Perfecting Google AdWords Advertising

By Matthew A Perosi

Over the last 10 years, many negative stories about the high cost of Google AdWords have circulated on the Internet and frightened small businesses. The truth is that you can control your budget and targeting more accurately with Google AdWords now more than any other form of advertising online or offline.

Most people believe that online advertising is only for e-commerce, but you can actually use paid ads to achieve any business goal. Online users who achieve your set goals are called "conversions." Example goals include someone "Liking" your Facebook Page, signing up for your email, or simply buying something from your website.

There's a potential to exhaust your budget without any return because your choice of artwork, sales copy, and the target audience will make or break your results. Waiting a month to find out if your offline ads worked is normal since measuring results from billboards, newspaper, or radio advertising takes at least as long. Newcomers to AdWords tend to think like offline advertisers and also wait one month for results. In actuality you could find out your results in as little as 24 hours--but to do that, you need a "test budget."

A test budget is money you allocate for testing of your ads, but without any expectation to make that money back. That test budget needs to be spent as quickly as possible so you can measure results and improve your results before spending your full budget.

For independent retail jewelers, I suggest at least $100 per test. It might take a few days of testing before you figure out the best ads and audience targeting; but once you do, you should be able to convert people to your goal much more quickly.

Running test ads through Google AdWords isn't only about the individual ads you create. You also need to consider the page that your ads link to, known as a "landing page." Typical online ads entice people to click, but it's really the message on the landing page that does the real conversion. Therefore your test budget is also a way to improve those individual pages on your website.

Here's how it works... Create your ads, build your landing pages, and give Google a budget of $100 per day. At the end of 24 hours you can see how many people clicked the ad and how many converted.

This is how you analyze your results:

Result A	If $100 was used and conversions were low then,

1. Your ad was misleading
2. Your landing page was poor
3. You targeted the wrong audience and keywords

Result B	If less than $100 was used and conversions were low then,

1. Your ad probably wasn't interesting enough
2. Google realized the message of your ad didn't match the message of your landing page

Result C	If no one clicked an ad then,

1. Your ads are horrible
2. You targeted the wrong audience and keywords
3. Your test budget wasn't large enough

Any of those results mean you need to send your advertising back to the drawing board. With regard to Result C3, sometimes a test budget isn't large enough to compete against other advertisers. In this case you may need to increase your daily budget to $200 in hopes that you will get at least $100 in test clicks on your ads.

Ideally, you want to have the highest conversion for the test budget used. You need to be satisfied with the results. Once you find the best performing ads you can set your full monthly budget knowing the ads will work and your target audience will be reached.

Other than using a test budget, you should always work with an AdWords agency that will manage the technical details for you.

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