Improving Online Conversions

FOR

DUMMIES®

Google™

About Google Inc.

Google's innovative search technologies connect millions of people around the world with information every day. Founded in 1998 by Stanford Ph.D. students Larry Page and Sergey Brin, Google today is a top web property in all major global markets. Google's targeted advertising program provides businesses of all sizes with measurable results, while enhancing the overall web experience for users. Google is headquartered in Silicon Valley with offices throughout the Americas, Europe and Asia. For more information, visit www.google.com.

Improving Online Conversions

FOR

DUMMIES®

GOOGLE ADVERTISERS' EDITION

By Google

Alan Wrafter, Clancy Childs, Trevor Claiborne, Alicia Manning, Jeff Gillis and Lisa Coffey

WILEY

A John Wiley and Sons, Ltd, Publication

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books.

WILEY

Introduction

● ●

*W*elcome to *Improving Online Conversions For Dummies*, your guide to boosting your online performance and conversion rates using some of Google's free and powerful tools.

About This Book

Millions of people click on Google AdWords ads every day. Google AdWords enables you to create ads and choose *keywords*, which are words or phrases related to your business. When people search on Google using one of your keywords, your ad may appear next to the search results. People can simply click your ad to make a purchase or learn more about you.

This book explains how you can make sure your ads show on searches that are most likely to convert into sales. It walks you through the steps needed to ensure that your website can attract and generate sales with a better return on investment. We explore how to identify which ad clicks and impressions lead to conversions and how you boost your sales and conversions. We also look at how you can better apportion your marketing spend and even develop your own conversion attribution model. Don't panic – it's easier than it sounds!

Foolish Assumptions

In picking up this book we assume that you:

- ✓ Work for an online business of any size and want to improve your conversion rate.

- ✓ Are already advertising online and want to understand more advanced concepts such as bidding options and conversion attribution.

- ✓ Want to get the most out of your Google Analytics implementation and kick off website testing.

How This Book is Organized

Improving Online Conversions For Dummies is divided into six small but beautifully formed chapters:

- ✓ **Chapter 1: Tracking Conversions in AdWords.**
- ✓ **Chapter 2: Getting to Grips with Basic Analytics.**
- ✓ **Chapter 3: Increasing Conversion Rates with Google Website Optimizer.**
- ✓ **Chapter 4: Boosting Conversions with Bid Management Tools.**
- ✓ **Chapter 5: Introducing Attribution and Search Funnels.**
- ✓ **Chapter 6: Ten (Or So) Useful Phrases.**

Icons Used in This Book

To draw your attention to certain important paragraphs we use the following *For Dummies* icons:

REMEMBER The knotted string reminds you to bear these points in mind.

TIP The target highlights tips to help you make the most of Google tools.

WARNING! The bomb warns you to be alert for the pitfalls present on your online conversion journey.

Where to Go from Here

This *For Dummies* book is a mini reference designed for you to dip into as you like – use the headings to guide you to the most useful information. Of course, you can read the book from cover to cover – it won't take you long and you'll end up with a comprehensive understanding of how to improve your online conversions. Happy reading!

4

Chapter 1

Tracking Conversions in AdWords

● ●

In This Chapter

▶ Setting up conversion tracking

▶ Adding values

▶ Tying it in with Google Analytics

● ●

*I*n any endeavor you undertake, in everything you do, goals are the key to success. If you don't have a clear target to aim for, you're probably going to miss.

A good webmaster or online marketer always asks clients: 'What's the *point* of your website? What do you want visitors to *do* when they visit?'

For a commercial website, the answer is almost always: 'Conversions.' 'Transactions.' 'Goals.' They're all the same thing. Here's our definition:

'An online conversion occurs when a click on your ad leads directly to user behavior you deem valuable, such as a purchase, signup, page view, or lead.'

Whether someone buys something you're selling, signs up for a service, or simply clicks on a link, you need to identify what success is for your website. That's your first step.

Once you do, you can easily track how often that valuable behavior occurs and what was responsible for it using Google's AdWords Conversion Tracking, which we explain in this chapter. By making decisions based on your goals, you're not only finding out what works for you, but also you're finding out what your customers want. And that's the best way to run a business!

Conversing With Your Customers: Introducing Conversion Tracking

In the beginning, there was *click through rate*. That was your measure of success in AdWords: how many clicks your ad received after being viewed on a search results page.

But what's a good click through rate? Some said it was anything over 1%, some said 2.5%. Some people said it was whatever kept you in the top few results on a search results page. The real problem was that you didn't know what kind of click you were getting. Was it a buyer, or someone who clicked, looked at one page and left?

Then came a breakthrough (drumroll please): conversion tracking! *Conversion tracking* enables you to register a new, customizable metric in your AdWords reports. When a visitor clicks on one of your AdWords ads and visits a page on your site that you specify, you

designate this subset of clicks as a conversion. Often, this 'conversion' page is a thank you page after someone makes a purchase.

> **REMEMBER**
>
> If you know how much this conversion is worth you can really extrapolate on your AdWords return on investment (ROI). A click is a very small part of the conversation. But a conversion is attributed to a keyword, ad group or campaign, and can tell you which ones bring value.

Setting Up Conversion Tracking

Google AdWords makes the conversion tracking setup and implementation process as easy as possible, and conveniently displays conversion metrics right within your AdWords reports so you can easily optimize your AdWords campaigns and budget spend. All you need to do is add a short snippet of code to the page on your site where a conversion happens.

Getting started in a few minutes

To get started, simply:

1. Click on the 'Reporting' tab in your AdWords account.
2. Select 'Conversions' in the drop down menu.
3. Click 'New conversion'.
4. Follow the steps.

> **TIP**
>
> During set up, you input the type of conversion and give it a name. This is because you can track multiple conversions on one website

and within one AdWords account, so giving each a name helps you remember that particular success, allowing you to analyze it separately from others.

A conversion could be:

- ✔ Purchase/Sale (to determine ROI).
- ✔ Lead (how many users request a follow up call).
- ✔ Sign-up (for subscriptions or newsletters).
- ✔ Page View (track how many pages users looked at or how long they stayed on your site).

You can even input a custom label for your conversion.

Adding the code snippet

Don't be intimidated by the mention of code! During set up, AdWords gives you a snippet of code that you can copy and paste right onto your conversion page or send to the person who created your website. The code does all the magic; letting AdWords know that a conversion happened, and from which click. Instructions are included in the set up process, which you can send to your webmaster easily from within AdWords.

