list, based on other people promoting your product to *their* list. That meant that if you wanted a "super affiliate" to play ball with you, some other smaller affiliates would need to be your guinea pigs first.

Now you use pay per click traffic to establish your visitor value, help you improve it based on having a steady, consistent source of traffic, and work out all the bugs in your sales process ... *before* approaching affiliates.

You've got to prove that you can profitably convert traffic that comes from search engines. Visitor values of affiliate traffic are almost always going to be higher than general search engine traffic, because of the relationship the customer has with the person who's recommending that they visit your site.

### **It Always Comes Down to the Sales Process!**

I do a hands-on, custom traffic management for several clients and the process has *never* been simply a matter of setting up the traffic and turning it on. It always involves taking a close look at the sales process and tweaking that, too.

Here's an example: If you sell a health remedy for skin problems, you're going to have quite a list of keywords you can potentially bid on:

- Skin problems
- Acne
- Allergies
- Dermatologist
- Dermatitis
- Rash

Let's say you've got a product that can help *all* of these problems. You can bid on all of these keywords. You can play around until you come up with ads for every single keyword – ads that get good click thru rates. And when you track your conversion rates you'll find you need to make different landing page for each one of these words.

*Here's the trick:* It doesn't have to be a completely different landing page. But if your main page has a headline that says "The Ultimate Cure for 75% of All Skin Problems" that's fine for "skin problems" but for the acne page you might want to change the headline and some of the text to fit the person who's searching for an acne solution. The headline might say "The Ultimate Cure for 75% of All Acne Problems" and adjust the message a bit for that specific audience.

Those changes don't take much time but they can easily *double your conversion rates*.

Now when you go to affiliates, who are going to send an e-mail to their entire list, and if you know that 43% of your visitors come because of acne, 22% come because of allergies and the rest are all over the map, you know that your enticement should focus on acne, it should also talk about allergies (though not quite as much) and then perhaps provide a list of other skin conditions that your product can help with.

### **The Bullseye Sale vs. "Taking Them Around The Bend"**

There are twenty-six companies bidding on "Imitrex" - a high-power, prescription miracle headache medicine, which happens to cost about \$10 to \$20 *per pill*.

Now if you want to sell Imitrex on Google AdWords... It *can* be done successfully, but only if you can afford to lose a substantial amount of money acquiring a new customer, knowing (not just hoping) that you can continue to sell to that person again and again.

If you bid on Imitrex, and you're willing to pay the price, you'll be able to attain a good CTR and probably a decent conversion rate to sales if your sales copy is good.

Of course, you can also get visitors if you bid on "headache." However, you *must* transition the person from their general problem of having a headache to the specific solution of Imitrex. This is a turn-the-corner keyword in its own right.

*Important Note:* If you're bidding on the product Imitrex, your ad should advertise Imitrex. But if you're bidding on "headache" then an ad about a product will almost never work. The secret to making high-volume, low-CPC terms stick is advertising *problem-solving information*, not a product. If I were bidding on "headache" then I would follow the lead of others who are bidding on that keyword. Here's an ad that's running right now:

[\*\*Sinus Headaches?\*\*](#)  
A common misdiagnosis. Learn  
about your headaches on our site.  
[www.mymedicalstory.com](http://www.mymedicalstory.com)

The follow-up process will take not only a good sales letter but a series of quality autoresponder e-mail messages. And with a product like Imitrex, where everyone else's "store" is just a click away, this is going to be brutally price competitive.

"Migraine" is an interesting middle ground. Imitrex is actually designed for Migraine headaches, and a person who searches on "migraine" is probably in serious need of a solution, and can be won over through a solid follow-up process.

### **Pay Per Click vs. Other Ways of Getting Traffic**

I've been working with a client on selling a product that is nearly as competitive as Imitrex – thirty to forty bidders on over 100 related keywords. Very, very stiff competition. Low price points and thin margins on top of that.

His price is higher than most of his competitors, but he's been selling it successfully, mostly through opt-in e-mail lists. He had me do a Google AdWords campaign for him to see what would happen.

We found that e-mail is much more effective for that product. Why? Because it's too easy to do comparison-shopping with forty other websites otherwise. The person who gets an e-mail about it is making a more subjective judgment.

Here's a quick list of ways to sell your product online:

- Pay per click
- Free search engine listings
- Banner ads
- Pop-ups
- Rented e-mail lists
- Paid inclusion in e-zines
- Affiliates
- Free links from other websites

...and don't forget:

- Driving people to your website with direct mail (e.g., postcards) and
- Print advertising

These last two work well because an offline customer who goes online is usually a better quality visitor than an online-to-online visitor.

Remember the game "Rock-Paper-Scissors"? There's a "Rock-Paper-Scissors" relationship among all of these forms of media. Each one has its unique advantages and disadvantages. The greatest advantage of Google AdWords over all other media that I've ever used is the incredibly fast testing and refinement of a sales process that it allows. Take what works on Google and then apply it in all those other places.

## **Google's Stricter Policy for Affiliates: Why It's Good News for You, Not Bad**

*Bryan Todd*

In early January 2005, Google announced a major, sweeping change in the way they handle affiliates who are advertising on Google. Essentially, you can no longer just buy traffic and send it straight to someone else's webpage, if that person or business is already bidding on the same keywords that you are.

Google does this so that the AdWords experience doesn't get cheapened due to one advertiser loading up on affiliates and monopolizing the right side of the page with just one product or website.

So from now on, if you want to promote someone else's products and services using Google AdWords, it means you're going to have to come up with a website with real, legitimate content all your own.

In the long run, this can only be a good thing. And I'm not just painting a smiley face on a sad situation when I say that.

### **Bit Slinging & Traffic Brokering vs. Real Value Creation**

Up until Google made this announcement, all you had to do to be an affiliate marketer was to find a product you wanted to promote, sign up and get an affiliate link from that website, and then send Google traffic there. Our good friend Paul Colligan calls people like this "Bit Slingers." They're just traffic brokers, and nothing more.

But this new policy is a good thing because Google has blown the whistle and now people are forced to create value of their own, or else get out of the game. Sorry folks – no more bit slinging.

But what do you do if up until now you've actually had an income doing this type of thing yourself? That doesn't mean you're lazy or unethical, does it?

If you're genuinely eager to create real value on the Internet, then not at all.

In a nutshell, there are two simple steps to making this change in affiliate policy work for you:

1. Create a mini-website of your own, with articles, reviews or any genuine content that you've pooled from other sources or put together from your own knowledge and experience. From there you can direct traffic on to the person or business whose products you're promoting.
2. Set up an opt-in page at the front end, offering something small for free in return for visitors providing you with their name and e-mail address.

When you do this, you're now creating value in two ways:

- (1) You're offering people your own legitimate content, and
- (2) you're building your very own mailing list.

That's a true asset.

Don't get stuck just brokering traffic. Turn it into something of value for yourself.

You can get the free recordings of two live teleseminars that Perry Marshall did with Jim Edwards and Paul Colligan on this very subject. To learn all about how you can profit from the change in Google policy, just click on this link:

<http://www.PerryMarshall.com/111/mp3>

## The Absolute Paramount Importance of Constant, Ongoing Split-Testing

Bryan Todd

Never stop trying to beat your best. Never stop trying to come up with new ways to improve every small part of your process.

Japanese companies have found a way to break down all of their major job functions into three basic functions: maintenance, innovation, and what they call *Kaizen*. Maintenance is the simple job of keeping the business running, doing the daily necessary tasks and so on. Innovation is the vanguard work of coming up with fresh, new ideas and totally new ways of doing things. Innovation is often handled by upper management. Maintenance gets delegated to the workers.

But Kaizen is a process that absolutely everybody in the business, and everybody in business in general, has a part in. This is the process of ongoing, systematic, incremental improvements to the way things are already done. It's the mass of small, almost insignificant changes that over time add up to a sum total of seriously unbeatable performance.

Take this Kaizen principle and put it to work in your online selling and over time you'll be so far beyond your competitors that nobody can take away your market share.

### A Guy Named Brian Has a Kaizen Surprise

Some months back I consulted with a gentleman named Brian who had a website that sold custom gift products for children. He and I had several sessions together where we meticulously picked through every element of his whole sales process and suggested changes and new approaches and small tweaks here and there.

At the time Brian was on the verge of giving up the ghost simply because of the amount of work involved in keeping this whole operation running, and his perception that there was no real significant changes that he could ever make that would push this site over the top into serious profitability.

Perry and I managed to talk him out of quitting.

Just a couple of weeks ago now we had a group call that Brian was in on. He raised an innocent question about conversion rates on websites, not realizing how far out of everyone's league he had actually come: "I'm averaging maybe a 5% clicks-to-sales ratio on my whole website. I feel like I could do a lot better and wonder if anyone else on the call struggles with this too."

There was silence on the line for a brief moment.

"Uh, did you say *five percent?*" one of the callers asked.

“Yes, that’s right. Why? Is that kind of low?”

More silence. Then Perry piped up: “Five percent is really, *really* good!”

More folks chimed in, exclaiming that they considered themselves lucky if they could turn as much as one percent of their clicks into good sales. And yet Brian was self-conscious about getting five times as many visitors to buy. He explained that a few months back, before he started coaching with us, he was down around one or two percent.

But what made the difference? There was no point where Perry or Howie or I gave some single Eureka-moment piece of insight that allowed Brian to make the leap from two up to five of every hundred visitors buying. No, rather it was Brian’s very calculated, systematic, methodical approach of simply split-testing new ideas against his existing old ones and keeping the one that worked better.

He did this tirelessly over the course of six months and doubled the response on his website.

What was amazing to the rest of the people on the call was that he had reached 5%. What was amazing to Brian, on the other hand, was that 5% was at all unusual. This seemed commonplace to him, simply because the process had been so gradual. So utterly unextraordinary.

And it seriously is not rocket science. Of all the secrets that Brian and others in our Mastermind Club learn, this is the least glamorous, and yet the single most profitable. You can do this with any sales process, and every piece of it, and see gradual, unmistakable improvements over time. The answer lies in *split testing*.

What makes Google so elegant is your ability to do such painlessly easy, real-time split testing of different ads. Take an ad that’s getting a CTR of 1.1%, write a second one with smarter copy, and run it live against the first one, and discover after a few days that you’ve now got a CTR of 1.4%. So you delete the old ad and try another copy idea to run against the new winner. That one gets you a CTR of 1.7%.

So you repeat this process over and over again, and find that you’re eventually, after several weeks and months, pushing CTRs as high as 2.5% or better. Maybe even close to 3%.

Are you patient enough to do this? If so then you can do what Brian did. He was ready to throw in the towel in March and by September had doubled his traffic simply through his patient, systematic Little-Engine-that-Could mindset of never giving up while making just the slightest incremental steps forward.

This is why Kaizen is so effective over time, and why it will work for you too with just the right amount of patience and good ideas.

## “Statistical Significance”: Sounds Boring, But it’s *Very Important* ... and Easy, Too

You flip a coin ten times. You get heads all ten times. Does that mean the coin will *always* come up heads? No – but statistics tells us that one time out of 1024 trials, you probably *will* get heads ten times in a row, just out of blind luck.

When you split test, you have to make sure you run enough trials to be sure that the “winner” didn’t just “get lucky.” So how many trials do you need to run? With the help of my friend Brian Teasley (<http://www.teasley.net>) I created a split-testing tool on the web. The URL is <http://www.splittester.com>. With this tool, you can find out how likely it is that it was luck. Let me show you how this works:

Let’s say we’ve got two ads. One gets a 1.2% clickthrough rate with two clicks total, and the other gets a 2% clickthrough rate with five clicks total. Was the better one really better, or was it luck? Let’s see:

| Enter Your Numbers Here:                                                                                                        |           |                                 |     |
|---------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------|-----|
| Number of Clicks<br>(First Ad)                                                                                                  | 2         | Number of Clicks<br>(Second Ad) | 5   |
| CTR<br>(First Ad, in %) *                                                                                                       | 1.2       | CTR<br>(Second Ad, in %) *      | 2.0 |
| * Your CTR must be entered as a simple percentage.<br>For example, enter 3.1% as "3.1", and not "0.031";<br>Enter 0.7% as "0.7" |           |                                 |     |
|                                                                                                                                 | Calculate | Reset                           |     |

When we click “Calculate” it says:

You are **not very** confident that the ads will have different long-term response rates.

But now let's say we've got 20 clicks for one and 35 for the other, not two and five:

| Enter Your Numbers Here:                                                                                                                 |                  |                                 |     |
|------------------------------------------------------------------------------------------------------------------------------------------|------------------|---------------------------------|-----|
| Number of Clicks<br>(First Ad)                                                                                                           | 20               | Number of Clicks<br>(Second Ad) | 35  |
| CTR<br>(First Ad, in %) *                                                                                                                | 1.2              | CTR<br>(Second Ad, in %) *      | 2.0 |
| <p>* Your CTR must be entered as a simple percentage.<br/>For example, enter 3.1% as "3.1", and not "0.031";<br/>Enter 0.7% as "0.7"</p> |                  |                                 |     |
|                                                                                                                                          | <b>Calculate</b> | <b>Reset</b>                    |     |

We click “Calculate” and it tells us:

You are **approximately 95%** confident that the ads will have different long-term response rates.

Ninety-five percent confidence means that if we ran this test 100 times and got these results, the results would lead us in the right direction 95 times. That's pretty good – I'm willing to bet on those kinds of odds.

Here's a real simple rule of thumb: When your response percentages are fairly close between two competing ads, you need thirty or more responses to each one before you can declare a winner. And maybe even fifty. But if one is already doing considerably better than the other, then it doesn't take as long – after five to fifteen actions have been taken you can be fairly sure. Use <http://www.splittester.com/> to find out.

When you do this kind of rigorous split testing, when you test two things side by side and make sure you're 90%, 95% or 99% sure of your results before you go on, you're dealing with hard numbers and good, high levels of certainty.

And that makes for very *sound* marketing.

### Split-Testing Web Pages

Google lets you split test ads and also lets you keep track of how conversions track back to your keywords. But you'll want a third-party tracker in addition to Google, in order to do solid split-testing of the various pages on your site that take people through the sales process.

Over time you should split test:

- (1) Your Google ads
- (2) Opt-in pages that visitors land on

- (3) Your sales letter
- (4) The autoresponder e-mail message track that people are put on after opting in
- (5) The actionform, or the page where people choose which product to buy

### Track Dollars, Not Just Percentages

The more sophisticated third-party trackers let you specify a dollar amount that each action or conversion is worth. If you have more than one price point, and you most likely should, then it's important to track how your opt-in page or sales letter turns into sales dollars, rather than just tracking the percentage of people who sign up or buy.

The most succinct figure to glean from your tracker is how each page you're testing results in a different visitor value, or VPV. That's total sales divided by clicks. Here's a screenshot of a spreadsheet that shows the actual split test that one client did earlier this year on two of his opt-in pages. The VPV is marked in blue, and the improvement in VPV marked in red. You can see how much the initial opt-in page can swing a difference in eventual sales:

|    | A                                                                    | B        | C         | D       | E             | F       | G                | H           | I         | J        | K         | L       | M             | N       | O                 |
|----|----------------------------------------------------------------------|----------|-----------|---------|---------------|---------|------------------|-------------|-----------|----------|-----------|---------|---------------|---------|-------------------|
| 1  | Daily Average Visitor Value: Old Control (a) vs. New Opt-in Page (b) |          |           |         |               |         |                  |             |           |          |           |         |               |         |                   |
| 2  | Date                                                                 | a Clicks | a Opt-Ins | a Sales | a Sales Value | a VPV   | a Value Per Sale | a % Opt-Ins | a % Sales | b Clicks | b Opt-Ins | b Sales | b Sales Value | b VPV   | % of b VPV over a |
| 3  | 10-Jan                                                               | 360      | 21        | 1       | \$ 97.00      | \$ 0.27 | \$ 97.00         | 5.8%        | 0.3%      | 335      | 16        | 1       | \$ 49.00      | \$ 0.15 | -45.7%            |
| 4  | 11-Jan                                                               | 921      | 66        | 3       | \$ 243.00     | \$ 0.26 | \$ 81.00         | 7.2%        | 0.3%      | 959      | 64        | 13      | \$ 1,121.00   | \$ 1.17 | 343.0%            |
| 5  | 12-Jan                                                               | 2239     | 61        | 9       | \$ 929.00     | \$ 0.41 | \$ 103.22        | 2.7%        | 0.4%      | 2279     | 73        | 6       | \$ 734.00     | \$ 0.32 | -22.4%            |
| 6  | 13-Jan                                                               | 407      | 76        | 23      | \$ 1,607.00   | \$ 3.95 | \$ 69.87         | 18.7%       | 5.7%      | 405      | 78        | 10      | \$ 878.00     | \$ 2.17 | -45.1%            |
| 7  | 14-Jan                                                               | 418      | 59        | 1       | \$ 97.00      | \$ 0.23 | \$ 97.00         | 14.1%       | 0.2%      | 398      | 54        | 9       | \$ 777.00     | \$ 1.95 | 741.3%            |
| 8  | 15-Jan                                                               | 396      | 63        | 4       | \$ 340.00     | \$ 0.86 | \$ 85.00         | 15.9%       | 1.0%      | 377      | 56        | 7       | \$ 535.00     | \$ 1.42 | 65.3%             |
| 9  | 16-Jan                                                               | 431      | 50        | 8       | \$ 732.00     | \$ 1.70 | \$ 91.50         | 11.6%       | 1.9%      | 418      | 72        | 9       | \$ 729.00     | \$ 1.74 | 2.7%              |
| 10 | 17-Jan                                                               | 577      | 63        | 10      | \$ 1,022.00   | \$ 1.77 | \$ 102.20        | 10.9%       | 1.7%      | 590      | 88        | 15      | \$ 1,311.00   | \$ 2.22 | 25.5%             |
| 11 | 18-Jan                                                               | 625      | 89        | 9       | \$ 929.00     | \$ 1.49 | \$ 103.22        | 14.2%       | 1.4%      | 602      | 92        | 21      | \$ 1,749.00   | \$ 2.91 | 95.5%             |
| 12 | 19-Jan                                                               | 490      | 65        | 8       | \$ 880.00     | \$ 1.80 | \$ 110.00        | 13.3%       | 1.6%      | 510      | 73        | 20      | \$ 1,556.00   | \$ 3.05 | 69.9%             |
| 13 | 20-Jan                                                               | 468      | 58        | 13      | \$ 1,317.00   | \$ 2.70 | \$ 101.31        | 11.9%       | 2.7%      | 459      | 75        | 18      | \$ 1,602.00   | \$ 3.49 | 29.3%             |
| 14 | 21-Jan                                                               | 444      | 63        | 8       | \$ 632.00     | \$ 1.42 | \$ 79.00         | 14.2%       | 1.8%      | 471      | 79        | 22      | \$ 1,654.00   | \$ 3.51 | 146.7%            |
| 15 | 22-Jan                                                               | 355      | 55        | 12      | \$ 828.00     | \$ 2.33 | \$ 69.00         | 15.5%       | 3.4%      | 364      | 55        | 10      | \$ 874.00     | \$ 2.40 | 2.8%              |
| 16 | 23-Jan                                                               | 480      | 94        | 10      | \$ 778.00     | \$ 1.62 | \$ 77.80         | 19.6%       | 2.1%      | 478      | 96        | 17      | \$ 1,313.00   | \$ 2.75 | 69.5%             |
| 17 | 24-Jan                                                               | 591      | 72        | 15      | \$ 1,315.00   | \$ 2.23 | \$ 87.67         | 12.2%       | 2.5%      | 588      | 91        | 31      | \$ 2,239.00   | \$ 3.81 | 71.1%             |
| 18 | 25-Jan                                                               | 219      | 28        | 5       | \$ 437.00     | \$ 2.00 | \$ 67.40         | 12.8%       | 2.3%      | 231      | 29        | 8       | \$ 632.00     | \$ 2.74 | 37.1%             |
| 19 |                                                                      |          |           |         |               |         |                  |             |           |          |           |         |               |         |                   |
| 20 | Total:                                                               | 9441     | 983       | 139     | \$ 12,183.00  | \$ 1.29 | \$ 87.65         | 10.4%       | 1.5%      | 9464     | 1091      | 217     | \$ 17,753.00  | \$ 1.88 | 45.4%             |
| 21 |                                                                      |          |           |         |               |         |                  |             |           |          |           |         |               |         |                   |

This client is getting much more intelligence from his numbers than if he just counted percentages. He knows how many people are buying *and* how much his opt-in page is getting them eventually to spend.

