HubSpot + SEMrush

How to Use Google Ads for Your Business

A Comprehensive Kit from HubSpot and SEMrush

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Introduction

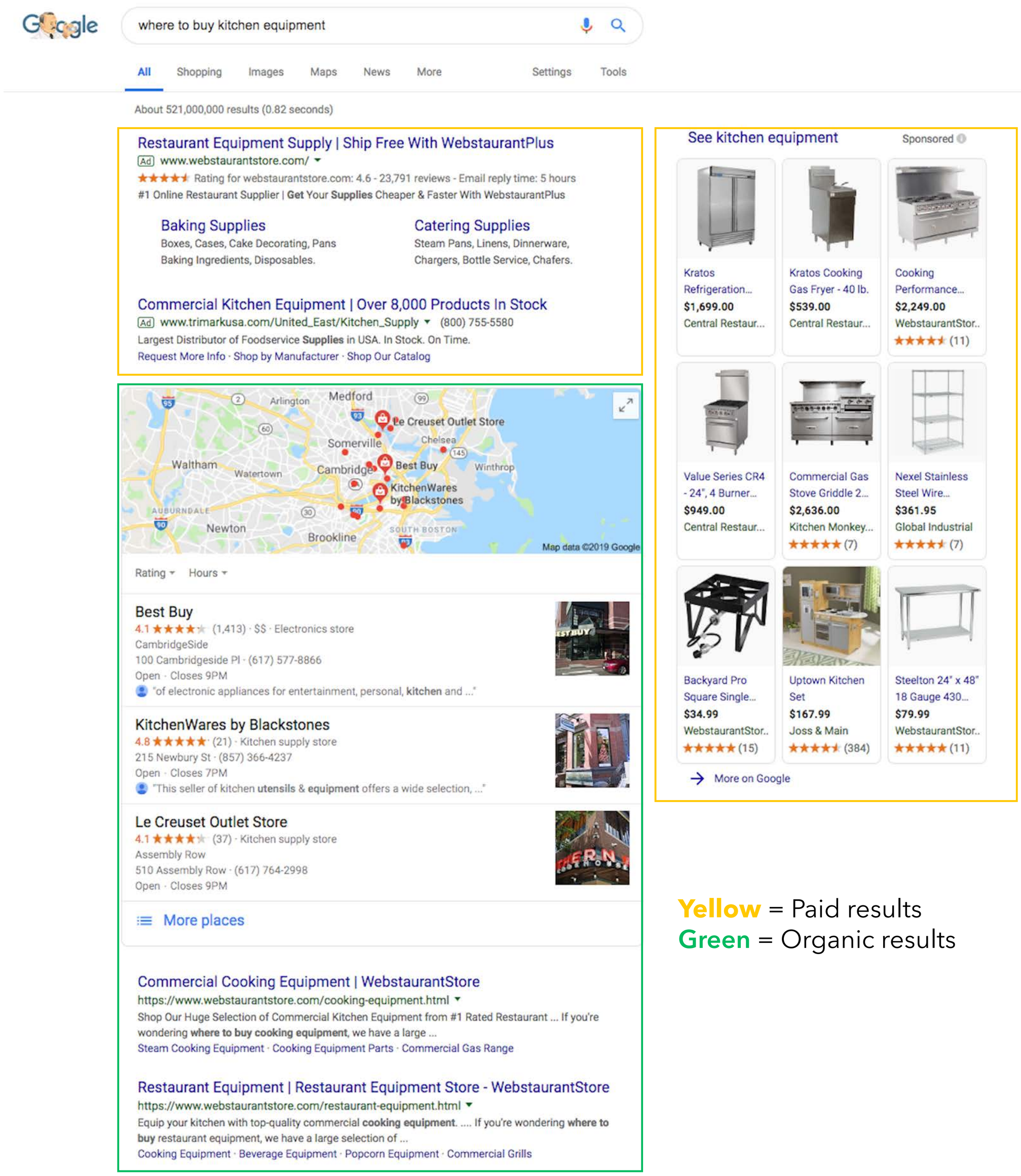
This guide is designed to provide you with a basic introduction to paid search and a fundamental understanding of how to use paid search to drive more leads and customers for your business. We'll start off by explaining what paid search is and how it differs from organic search. Then we'll talk about the different ways you can use paid search, followed by how paid search works, some campaign strategy discussion, and finally, how to measure the effectiveness of your campaign with metrics.

