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FOR ENTREPRENEURS**

**Unit – III / Topic : Google Ad words**

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# **Scheme of Presentation**

- **Understanding Ad words**
- **Google Ad Types**
- **Pricing Models**
- **PPC Cost Formula-**
- **Ad Page Rank**
- **Billing and Payments**
- **Ad words User Interface**
- **Keyword Planning**
- **Keywords Control**
- **Creating Ad Campaigns**
- **Creating Text Ads**
- **Creating Ad Groups.**

# Understanding Ad words

Google Ads is an online advertising platform developed by Google, where businesses can create and display ads to promote their products or services across Google's various platforms, including search results, YouTube, Gmail, and partner websites within Google's Display Network.

Google Ads operates on a pay-per-click (PPC) model, meaning advertisers pay only when users click on their ads. Advertisers can also use other payment models, like cost-per-impression (CPM) or cost-per-acquisition (CPA), depending on their campaign goals.

# Factors of Ad words

**Keywords:** Ads can appear when users search for specific terms on Google Search.

**Location:** Ads can be targeted to people in specific geographical locations.

**Demographics:** Ads can be tailored to reach specific age groups, genders, or interests.

**Device:** Ads can be shown to users on desktop, mobile, or tablet devices.

Google Ads is widely used by businesses of all sizes to drive traffic to their websites, increase brand visibility, and boost sales or conversions.

# Google Ad Types

- **Search:** Text ads that appear in search results when people are looking for products or services
- **Display:** A type of Google Ad
- **Shopping:** A type of Google Ad
- **App:** Ads that promote apps and in-app engagement
- **Demand Gen:** A type of Google Ad campaign
- **Video:** A type of Google Ad campaign
- **Performance Max:** A type of Google Ad campaign

# Pricing Models

1. **Cost-per-Click (CPC)**
2. **Cost-per-Impression (CPM)**
3. **Cost-per-Acquisition (CPA)**
4. **Cost-per-View (CPV)**
5. **Maximize Conversion**
6. **Target Return on Ad Spend (ROAS)**
7. **Target Impression Share**
8. **Smart Bidding**

# Pricing Models

- **Cost-per-Click (CPC)** : Advertisers pay when someone clicks on their ad.
- **Cost-per-Impression (CPM)** : Advertisers pay based on the number of impressions (views) their ad receives.
- **Cost-per-Acquisition (CPA)** : Advertisers pay when a specific action (like a sale or lead submission) is completed on their website after clicking the ad.
- **Cost-per-View (CPV)** : Advertisers pay when a user watches a video ad (on platforms like YouTube) or interacts with it (such as clicking on a call-to-action).

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- **Maximize Conversions** : Google automatically sets your bids to get the most conversions within your budget.
- **Target Return on Ad Spend (ROAS)** : Advertisers set a goal for how often their ads should appear in specific positions on Google Search results pages or the Google Display Network.
- **Target Impression Share** : Advertisers set a goal for how often their ads should appear
- **Smart Bidding** : Google Ads uses machine learning to automatically set bids based on conversion goals, without needing manual adjustments.



# Why different PM?

Each pricing model is tailored to a specific marketing objective, whether it's increasing traffic, building brand awareness, or driving sales. Advertisers can choose the model that best fits their campaign goals and adjust strategies as needed for optimization.

# PPC Cost Formula

- The **PPC (Pay-Per-Click) cost formula** calculates how much an advertiser will pay for each click on their ads. The main factor determining the cost is the **CPC (Cost-per-Click)**, which is influenced by your bid, quality score, and competition.
- Here's the formula an **PPC Cost Formula**:
- **Total PPC Cost = Number of Clicks × Cost per Click (CPC)**
- If you receive **100 clicks** on your ad and your **CPC** is **\$2**:
- Total PPC Cost =  $100 \times 2 = 200$  USD.
- So, in this case, you would pay \$200 for 100 clicks on your ad.

