The Definitive Guide to Google AdWords

Create Versatile and Powerful Marketing
and Advertising Campaigns

Bart Weller
Lori Calcott

Apress®

The Definitive Guide to Google AdWords: Create Versatile and Powerful Marketing and Advertising Campaigns

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ISBN 978-1-4302-4014-3

ISBN 978-1-4302-4015-0 (eBook)

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Distributed to the book trade worldwide by Springer Science+Business Media New York, 233 Spring Street, 6th Floor, New York, NY 10013. Phone 1-800-SPRINGER, fax (201) 348-4505, e-mail orders-ny@springer-sbm.com, or visit www.springeronline.com.

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To Kathie, my wife, best friend, and companion, and our three kids, Frosty, Shaun, and Kirry. And to Mom, who instilled a lifelong love of learning and ideas.

–Bart Weller

This book is dedicated to all the people who kept the engines going while I tapped away. First, to my husband, Aaron, who spent countless hours in kitchen and changed countless diapers. You are the best teammate a girl could ask for. Thanks to Lindsay who not only made certain our business got off the ground but also kept it afloat at new heights.

–Lori Calcott

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About the Author

■ **Bart Weller** is a software developer and writer. He lives in the Central Rockies of Colorado with his wife, two country cats, six misanthropic llamas, and dog Duffey (named in honor of the late John Duffey, former lead tenor with the Seldom Scene bluegrass band). He loves all kinds of music except for Heavy Metal and is a volunteer DJ at the local community radio station. His hobbies are clearing deadfall and fixing things. Among the people he admires are Albert Einstein, Alan Kay, Abraham Lincoln, George Carlin, Richard Feynman, and J.J. Cale. (Photo by Teryl Lundquist)

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Lori received a BS in Biochemistry from Pennsylvania State University in 1997. After graduating from college, she moved west and switched gears by landing in the Rocky Mountains and the world of marketing. Lori started in search marketing in 2001 while working for a start-up and handling “all things marketing.” As a self-proclaimed PPC geek, Lori has transitioned through the paid search space from early days of paid advertising with Overture through Yahoo’s Panama update and now works tirelessly to keep up with world of AdWords, MSN AdCenter, and Facebook marketing.

Lori lives in Aspen, Colorado, with her husband, Aaron, and two kids. She can be found playing with her family on the slopes and in the mountains.

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Acknowledgments

Thanks to Mark Beckner, who got us started with this book while on the Apress Editorial Board. And thanks to Teryl Lundquist, who took the accompanying author's photo with his Best Llama, Paprika.

–Bart Weller and Lori Calcott

Introduction

We often hear that the Internet has changed the world. It has most certainly changed the worlds of advertising, retail, news, and magazine and book publishing, and Google has played a central role in this change. If one were asked to fill in the blank in the sentence “Google is a(n) _____ company” with what they feel is the most descriptive word, very few would choose the word *advertising*. A more likely choice would be *search* or *technology*. But in the context of its business regime and its revenues, an argument could be made that it is predominantly an advertising company.

One effect that online advertising has had on the Internet economy is enabling small to medium businesses (SMBs) to become viable participants in the online ad arena along with the heavy hitters. A small business with a limited ad budget—and with a well-tuned AdWords campaign—can compete with the big guns on the same Google search results page. This is because the real-time auction-based system used by AdWords for determining ad position uses both keyword and landing page quality scores, on the one hand, and keyword bids, on the other. And quality scores count for a lot in this system. This relatively new ad technology doesn’t level the playing field entirely; big advertising budgets and the consequent ability of the large retailers to mount very effective campaigns still count for a lot. But the system does give the SMBs a better entrée than is the case with traditional media channels. Market analysts tell us that online consumer purchases continue to accelerate in comparison to in-store purchases, so we think this comparative leverage of the SMBs in the online arena can be expected to grow in importance.