Paid vs. Organic Search

Search Engine Marketing (SEM) is a term used to describe the various ways of marketing a website via search engines, and entails both organic search engine optimization and paid search strategies. Organic search is based on unpaid, natural rankings determined by search engine algorithms, and can be optimized with various SEO practices. In contrast, paid means you to pay a fee to have your website displayed on the search engine results page (SERP) when someone types in specific keywords or phrases to the search engine. The SERP will display the ads that you create to direct viewers to your site, and the fee you pay is usually based on either clicks on or views of these ads.

Organic and paid listings both appear on the search engine, but they are displayed in different locations on the page. On the next page, you'll see a diagram of a search engine results page that highlights the positioning of the paid links vs. the organic search results. According to HubSpot data, most searchers – more than 70% of them – click on the organic results, while only 30% are likely to click on the paid links.

So does that mean you shouldn't bother with paid search? No, it doesn't! Paid search is a great option if you are not ranking well in the search engines with organic search alone. It is an extremely powerful tool and a valuable asset for enhancing your company's online presence. So let's dive in and find out how paid search can help your business.



Yellow = Paid results
Green = Organic results

How to Use Paid Search

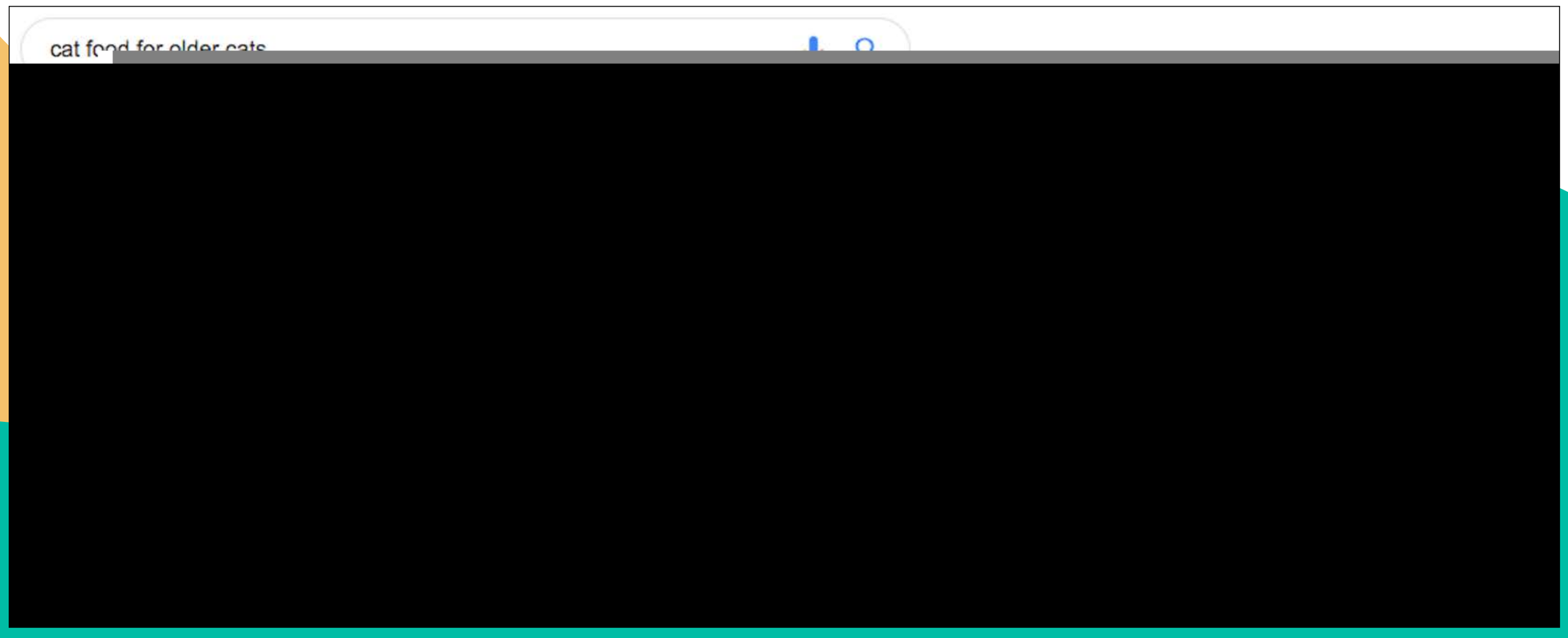
Now that you have a fundamental understanding of what paid search is, let's talk about how you should use it. Note the emphasis on how you should use it, not how can you use it. The reason for this important distinction is that all too often, companies – small businesses especially -- think that if they just pay to be on a search engine, they don't have to invest time and resources in search engine optimization to rank higher organically.

