



Grow with Google Ads

Optimise your ads to improve your
conversion rates and discover new
customers.

Presented by.



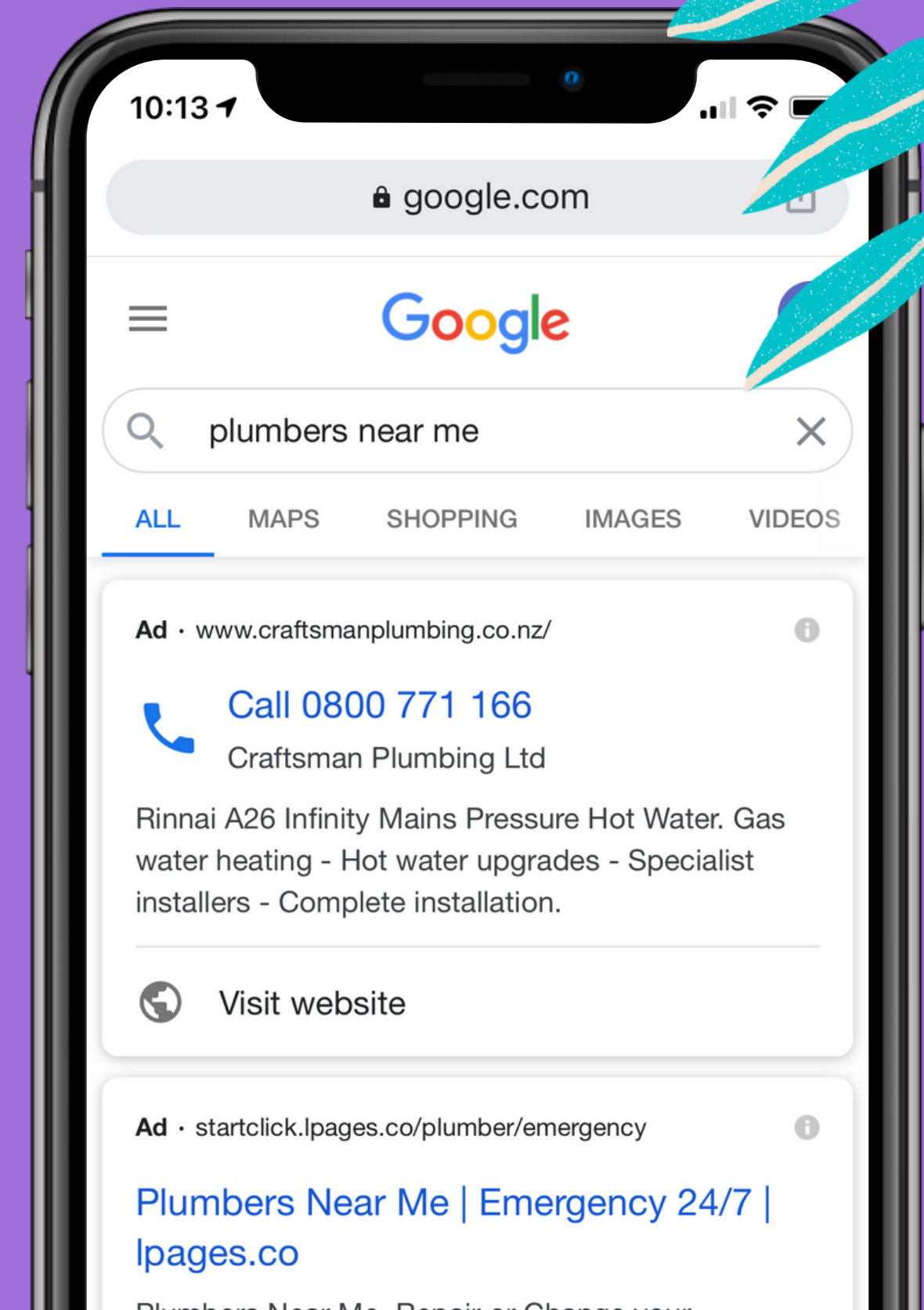
Beyond the Basics.

To help you get the most out of your Google Ads campaigns, we've put together a guide on some of the more advanced optimisations and features.