The Conversion Tracking code snippet does a lot of things, working under the hood of your website. When a visitor clicks on your ad, AdWords *cookies* the user, meaning it remembers that the user came from one of your ads. Then, if that user reaches your conversion web page, the code snippet lets AdWords know the details of the cookie and which ad and keyword the user clicked on.

The cookie AdWords adds to a user's computer when he or she clicks on an ad expires in 30 days to respect the user's privacy. Also, there's no way to personally identify the user – all user data is anonymous. Conversion data can be sensitive, business critical information so conversion statistics are never shared with other advertisers or competitors.

Last step: Making sure it's working

Your last step is to check to see that conversions are registering in your account when a conversion occurs by a visitor who converted on your site within 30 days of clicking on one of your AdWords ads. A surefire way to test this is to click on an ad yourself and make a conversion. The conversion should show up in your AdWords account within 24 hours.

Merging Conversion Tracking with Google Analytics

Conversion tracking and Google Analytics, though separate, are geared toward a similar purpose: helping website owners analyze their website performance so that they can make better business decisions and get great performance results. You can use either one of these products alone, or use both at the same time - they don't interfere with each other's tracking.

Be mindful of the different terminology each feature uses; Conversions in Google Analytics are called 'goals', or, for e-commerce, 'transactions'.

TIP

Tracking conversions with different values

Not all conversions are worth the same to you. For example, a visit to a certain page may not have a value, but a sale might have a value of $50. By identifying the value of conversions, you're tapping into the real power of tracking conversions because you'll be able to evaluate the ROI of a keyword.

For example, a keyword costs $1 per click, but a conversion from that keyword is worth $50. If you're getting a conversion every 10 clicks, that's an ROI of $40. Well worth it!

You have the option to give a value to any one of your conversions during the set up process. And, if you're selling multiple ecommerce products with different prices, you'll probably need one conversion page that has variable conversion values. You might be using PHP or ASP or another programming language to enable your ecommerce transactions. You can configure AdWords Conversion Tracking to work with your code to dynamically track the proper value of the transaction and calculate the conversion value in AdWords.

Some of the benefits of using conversion tracking with Analytics are:

- ✔ Convenient access to Analytics goals, transactions, and session data related to your AdWords ad clicks.
- ✔ AdWords conversions and Analytics goals and transactions are displayed alongside each other so you can spot further opportunities to optimize your advertising campaigns.

Although you need to link your Analytics data to AdWords Conversion Tracking in order to see these statistics, you don't need to tag any Analytics conversion pages with the AdWords Conversion Tracking code.

Importing Google Analytics goals into AdWords

To import Google Analytics goals into AdWords simply click on the 'Reporting' tab in AdWords, and select 'Google Analytics'. If you have a Google Analytics account, follow the steps to link the account. Make sure you've opted into 'Data Sharing' within Google Analytics.

Within your Conversions area in AdWords, when you click 'New Conversion' you have the option to import one or more Google Analytics goals.

Enjoying the benefits of using conversion tracking

Using Conversion Tracking enables you to use other free features within AdWords:

- ✔ **Conversion Optimizer:** A free tool that automatically manages your bids (amount you're willing to pay for a click or conversion) for more conversions, increasing your ROI (covered in Chapter 3).

- ✔ **Search Funnels:** These give a more complete picture of the path (AdWords ads and keywords) that a user saw and clicked on prior to converting (head to Chapter 5).

You can learn more about using AdWords Conversion Tracking here:

- ✓ **Google AdWords Help Center:** `adwords.google.com/support` under the 'Your ad performance' section.

- ✓ **Google AdWords Online Classroom:** `www.google.com/adwords/dummies`.

Chapter 2

Getting to Grips with Basic Analytics

. . . .

. . . .

*B*efore you can improve conversion rates, you need some tools to identify what to improve. Google Analytics is just the tool for the job. It's free, intuitive and straightforward to set up. This chapter covers the basics of setting up Google Analytics and identifying opportunities for conversion improvement.

Setting up Google Analytics

Google Analytics is designed to be as easy as possible to install, but users can miss some parts of the set-up. To investigate conversion optimization, your Google Analytics account needs to have the 'cleanest' data possible. Even if you already have Google Analytics installed on your website, take a look through this section to make sure that you've covered all of these steps.

Installing the tracking code

You can create your Google Analytics account and get the JavaScript tracking code by visiting http://google.com/analytics/. The tracking code is a snippet of JavaScript you place at the top of each page on your site.

> **REMEMBER**
>
> In most cases, the default tracking code is all that you need to install. However, if any of the following applies to your site, you may need to include a few additions to the code for it to track visitors properly:

- ✔ **Multiple Subdomains.** If visitors to your site visit multiple subdomains (such as www.mystore.com and checkout.mystore.com), you need to use the subdomain tracking code.

- ✔ **Multiple Domains.** If you have different domains that you need to track visitors across (www.mystore.com and www.myotherstore.com for example), then you need to implement cross-domain tracking code and linking.

- ✔ **Ecommerce Checkout Confirmation.** If you have an ecommerce checkout on your site, you need to install the ecommerce tracking code on your checkout confirmation page.

> **TIP**
>
> If possible, use your website's content management system (CMS) to *automatically* include the tracking code on each page. It's all too easy to forget to add the code on some pages if you add the code manually. Many popular CMS and ecommerce tools have Google Analytics built in or available through an add-on. Check your solution vendor's help center for more information.

Linking to Google AdWords

One of the most useful features of Google Analytics is its tight integration with Google AdWords. By linking your AdWords account to Google Analytics, you can see the cost of the clicks that drove traffic to your site and see the relative effectiveness of different keywords, ad groups and campaigns.

To link your accounts, sign into your AdWords account at `http://adwords.google.com`, and choose 'Google Analytics' from the Reporting menu. If you already have a Google Analytics account set up, make sure to link to the existing account. From within Google Analytics, edit your profile settings and make sure that the 'Applied Cost Data' field lists your AdWords account number and the box is checked.

Cleaning up the data

Once you've installed the tracking code, Google Analytics starts populating your reports with data. However, your data may be a bit disorganized! Take a look at the Top Content report in Google Analytics. Does each page listed in the report represent a unique content page? Keep an eye out for the following:

✔ **Unhelpful URL parameters.** Do some pages show up more than once because they have some funny parameters that don't actually change the content of the page? If you have any session IDs or campaign tracking parameters like `http://www.mystore.com/product123.php?sid=298274`, exclude them in the profile settings by adding the parameter name (in this case 'sid') to the 'Exclude URL Query Parameters' field.

- ✔ **Default page names.** Do you see any URLs that include 'index' or 'default' (such as index.php or default.aspx)? If so, add those names to the 'Default Page' field in the profile settings.

