



## How to Avoid a Costly Mistake With Pay-Per-Click Advertising Campaigns

There are plenty of companies that just want to sell you “clicks”, or hits, to your website. But beware! Your website may not be ready to “close the deal”.

First, here's a very basic primer on how *search marketing* works for those who are still in the dark about how users find businesses on the Internet.

When a user performs a search online to find a company that sells, say, *blue widgets* they would logically use *keywords* that are relevant to such products. In this case, the user might use the keywords “blue widgets”, “blue widget”, “blue widget dealer”, or “blue widget dealer atlanta” (assuming you wanted to find a dealer in Atlanta, GA). If your business happens to sell blue widgets then a listing for your business' website should appear on the first page of a search engine results page, or “SERP”, in order to have any chance of being noticed by a potential customer.

The trick is getting this all-important first page listing (or SERP #1) – an accomplishment that is becoming increasingly competitive and usually requires the help of a skilled search engine marketer to achieve on a consistent basis.

### Pay-Per-Click (PPC) Advertising

What many businesses still don't know is that they can actually “bid” on relevant keywords that are associated with the products or services that they offer. A winning bid will get a small ad that includes the business' website address listed on the first page of a search results screen. This system of bidding on keywords is called *pay-per-click* advertising because the bidder (the owner of the website) is only charged for the first page listing when someone actually clicks on the website listing.

The primary PPC advertising campaign programs are offered by Google, Yahoo!, and MSN. A slick, easy way to get a first page ranking for your website, don't you think?

**But Here's Where You Can Make a Costly Mistake with PPC Advertising**

Suppose you sell blue widgets in Atlanta, GA and Google's current bid price for the keyword "blue widgets dealer" is \$12.50. Your bid would be at least \$12.55 to insure that you get a listing on SERP #1 (Search Engine Results Page #1) when a user performs a search using the keyword "blue widgets dealer". Now, when the user clicks on your PPC ad and lands on your website Google charges you \$12.55 for that *click-through*.

Once a user clicks on your paid PPC ad it's up to your website to carry the ball across the goal line and generate a "conversion" – whatever you define that to be. A conversion might be:

- An online sale of a blue widget (if you provide ecommerce on the website)
- A phone call to your business to place an order for a blue widget
- A phone call to your Sales Dept. to get more information about your blue widgets
- An email requesting more information.
- A download of a report or guide on "How to Purchase the Right Blue Widget" (or some other helpful guide, report, or electronic brochure.

In order to justify the expense of a PPC campaign you have to have clear evidence of measurable conversions on the site. If the website is poorly designed and fails to convert enough visitors to pay for the cost of a SERP #1 ranking then the advertising expense has been wasted.

### **A Common Website Mistake When Using PPC Advertising**

One common mistake when using PPC advertising is when the campaign sends all of the *click-throughs* to the website's home page. In many cases this a costly mistake for three reasons. First, suppose you sell:

- blue widgets
- red widgets
- green widgets
- portable widgets
- waterproof widgets
- widget carrying cases
- large widgets
- miniature widgets
- designer widgets
- Miley Cyrus signature widgets
- widget display cases
- replaceable batteries for widgets

The home page is probably going to mention all of these items – making that page the least specific page on the entire site. Users who are looking specifically for “blue widgets” will be forced to hunt through the website for that information. This is a bad way to start a relationship with the customer and causes conversions to fall – especially if users get the least bit frustrated with poorly-designed navigation on the website.

The second reason why it's a costly mistake to direct PPC traffic to a site's home page is because the search engines prefer to send users to the most relevant pages possible. Google, in particular, is very focused on this and will charge PPC advertisers top dollar for clicks when their Google ads send users to pages that are not highly relevant to the search keyword(s).

A third reason why it's costly to direct all PPC traffic to a site's home page is because it becomes much harder to track the performance of specific ads in the PPC campaign relative to the page that users land on. When all PPC ads click-through to the same page on the website, regardless of the keyword used in the search, it becomes almost impossible to determine what elements on the website might need to be changed to improve the conversion rate. In short, there's no way to test what is working and what isn't working at the website.

### **How to Avoid Making This Costly Mistake With PPC Advertising**

PPC advertisers should avoid sending paid click-throughs to their website's home page. Instead, highly optimized *landing pages* should be built that focus on specific keywords or keyword groups in the PPC campaign. When users click on a PPC ad that mentions “blue widgets” the click-through link should take them to a landing page that discusses blue widgets *specifically*. An ad that mentions “waterproof widgets” should click-through to a page that discusses only that type of widget, and so forth.

The result: Conversions go up because the advertiser is delivering exactly the information for which the users (customers) are asking. In addition, Google is more likely to give advertisers a break on the price they pay for the actual click-through because that company likes it when advertisers deliver highly-relevant information to users. In fact, it is not uncommon for one advertiser to spend many times more for a click-through for the same keyword as another advertiser who sends click-throughs to a highly-optimized, highly-relevant landing page.

### **Conclusion**

We encourage our clients to avoid contracting with “click resellers” who are only interested in promising X number of clicks for X amount of money. Clicks do not necessary translate into sales, or conversions – particularly when the website lacks the proper design elements that make it easy for online visitors to convert. A carefully designed and managed PPC advertising strategy – coupled with a plan for *landing page optimization* – will ensure that the client gets the most out of their online advertising investment.



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