The goal is to help you reduce your cost per acquisition (CPA) and improve your overall return on investment (ROI) by refining your targeting.

With these steps we'll help you improve your conversion rates and uncover new customers.

If you're just getting starting with Google Ads and want to learn the basics - check out our other guide: [Getting Started With Google Ads](#)



We've split our guide into four main sections:

1. Audiences

2. Bid Strategies

3. Keyword Matching

4. Placements & Topics



Before you start.



Understand the financials that surround your campaign.

How much you earn from, attribute to, and spend on advertising campaigns ultimately affects your bottom line. It pays to work out your limits and benchmark early on.

Use the following formulas as a guide.

Cost Per Acquisition (CPA)

The cost to acquire a 'conversion event' from your ad.

Depending on your business, your objectives and the type of ad you're running, the definition of a conversion may vary.

For example, an Accounting firm may define it as a enquiry or lead attributed to Ads. While an online fashion retailer defines it as someone who purchases after seeing an ad.

The Formula:

$$\text{CPA} = \frac{\text{Total Cost}}{\text{Total Conversions}}$$

Return On Investment (ROI)

The return you've made on your ads compared to how much you've spent on those ads.

This is an indication of advertising effectiveness but does not always indicate profitability.

ROI should be calculated with lifetime value (LTVs) in mind. Some marketing channels may be efficient at acquiring conversions (low CPA) but each customer has a low LTV. Others may have high acquisition costs but also bring about high LTVs.

The Formula:

$$\text{ROI} = \frac{(\text{Revenue} - \text{Cost of Goods Sold})}{\text{Cost of Goods Sold}}$$

Lifetime Value (LTV)

This is the total value a customer is expected to generate for the business.

Lifetime can be days, weeks, months or years. It can also differ depending on the marketing channel.

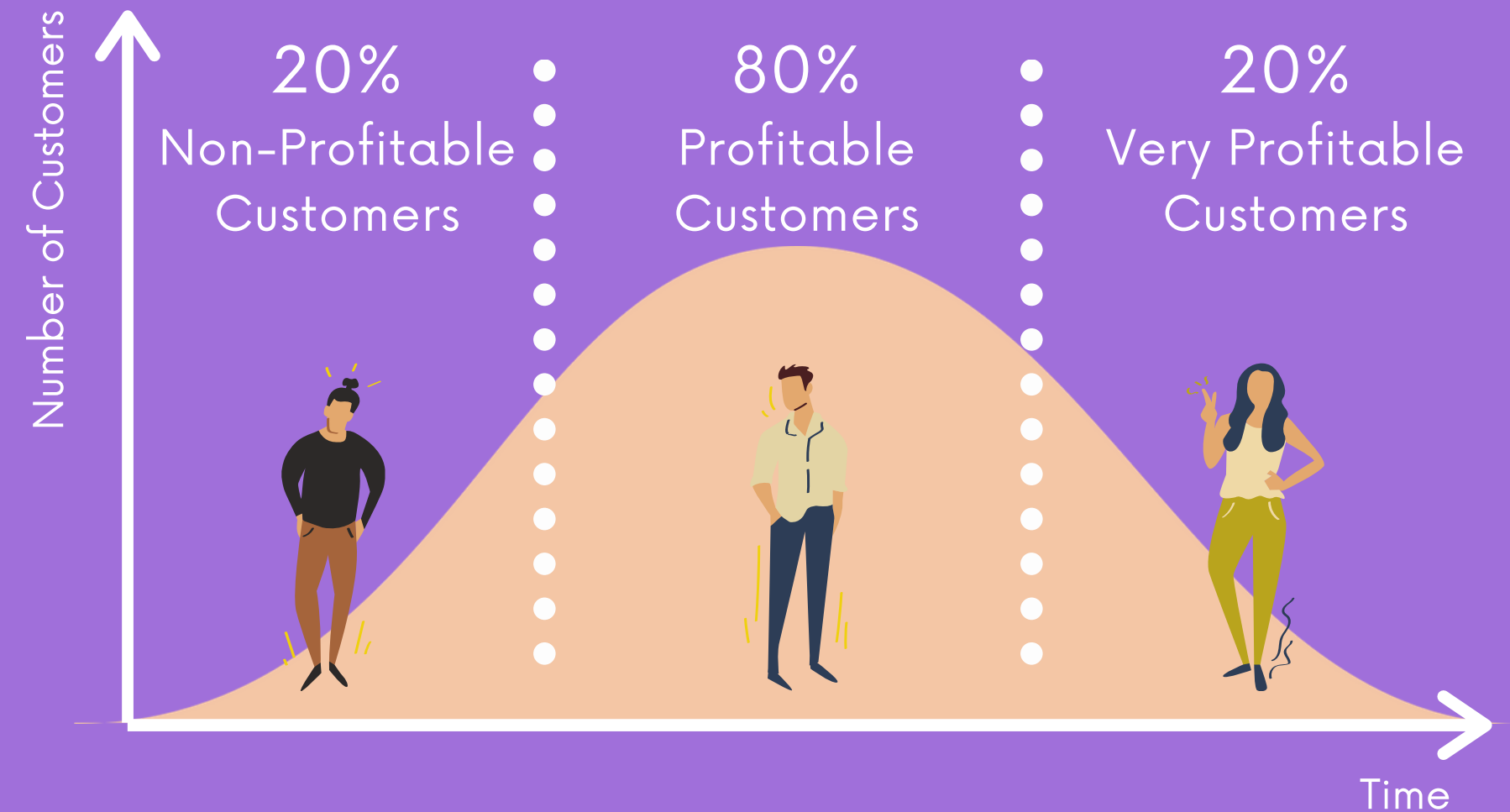
To understand LTV, you need to have a strong understanding of your buyer personas and customers.