- ✔ **Mixed cases.** Google Analytics is case sensitive so, by default, going to thankyou.html appears differently to ThankYou.html. Apply a custom profile filter in the settings to set the URLs to lowercase.

- ✔ **Other filters.** If the same content page appears more than once in the Top Content report, you may have slight differences in your URLs. Most of the time you can fix this using Custom Profile Filters to re-write the URLs in Google Analytics.

- ✔ **Internal or development traffic.** Ideally the visitors shown in your Google Analytics profile need to be your actual customers, not your employees or developers. If you believe that a relatively large number of visits are from your own team, look into applying a profile filter based on an IP address or hostname.

Setting your goals and funnels

The final step in setting up Google Analytics is to identify the *goal pages* of your site. These are the specific pages that you want visitors to reach. Include things like ecommerce confirmation pages (which also need ecommerce tracking code), newsletter signup confirmations and 'Follow us on Twitter' links to name a few. In the Profile Settings, add a goal that includes the URL for each of these pages.

> Try to identify every possible goal on your site! You can have 20 goals per profile.

Once you have goals set up in Google Analytics, you can import those conversions into AdWords Conversion Tracking and use that data in Search Funnels (explained in Chapter 5).

> Some goals might not necessarily include the visitor viewing a specific page. Instead, it might be clicking a link to another site or downloading a file. In these cases, you can create a 'virtual pageview' in the JavaScript onclick event for the link. Search the Google Analytics help center for 'tracking outbound links' for more information.

For goals that have a specific set of steps that the user must complete before arriving at the goal (say, the ecommerce checkout process before arriving at the purchase confirmation goal page), you need to set up a goal funnel for those steps in the profile settings. Make sure that you correctly enter the URL for each step in order in the Goal Funnel.

> The 'Reverse Goal Path' document in the 'Goals' section of the Google Analytics reports shows you the most common pages visited (in order) before visitors reach your goal. This is useful when determining which pages should be listed in your Goal Funnels.

Delving Deeper: Advanced Google Analytics Configuration

Congratulations! By this point you have hopefully set up the basics for having useful data in your conversion optimization project. After letting some data collect in

your account, you'll be ready to continue and start look-
ing for conversion optimization opportunities. However,
you can improve your Google Analytics implementation
even further by doing some of the following:

- ✔ Investigate custom variables and how they might
  help you identify particular visitors, visits or page
  types. If you have a registration and/or login page,
  consider using visitor level custom variables to
  label visits from registered users. Page-level
  custom variables can include information about a
  specific page such as its category or author.

- ✔ If you use Google AdSense to place ads on your
  pages, you can connect your AdSense account with
  Google Analytics. Check the Google Analytics help
  center for more information on how to do this.

- ✔ If your website has a site search, make sure to set
  this up in your Google Analytics account. In the
  'Content Report' section, click 'Site Search' for
  instructions on how to track this valuable data.

Finding the Barriers to Conversion

Once you've set up Google Analytics correctly and are
collecting data about how your visitors use your web-
site, you can begin analyzing the data to find why a
visitor to your site might not convert into a customer.
This section takes you through some simple analyses
to help you find the largest barriers to conversion on
your site.

Unsupported browsers

Between Internet Explorer, Chrome, Firefox, Opera and Safari (to name just a few!), Internet users have many different browsers, operating systems and mobile devices. Sometimes your site might not work with all of them.

Luckily, there's a quick way to do a sanity check to make sure that the browsers that your visitors use are allowing them to complete the goals you've set. In the 'Visitors' section of Google Analytics, under 'Browser Capabilities', you see a few reports like 'Browsers and OS'. When you view these, you see a pie chart illustrating which browsers are used on your website (see Figure 2-1). While looking at this chart, click between the 'Site Usage' tab and the tabs marked 'Goal Set' and 'Ecommerce'. The pie chart might change a little, but if any of the colors completely disappears, it might indicate a problem with that browser.

If users of a particular browser aren't completing goal conversions at a rate proportional to the visits that they send to the site, then your site may not work for that browser.
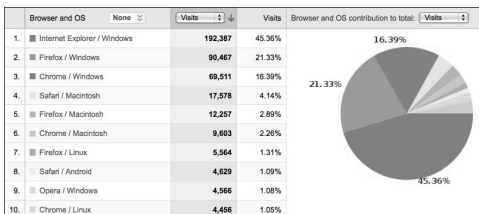
Figure 2-1: Check which browsers are being used on your website.

High bounce rate

The first step in getting visitors to convert into users is to make sure that they stay on your website beyond the landing page. If a visitor clicks on a search result or AdWords ad that has been targeted to their query, lands on the page and then quickly 'bounces' off, it probably means that something was objectionable or confusing about your landing page. There are a few ways to identify landing pages with high bounce rates:

> ✔ **Top Landing Pages.** In the 'Top Landing Pages' report within the Content section, you can see which pages visitors tend to land on and their bounce rates. Click on the 'Comparison View' button on the left side of the report and choose to compare bounce rate to site average. The resulting report shows green and red bars. Look for pages that have a lot of entrances, but also a relatively high bounce rate (as shown by a red bar, shown in Figure 2-2).

	Page None	Entrances	Individual Page: Bounce R	compared to site average
1.	/default.aspx	127,545	19.83%	
2.	/Wearables/AA+Full+Zip+Ho	116,838		-42.08%
3.	/shop.axd/Search	80,054	33.68%	
4.	/googlesearch.aspx?filter=[g	19,597	17.85%	
5.	/shop.axd/PrivacyPolicy	12,581		-11.61%
6.	/googlesearch.aspx?filter=[g	12,514		-10.66%
7.	/shop.axd/Home	7,048		-30.29%
8.	/You+Tube/default.aspx	7,015	1.97%	
9.	/Wearables/default.aspx	4,343	21.99%	
10.	/Doodles/default.aspx	3,154	30.72%	

Figure 2-2: Compare the bounce rate to the site average.

✔ **Top Keywords.** With the top keywords report you can check which search keywords are driving traffic that doesn't stick around on the site. In the 'Traffic Sources' section of Google Analytics, click on the 'Keywords' report. Click on the comparison view and set the comparison report to view bounce rate. Do certain keywords drive a lot of traffic to your site, but have a relatively high bounce rate (big red bars)?

Figure 2-3: Ensure keywords are working at their best.

When you've identified keywords and landing pages that have high bounce rates, have a look to see if there are any obvious reasons why users leave the site after viewing that page. Some possible reasons include:

✔ **The landing page doesn't connect well with the search term and ad text.** If the user clicked on an ad for 'umbrellas' and was taken to a landing page for 'raincoats' then they probably won't stick around.

