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10 Questions to Ask When Building Your PPC Program

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Developing a winning paid search program is a large and complex undertaking. There are many questions to answer and things to consider, such as goals, budgets, and best tactics to employ. In this whitepaper, we're going to explore 10 questions you should ask or consider when building out a pay-per-click program.

1

WHAT ARE MY GOALS?

One of the most important questions to ask as a paid search manager, or person responsible for the program, is defining success and what it should look like. Search engines and social media companies deliberately make it very simple to get an account live so money can be quickly spent with them. As a result, many advertisers start right in setting up campaigns without thinking through their goals.

Why is it so important to have clearly established goals?

3 main benefits of goal setting for PPC:

- Direction: Setting clear performance goals provide the foundation for success. Creating winning strategies and defining tactics to support those strategies is not possible without knowing what the intended outcome should be.
- Focus: Goals provide the focus advertisers need to zero in on the things directly relating to what they need in order to achieve success. For example, a lead generation advertiser may not need to upload a shopping feed. Setting goals will keeps things on track and moving in a positive direction.
- Accountability: Often, lack of goals equates to lack of accountability. If we don't know what we're shooting for, success cannot be measured. Simply put, stating a goal and writing it down holds everyone involved accountable for reaching those goals. If goals are not met, a clear discussion of why things are off track can be held and adjustments made to ensure that things get back on track as quickly as possible.

Establishing and managing towards specific goals are the backbone of a successful paid search program. Goal setting should be the most important aspect of your planning process. Successfully answering the question "What do I want my paid search program to do and how do I get there?" will put you on the road to success.

2

HOW MUCH DO I WANT OR AM I WILLING TO SPEND ON PPC?

Once goals have been established, the next question is to ask is "How much do I want or am I willing to spend on PPC?" Often, the answer is uncapped so long as PPC is profitable. As an advertiser, that's a very tempting and exciting strategy. After all, who wouldn't want to have an unlimited budget to work with?

However, pay per click advertising can be very volatile. Ask anyone that's managed a display campaign for any length of time. Therefore, it is imperative to establish a budget to keep controls on advertising dollars. Not having a budget in place opens up the possibility of unforeseen surprises. For instance, a new publisher could enter the Google Display Network. Ads appear on the new publisher's site and get a tremendous amount of clicks. Those clicks don't convert, and a lot of money has been wasted. Having a budget in place protects against the possibility of runaway spend.

There are numerous ways to go about budgeting ppc accounts.

Some example methods are:

- Establishing an Overall Program Budget: This method is simply establishing a maximum amount that's willing to be spent on PPC across all products, services, platforms, & networks. This creates a ceiling for how much is going to be spent within a defined time frame.
- Budget by Product or Service: A common tactic is to have a paid search program emulate the organization's business model. In this instance, more budget may be allocated to higher value products and services. Not all products are created equal. Factor this into the budgeting process to make sure each campaign representing those products and services are budgeted in accordance with the importance each product or service deserves.
- Budgeting by Ad Platform: Is Google Adwords a more successful platform for your business than say LinkedIn? Budgeting by platform ensures money is spent in places most likely to provide positive outcomes for your business.
- Budgeting by Network: Most paid search accounts contain a search network (People actively searching for an entity's products or services), or display, which is a form of 'push marketing'. Depending on which channel is most successful, budget accordingly to take advantage of the networks that are best suited for your organization.

While it's important to establish spend parameters, PPC provides unique opportunities due to the dynamic nature of user behavior. Creating budget flexibility allows you to take advantage of increased traffic, which is key to not missing out on opportunities. Employing a hard cap budget in PPC can often be a limiting factor in terms of maximizing results. If there were any ability to increase budgets based on performance, this would be ideal. Methodical, yet flexible budgeting will protect against surprises and abnormalities in user behavior, but will also put you in a position to maximize success.

3

HOW DO I MEASURE PERFORMANCE?