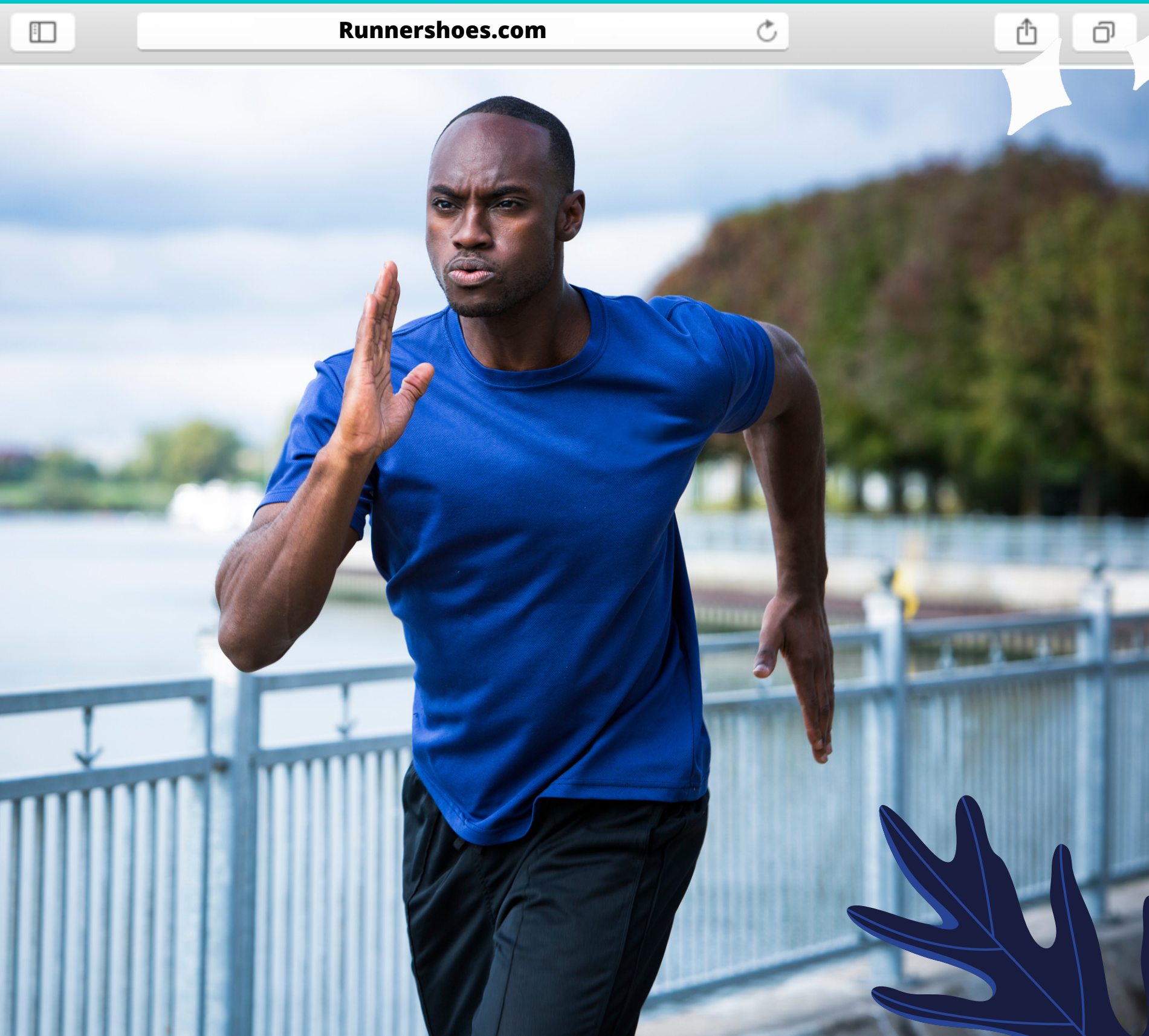
A strong understanding of your LTV gives you a better idea of what CPA you should aim for.