✔ **It isn't clear what the next step is.** Does the user need to click a link or fill in a form? Ensure the next step or call-to-action is clear.

✔ **The user needs some basic information to proceed, but doesn't see it.** This is the art and science of merchandising. Do you need to point out specific features or price point of a product? Are you giving users the right information about your products?

✔ **There's something scary about the page!** Do you have a much higher price for a product than your competitors? Do you request information that the visitor doesn't want to give you? Make sure you don't have information on the page that scares the user away.

Goal funnel exits

If you set up funnels with your goals (see Chapter 5), you'll have access to the Funnel Visualization reports under the 'Goals' section in Google Analytics. This is a nice graphical view of which step in your process causes users to leave.

For each goal with a funnel attached (especially your checkout process if you operate an ecommerce site), check to see which step has a disproportionate number of users leaving (illustrated by the length of the red bar at that step). These steps may have some usability problems that you can fix. While investigating these steps, keep in mind the reasons we mentioned in the previous section about why visitors may leave a page.

Fixing Broken Conversions

After looking through some of your Google Analytics data, you should have a good sense of what parts of your website you can fix. You may have found that some things are just plain broken, such as a form that doesn't work in Firefox that you can fix.

However you may also find pages that are blocking conversion, but you aren't exactly sure what the appropriate fix might be. In these cases, the next step is to develop a test to see what can improve your conversion rate. Chapter 3 covers just that.

Google Analytics Certified Partners

Although Google Analytics is free to use and easy to install, sometimes you may need to call on the help of a paid expert. To help users identify companies that are best placed to support them, Google have carefully vetted a worldwide network of Certified Partners specializing in Google Analytics and Website Optimizer.

Google Analytics Certified Partners are a diverse mix of web developers, marketing agencies and pure-play specialists. They offer an array of Analytics services including, but not limited to:

- ✔ Product implementation

- ✔ Customization

- ✔ Consultation

- ✔ Website testing

- ✔ Ongoing support

- ✔ Training

You can identify these partners by looking for the official badge (shown in the figure) or by visiting `www.google.com/analytics/partners`.

REMEMBER

This chapter lists just a few things to check in your Google Analytics data to find broken conversions. Once you get in the swing of using Google Analytics, you can expand your strategy to include segmentation of your audiences. You can find more information about these topics online or, better yet, by speaking to one of the Google Analytics Certified Partners that work on these projects constantly.

Taking Things Further

You can learn more about using Google Analytics from a couple of great resources:

✔ **Books**

- *Web Analytics 2.0* by Avinash Kaushik.
- *Advanced Web Metrics using Google Analytics* by Brian Clifton.
- *Performance Marketing with Google Analytics* by Sebastian Tonkin, Caleb Whitmore and Justin Cutroni.

✔ **Websites**

- Google Analytics Homepage: `www.google.com/analytics`
- YouTube Channel: `www.youtube.com/googleanalytics`

✔ **Courses**

- Google Analytics Individual Qualification: `www.googleanalytics.com/fordummies`

Chapter 3

Increasing Conversion Rates with Google Website Optimizer

· ·

In This Chapter

▶ Testing your website

▶ Choosing good test content

▶ Setting up your first test in Website Optimizer

· ·

*Y*ou know the importance of measuring conversion and have some ideas on how to do so. This chapter focuses on increasing online conversion rates through testing.

Guessing versus Testing

Years ago, when direct marketing was in its infancy, savvy marketers found that they improved their sales by trying different formats of their ad. For example, a direct mail campaign might have involved sending one ad to 50% of their audience, and a different version to the other 50%. They'd then sit back and wait for the sales to come in. With a little work, they could find out which version of the ad drove more sales.

The only trouble with this method was that it was costly and labor intensive. You needed to develop and produce each new ad variation, find a way to distribute them to different audiences, and do some pretty intensive reporting and statistics to get your final results. Fortunately, in the age of the web, Google has powerful tools to make testing simple, quick, and even free.

Enter Website Testing

Website testing is the process of showing different variations of website content to visitors, and then measuring the performance of each of those variations.

Website testing has two major advantages over its physical counterpart. First, producing test variations is far simpler and cheaper. You can create a new web page in under an hour and at little cost. Secondly, distribution of the variations is simpler and cheaper. The marginal cost of an incremental pageview is almost nil. Especially when compared with direct mail, website testing offers a more economical way to put variations in front of a lot of people.

Saying hello to Google Website Optimizer

Google Website Optimizer is a free tool from Google that takes care of the two hardest jobs in testing:

- ✔ **Simultaneous testing.** The Website Optimizer splits up your website traffic so that some visitors see one variation, while others see a different variation.

Why can't you just run version A for a week, and then run version B the next week? Well, in order to know which version is better, you need the group of visitors that see each variation to be as similar as possible. Events in the news, changes in customer attitudes, or shifts in the industry can all affect the performance of a page. Since so much can happen between two test periods, testing variations simultaneously is best.

✔ **Statistical analysis.** The Website Optimizer measures the performance of each variation and handles the statistics.

Statistics is at the heart of how you *know* something is better and not just better by chance. Suppose you're flipping a coin, and after three flips you've seen three heads. Would you conclude that you have a coin that would show heads every time? Probably not. Somewhere around 30 or 40 all-heads flips, you might conclude you had some kind of magic heads-up coin. The tougher question is, what should you conclude (if anything) after five or ten heads-only flips?

The statistics engine in Website Optimizer helps you answer these hard questions so that you know that the conclusions drawn from a test are based on truth and not on chance.

Choosing a test: A/B versus multivari-what?

Google Website Optimizer offers two kinds of tests: A/B testing (sometimes referred to as split testing) and multivariate testing. Your testing will be most successful if you use the right test for the right job.

A/B tests are best when you:

- ✔ **Want to test the entire design or look and feel of a page.** A/B tests let you test two or more entirely different pages.

- ✔ **Have a smaller amount of traffic.** A/B are simpler than multivariate tests which can easily get bigger than you want them to be.

- ✔ **Want to change the layout of a page.** Multivariate tests are good for changing content, but rearranging content is easier to do in an A/B test.

Multivariate tests are best when you:

- ✔ **Want to test many combinations of elements.** Website Optimizer automatically creates all possible combinations of your variations.

- ✔ **Have already narrowed down the rough look of your page.** Now you can focus on details like the best headline or product image.