We've addressed setting goals and funding our program. Now the question must turn to "How do I measure performance?"

3 popular ways to measure PPC performance are:

- Platform Interfaces: All ad platforms provide a wealth of information. Traffic metrics such as cost, clicks, impressions, ad position, and cost per click can be seen on the macro level such as campaigns, and on the micro level, such as keywords. If code is installed on your landing pages, conversion data can also be measured. In addition, a plethora of reports are available that provides a deeper level of analysis.
- Analytics Packages: Analytics packages provide a deeper insight into performance post click. Analytics programs such as Google Analytics can tell you if users are interacting with landing pages or if they are bouncing out at an unusually high rate. Understanding and acting on these deeper level insights allows you to take advantage of opportunities that the platform level data can't fully provide.
- Proprietary Data: Your organization's backend data is critical to understanding how well the paid search program is performing. While the interfaces and analytics platforms provide a ton of great information, your backend can tell how positively PPC is affecting the bottom line. Determining things such as average order value, average revenue per order, and total sales volume will further help determine if paid search goals are being met.

Measuring performance is an absolute necessity. Top line metrics will inform as to whether or not your PPC program is meeting goals. Ferreting out the deep insights that's driving performance is where you'll beat out the competition. Be sure to have a carefully planned out measurement strategy. PPC is an ever-changing environment and staying on top of performance and adjusting quickly is key to both short and long-term success.

4

HOW WILL I MANAGE THE VARIOUS NETWORKS?

Now that the overarching questions have been answered, its time to dive in and address the machinery of managing the day-to-day aspects of the paid search program. "How will I manage the various networks" is a key question to consider. For example, Google and Bing both have vast display and search partner networks, requiring separate for each.

Display networks contain a vast array of publishers that agreed to show a specific platform's ads. Google Display Network has an AdSense program that pays advertisers a small bounty every time a person on their page clicks an ad. These users tend be less targeted, but what a large pool of traffic to expose your business to!

Search networks contain partners that use their website or portals to show ads along their search results. Users search these sites just as they do bing.com, google.com, or any other search engine. These users tend to be more targeted than display users as they are not actively searching, yet not quite as qualified as those who access the main engines for their search needs.

Adapting ad messaging, keyword sets, and bids based on network are keys to a successful paid search program. For instance, display advertising, although attracting less targeted users, creates huge amounts of exposure for your brand, which can lead to a very positive impact on search behavior.

Remarketing is a successful way to bridge the gap between display and search. Remarketing works by placing tags on webpages and creating rules for placing users on your list. For example, a user performs a search on google.com, lands on a page, but doesn't convert. Rules can be implemented that allow these users to go on a list where they can be remarketed to on the display network. This is but one example of how to tie your marketing together between networks.

Understanding each network's user behavior will help bring prospects from top of funnel research to conversion. Thinking through how to do this will reduce wasted ad dollars and increase overall efficiency. Search partner and display networks are very important parts of the paid search landscape and should be managed in harmony with each other to get the most out of them.

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HOW DO I ADVERTISE SUCCESSFULLY ON MOBILE VS. TABLET VS. DESKTOP?

Let's face it, we live in a multi-device world. How many times has research begun on a smartphone, continued on a tablet, and concluded with a conversion on a desktop? Conversations and conversion paths begin on one device and end on a completely different one all the time. This begs the question, "How do I advertise successfully on mobile vs. tablet vs. desktop?"

Each device has its own audience with its unique set of questions and concerns. Setting the right strategy and employing the correct tactics on each device is key. A failed device strategy can derail performance and cause you to miss out on enormous opportunities.

Lets break down the types of devices and their associated user base.

- Mobile: Largest growing segment of users now that society is more mobile and on the move. Mobile users tend to be more research focused and willing to make phone calls to complete purchases or make an inquiry.
- Tablet: User base is more recreational. Most likely to be checking social media, watching videos, and doing non-research activities.
- Desktop: Research and work focused users. More often than not, desktop users will be on their laptops to make purchases or fill out lead forms.