There's a number of quality tracking services you can subscribe to. One of our favorites is Hypertracker (<http://www.hypertracker.net>) because of the versatility it gives you. I've put together a simple tutorial for using Hypertracker that you can view online from your Internet browser:

<http://video.hypertracker.net>

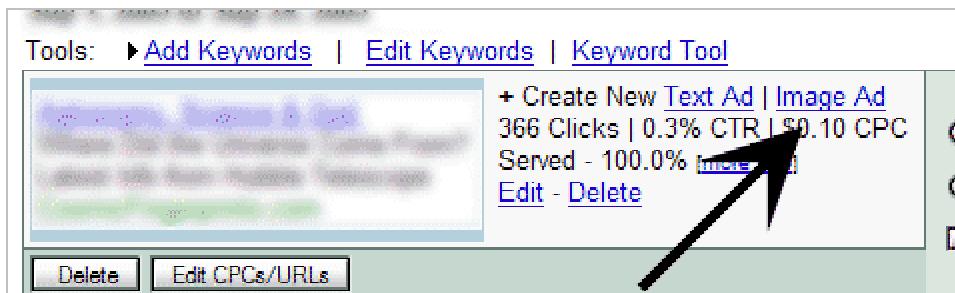
# Part Four: Tools, Tips & Tricks

# **Google Image Ads: How You Can Take Advantage of Another Great Advertising Medium**

*Bryan Todd*

One excellent feature of content-targeted advertising is Google's image ads. This is one of the few places on earth where you can create an image ad entirely your own, have it run as the only advertisement on a webpage, and pay only when people click.

To post an image ad, you'll need to have your campaign settings set to show ads on AdSense, Google's content network. Go into your ad group and click on the "Create New Image Ad" link:



Google does a solid job of explaining the setup process, so I'm not going to try to reduplicate it. But here are some tips on making the numbers work to your advantage.

## **Yes, Size Does Matter**

You've got a choice of multiple sizes for your ads. And this should be no surprise: the larger ad sizes will always earn you more clicks. They're more invasive and more noticeable. Tiny strip-ads squeezed in at the very top or very bottom of the page are less so and are likely to bring you a lower CTR.

So don't assume that multiple ads of varying sizes are performing differently only because of their copy. Size can sometimes be the biggest determining factor.

You'll need to split-test ads within categories of size: Be sure you're running ads in each of the sizes that Google makes available, and that you're testing at least two different kinds of copy for each ad size. If you are only testing one ad in each size, and different sized ads have different copy, that probably won't tell you anything about which copy is effective and which isn't. It may only tell you which size is most likely to draw clicks.

# THE DARK HISTORY OF THE CHURCH

7 Great  
Lies of  
Organized  
Religion:

The Critical  
Fault Line  
that Separates  
Genuine  
Spirituality  
from Empty  
Religious  
Dogma

# THE DARK HISTORY OF THE CHURCH

7 Great Lies of Organized Religion:  
The Unvarnished Truth

## RELIGION RUN AMOK

7 Great Myths of Organized Religion: The Unvarnished Truth

You may also discover that a certain kind of copy works best for the small ads, whereas a different kind of copy works well for the larger ads. As always, you'll only know if you split-test!

### 10x Higher Clickthrough Rates? Yes! But ...

Surprise: Image ads bring you better CTRs than regular content-targeted text ads. It's true.

There are a number of reasons for that, the biggest being that visuals are always more impulsively compelling than mere words, plus with image ads your competition is much less, as you may often be the only Google ad that's showing on a particular page.

The flipside to this is that your image ads will get much fewer impressions than text ads. Even with Optimized Ad Serving disabled, there's simply no way that image ads can be served as frequently as text ads. Here's what happened in one campaign that we ran over ten days:

Text ad:  
240,625 Impressions  
1,925 Clicks  
0.8% CTR

120x600 Image ad:  
6,000 Impressions  
66 Clicks  
1.1% CTR

728x90 Image ad:  
23,667 Impressions  
213 Clicks  
0.9% CTR

468x60 Image ad:  
6,429 Impressions  
45 Clicks  
0.7% CTR

300x250 Image ad:  
1,594 Impressions  
51 Clicks  
3.2% CTR

You saw it right: the largest ad got shown the least. Web pages are like real estate and space can be costly. The text ad got shown *forty times more often* than the other image ads!

It's not at all unusual for some image ads to pull in *CTRs ten times as high* as text ads with identical copy. But even with their good CTRs, image ads get shown much less, and because of their impulse appeal, the traffic they bring in tends to be lower quality, and doesn't convert as well to sales.

## Time to Approve

When you introduce a new image ad, it will probably take several weeks before Google begins to serve the ad. So sit back and be patient.

Why the wait? It's because Google's editors have to approve it first and they're *doubly cautious* about what kinds of images they'll allow to be syndicated out to other

companies' websites. With text ads this sort of thing is less of an issue, whereas with image ads there's a bit of risk.

The last thing Google wants is the embarrassment or legal hassle of unwittingly farming out to other companies' websites image ads with offensive or shocking content.

So have all your image ads ready to submit up front. Have at least two ads with different copy and content in each size so that you can split-test the effectiveness of each within its size parameters. And be prepared for a long wait before Google's editors get around to checking your ad.

### **A Pedantic Visual Detail You Need to Be Careful Of**

Be aware of the fact that when Google tells you the size of the ad that you're buying, they are actually taking part of your ad space from you in order to display your URL and their own "Ads By Google" label.

Each line of text eats a space eleven pixels deep across the bottom of your ad. In the case of the 120x600 tower ad, Google's label and your URL will take up two lines. So you're losing twenty-two pixels worth of vertical space on that particular ad.

This can be problematic because if you submit an image that is, for example, the full 120x600 pixels in size, Google will resize your original image to include their footer at the bottom, and your image will be slightly warped and slightly unclear.

So when you're designing your ads in Photoshop or another image editor, you'll actually want to use the following sizes:

300 x 239  
120 x 578  
728 x 79  
468 x 49

That will you can be sure that your ads don't appear distorted when they display on web pages.

### **All of the Same Time-Tested Principles Work Here, Too**

So what about copy?

Fundamentally, the same principles of good copywriting apply to image and banner advertising as to regular Google ads. In a lot of cases, you can copy a text ad over to a banner ad, tweak a couple of phrases to make them complete sentences, and you're done.

The point is to be relevant, compelling, and credible. Test whether numbers and statistics work. Try including a very brief testimonial. Use compelling language that attracts people. Add a small visual that supports what you say in your copy, and test it to see if it pulls better.



Most importantly, use your copy enter the conversation that's already going on inside your prospect's head. That'll draw him in every time.

<http://www.PerryMarshall.com/mastermind>

## Site-Targeted AdSense

Perry Marshall & Bryan Todd

Site targeting is a way of doing AdSense without doing Google AdWords. It runs by *cost per impression* instead of cost per click.

The payment method is different, the audience is different, and the psychology of it is different as well. With AdSense you're now writing ads that are trying to *interrupt* people rather than people who are already searching for what you have.

Any site that's set up to run AdSense ads is available for you to advertise on. Plus, in addition to regular text ads, you can also run image ads as well. There are a number of good possibilities here.

To set up site-targeted AdSense, click through from your campaign summary:

The screenshot shows the Google AdWords interface. At the top, there's a navigation bar with 'Campaign Management', 'Reports', and 'My Account'. Below that is a secondary navigation bar with 'Campaign Summary', 'Tools', and 'Conversion Tracking'. A prominent message box says 'New! Lower minimum bids for site targeting. Run your campaign for as litt' with links to 'Learn more' and 'Click to begin'. The main area is titled 'All Campaigns' and includes a link '+ Create a new campaign: keyword-targeted | site-targeted [?]'.

| Campaign Name | Current Status | Current Budget [?] | Clicks     | Impr.      |
|---------------|----------------|--------------------|------------|------------|
| [Redacted]    | [Redacted]     | [Redacted]         | [Redacted] | [Redacted] |

After choosing your language and locations, you'll enter the text of your ad and then put in a set of keywords that will tell Google what subject area you're aiming to advertise in:

[Intelligent Design Proven](#)  
[The Big Bang, DNA and God](#)  
[Hard Facts Make an Airtight Case](#)  
[www.CosmicFingerprints.com](http://www.CosmicFingerprints.com)

[Edit - Delete](#)

You can create additional ads for this Ad Group now if you wish. When you're satisfied with the ad(s) you've created, move to the next step on this page.

+ Create new [text ad](#) | [image ad \[?\]](#)

### Target your ad: Identify sites

In the field below, enter terms that describe the kind of site(s) where you'd like to advertise. You may also enter the URLs of actual sites where you'd like to advertise. The Adwords system will analyze your entries and generate a list of available Google Network sites. (If a site you enter isn't part of the Google Network, it will help us identify similar sites that are.)

Please enter one descriptive phrase or URL per line.  
For sites, use the format `example.com` or `subdomain.example.com`.  
Terms can be one word (like *tennis*) or a phrase (like *Formula One racing*).  
religion  
organized religion  
church  
catholic  
protestant

[« Back](#) [Continue »](#)

Next you can choose the exact sites where you want your ads to run. Google gives you a list, and you can sort it alphabetically or by impression:

**New Site-targeted Campaign Set-up**

Target customers > Create ad > **Target ad** > Set pricing > Set daily budget > Review and save

**Target ad: choose sites**

Use the Site Tool below to pick the sites where your ads may appear. [Tell me how to use this tool.](#)

**Available sites**      **Selected sites**

| <input type="checkbox"/> | Site Name                                | Max. Impressions/Day [?] |
|--------------------------|------------------------------------------|--------------------------|
| <input type="checkbox"/> | <a href="#">belief.net</a>               | 0k-1                     |
| <input type="checkbox"/> | <a href="#">aol.beliefnet.com</a>        | 0k-1                     |
| <input type="checkbox"/> | <a href="#">beliefnet.org</a>            | 0k-1                     |
| <input type="checkbox"/> | <a href="#">theooze.com</a>              | 0k-1                     |
| <input type="checkbox"/> | <a href="#">beliefnet.com</a>            | 500                      |
| <input type="checkbox"/> | <a href="#">debatingchristianity.com</a> | 0k-1                     |
| <input type="checkbox"/> | <a href="#">religiousforums.com</a>      | 0k-1                     |
| <input type="checkbox"/> | <a href="#">apologeticsindex.org</a>     | 10k-10                   |
| <input type="checkbox"/> | <a href="#">sandiegochurches.org</a>     | 0k-1                     |

**Add »**      **« Remove**

**Note:** Max Impressions/Day shows impressions for an entire country, not just for the regions you targeted for this campaign. Actual available impressions are likely to be fewer, depending on the size and number of regions you targeted.

**« Back**      **Continue »**

You'll see that some sites allow image *and* text ads, others text only. Image ads generally have much higher CTRs – an important strategic fact.

**New Site-targeted Campaign Set-up**

Target customers > Create ad > Target ad > **Set pricing** > Set daily budget > Revie

| selected sites                       | Max Impressions / Day: |
|--------------------------------------|------------------------|
| 4 Sites that allow image or text ads | 10k-100k               |
| 6 Sites that allow text ads only     | 10k-100k               |
| <b>Total — All selected sites</b>    | <b>100k-500k</b>       |

These represent the impressions available to all advertisers, NOT your total impressions. We recommend that you set an affordable bid, run your ads for a few days, then adjust your sites and max CPM accordingly.

**Set pricing: Cost per thousand impressions (CPM)**

The maximum CPM [?] is the top amount you're willing to pay each 1000 times your ad is displayed. The higher the amount, the better the chance that your ad will show. Your CPM must be at least \$1.00.

Maximum CPM for sites in this Ad Group: \$

**« Back** **Continue »**

Note Google's language here – this could give you a misleading idea of how much traffic is available. You'll set a budget next, so start conservative and try it for a few days.

Here we have a group summary just like in a normal AdWords group, but with slightly different metrics being reported:

**Ad Group: Religion** [Active](#) | [Pause Ad Group](#) | [Delete Ad Group](#)

1 of 3 Ad Groups | [Next »](#)

Ad Group Max CPM: USD \$1.00 [\[edit bid\]](#)

Tools: [Filter Sites](#) | [Edit Sites and CPMs](#) | [Site Tool](#)

1 - 16 of 16 sites .

| <input type="checkbox"/> Site                                   | Clicks ▾ | Impr.  | CTR  | Avg. CPM | Cost    | Conv. Rate | Cost/Conv. |
|-----------------------------------------------------------------|----------|--------|------|----------|---------|------------|------------|
| Total                                                           | 133      | 39,181 | 0.3% | \$1.00   | \$39.19 | 7.52%      | \$3.92     |
| <input type="checkbox"/> <a href="#">beliefnet.com</a>          | 41       | 21,223 | 0.1% | \$1.00   | \$21.23 | 19.51%     | \$2.65     |
| <input type="checkbox"/> <a href="#">christianforums.com</a>    | 38       | 8,084  | 0.4% | \$1.00   | \$8.09  | 0.00%      | \$0.00     |
| <input type="checkbox"/> <a href="#">newadvent.org</a>          | 17       | 1,104  | 1.5% | \$1.00   | \$1.11  | 0.00%      | \$0.00     |
| <input type="checkbox"/> <a href="#">jehovahs-witness.com</a>   | 12       | 4,224  | 0.2% | \$1.00   | \$4.23  | 0.00%      | \$0.00     |
| <input type="checkbox"/> <a href="#">religioustolerance.org</a> | 8        | 1,376  | 0.6% | \$1.00   | \$1.38  | 0.00%      | \$0.00     |
| <input type="checkbox"/> <a href="#">biblestudy.org</a>         | 5        | 553    | 0.9% | \$1.00   | \$0.56  | 0.00%      | \$0.00     |
| <input type="checkbox"/> <a href="#">beliefnetgreetings.com</a> | 4        | 329    | 1.2% | \$1.00   | \$0.33  | 50.00%     | \$0.16     |

## Some Key Notes

(1) The \$1.00 cost-per-thousand (CPM) minimum is quite different from cost per click. At a 1% CTR, that's \$0.10 per click. At a 0.1% CTR, that's \$1.00 a click. At a 3% CTR it's only \$0.03 per click.

(2) The psychology of AdSense ads is somewhat different than keyword-triggered ads. Again, the idea is to *interrupt* a person who is a likely target, not so much harmonize with their exact thoughts based on a search they just did.

(3) It's possible to get *huge* amounts of traffic with AdSense in some categories, if you do it right.

(4) With site targeting you can split-test ads without Google search traffic interfering with your statistics.

(5) This was designed with "brand" advertisers in mind, but a direct response marketer like yourself can get a lot of use out of it, *if* you watch your numbers and conversions carefully.

(6) Image ads usually get much higher CTRs than text ads, so take advantage of that where possible.

(7) Just as with Google ads, they key to success with site targeting is always constant, patient split testing!

## Tweaking Your Traffic

Over time you'll start to get a flavor for how the traffic works for you, and it will become clear, for example, that on one site the webmaster is probably placing ads somewhere near the bottom of the page and your ads aren't being seen, which means you're getting a lot of impressions (which you're now paying for) but with hardly any clicks.

At the same time you'll discover that on another site you're getting a really good, low cost for your clicks. When that happens, delete the site from the list that's not doing well and keep the sites that you want.

