



Thirty Day Challenge 2009 – Training – Day 19

2009TDC19b: Adwords Intro

Running Time: 5mins



Intro

Howdy guys, Pete Williams here and welcome to Day 19.

Now today and over the next few days I get the privilege of walking you through something that I'm very passionate about, and that's Google Adwords. Between my online and off-line businesses I spend a good 6-figures a year with the Google Adwords program and that's how Google fundamentally make most of their money to pay for things such as GMail, Google Reader, Google Docs and all the cool tools we've been using throughout the Thirty Day Challenge.

What I want to do in this first video is just walk you through the what, the why and the how of Google Adwords, to give you a bit of an overview of what Adwords is and the fundamentals of how it all works. And then in the second video today, we'll walk through the steps of setting up your first Adwords campaign.



What is Adwords?

[Starts at 00:00:50]



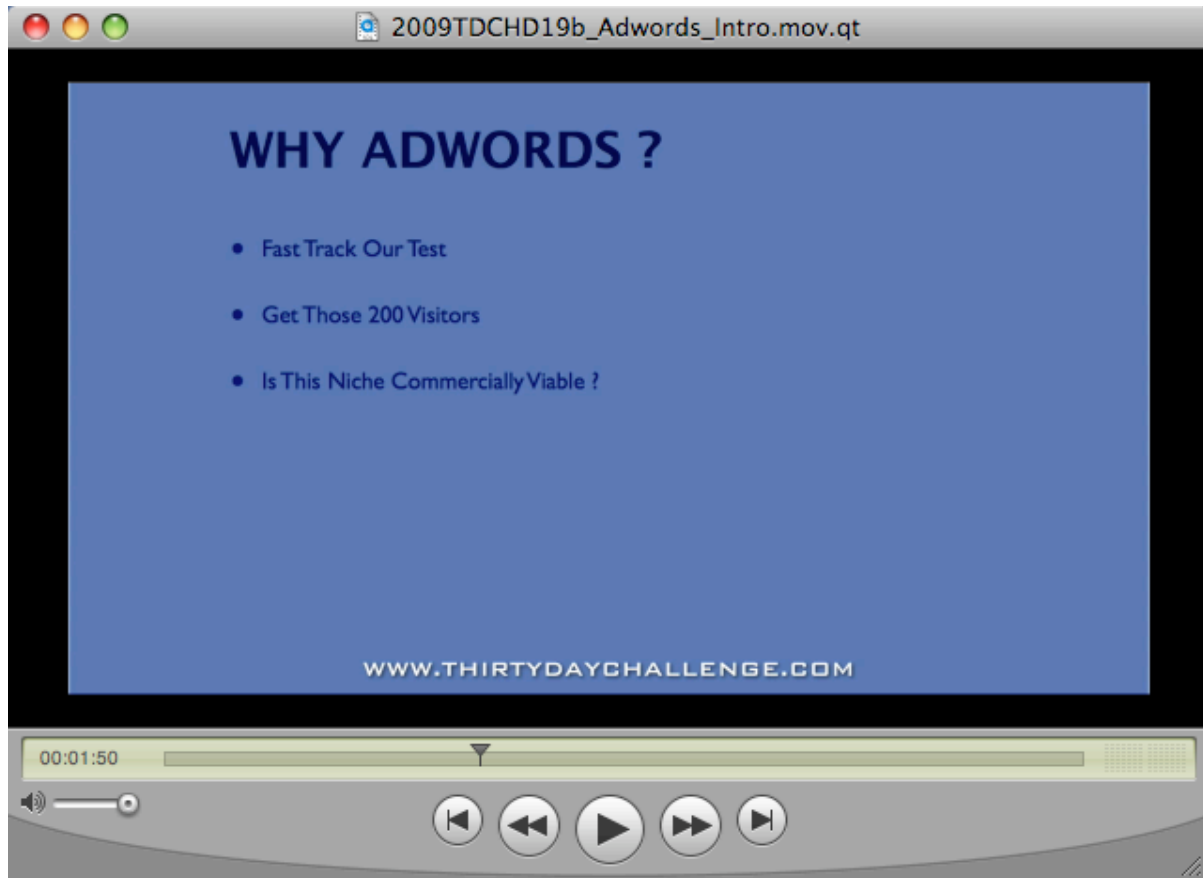
So, what is Google Adwords? For those of you who don't know, it's Pay Per Click advertising on the Google search results page. So it's the Sponsored Links section of the search results page and it's Pay Per Click as opposed to Pay-Per-View. With traditional advertising in newspapers and magazines and things like that, the advertiser has to pay just to get people to view the ad, whether someone takes action or not. The beautiful thing with the Internet and Pay Per Click advertising is that **you only pay when someone actually clicks on your ad and comes to your website**. So it's very, very targeted and you can choose what keyword phrases your ad appears for.