It's important to make clear that paid search is not a replacement for anything, but should instead be used to complement other inbound marketing strategies. Paid online advertising takes a lot of time and effort, a lot of resources, and a lot of management, and it's something you really need to invest in.

Let's take a look at some of the useful things you can do with paid search.

Landing Page Testing

One great way to use paid search is for testing and optimizing your landing pages. So, for instance, here's the search engine results page for 'cat food for older cats', and you see some paid results for this specific search query:

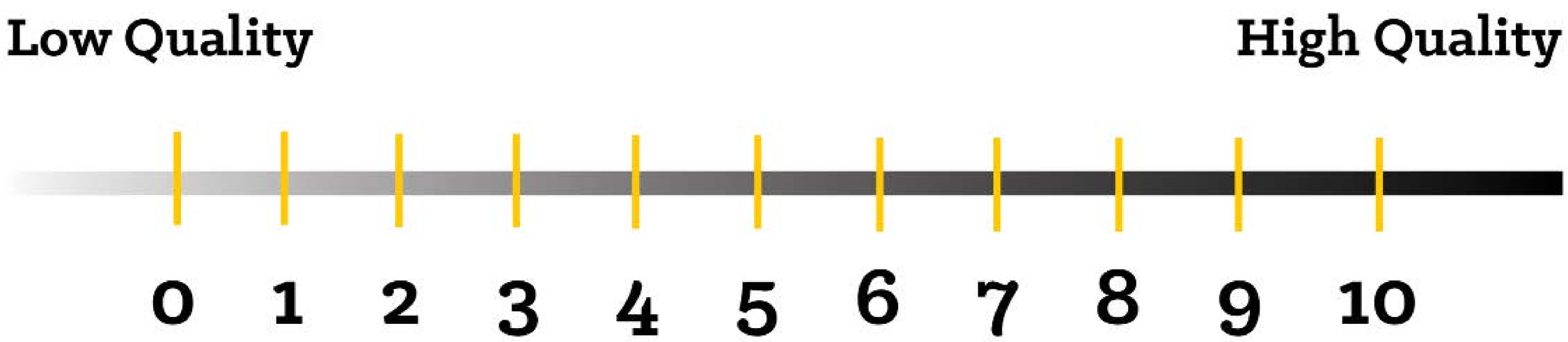


Quality Score

While your bid plays a large role in determining whether or not your ad is served for a given keyword, Google also uses something called “quality score” in making this decision. Quality score is an algorithm that scores each of your ads for relevancy – it looks at how closely your keyword relates to your ad and how closely your ad relates to your page content to ensure that you’re not buying keywords and directing traffic to irrelevant pages.

Google’s motivation for including quality score is to provide an optimal user experience for their searchers. It used to be that ad placement was determined solely by bids, but then someone could easily bid on “toothbrushes” when they were really selling lawn mowers. Google introduced quality score to make sure that the ads they were displaying were always relevant to the search terms, and to keep their advertisers in check.