The Formula:

$$\text{LTV} = \text{Customer Value}^* \times \text{Average Customer Lifespan}$$

*Customer Value = Average Purchase Value X Average Purchase Frequency Rate





47%

Of advertisers don't actively track their advertising spend and make optimisations to reduce costs.*

*Think with Google, 2020.

Audiences

Leverage Google's highly-targeted audiences to discover new customers and advertise using 'intent' signals. Audiences with a proven intent and interest are more likely to take action, compared to a broader audience that may still be at an earlier stage in the buyer's journey (or may not be on one at all).

Before and during your ad campaign, you can specify Google Ads to reach and optimise towards specific audiences. Optimise and test different audience types regularly.



In-market Audiences

Engage customers that are in the market for your exact product or service. This audience is actively researching and considering buying. Google captures this data based on actions such as search terms used and video categories viewed on YouTube.

Custom Audiences

Define and reach an audience based on specific keywords, URLs or apps related to your product or service. This allows you to go much deeper than affinity audiences (e.g. sports fans) by targeting a very specific interest (e.g. marathon running).

Affinity Audiences

Engage customers that have a qualified interest or passion in a given topic. Once again, this is based on Google's data of content, website and interests your customers are subscribed to or frequently visit.

Life Events

Engage with customers that are experiencing important life milestones such as graduating, moving homes or getting married. You can tailor your message and position your product/service to help them at these particular moments.



Remarketing

Reach people who have already engaged with your products/services, including your website's past visitors, users of your app, people who have watched your videos or even just people who have subscribed to your newsletter.

Customer Match

You can combine your online and offline data to re-engage with your existing customers and show them highly personalised and contextual ads.

Detailed Demographics

Reach an audience in a very specific demographic which includes the industry they work in, their marital status, home ownership status and more.

Similar Audiences

This is a lookalike audience that uses the data you have on your existing customers and finds new customers that behave similarly to them.

Custom Intent Audience

Target people currently researching specific topics, products or services. Only available for display and video campaigns.





3X

Ads that are relevant to the viewer or
feature people like them get 3X the
attention of the average ad.

*Think with Google, 2020.



Bidding Strategy

Choosing the right bidding strategy is critical to driving your CPA down.

Leaving it at the default option or not understanding the difference between bid options can mean that you're paying more than your fair share. Whether it's an Automated or Manual option, selecting the correct one requires testing and understanding what your ad objectives are.

Understand the different bidding options, which one to select and some pre-requisites for success.