So how can we tie the knot between mobile (including tablet) and desktop? For example, let's take an e-commerce site with physical locations. The mobile user experience could feature a store locator. Mobile specific ad copy can be employed that drives users to find a store near them so they can go there and make a purchase. Another example is enabling ads for 'click to call'. Instead of driving users through a full-blown form fill process, why not have them directly call your business? Mobile users are very willing to speak with customer service representatives.

Understanding the relational affect between devices will help guide strategy and tactics. Google provides in ways to measure cross device performance. Even if conversion rates are low and acquisition costs high, if one device is fueling the success of another, this will factor into how best manage each device type.

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HOW ARE YOU GOING TO MANAGE YOUR CREATIVE PROCESS?

Ultimately, potential customers are interacting with your creative assets. Response is directly tied to how deep this interaction is. How are you going to manage your creative process? This important question must be considered, answered, and decisively acted upon in order to have a successful paid search program.

Consistently testing your creative is key. Before we discuss creative testing, let's take a look at the types of ads that can be employed to drive engagement and response.

- Text Ads: Usually a 25 character headline and 70 characters of body text.
- Image Ads: Found on display networks, the ads are usually visual with minimal wording.
- Video Ads: Primarily used for brand engagement. Ad is usually a short video that piques interest.
- Extensions: Extensions provide additional information to ads. For example, sitelinks link ads to different landing pages or areas of a website. Call extensions allow for ads to show a phone number.
- Shopping Campaigns/Feeds: Providing product information and attributes, allows for marketing of individual products in a very visual way.

Implementing a formalized testing strategy will keep the creative process alive and moving forward. Out of every task a PPC manager performs, the only piece visible to prospects is the creative. Do not ignore this critical area as success or failure depends on how well ads perform.

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WHAT'S YOUR LANDING PAGE STRATEGY?

Often, PPC managers meticulously are building campaign and executing optimizations according to best practice, yet results lag behind. The problem could be poor landing pages. Make sure to ask and consider the question, "What's my landing page strategy. Do I even have one?" If the answer is no, its imperative to devise and implement a plan for testing pages to increase conversion rate.

Why do paid search managers need to implement CRO?

- Convert More Traffic: Buying traffic is expensive and needs to convert at the highest possible rate. Consistently testing landing pages to increase conversion rate can make the difference between success or failure of the PPC program.
- Increase Profits: Increasing conversion rate drives an increase in revenue or lead volume for the same cost output, which in turns increases profits and margins.
- Lower Acquisition Costs: Increasing conversion rate decreases overall acquisition costs. If conversions rise and costs stays the same, you have lowered the total cost of each conversion.

Often, CRO has been referred to as a force multiplier. Typical issues in PPC accounts stem from not enough conversions. Increasing conversion rate can help alleviate these issues and allow for reaching goals faster.

Develop a scheduled routine for testing landing pages. There are applications to assist with this. If you cannot afford to purchase CRO tools to automate the testing process, make site changes manually. Most importantly test, test, test! It has been proven time and again that frequent testing of web pages leads over time to an increase in conversion rate.

Regardless of whether your program is in-house or working with an agency, be sure to factor conversion rate optimization into the PPC workflow. The potential increase in performance will far outweigh the cost of time and resources to perform the testing.

Once goals have been defined, the budgeting and measurement plans have been established, and its been decided what strategies and tactics are going to be implemented, the next question is who will manage the program?

There are 3 ways to do this:
- In-House Management
- Employ an Agency
- Combination of In-House and Agency (Hybrid approach)

Let's now take a look at each approach and examine the benefits and downsides of each method.

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WHAT ARE THE PROS AND CONS OF AN IN-HOUSE MANAGEMENT TEAM?

'In House' means dedicating internal resources to oversee strategy and manage the day-to-day operations.