So how does it work? Quality score is on a scale of 1 to 10, with 1 being the lowest rating and 10 being the highest. What this means is that if your competitor bids on a keyword at $5 and has a quality score of 4, and you bid on that same keyword at only $3 but you have a quality score of 7, Google may give you the top position for the price you bid because your ad is more relevant. It makes more sense to serve your ad because its higher relevancy makes it more likely that viewers will click on it, which is better for Google, its searchers, and its advertisers.



Quality score can also help you determine what keywords are cost-efficient for you to use. Let's say, for example, that you have a site about fitness tips and you bid on the keyword "nutrition." If you find that you have a low quality score, it may indicate that the content on your site is not relevant enough to compete in that space, and it's not a cost-efficient channel for you. You can use this information to optimize your choice of keywords.

If you want to set yourself up for a successful PPC campaign, show Google how tight you can make the relationships between the keywords you're bidding on, the ad copy that you're displaying, and the landing pages you're directing to. We'll discuss strategy for optimizing each of these in the next section. If you can do this, Google will see that you really know what you're doing, and they'll be far more likely to put your ad in that top position for the least amount of money possible.

Keyword Match Types

When it comes to when your ad is displayed, you don't just want to pick a certain group of keywords and have the ad shown only when those keywords are entered into the search engine. Since there are an infinite number of ways that people can actually search for one term, Google has three keyword match types that you can use to give them more specific instructions for when to display your ads. These are: exact match, phrase match, and broad match.

Let's say, for instance, someone searches for the term "red men's tennis shoes with Velcro." A keyword set to exact match will only display your ad if the search term includes that exact keyword, or a very close variation. So, for example, if I have the keyword "red men's tennis shoes" on exact match, and someone searches for "red men's tennis shoes with Velcro," my ad may not be displayed, since there were other words included, making it not an exact match. Exact match keywords are surrounded in brackets, such as:

[red men's tennis shoes with velcro]

A keyword set to phrase match will display your ad if the search term contains the same order of the words, but it can also contain additional words. So if I have the keyword "red men's tennis shoes" on phrase match and someone searches for "red men's tennis shoes with Velcro," my ad will appear. However, if they search for "men's red tennis shoes with Velcro," it will not appear. Phrase match keywords are surrounded in quotes, such as:

"men's tennis shoes"

Lastly, a keyword set to broad match displays your ad when the search term contains any or some combination of the words in your keyword, in any order. Your ad could also show for other variations of the words, such as singular/plural forms, synonyms, etc. If I have the keyword "red men's tennis shoes" on broad match, my ad could show up for "red men's tennis shoes with Velcro," "men's red tennis shoes with Velcro," "women's red shoes," and so on. These keywords are not surrounded by anything, and would just be left as:

men's velcro shoes

Additionally, Google allows you to set keywords to a negative match type to help refine your keyword strategy. This allows you to avoid having your ad displayed when a given search term is entered. For example, if I set the keyword "used" to negative match, my ad won't show for any searches that contain that word, such as "used tennis shoes." Negative match keywords are preceded by a minus sign, such as:

-used

Your Google Ads Strategy

Keyword Strategy

So you have these keyword match types that you know can somehow help you optimize your campaign strategy – but how do you know which ones to use and when? There are multiple strategies for setting match types, and there is no one correct solution. We'll discuss some general practices, but keep in mind that you'll have to check out your own performance metrics to determine what's working for your campaign and what isn't.

The value of setting keywords to exact match is that you can target a very specific search audience. However, if you're only bidding on exact match keywords, you've very narrowly defined your target, which sharply limits your reach, so chances are you're not going to get a lot of traffic. This is because there's no way to know exactly what terms people are going to search for, and if you try to guess at a list of exact keywords, even if it's a long list, you'll likely be missing out on tons of potential leads and customers that are using different search terms.