Ultimately the peel and stick method is going to come into play here. Instead of peeling and sticking keywords we peel and stick web sites.

Another helpful feature is the fact that with site-targeted ads you're no longer mixing Google traffic, AOL/search traffic and AdSense traffic all together. That means that when you create ads and they start to show, the comparison with any other ads you've been showing is a straight apples-to-apples one. You can compare the clickthrough rate of one ad with the clickthrough of another without having to factor in where it's being served.

Now what's going to determine your success at the end is your *cost per conversion*. How much does it cost you to get a real customer? That will tell you whether you're hitting or missing.

But what we've done here in site targeting is we have said, "I want the people that go to this site." Now you've got one more fresh and different way of slicing up the online world.

## Cashing in on Image Ads

I've already mentioned that image ads usually have a clickthrough rate that's quite a bit higher than text ads, sometimes ten times as high. You can use text ads to find out what kind of copy works on the sites where you're advertising, and then build image ads based on that.

And since you're paying per impression you can save more money that way.

Of course, you can also split test a host of image ads and find some serious winners. After all, you are paying for every one of them to be seen whether they get clicked on or not. So the key then becomes getting a high clickthrough rate. That makes site-targeted AdSense really pay off.

## Tweaking Your Account with Google's Bells & Whistles

Bryan Todd

One small casual change in a seemingly unimportant setting in your Google account could spell the difference between success and failure across all of your campaigns. When you know how to manage the small details of your account, and how to get all the little bells and whistles to work for you, you'll be that much further ahead in beating the market.

Here's a concise rundown of all the major adjustable features in your Google account.

### Editing CPCs & URLs for Groups of Keywords

You don't have to stick to one single bid price for every keyword in your ad group across the board. Nor do you have to send all of the traffic for every keyword to the same destination URL. To edit this, select the keywords you want to tweak and click on the "Edit CPCs/URLs" button just under the ad:



| Served - 100.0% <a href="#">[more info]</a> |                                   |                            |             |        |        | <input type="checkbox"/> Include deleted items |  |
|---------------------------------------------|-----------------------------------|----------------------------|-------------|--------|--------|------------------------------------------------|--|
| <a href="#">Edit - Delete</a>               |                                   |                            |             |        |        |                                                |  |
| <input type="checkbox"/>                    | Keyword                           | Status <a href="#">[?]</a> | Max CPC Bid | Clicks | Impr.  | CTR                                            |  |
|                                             | Search Total                      |                            |             | 1,741  | 59,615 | 2.9%                                           |  |
|                                             | Content Total <a href="#">[?]</a> |                            |             | 873    | 74,843 | 1.1%                                           |  |
| <input type="checkbox"/>                    | spark plug                        | Active                     | \$0.10      | 811    | 31,182 | 2.6%                                           |  |
| <input checked="" type="checkbox"/>         | spark plugs                       | Active                     | \$0.10      | 779    | 23,865 | 3.2%                                           |  |
| <input type="checkbox"/>                    | plug wires                        | Active                     | \$0.20      | 22     | 1,246  | 1.7%                                           |  |
| <input type="checkbox"/>                    | replace spark plugs               | Active                     | \$0.10      | 47     | 968    | 4.8%                                           |  |
| <input checked="" type="checkbox"/>         | plug gap                          | Active                     | \$0.10      | 27     | 658    | 4.1%                                           |  |
| <input checked="" type="checkbox"/>         | platinum spark plugs              | Active                     | \$0.20      | 18     | 577    | 3.1%                                           |  |
| <input type="checkbox"/>                    | replacing spark plugs             | Active                     | \$0.10      | 27     | 480    | 5.6%                                           |  |
| <input type="checkbox"/>                    | splitfire                         | Active                     | \$0.10      | 2      | 276    | 0.7%                                           |  |
| <input checked="" type="checkbox"/>         | snark.nium.wrench                 | Active                     | \$0.20      | 3      | 174    | 1.7%                                           |  |

You can tell Google where exactly to send the traffic for each of the keywords in your list. You can edit CPCs as well. And you can direct each keyword individually or click on the orange "V" button to set the same value for the whole list. Here's what it looks like for four keywords related to Forex trading:

**Edit CPCs/URLs**

Enter optional Max CPCs and/or Destination URLs for any keyword. Use this feature to track traffic by keyword or to costs more closely. If you wish to paste in an entire list of keywords, URLs, and CPCs at once, use the [Edit Keywords](#) page.

**Default Ad Group CPC:**  Leave fields blank to use default Ad Group CPC or default URL.

| Keyword        |        | Status                  | Max CPC Bid                        | Destination URL      |                                  |
|----------------|--------|-------------------------|------------------------------------|----------------------|----------------------------------|
| forex          | Active | \$ <input type="text"/> | V <input type="button" value="▼"/> | <input type="text"/> | <input type="button" value="▼"/> |
| trade forex    | Active | \$ <input type="text"/> |                                    | <input type="text"/> |                                  |
| forex news     | Active | \$ <input type="text"/> |                                    | <input type="text"/> |                                  |
| forex training | Active | \$ <input type="text"/> |                                    | <input type="text"/> |                                  |

## **Checking Back Over Your Old Deleted Keywords**

Did you delete a keyword unintentionally? Are you trying to remember the exact wording in that old ad you wrote but have since deleted? In each ad group you can look back at deleted items. This ad group even has an old keyword leftover from the days when Google used to disable them:

Tools: [Filter Keywords](#) | [Add Keywords](#) | [Edit Keywords](#) | [Keyword Tool](#)

1 - 18 of 18 keywords .

+ Create New [Text Ad](#) | [Image Ad](#)

1 of 4 Ads: [View all below](#)

[Delete](#) | [Edit CPCs/URLs](#)

| <input type="checkbox"/> Keyword  | Status <a href="#">[?]</a> | Max CPC Bid | Clicks | Imp.   | CTR    | Avg. CPC | Cost    |
|-----------------------------------|----------------------------|-------------|--------|--------|--------|----------|---------|
| Search Total                      |                            |             | 240    | 11,412 | 2.1%   | \$0.13   | \$28.98 |
| Content Total <a href="#">[?]</a> |                            |             | 4      | 1,308  | 0.3%   | \$0.24   | \$0.95  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 76     | 1,075  | 7.0%   | \$0.09   | \$6.19  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 64     | 5,763  | 1.1%   | \$0.22   | \$13.49 |
| <input type="checkbox"/>          | Active                     | \$0.30      | 30     | 832    | 3.6%   | \$0.08   | \$2.19  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 24     | 277    | 8.6%   | \$0.11   | \$2.52  |
| <input type="checkbox"/>          | Deleted                    |             | 18     | 1,262  | 1.4%   | \$0.07   | \$1.18  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 16     | 1,212  | 1.3%   | \$0.05   | \$0.80  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 6      | 286    | 2.0%   | \$0.28   | \$1.66  |
| <input type="checkbox"/>          | Disabled                   | \$0.30      | 3      | 625    | 0.4%   | \$0.09   | \$0.25  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 2      | 2      | 100.0% | \$0.17   | \$0.33  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 1      | 49     | 2.0%   | \$0.37   | \$0.37  |
| <input type="checkbox"/>          | Active                     | \$0.30      | 0      | 12     | 0.0%   | -        | -       |
| <input type="checkbox"/>          | Active                     | \$0.30      | 0      | 8      | 0.0%   | -        | -       |
| <input type="checkbox"/>          | Active                     | \$0.30      | 0      | 5      | 0.0%   | -        | -       |

Include deleted items that were active in this date range

And you can look over old deleted ads as well:

The screenshot shows the AdWords interface with the URL <https://adwords.google.com/select/CampaignManagement?campaignid=455>. At the top, there's a table for 'Content Total' with one row for '[chinese] Active'. Below it, a note states: 'Reporting is not real-time. Clicks and impressions received in the last 3 hours may not be included here. There is a 24 hour delay in conversion tracking reporting. Lower CTRs for content ads will not adversely affect your campaign. [?] Inactive keywords don't have a high enough Quality Score and Max CPC to trigger ads. These keywords may occasionally accrue clicks as we re-assess their quality. [?]'. The main area shows two ads in the 'Active' section and one in the 'Deleted' section. The 'Deleted' ad has a higher CTR (0.8% vs 0.3%) and CPC (\$0.06 vs \$0.05). The 'Deleted' section is highlighted with a gray background.

A word of caution, though – don't panic if it looks like old deleted items had a better CTR than your current ones. There's one of two perfectly reasons why the deleted ads in the example above show higher CTRs than the current ones:

- (1) I've since turned on content-targeted traffic, which earns lower CTRs
- (2) The market was different back when I was running the deleted ad, and the ad I have running now was actually doing much better than 0.8% at the time.

## Your Campaign Settings

You can choose certain parameters and settings for each of your different campaigns, and all of the ad groups in that campaign will follow suit. You can:

- (1) Rename your campaign
- (2) Adjust your daily budget
- (3) Plan for your ads to *stop* showing after a certain date
- (4) Turn Optimized Ad Serving on or off
- (5) Adjust whether you show content-targeted ads or not
- (6) Change your languages
- (7) Change your geographic settings

To make these changes, click on the “Edit Campaign Settings” link near the top of your page:

The screenshot shows the Google AdWords interface. At the top, there's a navigation bar with tabs: Campaign Management (selected), Reports, and My Account. Below the navigation bar is a green header bar with links: Campaign Summary | Tools | Conversion Tracking. The main content area has a title "Active | Pause Campaign | Delete Campaign". It displays the "Campaign Daily Budget: USD \$15.00" and links to "Edit Campaign Settings", "Add", and "No excluded sites". A button "Show all Ad Groups" is visible. Below this is a table with columns: Ad Group Name, Current Status, Max. CPC, Clicks, and Impr. Two rows of data are shown: one row with "Active" status and another with "Active". At the bottom of the table are buttons for Change Max CPC, Rename, Pause, Resume, and Delete. A large black arrow points from the left towards the "Edit Campaign Settings" link.

### Optimized Ad Serving

If you’re split-testing two or more ads in an ad group, Google will automatically show the better-performing one a higher percentage of the time, unless you tell them otherwise. This is called *optimized ad serving*, and you can turn it on or off.

The screenshot shows two ads in a grid. The first ad has the following details: 21 Clicks | 1.0% CTR | \$0.23 CPC, Served - 46.2%, and Edit - Delete. The second ad has the following details: 12 Clicks | 0.5% CTR | \$0.22 CPC, Served - 53.8%, and Edit - Delete. Both ads are blurred to protect sensitive information.

These two ads have optimized ad serving *disabled*, and they’re showing fairly evenly. Google tells you right under the CTR how much each ad is “served.” It will never be exactly 50/50, and it can sometimes vary as unevenly as 60/40.

I prefer to disable optimized ad serving, so that the traffic for each ad will come in at the same speed.

To have your ads show evenly, go into your campaign settings and *uncheck* the box under #4:

This screenshot shows the 'Basic information' and 'Where to show my ads' sections of the Google AdWords interface. A red arrow points to the 'Automatically optimize ad serving for my ads' checkbox in section 4.

|                                                                                                     |                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Basic information                                                                                | 5. Where to show my ads                                                                                                                                                   |
| Campaign name: [redacted]                                                                           | Show ads on Google and the<br><input type="checkbox"/> search network<br><input type="checkbox"/> content network [?]<br><a href="#">[ more info about these choices]</a> |
| 2. How much I want to pay                                                                           | Languages: All Languages<br>Chinese (simplified)<br>Chinese (traditional)<br>Danish                                                                                       |
| Daily budget: \$ 15.00 /day [?]                                                                     | <small>Hold down the control or command key to select multiple items.<br/>Ads should be written in the above language(s).</small>                                         |
| View Recommended Budget [?]                                                                         | Locations: Countries <a href="#">Edit</a>                                                                                                                                 |
| Enable the Budget Optimizer [?]                                                                     |                                                                                                                                                                           |
| 3. When to show my ads                                                                              |                                                                                                                                                                           |
| Start date: [redacted]                                                                              |                                                                                                                                                                           |
| End date: Dec 31 2010                                                                               |                                                                                                                                                                           |
| 4. How often to show my ads                                                                         |                                                                                                                                                                           |
| <input type="checkbox"/> Automatically optimize ad serving for my ads. <a href="#">[ more info]</a> |                                                                                                                                                                           |

## Search and Content Network Traffic

If you want your ads to show on Google's search network (Netscape Netcenter, Compuserve, AskJeeves, AOL) or content network (InfoSpace, Lycos, Business.com, and in newsletters and e-mails), you can check the boxes under #5:

This screenshot shows the same 'Basic information' and 'Where to show my ads' sections as the previous one. A red arrow points to the 'search network' and 'content network' checkboxes in section 5.

|                                                                                                     |                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Basic information                                                                                | 5. Where to show my ads                                                                                                                                                                         |
| Campaign name: [redacted]                                                                           | Show ads on Google and the<br><input checked="" type="checkbox"/> search network<br><input checked="" type="checkbox"/> content network [?]<br><a href="#">[ more info about these choices]</a> |
| 2. How much I want to pay                                                                           | Languages: All Languages<br>Chinese (simplified)<br>Chinese (traditional)<br>Danish                                                                                                             |
| Daily budget: \$ 15.00 /day [?]                                                                     | <small>Hold down the control or command key to select multiple items.<br/>Ads should be written in the above language(s).</small>                                                               |
| View Recommended Budget [?]                                                                         | Locations: Countries <a href="#">Edit</a>                                                                                                                                                       |
| Enable the Budget Optimizer [?]                                                                     |                                                                                                                                                                                                 |
| 3. When to show my ads                                                                              |                                                                                                                                                                                                 |
| Start date: [redacted]                                                                              |                                                                                                                                                                                                 |
| End date: Dec 31 2010                                                                               |                                                                                                                                                                                                 |
| 4. How often to show my ads                                                                         |                                                                                                                                                                                                 |
| <input type="checkbox"/> Automatically optimize ad serving for my ads. <a href="#">[ more info]</a> |                                                                                                                                                                                                 |

## Should You Use Google's Budget Optimizer?

With this feature you tell Google what your daily budget is, and they'll automatically set your cost-per-click for you, to ensure that you get the maximum number of clicks each day without going over your spending limit.

Here's what Google says about it:

You won't be able to edit or view your original Max CPCs in your Ad Groups. The Budget Optimizer will set new keyword max CPCs and adjust them for you.

So should you enable this, or not? To turn it on or off, click under #2:

The screenshot shows the 'Basic Information' section of the Google AdWords campaign setup. It includes fields for 'Campaign name', 'Daily budget', and 'Start date'. Below these, under 'How often to show my ads', is a checkbox for 'Automatically optimize ad serving for my ads.' A red arrow points to this checkbox. To its right, under 'Where to show my ads', is a dropdown menu for 'Languages' containing 'All Languages', 'Chinese (simplified)', 'Chinese (traditional)', and 'Danish'. A note below the dropdown says 'Hold down the control or command key to select multiple items. Ads should be written in the above language(s.)' At the bottom right of the languages section is a 'Locations' button.

Now the *real* question here is this: Do you want Google to be setting your cost-per-click for you? And the answer: *You* should be the one deciding your CPC. Don't let Google do it for you.

Your decision as to how much to spend on your clicks is all based around your VPV, or your Visitor Value – the average amount of money each visitor spends with you.

Google has no way of knowing what your VPV is. They'll set your CPC to a certain amount based on how many possible clicks they believe they can get out of you. The actual profitability of your sales process and your strategic position on each search page means nothing to Google, which means they're very likely to spend more of your money than your clicks are actually worth.

### The Myth of the Marketing Budget

Unfortunately, for most companies who don't track the actual dollars-in-dollars-out profitability of their marketing, their advertising expenditures have to get stuck under the same constraints as the rest of their spending.

But now think about this: If you know that you're getting back \$1.50 for every \$1.00 you spend in marketing, then why *on earth* would you ever put a budget limit on it?

You see, the idea of a “marketing budget” is fundamentally flawed.

Marketing is like an investment, once you've made it fundamentally profitable. The only limit to it is that each single venue you advertise in – e.g., an ad in a particular magazine – is only so profitable, and you don't want to spend more money on that one venue than it can possibly hope give you back in profits. Advertising does reach a point of diminishing returns.

But it's much more like finding a "sweet spot" than trying to operate under a budget. With a single marketing medium like Google you just test and find out what cost-per-click results in the biggest bottom line for you, and then you leave it there.

Which means that you need to be setting your CPC based on your conversion rate and what's ultimately profitable. Don't let Google do this for you. That would be like the fox guarding the henhouse, or leaving the German shepherd to look after the pot roast!

### **You Still Need to Set a Spending Limit, Just in Case**

If you're just starting out and don't have much 'venture capital' to begin testing with, then you most definitely do want to control your daily spending. But you do that by starting with a lower CPC at first, while leaving your DB safely higher so that your ads show for you around the clock.

But once you're profitable, you hardly need to worry about your daily budget, since for every click that you buy you get more money back.

Again, it's all about your visitor value. If you know that your visitor value is \$1.50 per click, and you're aiming for a margin that's 30% above your Google costs, then you set your cost per click to no more than \$1.15, and then leave it to run.

And if it's fundamentally profitable, and you *know for a fact* that every single visitor spends an average of \$1.50 with you, then you could theoretically set your daily budget limit way out of the ballpark and it wouldn't bankrupt you.

Now do be sensible about this, though. Of course you'll set your budget within a certain reasonable limit to prevent losses in early testing, and also to prevent anomalous spending, such as sudden changes in a market or click fraud or unplanned errors with Google's system.

But you be the judge of how much each click is worth to you, and control your spending by controlling your own cost-per-click.

### **More Tools**

On the green Campaign Management bar at the top, click on the "Tools" link to see the additional tools Google provides you with. There's plenty of explanation provided online for each one already, but I'll give you some additional comments about a few of them.