The benefits of in-house management are:

- Intimate Business Knowledge: Those who work directly for an organization have the best understanding of how the business operates. In-house employees best understand the 'why' behind the things that are being done and how these things can affect the paid search program.
- Sense of Ownership: Employees of a company usually have a more vested interest in the outcome of things. Their sole focus is the success of their organization.

So what are the downsides?

- Not Trained PPC Professionals: More than likely, you will have to train people on PPC that don't do this type of work for a living. They might be marketers, but not fluent in the ins and outs of PPC. There will be a learning curve and possibly expense tied to getting your team up to speed.

- Limited Learning Opportunities: In-house employees will often not be surrounded by other paid search professionals. In-house employees are limited to the people they work with. Of course reading blogs or watching 'how to' videos are helpful. This does not replace being surrounded by a team of PPC professionals with a vast array of experience.
- Expense: If an organization decides to build an internal team, this means adding headcount and the associated financial burdens that accompany it.

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WHAT ARE THE PROS AND CONS OF EMPLOYING AN AGENCY?

Another option is to hire an agency. There are 'full service' agencies that offer complete digital marketing solutions, including paid search. There's also agencies whose sole purpose is to manage paid search accounts.

The benefits of hiring an agency are:

- Collective Knowledge: Staff is immersed in the best practices of pay-per- click advertising and is usually fully certified in search, display, and analytics. Agencies are also able to dedicate more time and resources to an account. The ability of an agency to always put fresh eyes on an account is something that can't be done with limited in-house staff.
- Cost: In many instances, hiring an agency is cheaper than increasing headcount within an organization. Agencies often charge a percentage of advertising spend or a flat monthly fee.
- Access to Additional Resources: Agencies tend to build strong relationships with the large advertising platforms. Agencies can consult their Google or Bing teams for advice on how to handle key aspects of an account. Agencies often gain access to insights that are simply not shared directly with advertisers.

So what are the downsides of hiring an agency?

- Emotional Connection: Agencies have large rosters of clients and account managers are routinely reassigned from one account to another. This means there's a chance account managers will not have the same emotional connection to your account as someone who works directly for your organization.

- Communication: There will be a lot more work needed on the client's part to communicate their needs and wants. There will also be a learning curve while the agency gets up to speed on the ins and outs of your paid search account. Be prepared to put in this work and never assume an agency understands completely what's expected of them.
- Understanding of your business: Agencies will not have the intimate knowledge of your business model. They are working without access to proprietary data unless the organization provides access to it and trains them how to interpret the data. This is something that in-house managers do not have to worry about.

10 WHAT ARE THE PROS AND CONS THE HYBRID APPROACH?

Another option is to keep your PPC program in-house but employ an agency on a retainer basis. This arrangement can usually be done on a project-by-project basis or contracting for a specific amount of hours per month.

What are the advantages of this hybrid approach?

- Extra Help on Special Projects: The hybrid approach offers the advantage of keeping full control while providing ability to bringing in an agency as 'extra resources' for special projects. These services can be 'as needed' as opposed to ongoing management.
- Strategic Consultation: Sometimes you need an 'extra set of eyes' or a different perspective on things. Bringing in an agency to perform an audit or provide strategic recommendations can help bring new and fresh insights.

What is a disadvantage of the hybrid approach?

- Cooperation Between Teams: Ideally, it is expected that the in-house and agency teams will work in harmony. However, the in-house team might feel threatened by an agency and not cooperate to their fullest. Systems must be put in place for one side to not feel threatened by the other side's presence and that everyone is working together to achieve common goals

CONCLUSION

Building a powerhouse PPC program is a big undertaking. Hopefully, the insights offered in this paper will help you address the key issues most paid search managers run into on a daily basis.

Take a step back and figure out your goals, budget, and how you want to go about achieving success. Considering and acting on these questions will set you apart from the competition!

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