- ✔ **Want to run a test across your entire site.** Since a multivariate test only changes a small section of a page (or pages) it works well for tests across multiple pages (such as testing your 'Add to Cart' button).

Picking a Good Test Page

We all know someone who was really smart and had a lot of talent, but didn't quite make it. All the teachers would say, 'Well, he has a lot of potential…' While you

might dread hearing those words again, what you're looking for in a good test page is one with a lot of potential. What does a high-potential landing page look like?

Here are the four test-page rules:

- ✔ **Rule #1: Your test page must have enough traffic.** When talking about traffic, the number of pageviews is less important than the number of conversions. As a guide, you need about 100 conversions per variation that you want to try over the duration of the test.

- ✔ **Rule #2: You (or your team) must be able to make changes to your test page.** If you have a great idea for what to test but no way to implement that change, you're out of luck! Make sure you're looking at a page that you can change.

- ✔ **Rule #3: Your test page must have one clearly defined measure of success.** In order for your test to be successful you need to focus on the improvement of a single, clearly defined goal. Whether that goal is a purchase, a lead, or just getting the visitor to the next page, is entirely up to you, but you need only one goal.

- ✔ **Rule #4: The test page must matter.** If you double the conversion rate on a page that drives only a tiny fraction of your site's revenue, the impact is pretty minimal. On the other hand, even small conversion rate increases for your top selling product can radically increase your site's revenue. So, remember to pick a page where improvements will make a difference.

Should you test your homepage?

For many first time testers, the homepage seems like the obvious place to start. It gets a lot of traffic (Rule #1), and, seemingly, it's the most important page on your site (Rule #4). Running a test on your homepage is tricky though. First, since the homepage represents your entire company there are many stakeholders and likely more hoops to jump through to make any changes. If you can't make changes, you can't run a test (Rule #2). Even if stakeholders are onboard with changing the homepage, Rule #3 comes into play. Finding the one true goal of your homepage, the goal that you'll focus on above (and perhaps to the detriment of) all others, is truly difficult. Visitors come to your homepage for all sorts of tasks; from buying your product to looking for a job.

You're generally better off picking a test page where the visitor's intent is clear. Doing so saves you a lot of trouble and gives you a higher chance of success.

Doing the 'Mom Test'

Now that you have your test page with lots of potential, what you should change about it? A simple usability interview can provide lots of ideas for what to fix and refine.

> **TIP**
>
> Usability testing is a deeply underused method for understanding how visitors use your product or website. Spending five minutes with an actual person looking at your site can reveal dozens of issues that you and your

team had never thought about. This is often referred to as the 'mom test' as your mother is often a great person to do the test! Here's the plan:

1. Find someone who's unfamiliar with your website and product. The closer she matches your target audience, the better.

2. Sit her down in front of the webpage you want to test and ask her to complete a task that you'd count as conversion. For example, 'I'm interested in seeing how people use our website. Suppose you wanted to purchase a copy of this book. I'd like you to purchase the book through the website.'

3. As she's going through the task, ask her to say what she's thinking, even if it's rude! You may need to remind her to think aloud several times throughout the task.

Don't tell your subject how to do the task or give her guidance: you want the situation to be as real as possible. Also, take as many notes as you can. Bonus points if you record the interview (with the participant's permission).

If you do tests like this with just two or three people you'll uncover many obstacles to conversion, and many opportunities to test new content.

The combination of insights from your interviews and a careful eye for common mistakes (described in the nearby sidebar) can provide many ideas for new content to test for your website. For your first test, pick one or two big ideas rather than trying to test everything at once. After you've completed your first test, you'll have a good sense for what to test next.

WARNING!

Six common website problems

Be aware of the most common website problems and ensure your site doesn't suffer from them:

- ✔ **Not having a clear call to action.** Website visitors need to be told what they need to do next. If you want visitors to buy something or sign up you need to explicitly tell them to do so.

- ✔ **Too many choices.** People can only process so many options at a time. Conversion rate suffers when you offer too many options. This doesn't just apply to your product selection, but also to your site's navigation. Guide your visitor into making a choice by labeling a product 'Most popular' or 'Top seller' for example.

- ✔ **Overly complex forms.** No one likes form-filling so if a form is part of your conversion you need to make it as simple as possible. Think about each field in your form and decide if you really need it for your conversion.

- ✔ **Too much text.** Visitors don't read webpages so much as skimming them. If your webpage is a big blob of text it's hard for a visitor to take it in. Break up your text into manageable chunks and make good use of headings and formatting to convey structure and meaning.

- ✔ **Not fulfilling the promise of your ad.** The path to conversion is like a story. If you drive traffic to your page from ads, your landing page is a continuation of that story. The ad creates interest and expectation, and your webpage must meet that expectation or else the visitor will leave. In fact, most visitors decide to leave a page in under 5 seconds. If your ad promises something, make sure your page delivers.

> ✔ **Visual distractions.** People have a tendency to over-
> design webpages and add graphical flourishes. Unless
> the graphics lead to conversion they aren't worth having
> on your page. The images you use (if you choose to use
> them at all) have a huge impact on your site's conversion
> rate. Make sure the graphics enhance your call to action
> rather than detract from it.

The ABCs of A/B Testing

You've figured out the page and the stuff on that page
you want to test. The next step is to create your first
experiment.

Setting up your Website Optimizer account

You have two ways of starting to use Website
Optimizer. You can access the tool from your Google
AdWords account or as a standalone tool; both provide
access to the same functionality.

Through your Google AdWords account:

1. Sign into your Google AdWords account.

2. From the 'Reporting' tab select 'Website
   Optimizer'.

3. Click the 'Get started' button.

Through the standalone version:

1. Visit www.google.com/websiteoptimizer.

2. Click the 'Start testing now' button.

Creating your first test

After you've signed into Website Optimizer you can start creating your first test. Here's what you need to have ready:

- The URL of your A page you want to test.
- The URL of your B page with the different content you want to test.
- The URL of your conversion (or Thank You) page.

1. **Create the experiment.**

    1. Click 'Create a New Experiment'.

    2. Select 'A/B Experiment'.

    3. Read through the checklist, tick the checkbox and click 'Create'.

2. **Name the experiment and identify pages.**

    Give your experiment a descriptive name to help you identify it quickly.

    Paste the URLs of your test page, alternate page, and conversion page into the settings of the experiment. If you have more than one alternate page you want to test, click 'Add another page variation'.

    What should you put in for the Conversion Page URL? The Conversion Page URL is the page that a visitor sees immediately after a conversion. In the case of a purchase this is often a receipt page or a 'Thank you for ordering' page.