In this example, and the one we're going to use over the next couple of days, **Childrens Sleeping Bags** is my Theme Keyword for the blog we're going to use. So I'm **only going to have my ad displayed** when people go to Google and type in Childrens Sleeping Bags. So it's very, very targeted: **You don't have the sort of wastage that you do with traditional advertising**.



Why Adwords?

[Starts at 00:01:50]



Now why are we using Adwords at this stage in the Thirty Day Challenge? It's pretty obvious that it actually gets you traffic, but it can actually help fast-track our results, because obviously what we're trying to do is get those 200 visitors to see our affiliate offer with, hopefully, at least one person buying. It's that test that we're trying to do to ensure that this niche we're targeting, or we're playing with, or we're testing is commercially viable.

So Adwords is a great tool. Yes, it cost's money, but it can help us fast-track the results and get to a commercially viable niche a lot quicker.



How Does It All Work?

[Starts at 00:02:25]



So how does Google Adwords actually work? Well, it's basically an auction service. so what you actually pay when someone clicks on your ad is the maximum bid you're willing to pay times your Quality Score. The Quality Score is an algorithm that Google has put together and has released a little bit of information about.

The Quality Score is made up of three elements. The first is the relevance of your advert: so how relevant is the actually advert that is being displayed to users when they search for your Keyword Phrase. What you want to do is ensure that the ad you're showing is relevant, so if I'm bidding on a term, such as Childrens Sleeping Bags, my ad should have the words Childrens Sleeping Bags in there, and it should entice people to click on the ad.

That leads onto the Click Thru Rate, which is the second component of the Quality Score and is by far the most powerful of them. What Click Thru Rate is, is simply the rate or percentage of people who see your ad who click on the advertisement and go through to your site. So if my advert displays for 100 people and 24 of them actually click, that's 24% or a 24% Click Thru Rate. A higher Click Thru Rate shows Google that the ad you're showing is extremely relevant to that search result or that Keyword Phrase.



The third component is the actual landing page - the page which people land on when they click on the ad and visit your website. Google's underlying fundamental objective here with Adwords is a) to make money, but b) to ensure that the user has the best experience: That when I type in a term, such as Childrens Sleeping Bags, the ads that I am presented with are very, very relevant to that Keyword Phrase. That it's so relevant it will entice people to click through on that ad and land on a web page that is again, relevant and linked in with the original Keyword Phrase that they searched for. Because if people have a good experience with relevance and they land on good websites, they're going to continue to use Google services.

So the reason the landing page is such a big focus for us all here at the Thirty Day Challenge is obviously, from an SEO perspective, we're making sure that our websites and our WordpressDirect blogs target a particular Keyword Phrase, it's a very similar algorithm that Google uses to rank pages for SEO to ensure the landing page quality is relevant as well.

That's the overview of how Google works in a very fundamental sense.

Wrap Up

[Starts at 00:05:04]

In the **second video** today, what I want to take you through is **how to set up this Google Adwords** account and **create your first advert**, that's going to be relevant, will get a high Click Thru Rate and point to a relevant landing page. So let's jump over to the second video and go through that.

Summary:

What is Adwords?

- Pay Per Click advertising on the Google search results page.
 - o the Sponsored Links section of the search results page
- Pay-Per-View = traditional advertising
 - o You pay just to get people to view the ad, whether someone takes action or not
- Pay Per Click advertising
 - o You only pay when someone actually clicks on your ad

Why Use Adwords?

- It can help fast-track our results
- Get to a commercially viable niche a lot quicker

How Does It All Work?

- An auction service
- **Price** you pay = **Your Maximum Bid Per Click x Quality Score**
- **Quality Score** = **Ad Relevance + Click Thru Rate + Landing Page Relevance**
- **Approximate Weightings**
 - o **Most Important = Click Thru Rate** (more than 50%)
 - o Next = **Ad Relevance** (About 25%)
 - o Next = **Landing Page** Relevance (less than 25%)

30 Day Challenge

there is no charge for awesomeness



Links:

Google Adwords - <http://adwords.google.com/>

Click here to create your Google Adwords account.

(Please note: If you live in the U.S or Canada and have a HostGator voucher, please see the 'Handy Tip' above to create your Google Adwords account.)