To avoid this issue, a popular strategy is to start with all keywords set to broad match, which opens up the floodgates to all related traffic. Now, a high volume of traffic may be a good thing, but you have to make sure that it is qualified traffic. In other words, say, for example, someone searches for “Velcro” and your ad for “red men’s tennis shoes with Velcro” appears. The viewer may click on your ad, but because the search term that sent him to it was so general and vague, the likelihood that he will convert to a lead on your offer is significantly lower. This is because the odds that he was actually looking for red men’s tennis shoes with Velcro is much lower than it would be for someone who searched for that term, or something closer to that term.

Yet many people are easily misled by the quantity of the traffic they drive with broad match keywords, and they don’t look at the reporting to evaluate quality. Oftentimes, they’re ranking on irrelevant keywords and driving unqualified traffic from them, which just wastes their money. This is why it’s extremely important, if you set your keywords to broad match, to closely monitor what search queries are coming through. Don’t forget, you can use negative match to add negative keywords when necessary.

A good keyword strategy is to use broad match and phrase match to drive traffic, then use the Search Terms report to find the keywords that convert well and make sense for your business, and set those to exact match, because they’ve been proven to work.

The best thing to do to figure out your match type strategy is to just keep testing. Use your performance metrics to optimize your keywords, which could include adding and deleting keywords or changing their match types. It’s an ongoing process. Keyword performance will change over time, and your campaign strategy should change with it.

Account Structure

The structure of your actual account in Google Ads is critical to the efficiency and success of your paid search campaign. So you have your keywords, you have the list of keywords that you're buying, and then you have the ad that you want to show when somebody types in one of those keywords. Now, say you want to group together the keywords for which you want your ad to be displayed, so that you can create highly relevant ad copy for these keywords and increase the likelihood that the searchers are going to click through.

You can do this by creating a grouping of related keywords in what is called an "ad group." For example, say you're targeting terms like "tennis shoes," "best tennis shoes," and "shoes for tennis." You can create a "Tennis Shoes" ad group, put those keywords in the ad group, and create an ad that closely targets to those keywords. If your company also sells other kinds of shoes, set up more ad groups, maybe for "Walking Shoes" or "Running Shoes."

Ad Group	Keywords	Ad Copy
Tennis Shoes	tennis shoes best tennis shoes shoes for tennis red tennis shoes	Tennis Shoes Shop The Largest Selection Of Tennis Shoes. Free Shipping! www.acme.com/tennis-shoes
Walking Shoes	walking shoes black walking shoes mens walking shoes walking shoes for women	Walking Shoes Shop The Largest Selection Of Walking Shoes. Free Shipping! www.acme.com/walking-shoes

Let’s say your company also sells shirts, though. Google lets you structure your account on one more level as well, and that is by “campaign.” So, you can take all of my ad groups for shoes and put them in a “Shoes” campaign, then create another campaign for “Shirts,” with its own ad groups, keywords, and ads.

It’s important that you structure your account in such a way that your keywords and your ad copy are tightly woven together. Then you can use your ad groups and your campaigns to keep them nicely bucketed together and better organized.

Campaign	Ad Group	Keywords	Ad Copy
Shoes **$500/Day**	Tennis Shoes	tennis shoes best tennis shoes shoes for tennis red tennis shoes	Tennis Shoes Shop The Largest Selection Of Tennis Shoes. Free Shipping! www.acme.com/tennis-shoes
Shoes **$300/Day**	Walking Shoes	walking shoes black walking shoes mens walking shoes walking shoes for women	Walking Shoes Shop The Largest Selection Of Walking Shoes. Free Shipping! www.acme.com/walking-shoes
Shirts **$200/Day**	Polo Shirts	red polo shirt golf polo shirt polo shirt for golf button down polo shirt	Polo Shirt Shop For Acme Polo Shirts. 25% Off Sale & Free Shipping! www.acme.com/polo-shirts

Setting Your Budget

When you pay Google for your PPC campaign, you don't take out your credit card every time someone clicks on your ad. Instead, you set a daily budget on the campaign level. So for each campaign, you can dictate how much money Google can spend on those ad placements per day. I can say, I want to spend $300/day on my shoe campaign and $200/day on my shirt campaign, and Google won't exceed those amounts.