Target CPA

This bid strategy is used if driving conversions is your primary goal and you want to focus on trying to convert users at a specific acquisition cost. Set your bid based on your calculated CPA (the amount you can afford to spend on acquiring one customer).

Maximise Conversions

This bid uses your your maximum daily budget that you set, to get you the most conversions. Remember, conversions vary (clicks, views, purchases) and does not always represent a sale.

Enhanced CPC

Using Smart Bidding, Google increases or decreases your bid amount based on the likelihood of it generating a sale or conversion. Google's algorithm makes the call here, if it's too competitive or CPC is too high, it will lower it due to a decreased chance of converting.

Target ROAS

Set your bids to maximise conversion value based on the return you want from your ad spend. This bid strategy is set using a percentage, so ensure you calculate your target ROAS (Sales divided by ad spend).

Manual CPC

Set different bids for each ad group to maintain profitability. This gives you more control over your bidding strategy. Only select this if you are experienced and want to actively monitor and adjust your own costs.

Maximise Clicks

Google will maximise the number of clicks possible with the daily budget you have set.



Target Search Page Location

Let Google automatically adjust your bids to always show your ads on the first page of results or at the top of the first page (between position 1 and 4). It's important to note that there is no guarantee of positions.

Target Outranking Share

Get ahead of your competitor/s. Choose a specific competitor that you want to outrank and if you and your competitors' ads are both showing, your bids will increase to outrank their ads. Your ads will also be shown when your competitor isn't advertising.

Target Impression Share Bidding

Set your Bid to always show your ads for a given term, this is done using a percentage of your desired impression share to target. Be careful, as the costs can add up quickly the higher that percentage is to 100%.

vCPM Bidding

Similar to CPM bidding. You set what you're willing to pay per one thousand impressions and only when your ads are viewable (ie. when they can be seen).

CPV Bidding

A Video bidding strategy where you set the price you're willing to pay based on views or interactions of your video ads. Interactions include CTA, overlay, card or banner clicks. A view is determined by when someone watches at least 30 seconds of your ad.

CPM Bidding

Bids that are solely based on impressions. Set the price you're willing to pay per one thousand views of your display or video ad.



Selecting the right bidding options

Ultimately your bid strategy should be based on your desired campaign outcomes. Here's a good guideline to follow.

Goal: Conversions

If your goal is to drive traffic to your website with the sole purpose of converting, your best options are:

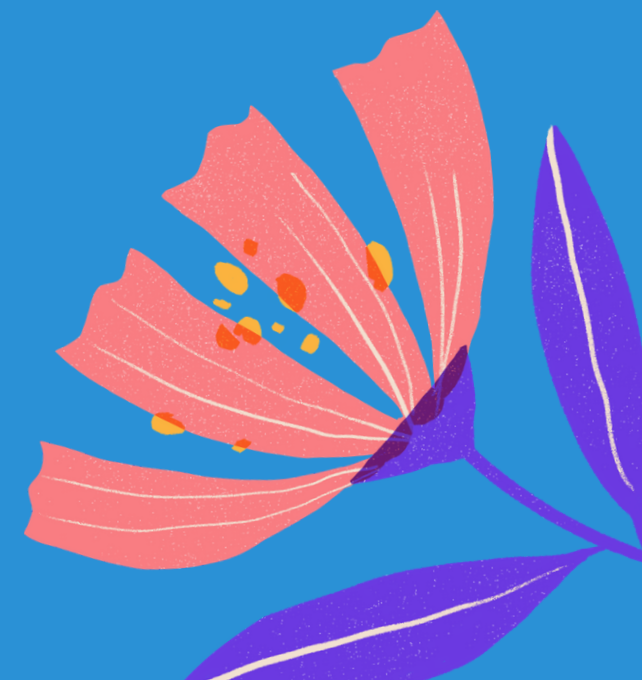
- Maximise Conversions
- Target CPA
- Target ROAS
- Target Outranking Share

Remember conversion does not necessarily always mean a sale and is based on what you've set up as a conversion within your account (e.g. phone call, form submissions, email inquiry).

