



10 OF THE MOST COMMON
PPC MISTAKES
& HOW TO FIX THEM

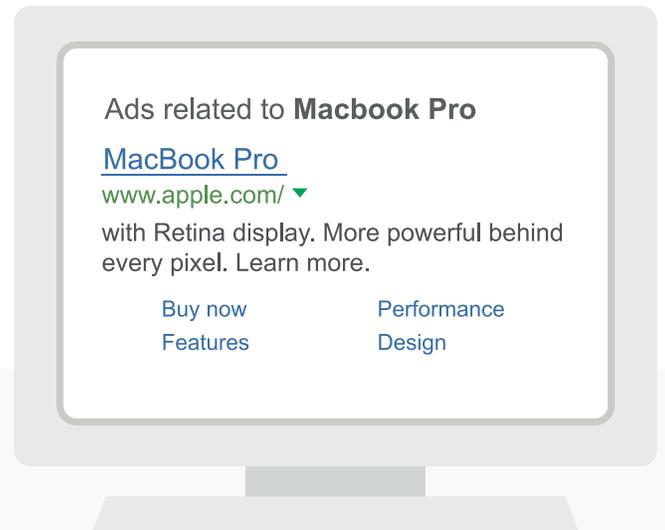


We've collected and ranked **over 100 million ad copy variations, 88 million keywords, and over 45 million websites**. After working with thousands of PPC advertisers, we decided to publish the 10 most common PPC mistakes businesses make and how to fix them.

MISTAKE #1:

NOT GROUPING KEYWORDS

Not using ad groups is one of the biggest mistakes people make when it comes to AdWords. Apple, for example, sells laptops, desktops, tablets, phones, and now watches. If they don't segment their products into different ad groups, they won't be able to show specific ads for different products, and they would have to resort to an ad with a headline such as "Buy an Apple Product" instead of "Buy a MacBook" or "Buy an iPad."



RECOMMENDATION

NO MORE THAN 20 KEYWORDS

It's best to use no more than 20 keywords per ad group. Sometimes you can get away with using more, but exceeding 20 keywords is a sign that your ad copy isn't matching the keyword being searched for as closely as it should.

MISTAKE #2: NOT USING THE RIGHT KEYWORD MATCH

AdWords allows you to add keywords to a campaign as either a broad, broad match modifier, phrase, or exact match. A broad match delivers more impressions, but is less precise. Phrase and exact matches often provide higher conversion rates, but they deliver significantly fewer impressions

MATCH TYPE EXAMPLES

MATCH TYPE	Special Symbol	Example Keyword	Ads may show on searches that	Example Searches
Broad match	none	women's hats	include misspellings, synonyms, related searches, and other relevant variations	buy, ladies, hats
Broad match modifier	+keyword	+women's +hats	contain the modified term (or close variations, but not synonyms), in any order	hats for women
Phrase match	"keyword"	"women's hats"	are a phrase, and close variations of that phrase	buy women's hats
Exact match	[keyword]	[women's hats]	are an exact term and close variations of that exact term	women's hats

RECOMMENDATION

START WITH EXACT MATCHES

A good approach is to start with exact matches and then to expand to phrase, broad, and broad match modifier as needed. Exact match gives you the most control over which search terms your ads will show up for, and broad match modifier is a good middle ground to get more impressions without giving up complete control.

MISTAKE #4: NOT TRUSTING NUMBERS MORE THAN YOUR CREATIVITY

Falling in love with your ad copy is a problem. You may write an ad and think, “I love this copy! It’s great!” That’s fine, unless the numbers tell you otherwise. You should always test your copy. You can try two different headline variations, the same headlines but different body copy, or the same copy but a different call to action. Testing different variations will help you to know what works the best.

RECOMMENDATION

ALWAYS BE TESTING

It’s recommended to always be testing. Once you have a winner for one test, turn off the loser, and change the ad copy again. Always try to beat the winner until you’re happy with the results. You may be surprised that this kind of testing can eventually lead to doubling your conversion rates and halving your cost per acquisition.

VARIATION A



[Nike Women’s Running Gear](#)

www.nikeshoes.com/ ▼

Shop the latest Nike women’s running shoes & gear!

VARIATION B



[Nike Women’s Running Shoes](#)

www.nikeshoes.com/ ▼

Shop the latest Nike women’s running shoes & styles!

MISTAKE #5: NOT BIDDING ON YOUR OWN BRAND

A lot of people assume that since they already rank for their own brand, they don't need to advertise for it. That's a mistake. It's good to rank number one for your brand in both the ad space and organic results. Why? Because your total clicks will go up, the cost per click for your own brand is really low, and you'll make sure a competitor doesn't outrank you with an ad above your organic result.



RECOMMENDATION

iSpionage.com - iSpionage™ Official Site

Ad www.ispionage.com/ ▼

Top Performing Keywords & Adcopy PPC Intelligence at your Fingertip!

