

Creating an Effective Pay-Per-Click Campaign

By Angela Wu

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Optimizing your website for the 'traditional' search engines can be a daunting task, and one that many people are either unable or unwilling to attempt. Fortunately, pay-per-click search engines (PPC SEs) allow us to specify exactly what key phrases we want to be listed under -- for a price.

In brief, you simply "bid" on the key phrases you want. Your bid indicates how much you're willing to pay for a click on your link - in other words, every time someone clicks your link, you pay 10 cents or whatever you bid on that particular search term. The highest bidder gets placed at the top of the search results, the second highest bidder gets the next listing, and so on. It's a quick way to get exactly the search terms you want.

Obviously you want to maximize the effectiveness of your pay-per-click campaign since you're paying for traffic! Here are a few tips to get you started:

___1. Know Your Website's Conversion Rate.

What percentage of unique visitors to your website actually make a purchase? For instance, a website that makes 1 sale for every 100 visitors has a conversion rate of 1%.

Although the quality of visitors you get from a pay-per-click search engine may be higher or lower than what you normally get through other marketing means, knowing your CR will give you a "baseline" to help determine how high you're willing to bid.

For example, let's say your conversion rate is 1%. Based on this, you need 100 clicks on your link to make 1 sale.

That's \$10 if your bid is 10 cents/click. Figure out whether or not your profit margin is sufficiently high enough to justify the cost. If so, are you willing to go spend even more to get your link displayed higher in the search results and possibly generate more clicks and sales? Will the additional sales justify the extra cost?

__2. Target the RIGHT Key Phrases.

The goal is to drive traffic and sales to your website. Choosing the right key phrases is therefore critical: if you choose a search term that no one uses, you won't get any traffic. If you choose the wrong key phrase you may end up with visitors who aren't really interested in your products and services. Use Overture's Search Term Suggestion Tool to help you research the appropriate key phrases for your business:

<http://inventory.overture.com/d/searchinventory/suggestion/>

__3. Qualify the Visitor Before He Clicks On Your Link.

You pay every time someone clicks your link, so make sure he's a qualified visitor! Make good use of your title and description to encourage visitors who are specifically looking for a product or service like yours, while discouraging people who are "just curious".

For instance, you may sell professional website templates -- but some people are only interested in free templates they can use for personal websites or small projects. These are the people you *don't* want to attract.

__4. Spend Time Writing Good Titles and Descriptions.

Create titles and descriptions specifically for each of your search terms. They should "speak" directly to the type of visitor you're catering to. For instance, if you sell a variety of golf clubs, you might bid on "used golf club", "discount golf club", and "ladies golf club". Use each of these terms in the title and description to help catch the prospect's attention.

__5. Send the Visitor Directly to a "Sales" Page.

Instead of linking to your home page where the visitor may be presented with a variety of choices, link to a page which asks the visitor to complete just one action. That doesn't necessarily mean you have to send them to a page where they're asked to make a purchase; you can

also direct visitors to your newsletter subscription page, or a page where they're asked to answer a survey.

__6. Consider Using the Smaller PPC SEs.

Overture is the best-known and most popular of the pay-per-click search engines. However, you can still benefit from the smaller ones as well, such as 7Search or FindWhat. Even though you may not get the same amount of traffic as you would from Overture, your money isn't "wasted" since you still only pay for actual clicks on your link. In fact, the bids are usually far lower on the smaller PPC SEs. Take advantage of the cheaper traffic.

__7. Find the Bid Position that Offers the Best Value.

Many people try to get the #1 listing for their search phrase. While the links in the top three positions may get the most traffic, you can still get good traffic from links on the first few pages. Some people even argue that these visitors are more qualified -- they took the time to read your link and are interested in what you have to offer. They didn't just click your link because it happened to be the first one.

Another thing to watch for are "bid gaps". As an example, at the time of writing, Overture shows the following bids for the search phrase "golf clubs":

Position #1 - 54 cents/click
Position #2 - 50 cents/click
Position #3 - 41 cents/click
Positions #4 and #5 - 40 cents/click
Position #6 - 33 cents/click

Most of the above bids are separated by several cents per click... if you wanted position #3, you could bid 42 cents (be sure to read the bids above AND below the position you want... otherwise, in this example you could end up paying 49 cents/click for position #3!). However, position #6 is available for a mere 34 cents. That may not seem like much when you're just looking at a single click, but that's a difference of \$8 for every 100 clicks! Your savings can add up quickly. You have to decide whether the extra cost is worth being higher up in the search results.

Pay-per-click search engines may not be the cheapest way to promote your online business, but they can be a very

effective part of your overall marketing plan. Remember that it's not how much you spend that's so important, but rather how much return you get on your investment!

ABOUT THE AUTHOR:

Angela is the editor of Online Business Basics, a practical guide to marketing a business on a beginner's budget. This guide offers loads of instantly useable tips and links, in a down-to-earth style that even marketing "newbies" can understand! A helpful Online Business Dictionary is included too... visit: <http://onlinebusinessbasics.com/article.html>

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