The screenshot shows a web browser window for the Google AdWords Tools at the URL <https://adwords.google.com/select/Tools>. The interface has a green header bar with tabs for 'Campaign Management', 'Reports', and 'My Account'. Below the header is a navigation bar with links to 'Campaign Summary', 'Tools', and 'Conversion Tracking'. A search bar is on the right of the navigation bar. The main content area is titled 'Tools' and contains two main sections: 'Optimize your Ads' and 'Modify Your Campaigns'. The 'Optimize your Ads' section includes links for 'Keyword Tool', 'Edit Campaign Negative Keywords', 'Site Exclusion - New!', and 'Traffic Estimator'. The 'Modify Your Campaigns' section includes links for 'Find and Edit Max CPCs', 'Change Keyword Matching Options', 'Find and Edit Ad Text', and 'Find and Edit Keywords'. There is also a link to 'Learn power tool tips and tricks'.

## Google's Keyword Sandbox

It's long been a wish of Google customers that Google would provide a full and comprehensive keyword service listing every imaginable keyword with every conceivable variation, along with the number of searches done on each one and a breakdown of all the possible ads and ad text and more.

Hasn't happened. Google is keeping this valuable information close to their chest for now.

So there are certainly more exhaustive and robust keyword suggestion tools that you can get on the Internet, including Overture's (<http://inventory.overture.com>), Wordtracker (<http://www.wordtracker.info>) and others. But for now Google will at least get you started with a few basic suggestions.

You'll notice that these can vary with the language and country you're advertising in.

I typed in the term “headache” and got specific variations are on the left, along with more general related topical suggestions on the right:

The screenshot shows the Google AdWords KeywordSandbox interface at the URL <https://adwords.google.com/select/KeywordSandbox>. The search term "headache" is entered in the main input field. The interface is set to "All Languages" (English) and "All Countries" (United States).

**More Specific Keywords:**

- ◆ headache
- ◆ migraine
- ◆ migraine headaches
- ◆ tension headache
- ◆ migraine relief
- ◆ migraine pain
- ◆ migraine treatments
- ◆ headache rack
- ◆ sinus headache
- ◆ migrain headache
- ◆ migraines headache

**Similar Keywords:**

**Here are additional keywords to consider:**

Users who searched for your keyword(s) also searched for the following terms. You may wish to add any relevant terms you see here to your keyword list or combine them with your current keywords to refine your targeting. (Please note that these terms aren't expanded broad matches. There's no guarantee that your ads will show for these specific terms; however, if you'd like your ads to show for these keywords, you can add them to your keyword list. You can also prevent your ads from appearing on any term by adding them to your keyword list as negative keywords.)

- ◆ cdh
- ◆ headaches
- ◆ persistent
- ◆ migraines
- ◆ chronic
- ◆ imitrex
- ◆ amerge
- ◆ sumatriptan

## Site Exclusion

If you're running content-targeted ads, you can tell Google which sites you *don't* want to show up on. For one thing, this prevents you from appearing on your competitors' sites:

**Site Exclusion**

Select campaign: ACCC

On this page, you can specify sites where you don't want your ads to appear. [\[?\]](#)  
Please note that your list of excluded sites will apply only to ads in this campaign.

**Add sites to be excluded [\[?\]](#)**

Enter one site per line in this format:  
`www.example.com`

`www.time.com`  
`www.business.com/startups`

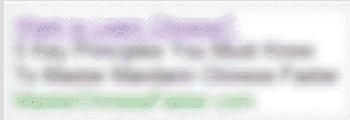
**• You may only enter domains, subdomains or directory name. [\[?\]](#)**  
Example: `www.example.com`  
`example.com`  
`negative.example.com`  
`www.example.com/category`

**• You may not enter individual pages.**  
Example: `www.example.com/home.html`

## “Why Didn’t My Ad Get Shown?”

Have you ever done a search on one of your own keywords and been surprised to see that your ad isn't running? Google can tell you why, using their *Ads Diagnostic Tool*. Just enter a keyword from your list and Google will tell you why it might not appear:

**X Ad not shown | Reason: The user is located outside your campaign's geo-targeting area.**



**What does this mean?**  
Google makes every effort to identify the geographic source for all user searches. We've determined that the user conducting this search is not located within your chosen geo-targeted area. [Learn more](#).

**What can I do?**  
You may want to review the geo-targeting settings for this ad campaign. [Click here](#) for more information on viewing or changing your geo-targeting settings.

Sometimes they'll show you multiple reasons. Knowing this could save you an angry phone call to their customer service.

## Reports

You're never going to see every relevant detail about your advertising on the campaign summary pages. There will be times when you need specific data spelled out in a chart or listed in a way that the regular display pages can't. So you can generate a report of your choice, which can include graphs and more.

You've got a ton of options:

The screenshot shows the 'Create Report' page from Google AdWords. At the top, there's a navigation bar with icons for back, forward, search, and a home button, followed by the URL 'https://adwords.google.com/select/ReportsMenuV2'. Below the navigation is a title 'Create Report'.

The main content area contains a list of report types:

- [Keyword Report](#) View performance data for all keywords or those in selected campaigns.
- [Ad Text Report](#) View performance data and ad text for each of your ads.
- [Ad Image Report](#) View performance data for each of your image ads.
- [Url Report](#) View performance data for each of your Destination URLs.

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- [Account Report](#) View performance data for your entire account.
- [Campaign Report](#) View performance data for your campaigns.
- [Ad Group Report](#) View Ad Group performance data for one or more of your campaigns.

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- [Custom Report](#) Specify the parameters and level of detail you want in your report.

To the right of the report list are two sidebar boxes:

- Recently Created Reports** - [view all](#)  
You have no saved reports at this time.
- Recently Scheduled Reports** - [view all](#)  
You have no scheduled reports at this time.

Below the report list is a section titled 'Account Summary' with the following statistics:

|                           |                     |                      |
|---------------------------|---------------------|----------------------|
| Total clicks: 691         | Total CTR: 1.22%    | Total cost: \$128.23 |
| Total impressions: 56,824 | Average CPC: \$0.19 |                      |

At the bottom is a line graph titled 'Clicks' over time. The Y-axis ranges from 50 to 125. The graph shows a general upward trend with some fluctuations, starting around 100 clicks, dipping to about 65, then rising to approximately 120.

You're automatically given a graph of your clicks over the last several days. And of course you can get reports of every kind, both displayed online and downloadable in spreadsheet format.

## Cool Tips & Tricks for Generating New Keywords

Perry Marshall

There are numerous tools for generating keywords (Overture, Wordtracker, AdWord Analyzer and others) and you should use them. But in this section I'm going to go a little further and give you even more ideas.

### How to Go Beyond the “Obvious” Keywords

As I've said before, the first list of keywords you come up with, even if it's a long one, will be incomplete. AltaVista once reported that 20% of all their searches were totally unique in the history of AltaVista. You never know what people are going to hunt for.

So you'll want lots of *synonyms* and related subjects in your stockpile of keywords, so that you can be sure you're reaching people who are looking for what you've got.

You can try bidding on *brand names*, though you'll have to work through those legal issues yourself. Google has had a score of their own legal headaches as a result of allowing AdWords users to bid on trademarked names.

Nevertheless, names of companies, magazines, associations, famous people and places may all relate to your product. For example, for “billiards” you might bid on the name of famous pool player Jeremy Jones. For drums you might bid on “Buddy Rich.”

*Misspellings* are a big opportunity, because so many advertisers don't bid on them, and the click-thru rate is often higher. For my Lord of the Rings promotion, “Tolkein” (misspelled) got twice the CTR of “Tolkien” (spelled correctly).

LexFN.com is a website that I find extremely useful and interesting – it's an elaborate thesaurus that uses web technology to find a scores of synonyms and related concepts.

For example, here are LexFN's results when searching on the term “billiards.” You'll note the long list they give you. This can be a very fun site to play with!

|                  |   |                             |
|------------------|---|-----------------------------|
| <b>billiards</b> | → | pool                        |
| <b>billiards</b> | → | nitride                     |
| <b>billiards</b> | ↔ | break                       |
| <b>billiards</b> | ↔ | cannon                      |
| <b>billiards</b> | ↔ | carom                       |
| <b>billiards</b> | ↔ | masse                       |
| <b>billiards</b> | ↔ | masse shot                  |
| <b>billiards</b> | ↔ | misce                       |
| <b>billiards</b> | ↔ | table game                  |
| <b>billiards</b> | ↔ | billiard                    |
| <b>billiards</b> | → | rudolf walter jr. wanderone |
| <b>billiards</b> | → | william frederick hoppe     |
| <b>billiards</b> | → | william mosconi             |
| <b>billiards</b> | → | joe davis                   |

## A List of Common Keyword Variations

### Variations on Nouns:

Shoe  
Shoes

### Variations on Verbs:

Drive  
Drove  
Driven  
Driving  
Steer  
Steering  
Steered

### Wrong Apostrophes:

Driver's  
Tire's

### Variations in Hyphenation:

Email  
e-mail  
e mail

firetruck  
fire truck  
fire-truck

### Variations on Names:

Tolkien  
Tolkein  
J.R.R. Tolkien  
JRR Tolkien

John Ronald Reuel Tolkien  
John Ronald Tolkien  
John Reuel Tolkien  
John Tolkien

### Adjectives:

Mini  
Large  
Red  
Blue  
Green  
Cheap  
Premium  
Budget  
2006  
Used  
New

(Note: Overture's keyword selector tool lumps singular and plural together, which can sometimes be problematic.)

## Glossaries and Indexes

When I was building a campaign for a client, I got a book on the subject and used a large number of terms in the glossary as keywords. Most of these cost only \$0.05. This gets lots of traffic!

Using keywords from the glossary or index can be an extremely good way to find new keywords.

## Geography

Sometimes places are associated with businesses – for example, if you had a casino you might get additional cheaper traffic bidding on “Niagara Falls” than bidding on “Casino.”

For *local* businesses, take whatever keywords apply to your business and then add your state and as many close-by cities as possible. For example, a Cincinnati IT firm might use this list, which includes suburb names and deliberate misspellings of “Cincinnati”:

Ohio computer consultant  
Cincinnati computer consultant  
Cincinati computer consultant

Cincinnati computer consultant  
Tri-state computer consultant  
Tri state computer consultant  
Eaton computer consultant  
Jamestown computer consultant  
Miamisburg computer consultant  
Sidney computer consultant  
Troy computer consultant  
Milford computer consultant  
Loveland computer consultant

Go to a map site and paste in a list of cities, then use an Excel spreadsheet to mix and match those terms. Use “computer consultant,” “IT company,” “I.T. company,” “IT consultant,” etc.

Once again, having *lots* of keywords is the key to untapped markets, low bid prices and higher clickthrough rates, so give this its fair share of effort!

<http://www.PerryMarshall.com/mastermind>

## The Power of Capitalization

Perry Marshall

Just capitalizing certain key words in key places can swing a change in your clickthrough rate. Sometimes the change is small, and sometimes it's very significant!

These ads had different words in the headline and body capitalized:

[Arcnet networking](#)  
Active hubs and PC cards  
drivers, software and support  
[www.ccontrols.com](http://www.ccontrols.com)

50 Clicks | 1.9% CTR

[Arcnet Networking](#)  
Active Hubs & PC Cards  
Drivers, Software and Support  
[www.CControls.com](http://www.CControls.com)

53 Clicks | 2.0% CTR

For these ads, the ones on the left had an all-lowercase URL, while the ones on the right had a partially uppercase URL:

[Simple Self Defense](#)  
For Ordinary People  
Fast Personal Protection Training  
[www.tftgroup.com](http://www.tftgroup.com)

20 Clicks | 1.1% CTR

[Simple Self Defense](#)  
For Ordinary People  
Fast Personal Protection Training  
[www.TFTgroup.com](http://www.TFTgroup.com)

22 Clicks | 1.3% CTR

[Simple Self Defense](#)  
Easy Personal Protection Training  
For Ordinary People  
[www.tftgroup.com](http://www.tftgroup.com)

20 Clicks | 1.1% CTR

[Simple Self Defense](#)  
Fast Personal Protection Training  
For Ordinary People  
[www.TFTgroup.com](http://www.TFTgroup.com)

24 Clicks | 1.4% CTR

You can also try other variations, such as [www.TFTGroup.com](http://www.TFTGroup.com), [TFTgroup.com](http://TFTgroup.com), or [TFTGroup.com](http://TFTGroup.com).

Capitalization of the URL alone can swing the response by 5% to 20%. There can be endless variations, and getting this little nuance right is well worth it!

Now notice the different results for the following ads, and the effect that capitalization *and* word order had on their responses:

[Simple Self Defense](#)  
For Ordinary People  
Fast Personal Protection Training  
[www.tftgroup.com](http://www.tftgroup.com)

266 Clicks | 1.3% CTR

[Easy Self Defense](#)  
For Ordinary People  
Fast Personal Protection Training  
[www.tftgroup.com](http://www.tftgroup.com)

35 Clicks | 0.9% CTR

Simple Self Defense

Fast Personal Protection Training  
For Ordinary People  
[www.TFTgroup.com](http://www.TFTgroup.com)

207 Clicks | 1.3% CTR

Simple Self Defense

For Ordinary People  
Easy Personal Protection Training  
[www.tftgroup.com](http://www.tftgroup.com)

26 Clicks | 1.1% CTR

Simple Self Defense

Easy Personal Protection Training  
For Ordinary People  
[www.tftgroup.com](http://www.tftgroup.com)

158 Clicks | 1.2% CTR

When all is said and done, the lesson here is *not* “Thou shalt capitalize all of thy words in all of thine ads.” The real lesson is, *test it* and find out what works best for you, and then run with it.

## **How to Test Your Product Idea Before You Develop Your Product**

*Perry Marshall*

Let's say you're thinking about writing a software program for doing automotive repairs. Let's say it's for do-it-yourself car enthusiasts, and it does engine diagnostics and helps you increase the gas mileage by five miles per gallon.

So here's the scenario: If a guy bought your software (which you haven't written yet) he could buy a cable at Radio Shack, take his computer into his garage, hook it up to his computer, and your software will collect a whole bunch of data and display it on the screen. Your program will then tell the guy what to tweak in his engine.

Here's how to see if there's a market for this – how to find out if there's water in the swimming pool before you dive in.

Most of the time there's a "hard way" to do something like this. You got the idea because you were working on your own car doing all this engine diagnostic stuff yourself. You found that if you took data from ten different places, dumped it all into a spreadsheet and did some clever tricks, that a magic number would pop out and you'd get the extra five mpg.

So you said to yourself "I could spend a few weeks writing a software program to do this for me. Then this operation would take only 30 seconds instead of three days. I bet other people would be interested in this, too!" Well you won't want to spend several weeks writing software if nobody's going to buy it. So you write an e-book instead.

The e-book is called "How to Use Engine Diagnostics to Improve Your Car's Fuel Efficiency by Five Miles per Gallon."

In it you tell people how to do it the *hard way*. The whole routine that takes you three days, including the spreadsheet and the connector from Radio Shack.

Now you bid on a word like "engine diagnostics" and post an ad like this:

[DIY Engine Diagnostics](#)  
Simple Procedure Improves  
Your Car - 5 MPG or Better  
[www.AutoDiag.com](http://www.AutoDiag.com)

On the landing page, you have a sales letter that tells them about your e-book.

Now you have several options:

- (a) Sell the e-book. If you would sell the software for \$99, then sell the e-book for \$20-30. Remember: If you get a lot of buyers, you can write the software

- program and then e-mail all the buyers and tell them about it. You could even discount the price of the e-book against the price of the software, if you like.
- (b) Give the e-book away *in exchange for their contact information*. It costs them nothing, but they have to give you their name and e-mail address first. I would also recommend finding a way to eventually get their street address too, and maybe their phone and fax number. Collecting leads *online* and then marketing to them *offline* is a very good business strategy.
  - (c) Now that you've collected e-mail addresses, you can have people tell you more about what they're looking for. If they used your e-book and did the procedure you described, you can open a dialogue with them and get valuable input on your software program.

One of three things is going to happen at this point:

(1) *The idea is a flop.* Don't cry in your milk – learn your lesson and get on with something else. You can come up with another idea and test that one for no great sum of money.

(2) *The idea is a success.* Run with it! And *listen to your customers*. They'll tell you all sorts of things you wouldn't think of otherwise. That's one good reason to get phone numbers. If someone buys something from you online, they often don't expect you to ever call them. If you *do* call them – especially if it's to get honest feedback – they actually appreciate it. Listen to the words they use and the reasons why they bought. This will teach you how to sell to the next round of customers.

(3) *The idea is marginal.* Play with it! Change your title, change the price, ask for feedback, and try again. If it won't work, then move on. If you can clear out the bugs, then run like the wind.

Infomercials run on this same premise. It costs \$50,000-\$100,000 to produce an infomercial and run it for a few days. If the producer can get 80% return on investment (i.e. only lose 20%) the first time out, he'll play with the offer, the upsells, the testimonials and other ingredients until it gets above break-even. But understand they're looking to get this testing out of the way ASAP. And they're not afraid to cut their losses.

So when you're testing ideas that aren't working, the rule is: *fail fast*. Get it over with as quickly as possible. Spend the money, get the results, cut your losses and move on.

You can definitively test most ideas for just a few hundred dollars, and have a reasonable idea of whether or not they stand a chance.

I have just saved you *thousands* of dollars!

## A Powerful Example of Easy Testing Using Google AdWords

Do you know what's wrong with most "market research"? It's not market research, it's opinion research. Opinions are what people *say*. Markets are about what they *do*.

In his remarkable book *Blink*, author Malcolm Gladwell talks about this very issue: People's buying decisions are often an instantaneous impulse act, and the reasons they give you after the fact for buying a certain item or liking a particular product, may actually have nothing whatsoever to do with their *real* reason.