# Factors Affecting CPC

- **Bid Amount:** The amount you're willing to pay per click.
- **Ad Rank:** A combination of your bid and **Quality Score** (which includes the relevance and quality of your ads and landing pages). Higher ad rank can reduce CPC.
- **Competition:** In highly competitive keywords, the CPC may be higher, and you might need to bid more to maintain visibility.
- **Quality Score:** A higher Quality Score can lower your CPC, as Google rewards relevant, high-quality ads with lower costs.

# Ad Page Rank

- **Ad Rank** is a crucial factor in determining the position of your ad on Google Ads, as well as the cost you'll pay for each click. Ad Rank is a score used by Google to determine your ad's visibility on the search engine results page (SERP) and your cost-per-click (CPC)
- **Ad Rank Formula:**
- Ad Rank is calculated based on the following factors:
- $\text{Ad Rank} = \text{Max CPC} \times \text{Quality Score}$
- Where:
- **Max CPC** (Maximum Cost-per-Click): The maximum amount you're willing to pay for a click on your ad.
- **Quality Score:** A rating that Google gives to your ad and landing page based on relevance and quality.

# Key Components of Ad Rank

- 1. Max CPC (Bid):** The amount you're willing to pay for each click. While this is important, it's not the only factor that determines your Ad Rank.
- 2. Quality Score:** A score from 1 to 10 that Google assigns based on how relevant and useful your ads and landing pages are to the user. Quality Score is influenced by
  - Expected Click-Through Rate (CTR):** The likelihood that your ad will be clicked when shown.
  - Ad Relevance:** How closely your ad matches the user's search query.

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**Landing Page Experience:** How relevant and useful the landing page is to users.

**Ad Extensions and Other Formats:** Including additional features like sitelinks, callouts, or structured snippets can improve your Ad Rank by enhancing the user experience and providing more information.

# Billing and Payments

- **Sign in to your Google Ads account, and navigate to the Billing Summary page. Click Make a payment.**

## **The Steps are as follows:**

1. Set up a backup credit card.
2. See available payment methods.
3. Learn how to resolve a payment decline.
4. See whether taxes apply to your payments.

# What is billing in Google ad?

A billing setup is an account-level link between a Google Ads account and a Payments account (also known as an invoice setup), which effectively determines who is billed for costs incurred by the billing setup's account budgets. Each Payments account corresponds to a single invoice.



# How do I add billing to Google Ads?

1. In your Google Ads account, select the tool icon.
2. Choose the country or territory of your business address.
3. Enter your business address.
4. Make your billing selections and enter your billing information.
5. Review and accept the Google Ads Terms and Conditions.
6. Select Submit and Activate.

# Ad words User Interface

- The **Google Ads (formerly AdWords) User Interface (UI)** is the platform through which advertisers interact with Google Ads to create, manage, and analyze their advertising campaigns. The UI is designed to be intuitive and user-friendly, providing a variety of tools and features that allow you to control every aspect of your Google Ads campaigns.

## Summary of the Google Ads User Interface (UI)

- **Navigation Menu:** Access key sections like campaigns, ad groups, ads, and settings.
- **Dashboard:** Overview of performance metrics and campaigns.
- **Campaign Creation:** Set up campaigns, define goals, set budgets, and create ads.
- **Performance Monitoring:** Track key metrics like clicks, impressions, and conversions for campaigns and ad groups.

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- **Reports:** Generate custom and predefined reports to analyze campaign performance.
- **Tools & Settings:** Manage advanced settings like conversion tracking, audience targeting, and billing.
- **Account Access:** Manage user permissions and link external accounts.

# Keyword Planning

**Keyword Planning** is a fundamental aspect of managing and optimizing campaigns in Google Ads (formerly AdWords). It helps advertisers choose the most relevant keywords to target their audience, improve ad performance, and optimize ad spend. The **Keyword Planner** tool within Google Ads is specifically designed to help users identify potential keywords, estimate their performance, and build an effective keyword strategy.

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**1. The Importance of Keyword Planning :**  
Keyword planning is vital because it determines how your ads will be triggered and shown to potential customers. By selecting the right keywords

**2. The Keyword Planner** tool is available within Google Ads

# Types of Keywords in Google Ads

1. Broad Match : is the default keyword match type. It triggers your ad when a search query contains any variation of your keyword, including synonyms, misspellings, or related terms.
2. Phrase Match : triggers your ad when the search query contains your exact keyword phrase, in the same order, with words before or after it.