What if all that money is spent in only an hour or two? After all, if you have highly relevant or very popular keywords, you do run the risk of blowing through your budget quickly. Well, Google also offers a feature that allows you to request that your budget be spread out throughout the entire day. This works well for brands that want to establish a presence throughout the day.

The daily budget cap is certainly a reassuring feature, especially for those who are just starting out with paid search. You can set a low budget when you get started, slowly begin measuring success and lead quality, and try your hand at optimizing your campaign before you really invest a lot of money in it.

Optimizing Ad Copy

Now, just because you set a daily budget of, say, $500, doesn't mean that the entire budget will be spent every day. Google will try to spend your full daily budget, but the ability to do so ultimately depends on your keywords, but also on the effectiveness of your ad copy. If you can't get anyone to click on your ads in the first place, you're not going to be paying anything. This is why your ad copy is critical to an effective PPC campaign.

When it comes to creating your ad, there is essentially a formula for it, since Google limits the number of characters you can use. The numbers you need to remember are: 3x30, 2x90, and 2x15.

	Example Ad	Character Limit
Headline #1	Superior Office Renovations	30
Headline #2	Design & Construction	30
Headline #3	Book Your Meeting Today	30
Description #1	Russo Renovations Will Help You Transform Your Office Space.	90
Description #2	Learn More With a Free Consultation With Our Experts.	90
URL Path	Free, Consult (i.e. example.com/Free-Consult)	15 (7 each)

You have headlines (30 characters each), which are displayed in blue text as the first line of the ad. Then you have 255 characters (35 shown) for the display URL (also called the "vanity URL"), which is not the actual URL to which your ad directs viewers, but is simply for display purposes. For example, if my ad is about polo shirts, I could set the display URL to be www.acme.com/polo-shirts, even if this isn't the site to which I'm redirecting. The URL to which you actually direct clicks to your ad is called the "destination URL." These will often be longer and may contain tracking codes, which makes them messier – so of course, you wouldn't want these displayed in your ads anyway.

Then you have two description lines of 90 characters each. You'll notice in the sample ad below that there are actually a few incentives there. The first line informs viewers that they can get a new office renovation. Even if they're not convinced, they can learn more about the costs and benefits for free with an expert.

This is the typical format of a paid search ad, but Google is constantly testing, so if your ad is displayed at the top of the search results, it may look different.

Whichever ad structure you're working with, make sure you maximize use of the limited number of characters you're given, and make your ad as effective as possible.

Measuring Your Success

Defining the Four Basic Metrics

Now you have your ads, your keywords, and your account structure, and you want to optimize all of these. Well, the only way to optimize your campaign is by using the metrics and reporting that Google provides. Let's take a look at the main metrics you should be paying attention to, and why each is so important.

There are four basic metrics that are important for paid search: impressions, clicks, conversions, and spend.

An **impression** is a single instance of your ad being displayed when someone types in the search keyword for it. So you can consider the number of impressions to be roughly the number of people who look at your ad, or at least the number of viewers to whom the ad is served.

A **click** is an instance of a viewer actually clicking on your ad once it has been displayed. This is distinct from the number of impressions because it requires that the viewer actually clicks on your ad, not just that your ad is displayed.

A **conversion** is an instance of a viewer that saw your ad, clicked on it, and took the action you intended for them to take once they got to your landing page. This action could be downloading an offer, purchasing your product, etc. When you set up your account, you put some tracking code on your website that lets Google know when someone has completed an offer or bought something, so they can keep track of conversions.

Spend is simply the amount of money that you have spent on your campaign so far.

Combining the Four Basic Metrics

These four basic metrics are important to track, but the analytics that will be the most critical for optimizing your campaign are derived from combinations of these simpler ones: click through rate, conversion rate, cost per click, and cost per acquisition.

Click Through Rate (commonly abbreviated as CTR) is the percentage of impressions that turn into clicks. The more this percentage goes up, the more efficient your campaign is.

