

## Lesson 1: Considerations When Building Your Adwords Campaigns

### Structure

The bigger your Adwords account grows the more difficult it may be to keep a grasp of performance.

A tactic that has proved successful for our day to day account managers is to build and develop your Adwords account as closely as possible to your website. This will allow categories and subcategories to be easily followed as you are already aware of your site structure. Your quality score will also be positively affected as your campaigns and adgroups will have a tighter theme. Quality can be affected by ad copy, landing pages and keyword match type. If your Adwords account replicates your website then you can control many of these often overlooked factors.

### Budgets

The budget you are willing to invest into Adwords should be carefully considered. Do not spend more than you are comfortable investing, as with any marketing channel.

You should also have realistic considerations if you commit to a relatively small budget. Think about the areas of your business that can give you the best return on investment.

A common mistake we see happen for new advertisers within Adwords is to spread their budget too thinly. For example, if you have a monthly budget of £1000 across your Adwords account and have only 10 campaigns, this is £100 per month for each campaign. Over a 31 day month this is £3.22 per day per campaign. In a competitive sector this wouldn't even pay for 1 click. Plan strategically and be smart about where and when you pick your fights.

### Cost Per Click & Quality Score

Cost Per Click is how much you are willing to pay for a click on an advert. Cost Per Click works in conjunction with your Quality Score (a metric to measure the quality of your keywords to give keywords an Ad Rank). Ad Rank determines the position of your Ad on the search page.

Quality Score and the continuing improvement of this is fundamental to your Adwords effort. The better your quality score, the less you pay for clicks therefore more budget to spend elsewhere in your account. You should always be looking to strike a balance between Quality Score and Cost Per Click. Quality Score is crucial to find cheaper conversions and optimal CPC can be an art to master.

Here are some of the key factors that can affect Quality Score:

- Click Through Rate
- Landing Page
- Historical Performance
- Various Relevancy Factors
- Ad Relevancy
- Keyword Relevancy

The research below, courtesy of Wordstream, highlights the effect of Quality Score on Cost Per Click.

| Impact of Quality Score on CPC in 2013 |                        |        |                                   | Impact of CPC of 1-point QS Change |             |  |             |        |
|--|------------------------|--------|-----------------------------------|------------------------------------|-------------|--|-------------|--------|
| If QS is                               | Your CPC vs. QS =5 is: |        | % Change in "Discount" since 2009 | If QS is                           | QS +1 Saves |  | QS -1 Costs |        |
|  | Discounted by:         |        |                                   |                                    |             |  |             |        |
| 10                                     | Discounted by:         | 50.0%  | 66.7%                             | 10                                 | N/A         |  |             | 11.1%  |
| 9                                      | Discounted by:         | 44.4%  | 100.0%                            | 9                                  | 10.0%       |  |             | 12.5%  |
| 8                                      | Discounted by:         | 37.5%  | 200.0%                            | 8                                  | 11.1%       |  |             | 14.3%  |
| 7                                      | Discounted by:         | 28.6%  | -                                 | 7                                  | 12.5%       |  |             | 16.7%  |
| 6                                      | Discounted by:         | 16.7%  | 200.0%                            | 6                                  | 14.3%       |  |             | 20.0%  |
| 5                                      | -                      | -      |                                   | 5                                  | 16.7%       |  |             | 25.0%  |
| 4                                      | Increased by:          | 25.0%  |                                   | 4                                  | 20.0%       |  |             | 33.3%  |
| 3                                      | Increased by:          | 67.0%  |                                   | 3                                  | 25.0%       |  |             | 50.0%  |
| 2                                      | Increased by:          | 150.0% |                                   | 2                                  | 33.3%       |  |             | 100.0% |
| 1                                      | Increased by:          | 400.0% |                                   | 1                                  | 50.0%       |  |             | N/A    |

Courtesy WordStream, Inc. Courtesy WordStream, Inc.

## Ad Extensions

We are big fans of Ad Extensions to bring your Adverts to life. Ad Extensions are extra features which can help to build a better Ad, even making your ad up to 100% bigger. Here is a list of the Ad Extensions available to use and example of each.