Goal: Traffic

If your goal is just to drive traffic to your website, without the requirement of converting:

- Maximise Clicks
- Target Search Page Location
- Manual CPC Bidding



Selecting the right bidding options

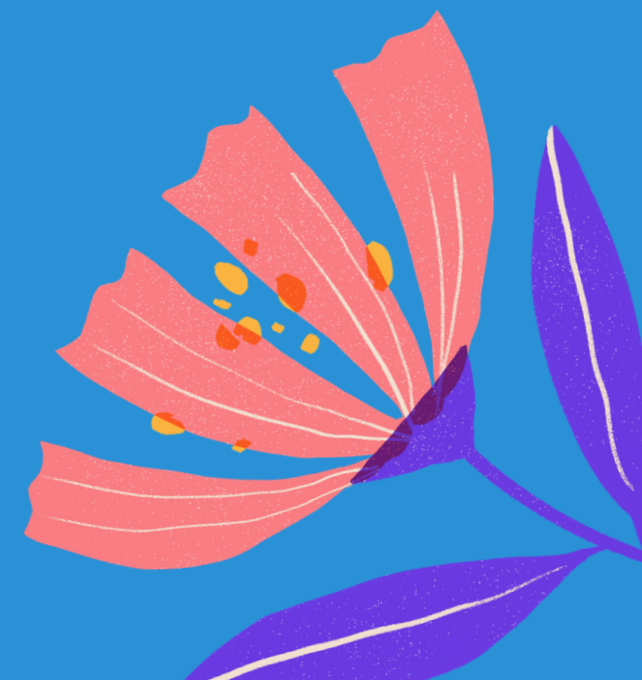
Ultimately your bid strategy should be based on your desired campaign outcomes. Here's a good guideline to follow.

Goal: Brand Awareness

If your goal is to drive awareness of your brand, NPD, promotion or other:

- Target Impression Share Bidding
- Target Search Page Location
- Target Outranking Share
- CPM and vCPM for YouTube and Display Networks

Remember conversion does not necessarily always mean a sale and is based on what you've set up as a conversion within your account (e.g. phone call, form submissions, email inquiry).



Optimise with the right bid strategy

Optimise your campaigns and bid type by leveraging these bid strategies.

Automate- Set and forget

Monitoring your budget, bids and conversions is a must, but doing it all day is unrealistic. Instead of checking in each day, set up rules to notify you, adjust bids, pause campaigns and so on.

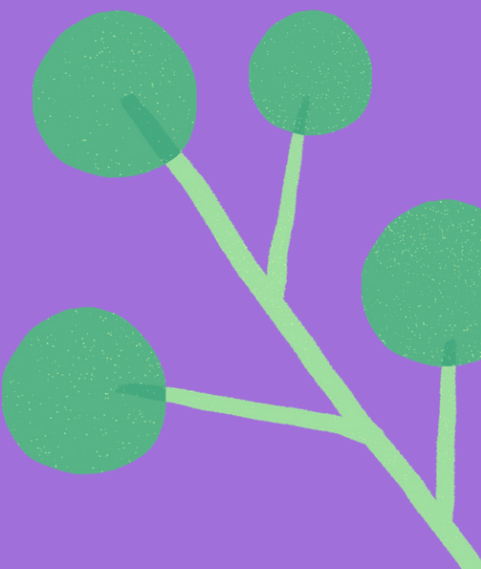
Head to **Bulk Actions > Rules**

For example, you can increase your daily budget if the cost per conversion falls below a certain amount or pause the campaign if the CPC skyrockets.

Adjust Bids based on successful audiences and demographics

In each campaign you can view the conversion and CTR breakdown by campaign.

Use this data to adjust your bids and budget weighting % based on which audience and demographic has the best performance.



Optimise with the right bid strategy

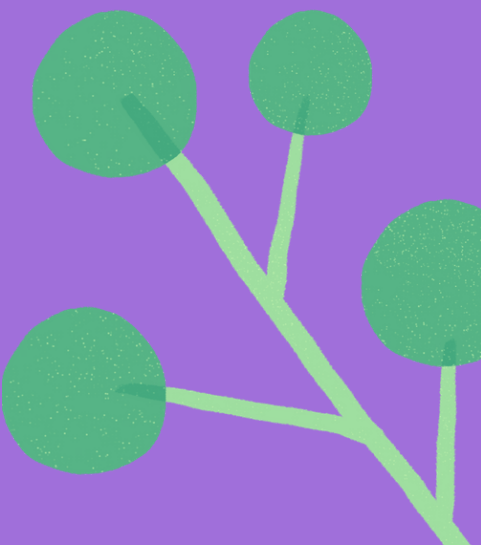
Optimise your campaigns and bid type by leveraging these bid strategies.