The default conversion for Website Optimizer is the loading of the conversion page, but Website Optimizer can track conversions in other ways (see www.google.com/websiteoptimizer).

After you've entered the URLs of your pages, Website Optimizer does a quick check to make sure the pages exist. When that's done, click 'Continue' to move on.

3. Install and validate JavaScript tags.

Website Optimizer uses small snippets of JavaScript code in order to show different variations. You need to add the JavaScript tags to your test pages: Control Script, Tracking Script or Conversion Script. (See the 'Know your scripts' sidebar for more about them.)

You can add the scripts to your page yourself, or email the scripts to your IT or web team to do. Either option works for setting up your test.

Once the scripts are in place, you can validate the installation. Website Optimizer reviews all your pages to ensure that the tags are properly installed and notifies you of any errors so you can correct them.

If your pages aren't accessible you can use offline validation to validate your experiment. *Offline validation* works by you uploading a copy of your page for Website Optimizer to verify installation.

Know your scripts

Website Optimizer has four different scripts that it uses to show variations and tracking conversions.

- ✔ **Control Script.** The Control Script is like the scientist of the experiment. When a visitor comes to your page, the Control Script determines what variation that visitor sees. The Control Script is smart; it ensures that each variation gets a roughly equal number of visitors and that visitors see the same variation each time they visit your site.

- ✔ **Tracking Script.** The Tracking Script simply keeps track of which variation a visitor saw regardless of whether the visitor converted or not.

- ✔ **Conversion Script.** The Conversion Script is placed on your Thank You page and keeps track of all conversions for the experiment. It also notes which variation the visitor saw before converting.

- ✔ **Section Script (multivariate only).** Section scripts are only used in multivariate experiments. The section scripts are used to divide a webpage up into pieces that you want to test. For example, if you were testing a webpage selling a product, you might have a headline section, a product image section, and a product description section. You can then have variations for specific sections.

4. **Preview and start the experiment.**

   With your experiment pages validated you're almost set to launch your experiment. Before you launch, you need to preview the experiment. By

previewing, you can see how each page in your test will appear. Once you've launched your experiment you can't make any changes without stopping it, so make sure you thoroughly review each page to make sure it looks and works as you expect.

When you're sure that all your pages are in order, you can launch by clicking 'Start Experiment'.

Congratulations, you've just launched your first Website Optimizer experiment!

> **REMEMBER**
>
> Your experiment starts showing variations right after you launch it, but you won't see data in your reports for 2 to 3 hours.

Understanding the Test Results

Now that your experiment is launched, you need to wait for data to come in. When visitors come to your test page, they'll see either the original page or one of the variation pages. When a visitor converts, Website Optimizer notes which variation they saw and adds the data to the report.

If you can read a traffic light, you can understand a Website Optimizer report! The reports are color-coded as shown in Figure 3-1:

Combination	Status	Est. conv. rate		Chance to Beat Orig.	Observed Improvement	Conv./Visitors
Original	Enabled	2.05% ± 0.8%		—	—	21 / 1024
Combination 3	Enabled	3.93% ± 1.0%		97.8%	91.4%	40 / 1019
Combination 2	Enabled	2.86% ± 0.9%		82.9%	39.6%	29 / 1013
Combination 1	Enabled	0.50% ± 0.4%		0.68%	-75.7%	5 / 1002

Disable All Combinations (4) ▾ **Key:** ■ Winner ■ Inconclusive ■ Loser
☆ Combination 3 has a 97.8% chance of outperforming the original. Run a follow-up experiment »

Figure 3-1: An example of a Website Optimizer report.

- ✔ **Variations in green are winners; they're significantly better than the original pages.** The next step is to stop your current experiment and run a follow-up experiment. A follow-up experiment lets you confirm that your winning variation is indeed a winner.

- ✔ **Variations in red are losers, and are significantly worse.** What you do here depends on the size of your experiment. If your experiment is just between your original page and one variation, it's time to stop the experiment. If you're testing more than one variation, you can disable (or prune) the losing variation by ticking the checkbox next to the losing variation and clicking 'Disable'. That variation will no longer be shown to visitors, and your test will continue to run.

- ✔ **If a variation has a yellow bar then no definite conclusions can be drawn and you need to wait for more data to come in.** If your test has been running for more than a month, has lots of conversions, but still only yellow bars, your variations probably aren't significantly different. At this point, stop the test and think about new variations you can try.

> Think back to the rule of 100 conversions per variation. You need to wait for at least that many conversions to start seeing green and red bars.

Congratulations on creating and launching your first experiment! As you finish your first test, remember that increasing your conversion rate is a process, not an event, and unless your conversion rate is 100% you still have work to do!

Taking Things Further

You can learn more about using Website Optimizer and website testing from a couple of great resources:

✔ **Books**

- *Landing Page Optimization* by Tim Ash
- *Always Be Testing* by Bryan Eisenberg

✔ **Websites**

- Google Website Optimizer Homepage: `www.google.com/websiteoptimizer`
- GWO Blog: `websiteoptimizer.blogspot.com`
- YouTube Channel: `www.youtube.com/websiteoptimizer`
- Website Optimizer Techie Guide: `www.google.com/websiteoptimizer/techieguide`

Chapter 4

Boosting Conversions with Bid Management Tools

. . . .

In This Chapter

▶ Introducing AdWords automatic bidding products

▶ Getting started with Conversion Optimizer

▶ Meeting Enhanced CPC

. . . .

*O*ne of the benefits of using Conversion Tracking or Google Analytics is that you can save time and increase your return on investment (ROI) by letting AdWords automatically manage your bids on your behalf. AdWords offers two automatic bid management tools: Conversion Optimizer and Enhanced Cost Per Click (CPC), both of which we explain in this chapter.

Cost Per Click (CPC) is where you pay your host only when your ad is clicked. Cost Per Acquisition (CPA) is a pricing model where you pay for acquiring something (typically new customers by making sales).

Discovering Bid Management Tools to Boost Your ROI

The two bidding tools covered in this chapter have a track record of improving ROI by ensuring that your ads appear to users who are more likely to convert into customers. Over time, this leads to more conversions while lowering or maintaining the amount you pay per conversion.

Bid management tools mean that you:

- ✔ Increase conversions (and ROI).

- ✔ Lower your cost-per-conversion.

- ✔ Save time by letting the AdWords system manage your bids.

REMEMBER

When you hand over the bidding controls to AdWords, the system analyzes each auction (where you bid to be in the top few results) to predict whether or not a click is likely to result in a conversion. The system then uses this knowledge to modify your bids to ensure that you're investing your budget in clicks that are likely to convert rather than wasting money on clicks that aren't likely to help you reach your goals.