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iSpionage.com : Keyword Research | Rank Monitoring ...

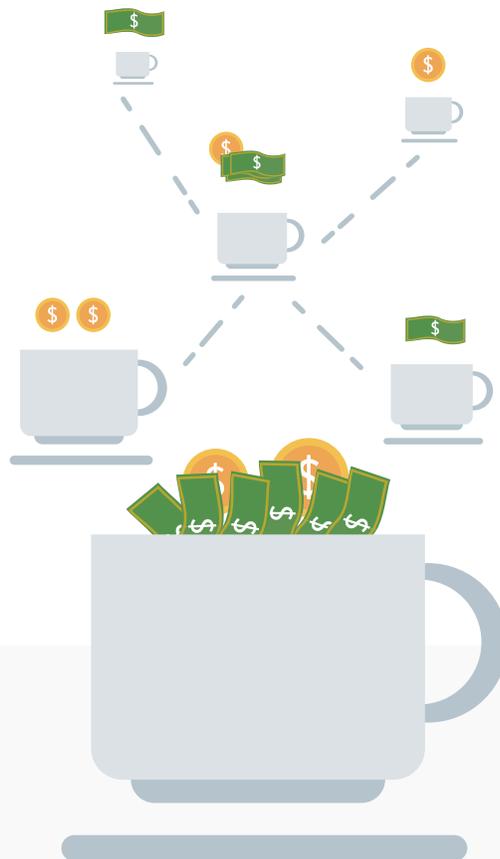
www.ispionage.com/ ▼

iSpionage is a tool we use daily to manage client campaigns, find gaps in the major search engines or work with prospects. We use multiple iSpionage screen ...

Make sure you're ranking #1 for branded terms so you don't sacrifice valuable clicks to your competition.

MISTAKE #6: NOT KNOWING THE LIFETIME VALUE (LTV) OF CUSTOMERS

Have you ever calculated the LTV of your customers? If not, there's no way to know how much you can spend on AdWords per acquisition. Let's say your LTV is \$10. This means you'll earn \$10 on average over the lifetime of doing business with your customers. If you're paying \$6 per acquisition, then you're ok, because you're making more per customer than you're spending. But if your LTV is \$4 and you're spending \$6 per acquisition, eventually you'll go out of business.



RECOMMENDATION

**MONTHLY
REVENUE**
PER CUSTOMER

X

**GROSS
MARGIN**
PER CUSTOMER

/

**MONTHLY
CHURN RATE**

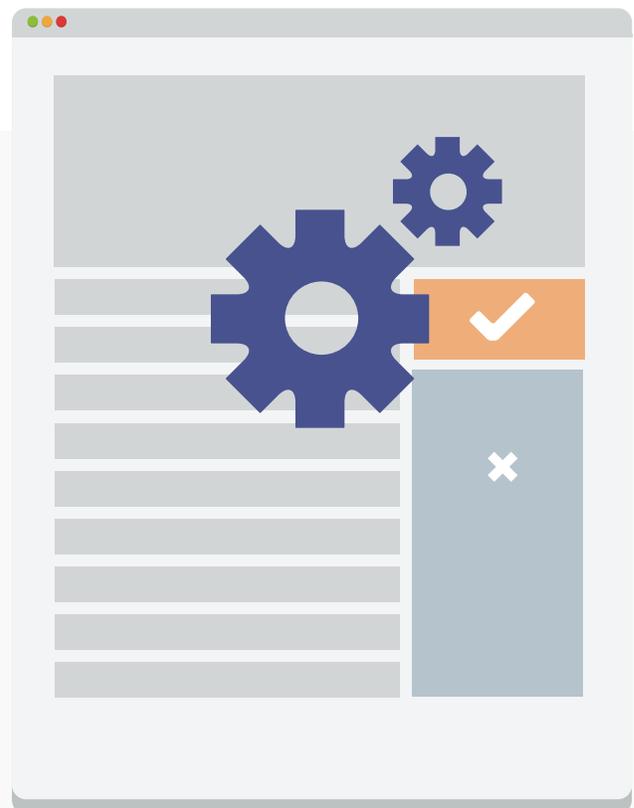
Take some time to calculate the lifetime value for your customers, and then manage your campaigns accordingly. Here's a simple formula you can use to do so: avg monthly revenue per customer * gross margin per customer / monthly churn rate.

MISTAKE #7: **NOT KNOWING THE LIFETIME** **VALUE (LTV) OF CUSTOMERS**

If your goal is to improve branding, then it's a good idea to be in one of the top two ad positions, but if your goal is to get the best results, sometimes it's better to be in position 3-5. Can this really be true? Can it be possible that it's better to be in a lower position than first or second? The answer is yes, and it's because people tend to be click happy with the top two ads. They may click whether they're seriously interested or not, but if your ad is in position 3-5 (or possibly lower), then it's not the first thing people see which means they're actively seeking you out.