Who This Book Is For

This book is for readers who are comfortable with computers and the Internet, and who have a reason and desire to get up to speed with the advertising side of Search Engine Marketing (SEM)—more specifically, Google AdWords. It doesn’t cover Search Engine Optimization (SEO), the other side of SEM. We don’t assume previous familiarity with AdWords, but by the time you finish reading the book, you should be comfortable with setting up and managing an AdWords account or working closely with a web marketing agency to manage your account. We see our primary audience as those who: a) own or manage SMBs and who would like to develop a strong and effective online ad campaign; b) work in online marketing; or c) would like to learn and understand AdWords technology for any other reason. The book is written at the beginner-to-intermediate level, but in many places it will require some focus and careful study. To make this easier, we often walk through examples of how to set up and use tools and interfaces in AdWords and Google Analytics.

Let us stipulate up front that AdWords is not simple. If you are new to the culture and vocabulary of online advertising, AdWords can seem ... well, excessively complex and arcane. If anyone tells you that the AdWords system is simple, you should head for the door, keeping a tight grip on your wallet. Like most complex systems, AdWords takes time and careful study before you will begin to feel conversant with the system. But please take our word for it: if you invest the time and effort, you should be repaid with a higher level of comfort and understanding.

AdWords with Google Analytics are a powerful combination, and few if any books on the market address how the two can work in tandem. This book takes the extra step to explain where you can find data within Google Analytics to help you understand results from your AdWords campaigns. Understanding the capabilities of both tools and how they can work together gives you a more complete picture. We feel you shouldn't start an AdWords campaign without capturing data in Google Analytics for more in-depth analysis. If you have already ventured into the world of Google Analytics, this book should be a great jumping off point.

Things Just Keep Changing

One of the difficulties we've had to contend with in writing this book has been the rapid pace of change in online commerce and advertising technology. This is especially true in the cases of AdWords and Google Analytics. On any number of occasions, we have had to go back and rewrite sections of the book we thought we finished weeks earlier because of changes, enhancements, or new tools and features introduced by Google in the course of our writing. We don't expect this pace of change stop after the book is released, of course, which means that some of the things we describe may not entirely jibe with the current state of the AdWords system by the time you read this. There is nothing to be done about this, other to forewarn the reader. If you find some of the reports or interfaces in AdWords, Google Analytics, or other tools to look or perform a little differently than what you see in these pages, we recommend using Google's excellent help system to help you understand these changes. There are many places throughout the system ("Learn more" links or question mark glyphs are one example) where you can find contextual help. The content of the book will usually convey the general intent and functionality of a feature or tool, even if some of the details have changed, so you should be able to use these help features to fill in the gaps when there are obvious changes not covered by the book. The AdWords Help facility (<http://support.google.com/adwords>) is an excellent resource for tracking down information, and the Inside AdWords Blog (<http://adwords.blogspot.com>) is a good place to go for announcements of new tools or enhancements.

Conventions

As with most Apress books, there are up to five levels of headings throughout this book. Chapters are organized into hierarchical sections, and each section has a heading according to its level. Here is what each heading level looks like, going from the highest to the lowest level:

Heading Level 1

Heading Level 2

Heading Level 3

Heading Level 4

Heading Level 5

As a rule, there will be a few major sections in each chapter, each with a level 1 heading, under which there will be a number of level 2 headings, and so forth. Following the Apress style guidelines, we don't number the sections, but you should be able to tell what level a particular section is at simply from the heading.

We often discuss or present procedures in an informal exercise format, so that the reader can follow along in their own AdWords or Google Analytics account. For this reason, we recommend that you create these accounts early on if you don't already have them. Because of the wealth of different features and facilities, and the large number of tools available, there is a lot of learning value in working hands-on with the interface. Occasionally we will have a section called "The How-To" for more involved or detailed procedures. Here again, following along on your computer is a good way to go.

We often use a lot of short hypothetical examples to help illuminate a feature or facility. However, many of the figures or screen shots in these discussions are taken from reports and screens of real-world accounts. This helps make the illustrations in the book more realistic, but in many cases we have obscured or grayed-out any information that could identify a client, for obvious reasons. We hope this doesn't detract from the illustrative value of the figures, but if it does, we ask for your forgiveness in these occasions. We're sure you understand the necessity of protecting client identities.

Contacting the Authors

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