

AN IVE FOCUS TEXT WHITE PAPER

Paid URL Promotions

Pay-Per-Click (PPC) Advertising

Paid URL Inclusion Pay-per-click (PPC) Advertising

Advertising your services or products on the Internet is both extremely effective and extremely competitive. There are several ways to go about attracting traffic to your website; Pay-Per-Click (PPC) is one of the options from which you can choose, along with developing a search engine optimization (SEO) campaign. Both PPC and SEO are intended to get your website placed as close to the top of search engine results as possible. One of the differences is that it takes minutes to set up a PPC campaign versus months for a good SEO campaign to mature.

As an example of what can happen when these work together (and you will also see this example in other companion books of this series) a new web-site was "rolled out" in early February of 2007. As of this writing, using one PPC Position Ad and well a developed SEO Program, this site has grown from a concept e-mail to 1,190,000 listings under a single Google keyword; \$7 Secret (a downloadable copy of the book \$7 Secret can be purchased at <http://www.focustext.com>).

PPC is a simple type of paid advertising that most search engines, including some of the largest ones, now offer. It requires a bid for a "per-click" basis, which translates to your company paying the bid amount every time the search engine directs a visitor to your site. There is the added bonus that when a per-click site sends your website traffic, your site often appears in the results of other prevalent search engines.

As with all marketing campaigns, there are advantages and disadvantages. If you understand the process and monitor your PPC campaign frequently, it can be very effective. One of the greatest advantages is that you never have to tweak your web pages to change your position in search engine results, which you must do in a typical SEO campaign. What you do have to do in a PPC campaign is pay a fee.

Another advantage is the simplicity of the PPC process. You just bid and you're up and running. It doesn't demand any specific technical knowledge, though the more you know about search engines and keywords, the easier - and more effective - the process will be.

The downside is that PPC is essentially a bidding war. A higher bid than yours will lower your position on search engine results. This means that you will have to raise your bid to regain your position - which can obviously become quite expensive, especially if you are bidding on a popular keyword.

In order to determine if PPC is a cost effective form of marketing for your business, you must do some computing to figure out how much each visitor to your site is worth. You can compute this value by dividing the profit you make on your website over a given period of time by the total number of visitors for that same time period. For example, if your site made \$5,000 in profits and there were 2,5000 hits, each visitor would be theoretically worth 50 cents. The basic formula is profits divided by visitors.

The figure of 50 cents per visitor is the point at which your business breaks even. The idea, of course, is to show a profit, not to merely cover your costs. Therefore, you are aiming at a figure less than 50 cents per click.

Be aware that the most popular keywords often cost considerably more than 50 cents a click. The only way around this is to bid less for these phrases or you will be paying too much for each individual hit.

The key (pun intended) to success is to learn everything you can about search engine keyword research. The good news is there isn't a limit to the amount of keywords you can add to your bid because additional keywords do not add additional cost. This translates into a lot less hassle for you because there is no need to optimize your site to index a particular set of keywords.

Obviously, some keywords are much more effective than others, but they will not cost you anything except time to set-up your account in your PPC bid. Of the popular search engines that offer PPC, one called Overture, provides an online tool that will give you the data on how often a particular keyword is entered into their search engine. They also offer suggestions for keywords after you enter a description of your site.

In PPC, this written description is crucial. You must understand that the object of your description is not to generally attract visitors, but to be as specific as possible so that only those visitors who are likely to buy your service or product go to your site. You must use expert marketing copy to guarantee that your description is both precise and enticing to attract the ideal candidates to your site. This description is your most powerful tool to insure that your bid is profitable.

Another essential element of PPC advertising is that you constantly monitor your bid, especially during special promotional seasons. It is very important that you bear in mind that the results of the top search engines providing PPC advertising, which are Overture and Adwords Select, usually appear on other popular search engines. Because of this, the competition for top ranking is intense, and very often you will find that the bidding price balloons too high for PPC to yield a profit.

If this happens, it is advisable to withdraw your bid on that particular keyword and try another one. Remember: when you pay too much per click to make a profit, you are in essence losing the bidding war.

As an example, the period between Thanksgiving and New Years Day in 2005 saw click rates on plush collectible toys rise from a high of \$0.56 (late November) to \$1.95 (mid December). The top bidder in the second week was Toys R Us. On February 27, 2007, a Google search of “plush toys” returned 3,870,000 promotional sites.

Since losing is not acceptable, you must have a plan in place for closely tracking the effectiveness of your keyword. It is advisable to monitor your keywords on at least a monthly basis.

Not only is careful monitoring important, but the analysis of visitor behavior can produce invaluable knowledge about consumer motivation, habits, and trends. Expert monitoring and consumer analysis is essential to your overall business needs. It can also insure that your PPC campaign is a success.