RECOMMENDATION

TEST FOR POSITION & BID COST PER CLICK



Test to find the optimal position by raising or lowering your bid for cost per click. Lower it and then see what happens. If Google suggests a \$1 to \$3 bid, start with \$1 to see what the results are. If they're good enough, you may not need to pay more per click.

MISTAKE #8: NOT KNOWING WHO YOU'RE COMPETING AGAINST

Another mistake is not knowing which ads your competitors are using. You need to know who you're competing against, what keywords they're using, and what their landing pages look like. Specifically, you want to put yourself in your customers' shoes and see which ad you're most likely to click on. Then, once you do click (although it's recommended to find ways to do it without actually clicking on your competitors' ads and making them pay for it), pay attention to their landing pages, and compare theirs with yours.



RECOMMENDATION

REVIEW YOUR COMPETITORS

Review your competitors' ad copy and landing pages on a regular basis to see if there's anything you can learn from their campaigns. iSpionage makes this easy to do by saving your competitors' ads and landing page URLs all in one place.

Amazon.Com [add to alert](#)

Summary

Ads (8,007,443)

PPC Keywords (8,076)

PPC

SEO

Last Month Stats (Estimated) ⓘ

PPC Budget: \$31,725,548 - \$46,291

Last Month Clicks: 2,893,056 - 3,605

Avg. Ad Position:

Google PPC Keywords: 2,913

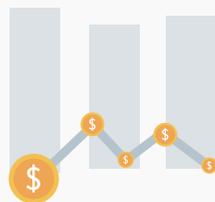
Bing/Yahoo! PPC keywords: 3,024

MISTAKE #9: EXPECTING TOO MUCH FROM ADWORDS

Have you ever considered whether you expect too much from AdWords? A lot of people have a really small budget and expect to launch the next big business for \$100 to \$200 per day. That's not going to get you very far.



RECOMMENDATION



YOUR COMPANY



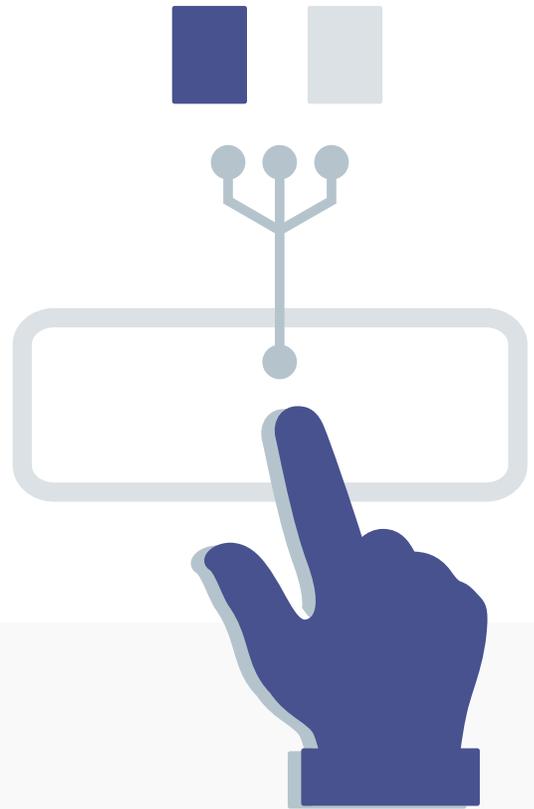
YOUR COMPETITOR

START WITH A GOOD BUDGET PLAN

Start with a large enough budget that allows you to drive a significant amount of traffic and gives you time to tweak and optimize your campaigns. Initially, you'll have to spend some to learn what works and what doesn't and will be able to optimize over time.

MISTAKE #10: NOT DIRECTING VISITORS TO THE APPROPRIATE PAGES

Possibly the biggest mistake of all that people make with AdWords is not directing customers to an appropriate product, category, or landing page. Instead, they direct everyone to their homepage. Even if you have a beautiful homepage, you don't want to take visitors there directly, especially on e-commerce sites where you have category and product pages. It's much better to take people to a landing page or a product page where they'll see a direct match to the ad they clicked.



RECOMMENDATION

DIRECT YOUR AUDIENCE TO THE RIGHT CONTENT

Make sure the page people land on matches the ad copy they clicked. If you sell wedding related items, create ad groups based around themes like “bridesmaid gifts” and “groomsmen gifts,” and then take people to category pages for each of these items instead of to your homepage where they'll have to click around to find the products they were initially interested in.

PRESENTED BY



There you have it—the top 10 mistakes PPC advertisers make and how to fix them.

To learn more about how competitive PPC intelligence can give you a nearly unfair advantage over your competitors visit:

www.ispionage.com