Search engine marketing jargon buster

Advert ("Ad") - A sponsored result that appears on a **search engine results page**, or **SERP**. Ads are typically formed from a few lines of text, and may include additional elements like a street address, reviews and phone numbers.

E.g. "My ad for `Beautiful Wedding Photos` is already bringing in tons of new business."

Ad Rank - The overall "score" an ad receives that determines where it can appear on a search results page (SERP). Higher Ad Rank leads to higher positions on the SERP. The formula for Ad Rank varies slightly across search engines, but generally works like this:
Max CPC X Quality Score. For example, an ad with a Max CPC of £2 and a relevance score of 6/10 will have an Ad Rank of 12. If this is the highest Ad Rank, this ad wins the top position on the SERP.

E.g. "Improving my adverts' relevance and increasing my bid helped me improve my Ad Rank."

Average Ad Position - The position of your ad on the search engine results page (SERP). Search engines typically denote the highest position as "Position 1". If your ad appears half the time in Position 1, and half the time in Position 2, your Average Position would be 1.5.

E.g. "My average ad position for my pet photos ad improved from 7 to 3—I'm thrilled!"

Actual Cost-per-Click (CPC) - The true amount that a business pays to the search engine when their ad is clicked. Businesses set a **Max CPC** which acts as a "ceiling" – they can never be charged more than that figure. However, depending on the number and relevance of the other ads in the auction, the actual amount paid can vary. The formula for cost-per-click may vary slightly across search engines, but generally works like this: (Ad Rank to Beat ÷ Your Relevance Score) + £0.01.

Let's see an example.

Your competitor, Wanda's Weddings, has the next-best Ad Rank is (that's the Ad Rank to beat in this formula). Her Ad Rank is **12**.

Now we need to divide that by your relevance score. Let's say you've scored a **9** out of possible 10.

So, your actual cost-per-click will be (**12/9**) + **£0.01**, or **£1.34**.

E.g. "I'm willing to bid as high as £1.75 for my wedding photos ad, but luckily my actual CPC is only £1.60."

Click - When a person visits your site via an ad. For most SEM campaigns, you only pay when the searcher clicks your ad.

E.g. "My Cute Puppy Photos ad gets way more clicks than my Cute Kitty Photos ad."

Click Through Rate (CTR) - The number of times people click an item of interest, like an advert, in comparison to the number of times people are exposed to that item. For example, if your ad received 100 impressions and 3 clicks, your CTR is 3%. CTR is a crucial indicator of whether your ads are relevant to the people using the search engine—think of it as the difference between the amount of people actually coming into your shop divided by the amount of people stopping outside to look through the window. While there are no specific guidelines, you should always be working toward improving CTR.

E.g. "I improved my CTR quite a bit when I added pricing info to my Wedding Photos ad—that clearly made more people want to click through."

Conversion or **Goal** - The action you want website visitors to perform. Examples: e-commerce purchases, form submissions, phone calls, and video views.

E.g. "The conversion I most want on my site is for people to sign up for a photo consultation."

Conversion Rate - The ratio of conversions to visits, often used to measure digital performance. For example, if you have received 200 clicks and 5 conversions, your conversion rate is 2.5%.

E.g. "I improved my conversion rate by putting 'FREE CONSULTATION' in big letters—a lot more people sign up now."

Cost per Click - The amount of money required to produce a single click on a digital advertisement.

E.g. "I pay a much higher Cost per Click on my wedding photos ad because there is more competition in that field."

Cost per Conversion - Often referred to as cost per acquisition (CPA), this ratio measures how much money you spend on advertising relative to the number of conversions received from the ads. For example, if you spend £100 and receive 4 conversions, your cost per conversion is £25. Your cost per conversion should be lower than the value of a conversion. For example, if a conversion is only worth £20, then a £25 cost per conversion is not profitable.

E.g. "My cost per conversion was too high, so I started spending a little less on advertising."

Impression - The number of times an advertisement is displayed; it doesn't necessarily mean someone clicked on it.

E.g. "I'm getting a lot of impressions on my Baby Photos ad, but not many people are clicking—I may need to rewrite it."

Keyword - The full word or phrase an advertiser targets. In some cases, the keywords are different than the words the searcher typed in (called the search query). For example, if a business targets the keyword `wedding photographer in London`, but the person's search query is `wedding photos in London`, the ad may still appear. Advertisers can control how precisely the keyword must match the search.

E.g. "My best performing keyword is `cheap wedding photographer London`. I guess people like a bargain!"

Landing Page - The first page on a website that a user sees after clicking an advertisement. This could be any page on an advertiser's website, but landing pages typically perform best when they are highly relevant to the ad that was clicked on, and to the person's search query.

E.g. "For my Beautiful Wedding Photos advert, I chose the portfolio page as my landing page, so visitors can immediately see the quality of my work."

Max CPC / Bid Price - Your maximum cost-per-click (CPC), or bid price, is the highest amount that you are willing to pay for 1 click on your ad. However, you will not necessarily be charged the full Max CPC. For example, if your Max CPC is £1.25, you may only pay £1.04 for the click, depending on competitive factors. However, raising a bid might increase the likelihood of a higher ad position on the search engine results page.

E.g. "I'll bid as high as £2.25, but that's my max CPC—I'm not made of money!"

Natural Listings or **Organic Listings** - Results from a search engine query that are generated from search engine relevance algorithms and are not impacted by advertisers bidding on keyword terms.

E.g. "I'm planning to hire a search engine optimization expert to help me improve my spot in organic listings someday, but for now investing in the paid listings has been a big success."

Pay-Per-Click (PPC) - An advertising model in which advertisers pay when people click on their advertisements rather than for the impression of their advertisements.

E.g. "I love the PPC model—I only pay when someone clicks on my ad!"

Quality Score - A measure from 1 to 10 of how relevant your ads and landing pages are to the keywords you're bidding on. Improving your Quality Score can help you achieve better ad positions and lower prices for clicks.

Search Engine Marketing (SEM) - Advertising focused on improving visibility in paid search engine results.

E.g. "Investing in SEM instead of print advertising has really taken my business to a new level."

Search Engine Results Page (SERP) - A list of results appearing in a search engine in response to a person's **search query**. SERPs contain "organic" (or free) results, as well as ads, which are generally displayed across the top of the page, and down the right-hand side of the page.

E.g. "My goal is to be on the SERP page when anyone searches for `wedding photographer Cardiff`."

Search Query or **Search Term** - The full, exact word or phrase that a person types into a search engine in order to find what they're looking for. It may or may not exactly match the keywords advertisers are targeting.

E.g. "The search term `pet photographer Cardiff` is performing better for me every month."