Jump-Start Bidding

Instead of starting out conservatively with your budget, be aggressive.

Review your keywords and bid above the top position off the bat. While short-term costs will be high, you'll notice a marked increase in clicks and a higher CTR.

As a result, your ads go through a process of learning and optimisation earlier on (courtesy of the algorithm) and you'll notice costs begin to drop over time without compromising on performance.





+3%

Advertisers who run YouTube video ads and Google Search ads see 3% higher search conversion rates and a 4% lower search CPA compared to advertisers who run Google Search ads alone.

*Think with Google, 2020.

Keyword Matching

If you're running search ads, you want your ads to be relevant and shown to people with the right intent.

If you've set up your campaign with the default options and match types, there's a chance you're paying more than your fair share. This means your ads may be shown to people who were actually looking for something else, leading to an increase in irrelevant clicks and driving up overall costs.

Keyword matching allows you to control what searches on Google trigger your ads. It tells Google how aggressively or restrictively you want your ads to match keyword searches based on four different match types.

Selecting the right Keyword Match type

The right match type will help you qualify your traffic. Qualified traffic means an increase in CTR, conversion rates and therefore a lower CPA.

Broad Match Type

This is the default match type and is the one that reaches the widest audience. Using this means your ad will appear whenever someone's query includes **your keyword or any word in your key phrase (in any order)**

Broad Match keywords are those that have been entered without modifiers (+), braces ({}), brackets ([]) or quotation marks ("").

Example: Lauren's Luxury Motors broad matches the keyword 'Luxury Cars'. This means their ad would show up for anyone that searches "luxury cars", "cheap cars" or "luxury apartments".



Selecting the right Keyword Match type

The right match type will help you qualify your traffic. Qualified traffic means an increase in CTR, conversion rates and therefore a lower CPA.

Modified Broad Match Type

This allows you to reach a wide audience while also having a bit of control. It's sort of a middle ground between broad and more restrictive match types. Using this means your ad will only appear whenever someone's query includes **the keyword or key phrase you've specified must be included in the query**. It will factor in variations of the term with the same meaning.

Modified Broad Match keywords are those that have been entered after a plus sign (+).

Example: Mark's Shoe Shop modified broad matches the keyword '+Men's +Boots'. This means their ad would only show up if the query includes the words 'Men's' or 'Boots'. Such as 'Men's Shoes for Sale', 'Male work boots' and 'Buy Men's Shoes'.



Selecting the right Keyword Match type

The right match type will help you qualify your traffic. Qualified traffic leads to an increase in CTR, conversion rates and therefore a lower CPA.

Phrase Match

People no longer search using only one keyword, they ask questions or type statements. Phrase match allows you to leverage search behaviour for even more control. You specify **which keywords and in which exact order** need to be included for your ad to appear.

Modified Broad Match keywords are those that have been entered within quotation marks (" ").

Example: Pete's Pet Shop phrase matches "Pet Supplies". This means their ad would show up for 'wholesale pet supplies', 'pet supplies near me', 'discounted pet supplies in Auckland'.



Selecting the right Keyword Match type

The right match type will help you qualify your traffic. Qualified traffic means an increase in CTR, conversion rates and therefore a lower CPA.

Exact Match

This is the most restrictive match type you can use and allows you to go very niche. You specify **which exact keyword/s** need to be included for your ad to appear. In recent years, Google has optimised this match type to include synonyms, plurals and minor variations

Exact Match keywords are those that have been entered within square brackets ([]).

Example: Christine's Dresses phrase matches "Pink Ball Gowns". This means their ad would only show up for "Pink Ball Gowns" or "Pink Ball Dresses" or related synonyms with the same intent.