Focus groups won't tell you the real reason. In-depth surveys won't get to the bottom of it. The only true way to be sure of what attracts customers is to give them options and let them act on them in real-time, and then go with what works ... even if you'll never know the deeper reasons *why* it works.

It's a bad idea to pay lots of money for people's over-analyzed opinions. But it's perfectly okay to get free advice when it comes from paying customers, and from people who sell your product every day.

Here's one such example of powerful, real-time market research on the Internet:

**How a Pay Per Click Search Engine  
Quickly Assessed the Viability of a Product Name  
*...For Two Dollars and Seventy-Eight Cents***

I'm the marketing & publicity director of TruthQuest, which is a local non-profit group that hosts speakers and discussions on a variety of hot topics in religion and theology.

Following the smash success of "Lord Of The Rings," its sequel, "The Two Towers" came out the following winter. So we decided to find ourselves a speaker who could talk about this movie and the philosophical point of view of its author, J.R.R. Tolkien.

We found someone, a Professor named Jerry Root from Wheaton College. He's studied Tolkien extensively and he's an outstanding speaker. But the problem with an event like this is the fact that no matter how great the speaker may be, it doesn't matter if nobody shows up.

So the title was crucial.

Some folks came up with a preliminary title, "Is the Lord of the Rings Christian?" But I didn't think that's a very good title. Not too intriguing. Too easy to say "No" or "Yes" and not bother with it.

The more marketing I do, the less I trust myself to come up with even just a good title. So we brainstormed four titles and let the world vote on them. I used Google AdWords and had an answer in eighteen hours. Here's how I did it.

I took our proposed titles and made four ads, all rotating simultaneously. I purchased the keywords "Tolkien" and "Tolkein."

"Tolkien" is the correct spelling, but you should always account for the fact that many words have common misspellings and buy those too. Also notice that clickthroughs on misspelled words are two to three times as high, and the words are less expensive – because there are so many other vendors who aren't bidding on them. *One out of every seven searches misspells the name!*

I stuck this up there at about 3:00 p.m. on a weekday and stopped it at 8:00 a.m. the next morning. Here's what the ads looked like, with the results:

| <a href="#">The Two Towers</a>                                                                                    | <a href="#">Lord Of The Rings</a>                                                                                |
|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| Tolkien, The Two Towers, and<br>Spiritual Symbolism<br><a href="http://tolkiensociety.org">tolkiensociety.org</a> | and The Spiritual Powers<br>of Hobbits<br><a href="http://tolkiensociety.org">tolkiensociety.org</a>             |
| 11 Clicks   1.0% CTR   \$0.06 CPC                                                                                 | 8 Clicks   0.7% CTR   \$0.06 CPC                                                                                 |
| <a href="#">Spirituality of Tolkien</a>                                                                           | <a href="#">Tolkien Spirituality</a>                                                                             |
| Hidden Messages in<br>The Two Towers<br><a href="http://tolkiensociety.org">tolkiensociety.org</a>                | Is There Hidden Christianity<br>In The Two Towers?<br><a href="http://tolkiensociety.org">tolkiensociety.org</a> |
| 20 Clicks   1.9% CTR   \$0.05 CPC                                                                                 | 16 Clicks   1.5% CTR   \$0.06 CPC                                                                                |

| Keyword        | Clicks    | Impr. | CTR         | CPC    | Cost   | Avg. Pos |
|----------------|-----------|-------|-------------|--------|--------|----------|
| tolkien        | 48        | 3878  | 1.2%        | \$0.06 | \$2.43 | 1.4      |
| tolkein        | 7         | 252   | 2.7%        | \$0.05 | \$0.35 | 1.6      |
| <b>Overall</b> | <b>55</b> | 4130  | <b>1.3%</b> | \$0.06 | \$2.78 | 1.4      |

### Some Key Notes

(1) As you can see here, clickthrough rates are dramatically different for different titles. The winner is "Spirituality of Tolkien: Hidden Messages In The Two Towers."

(2) This is vastly better than doing a "focus group" or a survey of your friends. Why? Because if someone reads about this in the newspaper or on a flyer somewhere, their decision to either continue reading or ignore it is an *impulse decision* – not something they sit around thinking about. The decision to click on a link is similarly

impulsive. Any survey that involves people sitting around and pontificating about this for any length of time is fundamentally flawed.

(3) Wow, this sure is an expensive form of market research! Two dollars and seventy-eight cents to get a truly definitive answer on what Tolkien fans are interested in.

(4) This is a GREAT way to come up with titles for magazine articles, white papers, books and names for new products. And believe me, the votes you get will usually surprise you. What you *think* sounds cool is probably not what your customers think is cool.

(5) I didn't even have a website for this project yet – so I sent the visitors to someone else's. I thought [www.tolkiensociety.org](http://www.tolkiensociety.org) probably wouldn't mind getting an extra fifty-five visitors on my dime ... even if it was a brief stretching of Google's rules!

(6) You can use this exact method to test the marketability of almost any idea you have. You can take it a step further than I did – take the visitors to your own website and further test their response to several different offers.

*You can use these methods and get a very street-smart test of nearly any product idea for a few hundred dollars.*

<http://www.PerryMarshall.com/mastermind>

# Do Less, Earn More and Live Better

## Rediscovering the 80/20 Principle

by Perry S. Marshall

One of my friends recently urged me to pick up a book - so I ordered it and read it. By page 14, my brain was on fire. Four hours later, my wife found me sitting in the living room with a programmable calculator and pages of trigonometry calculations, charts, graphs and numbers. A massive brainstorm was underway.

"What happened to you?" she asked.

"Major epiphany, honey," I announced. "This book is the ultimate explanation of almost everything!"

OK, maybe that's a bit of an exaggeration. But this book has more "eureka moments" per page than anything else I've read in the last few years. The book? *The 80/20 Principle: The Secret to Success by Achieving More With Less* by Richard Koch.

The funny thing is, I already knew about the 80/20 rule, and I've talked about it frequently. But I never recognized how extensive and exponential the implications are until this publication - the first ever written on this subject - prompted me to really, really think about it.

The 80/20 concept, or Pareto Principle, is a generalization assuming that 80 percent of your business comes from 20 percent of your customers, and 80 percent of your problems come from 20 percent of your customers, usually different ones. (Most people greatly err by treating everyone the same.) Plus, it assumes 80 percent of your productivity is accomplished in 20 percent of your time, and

80 percent of your profits come from 20 percent of your products.

This principle has been applied heavily in the science of manufacturing quality management where people have long known that there are only two or three primary causes of almost all of your manufacturing defects. But this is only minimally understood by most people in other disciplines.

What is provocative about this book is its focus on the "exponential" nature of the 80/20 rule. I'd never thoroughly considered what happens when you stack multiple 80/20 factors on top of each other. When you apply 80/20 multiple times to a complex business or process, the implications are staggering.

Here is the result in the world I consult for every day: 20 percent of your profits come from less than one percent of your customers. Companies waste enormous resources not recognizing that there is a heavy imbalance of cause and effect in literally everything that they do. This has some interesting implications for project management, product management, database marketing, advertising, compensation plans, and just about everything else you can think of.

The kicker is that when you take 80 percent of your effort that has been wasted on the 80 percent of the activities that are unproductive, and focus it on the 20 percent that is productive, do the math - you get five times the result. When you further divide processes and customer lists into three, four or five different segments and focus attention very disproportionately on your activities according

to the profits they produce, you easily attain 10 to 1 and even 100 to 1 improvements in leverage and effectiveness.

This is not a funky little theory. This bears itself out consistently if you study the numbers as they really exist in your business or organization. I immediately recognized this trend in four different groups of contacts in my customer database, and the numbers matched the model perfectly.

The ratio is not always 80/20, by the way. It can be 70/30, sometimes 99/1. The point is that the world is a very nonlinear place; inputs and outputs are very disproportionate and as much as we'd all like to treat all causes and effects the same, much as we'd like to think that everybody makes an equal contribution, the fact is that cause and effect have enormous inequalities.

Action and reaction are heavily skewed. Most people are tempted to equalize things, to spend most of their time helping unproductive people get better, when they'll get far more accomplished by giving productive people more resources, more time and more freedom. What do you do with unproductive people? Find something else for them to do.

Big corporations are almost always an organized conspiracy to misallocate rewards. The larger and more complex the firm, the greater the extent and success of the conspiracy. Accounting systems are the enemy of fair rewards, because they are absolutely brilliant at obscuring the sources of true productivity. They hide the fact that a very small amount of the activity is responsible for a very large amount of the success - and the rest is just entertainment.

Executives are almost always uncomfortable with this idea. The 80/20 Principle is not a book you'll see passed around at Harvard Business School, because it doesn't fit neatly into their spreadsheets and business models. However, it does fit reality nicely. I find that when you

operate according to the "is" world instead of the "should be," life gets a lot easier.

The truth is, you can fix problems with much less effort, by knowing what telltale signs to look for. I've already had extensive discussions with several clients about applying this principle to drastically cut waste out of their advertising and get explosive results from very small numbers of customers.

Here's a few more implications of the 80/20 concept:

- Most of our failures are in races that others enter us in. Most of our successes come from races we ourselves want to enter. We fail to win most races because we enter too many of the wrong ones - their races, not ours.
- Everyone can achieve something significant. The key is not effort, but finding the right thing to achieve. You are vastly more effective at some things than others, but you dilute your effectiveness by trying to be well-rounded and balanced. If you're frustrated in your job, if you're not as effective as you could be, it's probably because you are doing the wrong things.
- There are always a few reasons why things happen, and they are often not obvious. All of us have to constantly question our assumptions about what's really making things work.

Last week, I applied a version of this to a promotion and got more accomplished in two days than I used to get done all month long. You can do the same. The bottom line is you can work less, succeed, earn and enjoy more, if you recognize the inherent imbalance of forces in the world and use them to your advantage.

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# Part Five: Your Questions Answered

## What to Do When Keywords Cost \$5-10 per Click

Perry Marshall

I got an e-mail from Kevin, a very capable client of mine who deals in an extremely competitive market. His question went something like this:

The prices for the keywords that I want to bid on are being driven out of reach by highly profitable offshore competitors. If I pay \$1.00 per click right now, that would have me about 30<sup>th</sup> position on Google. These prices go up even higher from mid-August to early September when I do the bulk of my yearly business. What can I do?

This is a great question. Pay per click just continues to get more ferocious as more bidders get into the game, and it's getting harder and harder to participate.

I did a Google search in Kevin's market and found 28 ads running. (Maybe Kevin was exaggerating just a bit about paying \$1.00 for 30<sup>th</sup> position!) I know that at the time the guy in 28<sup>th</sup> position was paying \$0.05 a click, and from there the prices went up.

In cutthroat commodity businesses where there are lots of choices, the real deal is converting visitors to buyers once they get to your site. Nevertheless, the first thing I tried with Kevin was to see if I could pull anything good out of the "keyword bargain bin" for his market. I created a list of multiple combinations for his existing keywords, and then went to <http://www.wordtracker.info> and generated a list of over 200 related words. I bid \$0.10 on them and here's what I got:

| Clicks / Day |          | Average Cost-Per-Click |          | Cost / Day |          | Average Position |          |
|--------------|----------|------------------------|----------|------------|----------|------------------|----------|
| current      | forecast | current                | forecast | current    | forecast | current          | forecast |
| 2.3          | -        | \$0.10                 | -        | \$0.22     | -        | 10.8             |          |

I don't like that – it suggests only a couple of clicks per day and positioning on the second page of search results. If I changed the bid to \$0.35 a click, here's what I got instead. Still not impressive:

| Clicks / Day |          | Average Cost-Per-Click |          | Cost / Day |          | Average Position |          |
|--------------|----------|------------------------|----------|------------|----------|------------------|----------|
| current      | forecast | current                | forecast | current    | forecast | current          | forecast |
| 5.8          | -        | \$0.21                 | -        | \$1.20     | -        | 8.9              |          |

At \$1.00 a click:

| Clicks / Day |          | Average Cost-Per-Click |          | Cost / Day |          | Average Position |          |
|--------------|----------|------------------------|----------|------------|----------|------------------|----------|
| current      | forecast | current                | forecast | current    | forecast | current          | forecast |
| 14.0         | -        | \$0.78                 | -        | \$10.85    | -        | 6.8              |          |

At \$2.00 a click:

| Clicks / Day |          | Average Cost-Per-Click |          | Cost / Day |          | Average Position |          |
|--------------|----------|------------------------|----------|------------|----------|------------------|----------|
| current      | forecast | current                | forecast | current    | forecast | current          | forecast |
| 22.4         | -        | \$1.53                 | -        | \$34.09    | -        | 3.4              |          |

Now experience has taught me that Google's traffic estimator can be freakishly inaccurate sometimes, especially when it's forecasting your average position.

Nevertheless, it looked to me like the range for success here – i.e., getting a reasonable amount of traffic at a reasonable position on the page – would be one to two dollars per click for many of these phrases.

But is Kevin's average visitor actually worth \$2.00? The sales process on his website would have to answer that question. He could begin to get an accurate answer through experimenting, for just a few hundred dollars. He would want to capture contact information and then market to those contacts aggressively, to maximize the value of every visitor.

### Ideas to Outdo the Competition

Kevin can further maximize the value from his contacts by finding ways to market to them *offline* as well as online. There are times when asking for additional contact info on an opt-in page beyond just a name and e-mail address – such as telephone number, street address, fax number and so on – is a supremely good idea.

Still more ideas:

- ☞ Kevin can get the top bidders in his market to become affiliates of his site and pay them a commission.
- ☞ He can make a joint-venture offer to his competitors – let them give away his e-book for free as a bonus for customers opening an account with them. In other words, Kevin can be like the little bank branch inside the giant supermarket: the store already spent millions on the building and the parking lot, and though he can't compete with them, he can certainly help them and they can help him.
- ☞ He might even offer his competitors a pay-per-action deal (per-click or per-download) to help them monetize some of their traffic and subsidize their \$10.00 per click.
- ☞ He can buy exit traffic from competitors' sites.

But the *real* question always is: can Kevin make more money from a visitor than his deep-pocketed competitors can? That's the ultimate deciding factor.

<http://www.PerryMarshall.com/mastermind>

## **When You're Up Against Stiff Competition: A Tidy Summary**

*Perry Marshall*

Your Keywords:

- ☞ It's not enough to bid on ten or twenty keywords. If you do, you'll only be bidding on the most obvious, most expensive ones. As a rule of thumb, you should try for at least 200, and use third-party keyword tools like Wordtracker, AdWords Analyzer and Overture's Keyword Selector Tool to generate more. That's how you can get clicks at \$0.05 and less.
- ☞ Your keywords should always include phrase-matched "" and exact-matched [ ] terms. Using these will tell you more about your traffic, and will let you get some search terms at lower bid prices than your competitors are paying.
- ☞ In any market, there are highly specific, high-priced words that everyone is bidding on – and there are low priced, generic words that most people can't get to work. You sometimes *can* get those generic terms to pay off if you use an opt-in and information marketing strategy to cultivate a relationship with your visitors.

Your Ad Copy:

- ☞ Every single word in your ad makes a measurable difference, even the capitalization. Split test and find out what does and doesn't work in your market.

Your Bidding Strategy:

- ☞ Don't aim for the top position. That gets you diminishing returns. Positions lower on the page but still visible "above the fold" are usually best.

Your Sales Process:

- ☞ Even our Mastermind members, with their high CTRs and high-power Google campaigns, understand this critical point: The whole game comes down to *the quality of the sales process on your website*. When people land on your webpage they need to find precisely what they're looking for and get an attention-getting message, a well-thought out and compelling sequence of events, and a clear call to action.
- ☞ As the pay per click market has matured, it's almost a given in most markets, especially information markets, that your first step is simply to collect an opt-in. This gives you permission to develop a relationship with people instead of just getting a quick sale. When there are a lot of bidders, the people who develop ongoing relationships and accomplish more than just the first sale, will be the only ones who can survive.

<http://www.PerryMarshall.com/mastermind>

## **FAQ: Answers to All Your Frequently-Asked Questions**

*Answers to the questions asked most often by students  
in our Mastermind groups, Personal Coaching program and roundtables*

Here are the topics you'll find covered in this section:

### **Organizing & Safeguarding Your Keywords**

- How can I set up my new campaign in a way that will insure that my keywords get the highest possible CTRs and convert traffic to sales?
- Should I really have thousands of keywords in my ad groups?
- Why does Google say my keywords are “inactive”?
- How do I re-activate inactive keywords?
- What is Google’s secret keyword ranking formula?
- Am I better off going after single keywords with a lot of searches like “Business,” or combo-phrases like “Business Marketing”?
- Should I be most concerned with filtering out bad traffic with negative keywords, or should I be trying to get more traffic and generate more leads?
- What’s the best way to find the right keywords for my product without wasting money on trial and error?
- How do I reactivate keywords that Google previously disabled?
- Does Google disable ad groups or campaigns or keywords?

### **The Peel & Stick Method**

- When should I use the “Peel & Stick” method?
- Google doesn’t have a “Peel & Stick” feature. Do I have to do this manually?

### **Getting a Better Clickthrough Rate**

- What do you consider to be a good CTR?
- Do you recommend clicking on your own Google ad a few times when you first post it, in order to start it off with a high click through rate?
- What’s the best way to manage my daily, weekly and monthly AdWords costs?

### **Better Landing Pages**

- What’s a good structure for an opt-in landing page?
- What’s the advantage of sending someone to an opt-in page versus sending them directly to my sales letter?
- Should I have multiple different websites selling the same product, all bidding on the same keywords and advertising on Google?

### **Testing and Converting Your Traffic**

- Do you recommend Google’s Conversion Tracking program?
- What tool do you recommend for split-testing landing pages?
- What do I do when I see that some of my keywords are converting to sales and some aren’t?

### **Using Special Tools**

- How trustworthy is Google’s Traffic Estimator?
- Why doesn’t Google say anything about Dynamic Keyword Insertion (DKI)?
- Is there any way to insert “ ” quotes and [ ] brackets around my keywords automatically?