Making the Most of Conversion Optimizer

Conversion Optimizer is a fully hands-off tool that manages your bids to help you reach your cost-per-acquisition (CPA) goal.

Enabling Conversion Optimizer

Here's how Conversion Optimizer works:

1. **You set your Target or Max CPA bid.** With Conversion Optimizer, you bid by setting either your *Target CPA*, the average amount you'd like to pay for a conversion; or *Max CPA*, the maximum amount you're willing to pay for a conversion. You can set a different Target or Max CPA bid for each ad group within your campaign. On average, campaigns that use Conversion Optimizer experience a 21% increase in conversions along with a 14% decrease in cost-per-conversion.

2. **Conversion Optimizer predicts the likelihood that your ad will convert.** Each time your ad is eligible to appear, Conversion Optimizer predicts how likely your ad will convert in that particular instance by looking at how well your ad has converted in the past for similar auctions as well as a number of other factors, including:

   • User's geographic location, browser and operating system.

   • Keyword match type.

   • Specific words contained within the user's search query.

   • Time of day.

   • Relevance of your ad to the page content of the site (if your ad is targeting the *Google Display Network*, which shows AdWords ads on sites that aren't search engines. These content network sites use Google AdSense, the other side

of the Google advertising model used by web-site owners who can make money by displaying ads on their websites).

- Your historical performance on a site in the Display or Search networks.

3. **Conversion Optimizer sets an optimal Max CPC bid.** Depending on your CPA goals and the pre-dicted likelihood that your ad will convert, the Conversion Optimizer automatically finds the optimal equivalent CPC bid for your ad in this par-ticular auction.

Getting started with Conversion Optimizer

To use Conversion Optimizer, your campaign needs to meet the following requirements:

- ✔ You must have AdWords Conversion Tracking enabled.

- ✔ Each campaign must have received at least 15 conversions in the last 30 days.

- ✔ The campaign should have been receiving conver-sions at a consistent rate for at least a few days.

Testing Conversion Optimizer is easy. To enable the feature, follow these steps:

1. Log into your AdWords Account.

2. Select the campaign for which you'd like to enable Conversion Optimizer.

3. On the Settings tab, click 'Edit' next to 'Bidding Options'.

Here's one we made earlier: An example of CPA

Susan is advertising candles and has set her Target CPA to $2.00. A user performs a search on Google for 'jasmine scented candles', keywords in Susan's account. Conversion Optimizer analyzes a number of factors and determines that this particular user is likely to make a purchase on Susan's website. The Conversion Optimizer now needs to make sure that Susan's ad has a good chance of winning the auction and being placed near the top of the search results page. Taking Susan's CPA goal into account, the system then assigns Susan's ad an aggressive optimal CPC bid of $0.40.

In cases where Susan's ad is *not* likely to convert, the system will assign lower Max CPC bids.

---

4. Select 'Focus on Conversions: Conversion Optimizer' shown in Figure 4-1. Note: If your campaign hasn't received at least 15 conversions in the past 30 days, this radio button is grayed out.
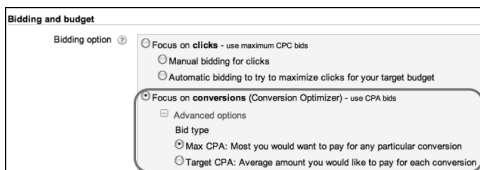
Figure 4-1: Selecting your bidding and budget options.

5. To select your bidding type, click 'Advanced Options' and choose either 'Target CPA' or 'Max CPA'.

6. Set your bid by using the recommended bid provided for you or a different amount of your choice, as shown in Figure 4-2.

Set an initial target CPA (1-per-click) bid

◉ Start with recommended bid: **$5.26**
   This is approximately equivalent to a maximum CPC bid of $0.78
○ Start with custom bid $ [   ]   Target CPA

Figure 4-2: Setting your bid.

---

7. Click 'Save'.

> Let Conversion Optimizer run for a couple of weeks to give it time to acclimate to your campaign's performance before analyzing results.

Introducing Enhanced CPC

Enhanced CPC is another automated bidding tool designed to get you more conversions at a lower cost in your Max CPC campaigns. While Conversion Optimizer and Enhanced CPC use similar technology, they work slightly differently: Conversion Optimizer uses Target CPA or Max CPA bids, and Enhanced CPC uses Max CPC bids.

Each time your ad is eligible to appear, Enhanced CPC raises and lowers the Max CPC bids that you've set based on the likelihood that your ad will convert. In other words, the system takes your Max CPC bids and 'enhances' them by adjusting them slightly to make

sure your ad appears when conversions are likely and not appearing when conversions are unlikely.

Knowing if Enhanced CPC is right for you

Enhanced CPC is a good option if you prefer to bid using Max CPCs rather than Target CPA or Max CPA, and want to increase conversions while maintaining or lowering your costs.

For example, you may have already invested a lot of time setting your bids just right for each keyword. Enhanced CPC intends to improve upon your hard work.

Enhanced CPC in action

Leo sells golf clubs and bids $0.30 on the broad match keywords 'graphite golf clubs'. Someone searches for 'graphite shaft golf clubs' on Google.com, and Leo's ad is eligible to appear.

The Enhanced CPC system analyzes a number of factors to predict how likely it is that the user will make a purchase after clicking on the ad. In this case, the system recognizes that Leo has performed well on related queries. However, it also notices that the user's IP address is located in the Chicago area and he's using Chrome as a browser. Leo's ads have historically converted well in the Chicago area and also among advertisers searching with Chrome.
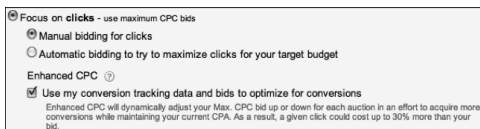
Enhanced CPC predicts that a conversion is likely and automatically increases Leo's bid from $0.30 to $0.35 to ensure that his ad is likely to appear. Had Enhanced CPC predicted that a conversion was unlikely, it would have lowered his bid, perhaps to $0.20.

Enhanced CPC is also a good product for advertisers using third party bid management systems. If you already use a bidding solution that sets bids on your behalf, Enhanced CPC simply modifies these bids based on analysis of factors specific to that auction. In doing so, Enhanced CPC complements the bidding solution that you're already using.