CTR = Clicks / Impressions

Conversion Rate is the percentage of clicks that turn into conversions. This is also a metric that denotes increasing efficiency as it goes up.

Conversion Rate = Conversions / Clicks

Cost Per Click (or CPC) is the amount of money you're spending on each click. You can find the average CPC by dividing the total spend by the total number of clicks. This is a cost metric, so improving efficiency means decreasing this number as much as possible.

CPC = Spend / Clicks

Cost Per Acquisition (or CPA) is the amount of money you're spending on each conversion. You can find the average CPA by dividing the total spend by the total number of conversions. Again, this is a cost metric, so you want to keep lowering this number.

CPA = Spend / Conversions

Just remember – the higher your percentage metrics and the lower your cost metrics, the more efficient your campaign will be. It's a good practice to set goals for your campaign performance in terms of these metrics. As you continue optimizing your keywords, ads, and account structure, monitor these metrics closely and use them to measure the performance of your campaign as you work toward reaching your goals.

Final Thought

After reading this ebook, you should have a solid understanding of how paid search works, and a strong foundation to create and manage a paid search campaign for your business. Here are a few important takeaways to remember:

• Paid search is based on a pay-per-click (PPC) model.

• Account structure is critical. Organize your campaigns, ad groups, keywords, and ad copy appropriately.

• Aim for high quality scores to increase performance and reduce costs.

• It’s easy to waste money, so be careful how you choose to spend it.

• Use paid search to compliment your inbound marketing. Focus on mastering inbound marketing first

– blogging, driving leads, understanding search engine optimization, etc. Find out what keywords are directing traffic to your site from organic search results, and use these to inform your choice of keywords for paid search.

• Always be optimizing! There’s never a shortage of ways to improve your paid search campaign. Keep making improvements so you can drive your performance up and your costs down and ultimately run a successful PPC campaign.

BONUS: Recent Google Ads Innovations to Take Advantage of

Focus on Responsive Display Ads

Advertisers are putting a much heavier focus on responsive ads; 72% of the display ads SEMrush reviewed in the latest research were from responsive ads, and this makes sense. Advertisers have limited time and resources, but an overwhelming number of products to promote. Responsive ads were the easiest way to reach users in the display network.

Leverage In-Market Audiences For Search

These audiences are designed for advertisers focused on getting conversions from likely buyers. In-market audiences can help drive remarketing performance and reach consumers close to completing a purchase. In-market audiences can be used not only as a targeting option for display campaigns, but as bid modifiers for search campaigns. In 2018, Google launched several new in-market segments and gave access to this feature to a greater number of advertisers. The best tactic to employ with in-market audiences is increasing bets for searchers from those segments: they will be potentially more interested in your product or service.

Use Responsive Search Ads

Responsive search ads let you create an ad that adapts to show more relevant messages and text to your customers. The ad works based on AI: the advertiser adds up to 15 headlines (each one up to 30 characters long) and four descriptions up to 90 characters long. Google combines the headlines and descriptions to figure out the best performing combinations, generating up to 43,680 ad variations - a tough number to test manually.

Optimize Your Keyword List for Voice Search

According to a PWC report, 71% of respondents would rather use their voice assistant to search for something than physically type their queries. This trend will significantly change keywords, as more and more words are used when complete questions are asked. To make the most out of it, add longer keywords to your list and offer answers to users' questions in your ads; advertising text creatives don't always have to be short and concise.

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Advertising Research
Database: United States
Device: Desktop
Date: May 7, 2019
Currency: USD
Positions
Position Changes
Competitors
Ad Copies
Ad History
Pages
Subdomains
Filter by keyword
Advanced filters
Keywords
24.2K 5.01%
Traffic
1.2M 3.27%
Traffic Cost
$5.8M 3.32%
Paid Search Trends
Estimated Traffic
Keywords
Traffic Cost
1M
6M
1Y
2Y
Paid Estimated Traffic
1.5M
1M
500K
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Jul 18
Aug 18
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Use CRM and web analytics data to inform your ad campaigns and see exactly which ads are turning prospects into loyal customers.
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