- If I'm in the U.S. and want to see how my Google ads look on searches from other countries, how can I do that?

### **About Pop-Ups**

- Is there a way to deal with Google's policy of no pop-ups on the landing page?
- How about those HTML "popovers" that people use?

### **Where & When to Show Your Ads**

- How do I get my ads into the "preferred listings" – those ultra-high-visibility sponsored positions on the top left of Google's search results?
- I have 2 ads, but Google doesn't show them evenly. Why is this?
- What exactly is Optimized Ad Serving?
- I've disabled Optimized Ad Serving but my ads *still* don't get shown evenly. Sometimes it's 90%-10% or worse. What's wrong?
- If I delete an underperforming ad and write a new one, how can I compare the performance of the two together?
- With AdWords is there a "sweet spot" for my ad to be in – first, third, fourth or sixth position on a page?

### **Working in Specialized Markets**

- How do I market a high-dollar item effectively on Google?
- My niche is specialized and I have found very few keywords that draw more than a few thousand requests per month. Is this still a good avenue for me?

### **Google's Regular Search Engine**

- What is your number one Search Engine Optimization (SEO) strategy?
- Does using Google AdWords improve your ranking on Google's regular organic search engine listings?

### **Google vs. Overture/Yahoo**

- What are the key differences between Google AdWords and Overture?
- Does Google give pricing discounts for big-spending advertisers?

### **How to Become an Affiliate**

- Do you have an affiliate program?

*Answers begin on the next page.*

<http://www.PerryMarshall.com/mastermind>

## Organizing & Getting the Most from Your Keywords

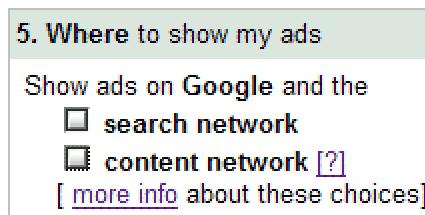
**Q: How can I set up my new campaign in a way that will insure that my keywords get the highest possible CTRs *and* convert traffic to sales?**

**First,** follow our previous advice carefully – wherever it's humanly possible, *only put keywords in an ad group that actually appear in the ad* – better still, in the ad's headline. If you've got keywords that don't match the ad, then take them out and stick them in a new ad group, and write a new ad that uses those specific keywords.

Create as many different ad groups as you need to, in order to make this work.

**Second, only allow your ads at first to show on Google searches alone.** Do this for the first few days or weeks until you've established that all your highest-traffic keywords are profitable.

When you click on 'Edit Campaign Settings' you'll see that option #5 lets you choose:



By default these boxes are checked. *We suggest that you un-check them.* At the very least, un-check the content network. Why?

Because in all likelihood the traffic that comes from content network sites (New York Times, Dictionary.com and all of Google's AdSense users) will be of much lower quality than the traffic coming from just Google alone. In fact, the Google traffic will probably be better quality even than the search network traffic (AOL, Ask.com, EarthLink, etc.). So start with the traffic that is most likely to turn into paying customers.

When you get that traffic profitable, turn on the other sources. In that case your total volume of traffic may double or triple, or more, though it will be more of a challenge to turn into buyers. But why not start with traffic that's most likely to convert?

**Q: Should I Really Have Thousands of Keywords in My Ad Groups?**

In a word, no.

Now don't get me wrong – there's nothing bad about having a lot of keywords – *if* they're turning out a good CTR.

But the rule of thumb that I've been telling you all along is this: if your keywords are in small, tightly-clustered groups that match their ads well and bring in plenty of clicks, then the more the merrier.

But you're just hurting yourself – and you're clogging up Google's already-heavily-loaded system – if you throw 500 impossibly irrelevant search terms into one ad group and make one poor little ad carry the load. That's a sure-fire invitation to a very *low CTR*.

Also, you'll quickly discover an 80/20 Rule at work in your keyword lists: more than 80% of your impressions and clicks will come from fewer than 20% of your keywords. Once you've identified your most productive keywords, then adding tons more keywords to your ad groups that stretch the impossible fringes of relevance will add minuscule benefits. It may even hurt you.

For advice on adding low-cost keywords that *are* relevant, check out our chapter on Turn-the-Corner keywords.

### **Q: Why does Google say some of my keywords are “inactive”?**

Google gives your keywords two status levels: *active* and *inactive*. Google's algorithm calculates a minimum required bid for nearly every possible keyword under the sun, and if you won't pay Google's minimum required bid for a particular keyword, Google will simply put your keyword on “inactive” status and won't show your ad when folks search on that term. But as long as you agree to bid the required minimum amount or higher for a keyword, that keyword *will* trigger ads.

### **Q: How do I re-activate inactive keywords?**

You have at least two options, not just one: (1) Bid what Google asks, (2) tweak the copy of your Google ad to convince Google's computers that the ad is relevant.

For option #2, the simplest way to get Google's computers to relax and require a lower bid from you is to take the keyword and stick it into the headline of your ad.

**Q: What is Google's secret keyword ranking formula?**

Google will never openly share with the world the exact formula that they use to determine (1) your minimum bid price, or (2) your ad's rank on the page. However, if we rank the key factors in terms of which ones make the biggest difference, it breaks down roughly like this:

1. Historical keyword performance across Google
2. Keyword-to-adtext match
3. Other relevancy factors
4. Your CTR

**Q: Am I better off going after single keywords with a lot of searches like “Business,” or combo-phrases like “Business Marketing”?**

There are two issues here. First, “business” is a very broad term that draws people who are after any number of different things, and it can be extremely difficult to convert. Granted, bidding on the exact-match term [business] is more likely to be productive for you than bidding on the generic word by itself without quotes or brackets.

My experience on bidding on some terms like this is that they can sometimes be a bargain at \$0.05 or less per click, *but* they generally bring in low quality traffic. Advertise on the word “business” and you end up getting lots of spammers, scores of different people trying to sell you stuff, and e-mails and phone calls from all sorts of fruitloop prospects with weird questions.

Ultimately you have to test the conversion rate and see if the traffic is a worthwhile deal or not.

Finally – more directly to your question – trying to Search Engine Optimize your site for a term like “business” is going to be much more difficult than for “business marketing.”

**Q: Should I be more concerned with filtering out bad traffic using negative keywords, or should I simply attempt less filtering and try to get more traffic and generate more leads?**

It's always good to eliminate poor quality traffic. As a matter of fact, it's a valid strategy in and of itself. And getting low-quality traffic just so that you can have a higher CTR really won't help you at all.

## **Q: What's the best way to find the right keywords for my product without wasting money on trial and error?**

Do your keyword research first on Overture – check both the bid prices and the traffic quantity at <http://inventory.overture.com>. Bid prices are a *very crude indicator* of what traffic may be worth.

Note also that technical topics literally get ten times more searches on Google than Overture/Yahoo. So if you're doing keyword research on biology or something scientific or complex, you can be certain that Overture sites get far fewer searches than Google.

Use Google's traffic estimator – you can get estimates for keywords without having to actually add them to your list. And type in keywords on Google's regular search page and see how many other advertisers there are.

Wordtracker (<http://www.wordtracker.info>) is a powerful tool and any serious AdWords marketer should have a subscription. Generally you can get a very useful test of keywords and product concepts for a few hundred dollars.

Now *before* you spend any money, it would be a very good idea to see what other Google advertisers are doing. Some things to look at:

- How many advertisers are there? The number could be anywhere from one or two to several dozen. If there are fewer than eight bidders, you can get the bottom position for \$0.05 or less.
- When you go to your competitor's site, what do you see? Is it just a pretty web page with no call to action, or is it a results-driven site with a specific response mechanism, such as an opt-in? That's the first clue as to whether your competitor is direct-response savvy or not.
- Figure out which competitors are seriously response-oriented and then pay special attention to what *they* do; be cautious about taking cues from anyone else.
- Tip: Pay attention to Google advertisers who split-test their ads – when you do a search on a keyword that you're researching, click the "search" button multiple times and you'll see that some ads change while others stay the same. The advertisers who split test are almost *always* the sharpest pencils in the box.
- Go to Overture/Yahoo and find out what phrases are being bid on there. That's also valuable.

Then when you *do* spend money, do one of the following two things:

- Bid on lots of keywords and phrases, but keep your bid prices low. That will give you a lot of clicks on the cheaper words and phrases. Then track your results carefully.
- Bid on a small number of words and phrases that are more popular and more expensive – they are *somewhat* more likely to have a higher conversion

percentage – but be meticulous. Watch closely and track everything. If you’re not getting opt-ins or sales, then try something else.

**Q: How do I reactivate keywords that Google previously disabled?**

Google used to disable keywords if their performance for 1000 impressions or more fell below a 0.5% CTR. If this happened to some of the keywords in your list, you should be able to reactivate them … if Google hasn’t deleted them already.

Simply delete the keyword yourself and then add it back into your keyword list.

**Q: Does Google disable ad groups or campaigns or keywords?**

No. They used to disable individual keywords for falling below 0.5% CTR (never ads or ad groups or campaigns), but not anymore.

However, Google does *deactivate* keywords in your account if you’re not bidding enough for them. The quickest way to reactivate a keyword that has been put on “inactive” status is simply to bid Google’s recommended amount.

## The Peel & Stick Method

### **Q: When should I use the “Peel & Stick” method?**

You should use the “Peel & Stick” technique any time you have an important keyword that isn’t performing at its absolute best.

If there’s a unique angle you know you can take with a particular keyword, or you have some keen insight into the psychology of that particular slice of the market, then pull that keyword out of its current ad group, and put it into a new ad group with a new ad to see if you can get it to perform better.

### **Q: Google doesn’t have a “Peel & Stick” feature. Do I have to do this manually?**

Sorry – they don’t do it automatically. Delete the keyword and its closest variations from your old list, click on “Create a new ad group” and put in the new set of keywords with a new ad.

## Getting a Better Clickthrough Rate

### Q: What do you consider to be a good CTR?

Traditionally, 0.5% has been the accepted minimum; 1.0% is somewhat typical. However there is no set number for this, *and every tenth of a point of improvement you get by strengthening your copy brings you more visitors.*

Three percent is what I would consider to be a pretty respectable message-to-market match.

You can achieve CTRs of 10.0% or better when the text in the ad is a precise match to a *question* that the user types into a search engine. For example, note this ad:

[Ethernet Basics Guide](#)  
Simple Tutorial on Ethernet, TCP/IP  
5 Page Paper, Free Instant Download  
[www.xyzcompany.com](http://www.xyzcompany.com)

And note the one phrase in the keyword list that got the highest CTR by far:

| Keyword          | Clicks | Impressions | CTR   |
|------------------|--------|-------------|-------|
| what is ethernet | 5,314  | 32,481      | 16.3% |

16.3% is one dang high CTR! And it wasn't hard to achieve at all.

So this suggests a strategy: What *ultra-specific questions* can you answer for your audience? Using those questions as key phrases will earn you excellent CTRs.

### Q: Do you recommend clicking on your own Google ad a few times when you first post it, in order to start it off with a high click through rate?

If you want to get good at cheating the system, then sure. If you want to become a legitimately good marketer, then no.

Google has their own built-in "B.S. Detector" that tells the system when a person is trying to inflate their CTR with extra clicks, so I don't recommend it. Let the live market tell you what does and doesn't fly.

### Q: What's the best way to manage my daily, weekly and monthly AdWords costs? Is there a difference between overall costs of advertising in the U.K. versus the U.S. or other countries?

Two ways to control cost: (1) adjust your daily budget, realizing that the daily amounts are very crude approximations; (2) adjust your maximum bids.

There is a difference between each country you advertise in. In most cases the traffic is most expensive in the U.S. *There are many keyword bargains to be found in other countries.*

With that in mind, if you sell all over the world, you might want to have U.S./Canadian campaigns separate from the rest of the world, because otherwise you'll likely pay more than you need to for non-U.S. Google ads.

## Better Landing Pages

### **Q: What's a good structure for an opt-in landing page?**

What works best for me with opt-in pages is 100-300 words of copy, half of which is typically bullets. For a very clean, simple example, go to <http://www.CyberWave.com>.

This brief, minimum hype, straight-to-the-point approach seems to work very well. The worst opt-in success rate I've ever seen is about 4%. The best I've seen in the industrial world is over 50%, and 10-25% is very typical.

A few small changes in the right place can swing huge differences. We consulted with a customer of ours in the Netherlands and gave him a few helpful suggestions for how to structure his landing page, and his opt-in rate went from 3.5% to 10.7%, *literally overnight*.

### **Q: What's the advantage of sending someone to an opt-in page versus sending them directly to a sales letter?**

Obviously you need to test this, but it's hard now and getting harder to get a one-time impulse sale. Opt-ins can generate sales for you weeks, months, even years after the fact. And whereas 1-2% is often considered a good response to a sales letter, opt-in rates are usually ten times that.

Here's a crude rule of thumb: If your product costs more than \$50.00, you should think seriously about a multiple-step sales process. The more expensive your product is, the more steps you'll need.

### **Q: Should I have three different websites selling the same product, all bidding on the same keywords and advertising on Google?**

No, you should not do that. You'll just end up bidding against yourself.

Now a legitimate argument for doing this would be if you had different versions of the same product, designed for different markets. Then you could put bids for both on the same keywords and get different slices of the same traffic. That would be a good idea.

For example if you were bidding on "flowers" you could have one site that sells fresh cut roses and another site that sells gift baskets, and you might find that the two ads don't cannibalize each other.

But even in this example you would need to be careful that you're filtering traffic to each ad using negative keywords, and not wasting impressions needlessly.

## Testing and Converting Your Traffic

### Q: Do you recommend Google's Conversion Tracking program?

Yes, by all means. It's far from flawless and it's not especially multi-dimensional. But it lets you track conversion all the way down to your individual keywords. That's something virtually no other program can do. I recommend using Google's tracker *plus* one or several other conversion trackers – which I talk about more below.

### Q: What tool do you recommend for split-testing landing pages?

Hypertracker (<http://www.hypertracker.net>) is a powerful tool for doing split testing of multiple kinds – sales, opt-ins, landing page clickthroughs and more. Hypertracker is an extremely capable tracking service that is surprisingly easy to understand and use.

In fact, we've put together a clear and helpful Hypertracker tutorial that shows you all the basics you need to know in order to set up and begin tracking landing pages, opt-ins, sales and more. You can watch it for free in your favorite Internet browser, just by clicking on this link: <http://video.hypertracker.net>.

You can also use integrated services such as 1Shopping Cart (<http://www.1shoppingcart.com>). This is a full shopping cart service that lets you manage split-tests, autoresponders, affiliates and more.

### Q: What do I do when I see that some of my keywords are converting to sales and some aren't?

If you use Google's conversion tracking feature you will see that keywords differ wildly in their ability to convert to opt-ins or sales. Some keywords give you a cost-per-conversion of \$1.00 and others can be as much as \$500.00.

Rather than just deleting the poorly performing keywords, use the “Edit CPC/URL” feature and check the box of the keywords that are not performing well, and rather than deleting them, just cut the bid prices *for those keywords only*. If you've been bidding \$0.85 for the whole ad group and the keyphrase “Linux firewall” is converting poorly, cut the bid price to \$0.20 or \$0.30, and the conversion rate will probably go up. And the cost per acquisition will go way down.

Why? Because generally the harder people are willing to look to find you, the more likely they are to buy. *High bid positions get more low quality traffic; low bid positions get less traffic, but it's higher quality.* Sometimes the solution is to just be at position eight instead of position two, or to be on page two instead of page one.

## Using Special Tools

**Q: How trustworthy is Google's Traffic Estimator? When I used this feature, Google predicted that the positions for my keywords would all be in the 1-6 range. However, the actual positions Google gave me, when my ads starting showing, were all over the place – from 1 to 45. Is there something wrong?**

The “Traffic Estimator” can be wildly inaccurate at times. You’ll have to base your bids on past traffic and actual recorded campaign statistics, not on Google’s estimates.

**Q: I’ve heard that there’s a feature called DKI – Dynamic Keyword Insertion – that uses squiggly brackets “{ }” and automatically inserts into your ad the keyword that a person types in when they search. Why doesn’t Google say anything about this?**

Google does have this feature but none of their online resources actually tell you much about it. If everyone used this feature in his or her ads, there would no longer be any advantage to having it in the first place, so Google keeps quiet about it.

Here’s how you set it up. For example, if your keyword list includes the following terms –

adaptors  
power adaptors  
transformers  
power supplies  
power supply

then you would write up an ad like this:

{KeyWord:Adaptors} to Order  
Quality Workmanship, Low Price  
Free Shipping for \$250 Orders or More  
[www.XYZ.com](http://www.XYZ.com)

That way any of the four terms in the keyword list above would show up in the headline, so that it would say “Transformers to Order” or “Power Supplies to Order” when people searched on them.

If people typed in keyword phrases that included the above keywords but were more than 25 characters total, then Google would just default and show the phrase “Adaptors to Order” in the headline.

This is a very effective tool under certain circumstances, and we discuss it in detail in our Ultra-Advanced Google AdWords Strategies Seminar (<http://www.AdWordsBlackBelt.com>). There are some important guidelines to know

concerning when and where to use the feature, what its limitations are, and precautions to take with it to avoid unwanted bad traffic and logistical nightmares.

**Q: Is there any way to insert “ ” quotes and [ ] brackets around my keywords automatically? I have hundreds of keywords, and I don’t want to have to do all this manually!**

Howie Jacobson has a great little tool that does just that. It’s called the Google Keyword Variant Generator, and it’s available at <http://www.TheAdTool.net>.

**Q: If I’m in the U.S. and want to see how my Google ads look on searches from other countries, how can I do that?**

Go to Google and search for the keywords. For example if you search for “Linux Firewall” after the results appear, the URL in your search bar says

<http://www.google.com/search?sourceid=navclient&ie=UTF-8&oe=UTF-8&q=linux+firewall>

You can see the search results for other countries by copying the string back into your browser and adding some characters at the end.