+65%

Searches for "Which _____ is best" have grown by over 65% since 2018.

*Think with Google, 2020.


powerbanks.com

10000mAh




PowerCore 10000

13000mAh




PowerCore 13000

20000mAh




PowerCore Essential 20000

26800mAh



PowerCore 26800

10000mAh



PowerCore Slim 10000 PD

Series	Basic	Basic	Basic	Basic	Premium
Main Feature	Portable /Light	Portable	Portable	Triple Device Charging	Slim
Extra Hours of Battery Life (based on current average smartphone batteries)	+46 Hours	+60 Hours	+92 Hours	+123 Hours	+46 Hours
Output Ports	1xUSB-A	2xUSB-A	2xUSB-A	3xUSB-A	1xUSB-C 1xUSB-A
Recharging Time	~4.7Hours	7Hours	10Hours	6.5 Hours (using both input ports)	4.5Hours (with charger)
Size	3.6 x 2.3 x 0.9 in	3.8 x 3.1 x 0.9in	6.2 x 2.9 x 0.8 in	7 x 3.1 x 0.9 in	5.87 x 2.68 x 0.5 in
Weight	180g/6.35oz	240g / 8.47oz	342.5g/12.1oz	490g/17.28oz	212g/7.5oz

Placements & Topics

Placements & Topics allow you to show your ads on specific websites, apps, content and more.

It leverages high traffic areas and highly relevant websites to get in front of the right audience, at the right place and right time.

Whether it's a publication your customers regularly read (like the Travel section of a newspaper), or a website they regularly visit (like a blog for fashion trends), placements provide a great way for your brand to improve the quality of your traffic by showing your ads in places where your customers spend time.



Selecting Placements

Placements are available for ads running on the Display Network or YouTube. When selecting placements you have a few options:

Websites

Place ads on specific websites.

For example, if you're a real estate agent, you could specify your ad to show up only on the Property section of the NZHerald or TradeMe Property.

YouTube Channels

Place ads on specific YouTube channels.

For example, if you're an adventure clothing brand, you could specify your ad to show up on the National Geographic or the Red Bull channel.

YouTube Videos

Place ads on specific YouTube videos.

For example, if you're a car dealership, you could specify your ad to show on the video "10 Things To Do Before You Buy A Car"



Selecting Placements

Placements are available for ads running on the Display Network or YouTube. When selecting placements you have a few options:

Apps

Place ads in specific Apps.

For example, if you're a English Language School, you could place ads in the language app Duolingo.

App Categories

Place ads in specific app categories. Eligible app stores include the Apple App Store and Google Play Store.

For example, if you're a gym, you could place ads in the Health & Fitness category.



Selecting Topics

Topic targeting allows your ads to appear on any pages on the Display Network or YouTube that have content related to your selected topics.

Webpages, Apps and Video

With Topics, you'll automatically target all of the above formats based on the topic/s you choose.

For example, if you're a movie theatre, you might select Arts & Entertainment. By doing so, you could appear on a movie critic's review in an online magazine, or an app that showcases local showtimes or even a movie trailer for the latest blockbuster.

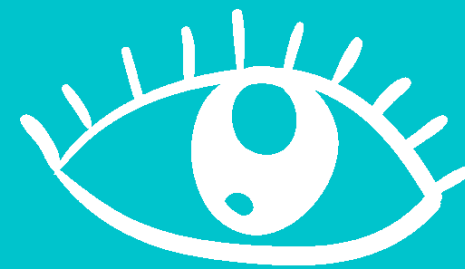




58%

Of purchases were prompted by something
the shopper saw online.

*Think with Google, 2020.



You know best.

Growing your Google Ads campaign requires you to split test different bid strategies, audiences, keywords, placements and topics.

You know your business and industry better than anyone. Start big, and grow incrementally. Both with budget and campaign objectives.

Don't be afraid to venture into the unknown, it often holds the best surprises.

Need A Hand?

If you need a sounding board for ideas or just need some help, you can call us or book in a friendly chat.

No cheesy sales pitch, just Kiwis helping Kiwis.

Find us at www.inbound.org.nz





Give it time.
It'll grow on
you.



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