- Sitelink Extensions

### Walter's Bakery for Dogs

**Ad** [www.example.com](http://www.example.com)

Artisanal Biscuits and Cakes

Doesn't Your Dog Deserve It?

|          |                |
|----------|----------------|
| Hours    | Birthday Cakes |
| Specials | Nutrition Data |

- Location Extensions

**Nationwide Insurance® - nationwide.com** ⓘ

Ad [www.nationwide.com/](http://www.nationwide.com/)

Get A Free Auto Quote Online From **Nationwide Insurance®**

Nationwide has 60,662 followers on Google+

📍 9201 Columbus Pike, Lewis Center, OH - (614) 601-9064

Free Renters Quote      Brand New Belongings<sup>SM</sup>

Get an Auto Quote

- Call Extensions

●●●● AT&T LTE      11:23 AM      ⓘ 🔊 100% 🔋

← 🔍 motorcycle apparel      ☰      📄 2

Google **Web** Shopping Maps Image

**70% Off Biker Clothing -** ⓘ  
**Jackets, Boots, Helmets, Vests**

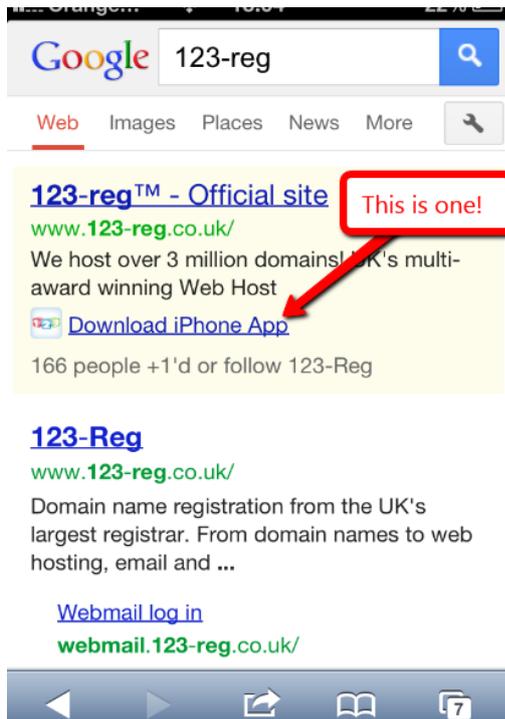
Ad [www.leatherup.com/](http://www.leatherup.com/) 📞 Call

Fast Free Shipping - Lowest P...

Motrocycle Access...    Womens Motorcycl...

Mens Motrocycle J...    Motrocycle Vests

- App Extensions



- Review Extensions

### BrighterBlooms.com

Ad www.brighterblooms.com/ 4.1 ★★★★★ advertiser rating  
Shrubs, Trees, Citrus and Knockout Rose. Read Reviews, Delivered Fast!

I am in love with every one of these plants – Busy-at-Home.com

#### All Plants

Our larger plants & trees give you better, faster results! Shop today.

#### All Perennials

Shade, sun, sedum, hosta, late bloomers, grasses, ferns & daylily

#### All Citrus Trees

Trees grow healthy lemons, limes, oranges, clementines, tangelos!

#### All Trees

View our huge selection of trees. Something for everyone's yard!

- Callout Extensions

### Name Brand Baby Strollers - zulily.com

Ad www.zulily.com/Strollers

Up to 70% Off on Name Brand **Baby Strollers**. Shop Now!

Hurry, Limited Inventory · New Events Every Day · Apparel, Home & More

If you're looking for toys or clothes, this is a must-visit – AllYou

Ratings: Prices 9/10 - Service 8/10 - Product quality 8/10

## **Ad Positions**

In order for your Ad to populate with all of the bells and whistles of Ad Extensions, your Ad would need to appear between positions 1 to 3. Positions 1 to 3 are the optimum position for click through rates and for ads to show in the most prominent position.

You can keep a close eye on your Ad position by adding this metric to the Adwords interface. We will show you how to add this and many other useful metrics in our Adwords toolbox video.