For the US you add &gl=us

<http://www.google.com/search?sourceid=navclient&ie=UTF-8&oe=UTF-8&q=linux+firewall&gl=us>

For the UK change it to &gl=uk

<http://www.google.com/search?sourceid=navclient&ie=UTF-8&oe=UTF-8&q=linux+firewall&gl=uk>

For Australia: &gl=au

<http://www.google.com/search?sourceid=navclient&ie=UTF-8&oe=UTF-8&q=linux+firewall&gl=au>

For Germany: &gl=de

<http://www.google.com/search?sourceid=navclient&ie=UTF-8&oe=UTF-8&q=linux+firewall&gl=de>

For Canada: &gl=ca

<http://www.google.com/search?sourceid=navclient&ie=UTF-8&oe=UTF-8&q=linux+firewall&gl=ca>

In most cases the abbreviation for the country simply corresponds to the domains for those countries – for example UK web addresses are .uk, Ireland is .ie, France is .fr, China is .cn, Korea is .kr, etc etc.

You can also see search results for different countries and regions by using a proxy server.

## About Pop-Ups

**Q: Is there a way to deal with Google's policy of no pop-ups on the landing page? I know I can use an opt-in landing page, but are there any other ways?**

There are several ways to deal with this. The easiest way is to make a different landing page specifically for your Google ads – just change the name, e.g., indexgoogle.htm, and take out the pop-up scripts.

Pop-ups are often used to collect email addresses for newsletters and the like. The larger question, though, is how to collect those email addresses using a different method. One good technique is to use a “squeeze page” to offer a white paper or guide in exchange for their email address, then show them whatever you’re trying to sell.

**Q: I know that Google doesn't allow pop-ups on your landing page, either when you enter or exit the page. But how about those HTML “popovers” that people use? Does Google allow those?**

These are easy to get past Google’s radar. They’re a sort of “Pop-ups 2.0,” and Google’s system won’t disapprove your landing page for having these unless an editor personally visits your site and manually checks for this. Either remove the popovers from your landing pages where you send Google traffic, or else be prepared in case Google’s system disapproves your landing pages because of them.

## Where & When to Show Your Ads

**Q: How do I get my ads into the “preferred listings” – those ultra-high-visibility sponsored positions on the top left of Google’s search results?**

If you haven’t noticed, Google has gone from showing *two* sponsored AdWords ads on the upper left of the page, immediately above the organic listings, to *three*:

Google™ Web Images Groups News Froogle Local more » tour spain Advanced Search Preferences

**Web** Results 1 - 10 of about 18,700,000 for [tour spain](#). (0.13 seconds)

**Sponsored Links**

[Visit Spain for Less](#) www.gate1travel.com Independent and Escorted Tours Enter to win 2 tickets to Europe

[Spain Tours Discounted](#) www.affordabletours.com Every Spain tour is discounted Large selection of vacations

[Tour Spain](#) www.gapadventures.com Explore with Experts & Local Guides Download Trip Itinerary Now!

**Sponsored Links**

[Save on Spain Tours](#) Escorted Spain tours are up to 40% less than traveling independently. [tourvacationstogo.com](#)

[STI Travel](#) The right way to Spain Escorted, independent tours [www.sti-travel.com](#)

[Spain Tour](#) Fun & Exciting Student Tours to Europe, Asia, & other hot spots! [www.Explorica.com](#)

[Spain Tour](#) Free Airfare Offer on Spain Tours Includes airfare, hotel and guides!

Little question, it was in their financial best interests to do so. But how do you get your ad to show there?

Our revered friends at *Planet Ocean* who specialize in search engine optimization offer these tips – which, if you’ve been paying attention to what we’ve been telling you throughout this book, should sound perfectly familiar:

- (1) You have to be bidding in fairly competitive, commercially oriented keyword categories. Not all keywords can get ads to show in those positions.
- (2) Your ad has to already be ranking near the top of the AdWords list for that keyword.
- (3) Your ad has to be earning a high enough CTR for Google to justify giving you the preferred positioning. The exact CTR you need? That’s part of Google’s secret formula. Savor the mystery!

**Q: I have two ads in my ad group, but Google doesn't show them evenly. One of them shows 85% of the time, and the other only about 15% Why is this?**

Click on “Edit Campaign Settings” and *uncheck* the box that says “Enable optimized ad serving for my ads.” Google should now show your ads roughly equally.

**Q: What exactly is Optimized Ad Serving?**

When you enable this feature, if you have more than one ad in each ad group Google will automatically display the better-performing ad more often. They want you to benefit from the ad that's getting the better CTR.

I prefer to disable this feature, since it will take longer to get complete data if the ads aren't showing evenly. But it's up to you.

**Q: I've disabled Optimized Ad Serving but my ads *still* don't get shown evenly. Sometimes it's 90%-10% or worse. What's wrong?**

Your ads will never be shown exactly 50/50; sometimes they'll be shown 55%-45% or thereabouts, which is fairly normal.

However, if you disable Optimized Ad Serving but your ads are still showing at wildly different percentages – e.g., one is showing at 60-65% or more – then your ads may be awaiting approval by a Google editor before they get put into syndication.

For certain subjects and markets – such as religion, sex, etc. – your ad will shown on Google at first, but editors have to approve your ads before they'll show on any of Google's Search Sites or Content-Targeted sites.

So if you're dealing with a touchy subject and you've enabled your ads to show on Google's Search Network, when you put up a new ad to run against your old one, it may take a week or more before your new ad starts to show on the Search Network and gets served as frequently as your older ad.

If none of this is true of your campaign but you're still getting uneven showing, you should call Google's customer support at 1-888-Google9.

**Q: If I delete an underperforming ad and write a new one, how can I compare the performance of the two together? Do I have to reset or resubmit the old one so that it shows their performance for the same time period?**

Keep a running log for your Google campaigns, such as in a Word document or text file, and record changes you make to your ads and the exact date that you made the change.

That way you can go back into your Google account, set the date to when you submitted the new ad, and compare your performance just for the time period that both ads have been running together.

**Q: With Google AdWords is there a “sweet spot” for my ad to be in – first, third, fourth or sixth position on a page?**

This is something I talk about in more careful detail in my Ultra-Advanced Google AdWords Seminar. But here's a helpful thumbnail summary:

I've done a good deal of careful math on this, and my associate Bryan Todd has a good deal of experience in sorting out this question through managing client campaigns in some very diverse markets.

What we tend to find repeatedly is that you get the best ROI both away from the very top *and* away from the very bottom of the page.

The higher you are on a page, the more likely you are to get clicked on. But you're also more likely to get careless, click-happy people clicking on your ad and not buying. This is especially true in position one. And the very last position on a page may get easily ignored as well.

It ultimately depends on your market. In some markets you'll want to be in top position as a means to become dominant. In other markets you'd just be throwing money away.

Our Advanced Course (<http://www.adwordsblackbelt.com>) has more specific ROI charts and statistics on this question. Nevertheless, when all is said and done, the best answer is always: Test it, and go with what works best for you in your own market.

## Working in Specialized Markets

**Q: How do I market a high-dollar item effectively on Google? We sell pricey machines that range from \$35,000 to \$250,000. Many of the examples you have stated in the past have been wonderful tools on how to improve clickthrough and customer conversion rates, but do they apply to this type of high-dollar item as well?**

Actually, many of the principles and techniques that apply to low-dollar, high-traffic B2C markets *do* also apply to high-dollar, low-traffic, suit-and-tie B2B markets. The important thing to do is (1) know whether Google is the right tool for finding your customer, (2) separate *style* from *structure*, and (3) talk to your customers the same way they talk to each other and themselves.

Google is the ultimate quick-fix, get-it-now marketing machine. That means that in this industry your ideal customer may not be as likely to search on Google for your product. If this is the case, you'll need to find other venues to get your customer to find you.

Regardless, a website for capital equipment is going to be an information-driven lead generation and opt-in site, not an e-commerce site. The objective is to find (1) people who are shopping for your equipment, and (2) anyone who *uses* such equipment and is likely to become a customer in the future.

The objective is to trade your application and problem-solving information for prospects' contact information – i.e., using information as currency. My favorite strategy for doing this is to offer reports, white papers and troubleshooting guides – documents that help the customers solve problems. I have devoted an entire course to this subject – <http://www.perrymarshall.com/whitepapers>.

After you have collected the person's contact information, you want to plug them into a highly targeted, content-rich autoresponder; you want to use direct mail and telephone to contact prospects; and you want to earn their trust by publishing quality information on a regular basis and “drip irrigating” them with follow-up mailings, your newsletter, opportunities to attend seminars, etc.

Please remember that you can use all of the tools that are common to online marketers – autoresponders, multiple websites, search engine optimization, testing and tracking, streaming audio and video, Flash, live chat and nearly every other tool used by mainstream marketers, even if you're in a highly specialized technical discipline. The only difference is how the copy is written.

**Q: My niche is specialized and I have found very few keywords that draw more than a few thousand requests per month. Is this still a good avenue for me?**

That is perfectly fine. You can get very worthwhile results sometimes on keywords that get just a few searches a month (I call them “nano-niches”). Many people will find that there’s a finite amount of good traffic they can get on the Internet, and that’s it. Oftentimes there are a lot more customers in other, offline markets – trade shows, print media, direct mail, radio, TV, etc.

By the way: for a physical product, an Internet lead is sometimes the very best, highest quality lead, and at the same time may be less expensive than leads that come from other media. That’s been my experience with technology, equipment, etc. Again, you can get just so many customers from the Internet, and then you may have to go on and try other media.

Sometimes it’s less expensive to mail out postcards than to buy clicks.

I know one very successful Internet marketer and self publisher, doing over \$1 million per year, who generates most of his traffic by advertising in magazines.

For information products (i.e. books, e-books), as opposed to physical products, traffic that comes through search engines is often *lower* quality than traffic that comes from offline sources.

## Google's Regular Search Engine

### Q: What is your most important Search Engine Optimization (SEO) strategy?

My strategy works like this:

(1) Test a concept and tweak it using Google AdWords. Get it working smoothly and profitably there first.

(2) Take it to Overture/Yahoo and possibly other paid search engines if you wish to buy more traffic. Use the copy that worked on Google as a starting point.

(3) Be certain about your conversion rate and profitability on Google, then use that data to attract affiliates and buy traffic from non-search-engine searches.

(4) After you've determined what keywords convert the best on Google, optimize (SEO) your website for those keywords.

(5) Similarly, build mini-sites and doorway sites for those keywords.

This is not a book on Search Engine Optimization, but the most basic concept you should keep in mind is that once you've determined which keywords you really want rankings on, you need to pick your battles. Some keyword battles are *much* easier to win than others.

For example, if your company sells firewalls, you may find that the keyword "Linux firewall" is a good performer for you, but there are hundreds of other sites that are already optimized for this term and competing against you. This is a very hard battle to win. But "corporate firewall" also performs well in your PPC campaigns and there are a lot fewer sites that are optimized for that term. So you build your search engine optimization around "second tier" terms that get less traffic but are easier to win.

### Q: Does using Google AdWords improve your ranking on Google's regular organic search engine listings?

No, it does not. Google maintains an "editorial barrier" between paid listings and free ones. In fact, you can have a Google AdWords target page that *only* AdWords visitors are taken to, which is not accessible any other way, and it may not show up in Google's free listings – unless you submit it, or link to it from other pages in your site.

## **Google vs. Overture/Yahoo**

**Q: What are the key differences between Google AdWords and Overture/Yahoo? How do you need to approach Google AdWords differently than Overture?**

The short answer: They are totally, completely different. The key differences are:

- Overture, at the time of this writing, has a three- to seven-day waiting period and mandatory editorial review for each keyword and advertisement
- Overture's maximum bid is a fixed number; Google discounts your bid down to \$0.01 above the person below you, and usually you pay less than you bid.
- Overture does not reward you for good copy or penalize you for irrelevancy; their system is very straightforward. Google's is harder to master, but once you master it, it has tremendous advantages.
- Google allows you either loose or precise matching between phrases; Overture requires you to bid on exact phrases and does not distinguish between singular and plural.
- Google lets you rotate multiple ads simultaneously, and lets you focus your ads on specific countries.
- Google lets you change your ads instantaneously. That makes it the ultimate engine for testing ideas fast.

I'm not particularly enamored with Overture/Yahoo, but many advertisers can double their traffic and sometimes more, by advertising there. Don Crowther has an excellent book that covers Overture in great detail at  
<http://ppc.www.makeyourwebsitelpay.com>.

**Q: Does Google give pricing discounts for big-spending advertisers?**

As far as I know, they don't. Google's playing field is completely level in this respect.

## How to Become an Affiliate

### Q: Do you have an affiliate program?

Yes, we do! You can join us and promote a variety of products for different businesses and industries, including my course on writing white papers (<http://www.perrymarshall.com/whitepapers>), my Marketing System in a Box (<http://www.perrymarshall.com/inabox.htm>), this guide, and my Ultra-Advanced Google AdWords Seminar (<http://www.adwordsblackbelt.com>) with Jason Potash and Don Crowther.

You can sign up for our affiliate program by visiting <http://www.PerryMarshall.com/affiliates>.

# Part Six: Improving Your World

## **An Unusual Application of Pay Per Click: Social Engineering on the Cheap**

*Perry Marshall*

Because you *can't* make money on certain kinds of words, therefore those words are cheap. You can get clicks all day for \$0.05 or less, and in some cases, all the traffic you want.

The only caveat is: You have to be okay with the idea of not making money. The attraction is being able to reach people with new ideas and *not* having to spend very much money at all.

There are all kinds of non-profit organizations, groups, churches, institutes and charities whose mission in life is to affect the culture in a positive way. Many times the battle is fought at the philosophical level. It's not about what people *buy*, it's what they *think*.

Take the environment, for example.

*Environmental Remediation* is a problem and a solution that someone needs, is willing to pay money for, and which other companies can sell. If you do a search on “environmental remediation” you’ll see fifteen different advertisers. This is a business.

But the *environment* is not a business – it’s a concept. It’s a debate that is going on in society today. If you do a search on “environment” there are only six advertisers as of today, and you can get clicks for five cents or less. Plus, Overture/Yahoo had 135,816 searches on “environment” last month. That’s *a lot* of traffic for a keyword that sells so cheaply!

So if you’re concerned about the environment and you want to bring people together, post a paper or research report, start a discussion or debate, or champion a cause, you can do it very easily for five cents a visitor and less.

### **A Real-Life Example**

Here’s a campaign I did along similar lines. Much of the modern world perceives Christianity as being outdated and irrelevant, and frankly it’s nobody’s fault but Christians and churches – for being... well, irrelevant.

My personal experience is that genuine spirituality offers realistic answers to some of life’s most pressing problems, but most people don’t know how to communicate that. Worse yet, all too many churches, televangelists etc. have been part of the problem, not part of the solution. It’s really a sad state of affairs.

So I put together a rather contrarian web page called “The 7 Great Lies of Organized Religion” at <http://www.tannah.net/religion> and it converts about 10% of the

visitors to opt-ins for a seven-day email autoresponder course that I wrote. It might offend the “holier than thou” types but that’s not who I’m looking for anyway. It gives people things to think about that they’re not used to hearing, and it does so inexpensively.

What I found is that you can buy philosophical terms like “church” and “spiritual” and “religion” and “existentialism” for a few cents a click, all day long, every day. All you have to do is come up with an ad that makes people click. There are a few examples of “social engineering” via pay per click already. For example, if you do a search on “pantheism” you’ll see quite a few advertisers. There’s some amount of money to be made promoting pantheism, and that’s probably why. Sometimes you’ll find advertisements for books on these topics, but again, the bid prices are very low.

In any case, there are many worthwhile causes you can promote very inexpensively on Google AdWords, and untold hundreds of thousands of keywords that nobody’s bidding on.

What I’d like you to consider now is the *math* of getting this done.

Changing peoples’ minds about anything is hard, hard work – and it’s not any easier in the philosophical world than it is in the commercial world; in fact it’s probably harder.

Since I’ve got this edgy, contrarian “7 Great Lies of Organized Religion” course going, and since it’s accumulated some history, let’s use it as an example. I can get one person onto my autoresponder course for \$0.40-0.50 on average, and the unsubscribe rate is pretty low.

Now this is not church per se, but for the sake of discussion, let’s compare this with a real brick-and-mortar church. I heard somewhere that if you divide the average church’s budget by the number of people who are converted to Christianity, you come up with a figure of around \$250,000 cost-per-convert.

That’s a pretty dang expensive convert! For \$250,000 I could get *half a million people* on my autoresponder course. If I had follow-up mechanisms (send ‘em a tape, offer a response mechanism where they can talk further to someone) I bet you could get some significant social change accomplished for a tiny fraction of the cost.

Also, there’s going to be less resistance, because people who are searching for information on spiritual topics are more open to discussion than your next-door neighbor probably is. After all, most of us in the 21<sup>st</sup> Century don’t even know our next door neighbor, but we exchange emails with our high school buddy in South Africa every month. Right?

There’s a million worthwhile causes. Do you have one that you want to promote? A philosophy or point of view you want to discuss? Google AdWords might be a very inexpensive way to reach out to the world and make a difference.

**Shade for the Children:  
Using Google and the Power of E-Mail  
to Feed & Clothe Orphans on the Other Side of the World**  
*Perry Marshall*

Last autumn, marketing expert Simon Chen invited me to come speak at his X10 Seminar in Coolum, Australia. There also happened to be an AIDS orphanage in Nairobi, Kenya that I wanted very much to visit.

Nairobi is an awful long way from Australia, but I figured, I'm halfway around the world; I might as well see if I can go all the way. I discovered that if I took the scenic route to Nairobi, it didn't cost any extra.

(And who wouldn't take the scenic route around the world for no extra cost?)

So I ended up going through Fiji, Australia, Malaysia, Singapore, United Arab Emirates, and Nairobi, and then to London and finally home. It was one big, long, crazy trip, and a lot of fun.