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3. Exact Match : triggers your ad when the search query exactly matches the keyword or very close variations (e.g., singular/plural forms, abbreviations, or misspellings).
4. Negative Keywords : are used to prevent your ads from showing for irrelevant searches. By adding negative keywords, you ensure that your ads are not triggered by certain terms that might not lead to relevant traffic.



# Keywords Control

- **Keyword Bidding Control**
- Along with match types, you can control how much you're willing to pay for your keywords. This is done by setting bids at different levels.
- **A. Manual Bidding**
- With **manual bidding**, you set the maximum amount you're willing to pay per click (CPC) for each keyword.
- **Control Level:** Offers **high control** over your keyword costs, allowing you to prioritize higher-value keywords by bidding more and control costs on underperforming ones by bidding less.

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- **B. Automated Bidding**
- **Automated bidding** allows Google Ads to adjust your bids in real time, aiming to maximize conversions or clicks within your budget. Google uses machine learning to determine the best bid for each auction.
- **Control Level:** Provides **less granular control** but is useful for advertisers who want to optimize performance without managing individual keyword bids.

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- **C. Enhanced Cost-Per-Click (ECPC)**
- **ECPC** adjusts your manual CPC bids automatically based on the likelihood of a conversion. For example, if Google predicts a higher chance of conversion for a specific keyword, it may increase your bid for that auction.
- **Control Level:** Provides a balance between manual and automated control by giving you control over the base CPC while allowing Google's algorithm to make adjustments

# Creating Ad Campaigns

**Creating Ad Campaigns** in Google Ads is an essential process to promote your products or services to your target audience. It involves setting up the structure, selecting campaign goals, defining your budget, and choosing the right targeting options for maximum effectiveness.

# **Step-by-step Guide To Creating Google Ads.**

1. Sign In to Google Ads
2. Define Your Campaign Goals
3. Choose the Campaign Type
4. Set Campaign Settings
- D. Location and Language Targeting
5. Define Your Target Audience
6. Create Your Ad Group
7. Review and Launch
8. Monitor and Optimize Your Campaign

# Creating Text Ads

1. Sign In to Google Ads
2. Create a New Campaign
3. Define Your Ad Group
4. Create the Text Ad
5. Review Ad Extensions
6. Targeting and Optimization
7. Save and Launch Your Ad
8. Monitor Performance and Optimize

# Creating Ad Groups

Before diving into creating an ad group, it's essential to understand the structure of a Google Ads account:

- 1. Account:** The highest level, linked to your Google account.
- 2. Campaign:** Each campaign can have a specific goal (e.g., driving website traffic, increasing sales).
- 3. Ad Group:** Within each campaign, you organize your ads into ad groups. An ad group contains related keywords and ads that target a specific set of search queries.
- 4. Ad:** The text ad that users will see in the search results, and which is linked to the relevant landing page.

# ad group creation Steps

## 1..Define Your Ad Group Name

Ad groups should be named in a way that makes it easy to understand what products, services, or keywords are being targeted. For example:

If you are selling shoes, you could name ad groups like "**Running Shoes**", "**Women's Sneakers**", or "**Nike Shoes**".

A well-named ad group helps you manage your campaigns easily and ensures that you are targeting the right audience with relevant ads.

## 2.Select Keywords for Your Ad Group

Keywords are the foundation of your ad group. They are the search terms users type in when they are looking for products or services like yours. The ad group you create should contain **related keywords** that share a common theme.



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- **3.Create Relevant Ads for the Ad Group**
- Once you have your keywords selected, you need to create ads for the ad group that match the search intent behind the keywords
- **4.Set Your Bidding and Budget**
- Bidding is the amount you're willing to pay each time someone clicks on your ad
- **5.Set Targeting and Location Options**
- Google Ads allows you to set targeting options at the campaign and ad group levels. These settings define which users will see your ads based on their behavior, demographics, and location.