On August 29, 2004, literally an hour before I boarded the plane, I sent out a quick e-mail, inviting folks to opt in to my list.

Within a day or two, 1,300 people had signed up to be on this list. They, and they only, got my travelogue e-mails.

No more than 25% of what I talked about in my updates was actually business stuff. The rest of it was anecdotes about the trip, my personal views on things, pictures of kangaroos and snakes, stories of restaurants and beaches and conversations, and my experience visiting AIDS orphans and micro-enterprises in Africa.

And I left everyone else alone.

This was fun for me to write, and it was fun for the people who subscribed, because most people typically aren't traveling or doing something that unusual. For that matter, most of the time *I'm* not doing something that unusual.

It was a rare treat. Every couple of days I would go to a cybercafé, type an e-mail and send it out to my list. I would tell stories about snakes and crocodiles in Australia, and kangaroos, and I'd send pictures of places I was visiting and talk about going to the world's tallest building in Kuala Lumpur, and so on.

And I would get e-mails from people saying that they were glued to their screen every time they got a travel update.

One guy said that in ten years of being on the web, these were the most interesting e-mails he'd ever gotten.

In fact, I got e-mails from people in almost every country I visited, offering to meet me, buy me lunch, or whatever. I took several up on the offer and had even more fun that way.

### **Putting My Heart Online for a Good Cause**

Then, when I got to Kenya, I met and traveled with a guy who was taking care of AIDS orphans, some of whom had AIDS themselves.

I met little boys and girls who were dying of AIDS. It was a gut-wrenching experience for me to see this, and all the while very uplifting because somebody in very dire circumstances was doing amazing things.

I asked him to take me to a cybercafé, and there I gushed in an e-mail about opportunities to sponsor children, as well as to fund micro-enterprises for small business loans for Africans for \$50 to \$100. I raised thousands and thousands of dollars from this e-mail list.

And the opportunity to sponsor these children impacted by AIDS is still ongoing.

So what do AIDS orphans have to do with marketing? Almost nothing. But this was a list of people who like getting e-mails from me. They gave me permission and I used it. I knew, every time I sat down to write, that I was talking to people who were interested in what I had to say.

### **Be a Real Human Being**

This is the essence of relationship building through e-mail. I've never met most of those 1,300 people. I've never talked with most of them on the phone, or exchanged e-mails or anything, but they know me, they trust me, and they like hearing from me.

And you can have the same kind of relationship with people on your list.

Here's what you accomplish: you emotionally bond with those people, and they know you, they like you, they trust you as a *real human being*, not some guy or some gal who's trying to sell them something.

And children living in Africa in some of the worst circumstances imaginable ended up benefiting from it.

It makes for better customers, better relationships, and better business. And it's a great break in the middle of your customers' day, because all the other e-mail they're getting is either stuff they have to do, or else it's spam.

They'd get my e-mails and they'd say, "This guy is writing to me from Singapore, and it's really interesting." And the impact continues, because thanks to the e-mails that I sent out from that cybercafé, we doubled the number of orphans that George was supporting.

*We doubled it!*

When you go to Kenya and you see kids dying of AIDS, kids whose parents are dead, and they have nowhere to go and a relative has taken them in – but then help comes, and the education, clothing and food for these kids is paid for, and they're not a financial burden to the family they're living with anymore – when you're making that much difference in a kid's life, *that is something to feel good about*.

This had nothing to do with my business. It had to do with wanting to do some good in the world. All of us have things that we want to do, outside of our business. And for a lot of us, business is just something that we have to do; it's how we pay our bills.

But you can have more dimensions to your relationship with your customers than just business.

### **How You Can Get Involved**

You can sponsor an AIDS orphan for just \$30 a month. And you'll get a host of rewards. You'll get a couple of handwritten notes from the kids every year. You'll get monthly or bi-monthly updates, and the child you sponsor will have a chance in life.

This is administrated by Children's Relief International. My wife's brother Alan is the administrator, and I personally make sure that this money is used responsibly.

To sponsor an AIDS orphan, visit <http://childrensrelief.com>.

# Part Seven: Further Help & Services

## To Get More Help with Your Campaigns

You can get a personal, one-on-one expert tune-up for your AdWords campaigns, with live intelligence every single month.

With our enormously popular AdWords Mastermind group, Bryan Todd and Perry Marshall each provides his own specialized 30-minute consultation in which you and he get on the phone, open your AdWords account, quickly find things that can be changed and typically improve your performance 20-30% with one phone call. Plus you get a digital recording of the phone call after you're done.

In addition you receive access to our group Mastermind calls, the Perry Marshall Marketing newsletter or CD mailed to you each month, and all of the other membership privileges, including special discounts and free consulting call-in days. Plus archives of our prior mastermind calls.

For more information, visit <http://www.PerryMarshall.com/mastermind>

For more information on our host of other services, visit our service listing at <http://www.perrymarshall.com/services>.

## Other Tools and Resources from Perry Marshall

*Marketing System Toolkit for Business-to-Business and Technical Sales:* A complete set of templates, examples and tutorials for every aspect of business to business publicity, marketing and advertising: Differentiating yourself from competitors, using direct mail, magazine publicity, email marketing, web and print advertising.

<http://www.perrymarshall.com/inabox.htm>.

*The Perry Marshall Marketing Letter* is a monthly newsletter and membership that delivers state of the art information on marketing strategies to your doorstep. Also, every third issue is an audio interview with a notable sales or marketing professional. Not to mention an amazing set of bonus gifts and resources just for giving it a try. For more information, visit <http://www.perrymarshall.com/renaissance>.

*Attract More Customers with White Papers, Free Reports and Information Widgets* is the definitive guide to generating sales leads and credibility by publishing quality technical information. White Papers are a powerful weapon in the hands of a skilled marketer, and this course shows you how to write and promote them.

<http://www.perrymarshall.com/whitepapers>.

See our complete product list at <http://perrymarshall.com/marketing>.

Finally, Perry Marshall is available for speaking engagements, coaching and training for traditional marketing, Internet marketing and sales topics. Contact our office for more information.

**Epilogue:**  
**How to Turn Bigger Profits by Losing Money Acquiring Customers:**  
**Restroom Confessions of a Millionaire Marketer**  
*Bryan Todd*

It's shocking, the conversations you'll overhear in a men's bathroom sometimes.

I was at a seminar last November and had stepped into the restroom for a moment when I overheard a brief but telling exchange.

A tall, spunky marketing guy named Ted was washing up when a guy named Rich saw him and broke the good news.

"Hey Ted, I bought your kit online the other day. Looks pretty good."

"Good for you, Rich. You know I lost 100 bucks when you did that."

"No kidding? You lost money?"

"That's right. I lose money on every one of those kits I sell. But that's okay – I'll make up the difference from you on back end eventually." Ted chuckled and left the restroom.

Now mind you, Ted's no crook. He sells legitimate services and his customers are happy. Rich is one of his satisfied clients. And Ted's not in the poorhouse either. In fact, the guy's a multi-millionaire. He'll easily pull down \$100,000 in three hours off of some online deal he brokers.

Believe me, his methods are working.

So what did Ted mean when he said that about losing \$100 for every sale? It's this: it costs him so much money to put together his kit, buy advertising, respond to inquiries, pay his employees and whatnot, that by the time one person makes a purchase he's spent the entire cost of the package plus an additional \$100 in other expenses.

A hundred bucks seems like a lot of money to lose just to get a customer, don't you think?

But it seems to be working just fine for Ted.

You see, he makes it up in *back end*. That's the money you get by selling additional products and services to your already-existing customers. That's where most all seriously successful businesses in any market make their profit.

After all, once people are your customers, there's no reason why you should have to pay the same amount of money to make them your customers all over again.

As you'll hear us say time and time again, there's no greater asset you can build for yourself than a well-maintained database of happy customers who you communicate with regularly.

And it's not just *easier* to serve existing customers than to acquire new ones – it's *more profitable*.

### The Greatest Benefit of All

But there's more to this still:

If you can consistently make your biggest profits from existing customers, then you can afford to pay more to get new ones.

Which means you can pay *more than your competitors can* to get customers.

This is especially critical if your competitors are trying to make a profit off of first-time sales to every new customer they acquire. If that's the case, then *they don't stand a chance against you*.

The serious implications for advertising on Google AdWords should be obvious:

When you make the jump from having to make profit on every click to being able to buy clicks at break-even or even at a loss, then *you've bought yourself a huge margin*. Now you're in an elite circle. Now you're able to play hardball with the big boys.

Folks in our Mastermind Club know this already. They know that it's ultimately not about getting some super-high CTR – though that doesn't hurt a bit. They've learned from us not just how to manipulate ads and keywords to push up clickthroughs, but *how to build an entire high-profit back-end marketing machine* so that they can afford to spend more up front.

Now they can afford to jump higher on a search page. Which means that their CTR goes up. And their traffic increases. Then their back end grows even more. Which means they can afford to spend more up front. Now they can afford to jump even higher still ...

And they've reached a tipping point where there's no stopping them. We have so many eager clients who've consulted with us and implemented all the advice we give ... and their competitors simply can't touch them.

*Now don't miss this: in the most competitive markets, this level of competition is already the case and if you're going to enter that market, you must be prepared to acquire customers at a loss.* For example, for most TV infomercials, the sponsoring company loses money on the first sale. If you pay close attention, a lot of infomercials

sell, for example, vitamins or skin care products that are *automatically billed and shipped every month* until you say stop. They lose money the first month or two and make their profit after that.

Or if it's a product like an exercise machine, there's a very talented marketer on the phone who upsells you from the \$150 product to the \$500 product. That's where all their money is made.

In mature Internet markets, the same factor comes into play.

### **The Long-Term Significance of “Visitor Value”**

Let's say that you have 1000 visitors to your site and twenty of them buy your \$50 product. So you gross \$1000 broken down among your 1000 visitors. That means that the *average* visitor to your site spends \$1.00 with you. That \$1.00 is your *visitor value*, or *value per visitor* (VPV).

Let's also say (as an extremely simplified, hypothetical scenario) that you're shooting for a profit of 50%. That means that you can spend up to \$0.50 per click to bring in new visitors.

You can calculate your VPV by taking your gross sales for a set period of time, divided by your number of clicks.

If all of your profit is made on the initial sale, then you have to figure that 50% into the equation when you're deciding how much you can afford to spend on traffic. But when you determine that you're going to take the long view of your business, *the whole picture changes!*

If you've got a well-developed and mature sales process that allows you to sell additional products and services to your existing customers, then you can afford to just break even each time a new customer buys from you. Or perhaps, like Ted in the men's room, you can afford to *lose* money on that customer, because you know that the long-term *lifetime* value of your average customer is far above what it costs to acquire them.

So how do you get there?

### **6 Steps to a Profitable Long-Term Sales Process**

1. Rather than having visitors to your site come and go freely, *have them opt in* by offering them a free incentive, such as a report or a mini-course by e-mail, a CD, a software download, a consultation or a book, in exchange for their name and e-mail address.
2. Stay in close contact with all of your opt-ins and prospects, using e-mails, special offers, seminars and more to *turn them into paying customers*.

3. *Communicate with your customers regularly.* Teach them that every time they receive something from you, it's going to be interesting, useful, quality information.
4. *Use the power of newsletters, autoresponder e-mails and quality customer service* to turn more and more of your one-time customers into lifetime customers.
5. *Create continuity* with your existing customers, with services and products that they can receive from you at a regular monthly, quarterly or yearly rate.
6. *Create an ever-growing ladder* of more advanced products and services to offer to your existing customers.

Every market and every product and service is different, but these are time-tested principles of good marketing that you can take to the bank regardless of the services you offer.

### **Now About Google ...**

When we consult with customers on how to improve their Google AdWords accounts, one of the questions that eventually comes up stretches far beyond the scope of their AdWords campaign itself. We say, “Describe your long-term sales process. What is the *average total lifetime value* of each customer you acquire?”

If a customer’s lifetime value to you is a few hundred, a few thousand, or tens of thousands of dollars or more, you’re not going to sweat spending a little more up front to get him or her.

And that’s the type of win-win situation we’re eager to create for our clients.

As you develop an effective long-term sales process and a quality relationship with your customers, you free yourself up in an incredible way to spend more money acquiring more customers from more places.

And for Google AdWords this means that, depending on your market, you can jump into the top positions on high-competition keywords, keep your clickthrough rates solid, bring in more traffic to your site and grow your customer and e-mail list – which is a tremendous asset.

Which puts you in the business of asset building. Not just income building.

### **This is a Mature Market Now, Folks**

Once when I was in grade school I went to spend the night with a few friends from the neighborhood. One of them was a new kid, a bigger guy named Rob. Fairly tall, and wide too, Rob would have looked like a football player, except that he was terribly clumsy.

The following morning all of us ran out and played a game of tackle football, Rob included. I think his team probably won due to his size, but it was nothing too competitive for any group of young boys.

Several years later I saw Rob again. This time it was high school, and Rob was now a towering 6'7" tall. And this guy wasn't clumsy anymore, either. Fast as a bullet, wide as a Mack truck and all muscle, he drew intimidated looks everywhere he went.

Rob was eventually recruited by the University of Nebraska, and was forever engraved in Husker Lore as a standout offensive tackle on their 1994 national championship team. He was drafted by the New York Giants where he played a couple of years and eventually moved down to Jacksonville to sign with the Jaguars.

Now I'm just a slight five feet five inches, and I can assure you – there's no way in tarnation I'd ever step onto a football field to play tackle with the likes of Rob again.

I'd get *killed*.

When you're young, the playing field is pretty level. Nobody is a standout, and every kid has a chance to make a play or two. When we were grade-school kids, Rob was a few inches taller than I was, but we could still play together without anyone getting hurt.

But then you grow up. Size makes a serious difference. Your talents start to diversify, and you soon discover that if you can't play with the big boys you better get out before you get yourself seriously hurt.

### **The AdWords Lesson**

That's exactly what's happening now in the AdWords market. Bid prices are climbing through the roof, and only the biggest, cleanest, most forward-looking, long-term-profit-minded players will be able to pay the high prices for clicks and stay in the game.

That's true of advertisers in the top positions on the search pages of nearly every search market now.

Are you ready to play ball?

<http://www.perrymarshall.com/mastermind>

# Accelerate Your Business With Expert Marketing Services by Perry S. Marshall & Associates

**Website Development:** Why do most companies' investment in their websites never pay off? Because a website is not a glorified brochure, it's a direct response sales and marketing tool. It must have a very focused objective, driven by good copy, compelling offers, and plenty of visitors. We can help you achieve that.

**Website Traffic Generation** is crucial. It doesn't matter how good your website is if nobody gets there! We have five years of experience in search engine placement and a profitable track record in the powerful but complex new "Pay Per Click" strategies.

**Website Traffic Conversion** is equally important. It doesn't matter how many people visit your website if they don't do what you want them to do once they're there! Our potent combination of information marketing, development of compelling offers and response mechanisms, and good copywriting makes your web traffic profitable.

**Copywriting:** Good advertising copy is without doubt one of the most underestimated business power tools. A skillfully crafted and integrated sales message - via web, direct mail, or print advertising - can transform your business literally *overnight*, and reliably generate sales for you for years. Good copy is THE overriding factor that determines whether your advertising works for you, or if it's just wasted money.

The true test of a good copywriter is always in the numbers. Do his ads, sales letters and web projects make the telephone and cash register ring? What kind of Return On Investment do they produce? Perry Marshall has a proven track record in writing results-accountable direct response copy for business-to-business marketing, both for direct sales and lead generation.

**White Papers** are often the centerpiece of highly effective, low-cost lead generation for technical companies. A well written one is worth its weight in gold. White papers are often passed around in a company and read by decision makers you don't otherwise have access to.

Well-written and effectively marketed white papers are a cornerstone of the Perry Marshall Marketing System. Perry S. Marshall & Associates can design an integrated approach for you, writing and/or editing white papers for you, then designing marketing campaigns around them for highly effective, low cost lead generation.

**Publicity** is an indispensable ingredient for any successful business, and information about your company in the press is an "implied endorsement" and that has credibility that cannot be bought at any price.

The key to getting publicity is understanding what media people really want - what the rules are, what you

can and can't "get away with," and in developing ongoing relationships with editors.

We can help you design marketing campaigns with publicity in mind at the outset, write press releases that get results, and distribute them to over 15,000 media contacts. Contact us with your requirements.

**Advertising**, especially when combined with publicity, can completely eliminate cold calling for your sales people and position you as an authority in your field. Skillful advertising can differentiate you from every competitor and make you a formidable opponent in the marketplace.

From lead generation with multi-step marketing campaigns to one-step direct marketing campaigns, we can create an advertising mix that reliably and profitably brings you business with minimal investment and "manual labor" sales grunt work.

**Direct Mail** is totally unique in its ability to target prospective customers with laser precision, and deliver a complete and compelling sales message to them at very low cost. With direct mail you can establish a solid presence in your prospects' or customers' mind and consistently generate orders for \$1 per month.

Perry Marshall has designed direct mail campaigns that reliably bring \$20 of sales for every \$1 spent on postage. Is that a good investment? Sure beats the stock market lately! Contact us to discuss your project in detail.

**The Perry Marshall "Marketing System In A Box"** is a Do-It-Yourself template for skillfully developing every ingredient discussed on this sheet, so you can build your own marketing turbocharger for your business. It comes with consulting time and assistance in developing your marketing materials and message.

**"Guerilla Marketing for Hi-Tech Sales People"** lays down 21 rock-solid principles of high-impact, low cost marketing, covering Internet marketing, publicity, direct mail, print advertising, and sales message development - every topic on this page, and more.

This audio program is an outstanding introduction to Perry's Marshall's work and will give you ideas you can put to use right away! Call (312)458-9102 or email [system@perrymarshall.com](mailto:system@perrymarshall.com) to request a FREE copy. Please specify Audio CD, Cassette or Printed version.



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