Getting started with Enhanced CPC

To get started, you need to first enable Conversion Tracking. Enhanced CPC is then easy to enable via a single checkbox within your campaign. Here's how:

1. Log into your AdWords Account.

2. Select the campaign for which you'd like to enable Enhanced CPC.

3. On the 'Settings' tab, click 'Edit' next to 'Bidding Options'.

4. Select 'Focus on Clicks'.

5. From the 'Bidding and budget' section, choose either 'manual bidding' or 'automatic bidding'.

6. Find the checkbox beneath the Enhanced CPC option and select it. Click 'Save', as shown in Figure 4-3.

⊙ Focus on **clicks** - use maximum CPC bids
  ◉ Manual bidding for clicks
  ○ Automatic bidding to try to maximize clicks for your target budget

Enhanced CPC �ⓘ
☑ Use my conversion tracking data and bids to optimize for conversions
  Enhanced CPC will dynamically adjust your Max. CPC bid up or down for each auction in an effort to acquire more conversions while maintaining your current CPA. As a result, a given click could cost up to 30% more than your bid.

Figure 4-3: Enabling Enhanced CPC in your AdWords account.

> **TIP** After you've enabled Enhanced CPC, wait a couple of weeks before analyzing performance. This gives the product enough time to acclimate to your campaign's performance.

Enhanced CPC	Conversion Optimizer
Bid using Max CPC bids	Bid using Max CPA or Target CPA bids
Compatible with advanced campaign settings, including: •Advanced ad scheduling •Position preference	Greater potential to improve your campaign's ROI: • Has the freedom to bid more aggressively than Enhanced CPC when an auction is highly likely to convert. • Enhanced CPC will only bid up to 30% above your Max CPC bid.
Compatible with 3rd party bid management systems that require Max CPC bids	
Automatic bid management tools that use your historical data to get you more conversions at or below your current cost-per-conversion.	

Figure 4-4: Differences between Enhanced CPC and Conversion Optimizer.

Taking Things Further

You can learn more about using Conversion Optimizer and Enhanced CPC at these resources:

- ✔ Conversion Optimizer Help Center: `www.google.com/conversionoptimizer`

- ✔ Google AdWords Online Classroom: `www.google.com/adwords/dummies`

Chapter 5

Introducing Attribution and Search Funnels

. . . .

. . . .

*T*he dictionary definition of attribution is 'the act of explaining by indicating a cause'.

For our purposes, attribution is the practice of trying to understand the value of media investment that's often tricky to gauge and might not be apparent by metrics that only measure the last action taken. In this chapter we demystify attribution and explain how search funnels can help you get the data for key inputs into a variety of models that help you better understand the value of your ads as they contribute to conversions.

Understanding Attribution in Digital Media

In online media, attribution is usually applied as a model to understand the value of a last action (often

the click prior to conversion) in the context of the user's prior actions.

For example, this may include:

- ✔ The number of occurrences of display ad *impressions* (the number of times an ad appeared on a web page) prior to a direct navigation click and conversion on an e-commerce site.

- ✔ *Cookie-level* tracking (a method for following user's web browsing behavior via a small piece of text stored on a user's computer), identifying unique users and their impression exposure and clicks prior to last-click conversion.

- ✔ Viewing how many times Keyword A was clicked prior to conversions compared to Keyword B in a search campaign.

Attribution is still a fairly new practice within digital media but is useful for data modeling. These models give you a fuller picture of the correlation of variables in media investment and the impact on user behavior and conversions.

Welcoming AdWords Search Funnels

Search Funnels is a new tool within AdWords that provides data on paid search ad clicks and impressions on Google.com prior to a last click paid search conversion. These new metrics are called *Assist Clicks and Impressions*.

Search Funnels provides the data necessary for you to formulate your own attribution models and validate them accordingly, either through informed hypotheses or experimenting.

Analysis methods using Search Funnels

You can use Search Funnels to gain insight into what keywords and ads may be contributing to your conversions. In this section we look at two of the reports and learn how to pull data from them to answer a key question that often faces advertisers: 'What keywords often assist my top converting keywords?' In the next section we look at how to use this data to create a few basic attribution models. Depending on your assumptions, each model results in ROI being attributed to different keywords and ads.

Discovering what assisted last click conversion

Two reports are helpful in getting data for finding out what assisted last click conversions: Top Paths and Last Click.

Top Paths Report

The Top Paths report shown in Figure 5-1 provides Campaign, Ad Group or Keyword level paths for clicks or impressions (impressions inclusive of clicks).

	Conversions		Views:
	Dimension: Keyword Transition Path (Clicks)	Conversions ↓	Value
1.	google merchandise > google store	5	3.00
2.	google maze > google clothing	4	4.00
3.	google stuff > google store	4	45.00
4.	google merchandise > google store > googlestore > google store	3	3.00
5.	google store > google accessories	3	0.00

Figure 5-1: The Top Paths report.

This data is useful if you're interested in splitting a conversion across the different keywords users searched and interactions a user had with your ad (either by seeing an ad impression or clicking on the ad) that happened prior to the final conversion action.

The benefit of this report is that you get keyword-level granularity path data, with full insight into the number of clicks or impressions and the specific sequence of keywords leading to each conversion. However, the drawback to this report is that you can't yet separate clicks from impressions in order to assign different values or get insight into each.

> A click or impression that occurs in a user path prior to a conversion is called a *click assist* or *impression assist*.

Last Click Report

The Last Click report is a 'report within a report' and gives a view of click or impression assists leading to a last click conversion.

The report (see Figure 5-2) involves several steps:

1. Select the Last Click Analysis report.

2. Click into the Campaign whose last click conversions you want to analyze.

3. Next to the option 'Drill into these conversions' above the data table, select an 'Assisted Conversions' report from the drop-down (you'll still be viewing the top-level Last Click Analysis report for the campaign you've selected; you're just going one level deeper). You end up with a view on the Assisted Conversions report, while being 'drilled in' from the Last Click viewpoint.

Figure 5-2: Last Click Report.

This report is powerful stuff – it can tell you how many last click conversions in one campaign were assisted by another campaign. With this you can analyze which keywords support others at the campaign, ad group or keyword levels.

For example, if you go into the 'Brand Campaign' for a client, you can see they have 10,000 last click conversions. You might also see that 'Brand Campaign' assisted its own conversions with 5,000 impression assists so, on average, half of the last click converters on Brand Campaign keywords were exposed to an ad prior to the last click conversion.

But, more interestingly, you might find that 2,500 of Brand Campaign's last click conversions were exposed to an impression from 'Generic Campaign A' and 2,000 were exposed to an impression from 'Generic Campaign B'.

Assuming these are the only two other campaigns in the account, that translates into 45% of Brand Campaign's last click conversions being exposed to a generic ad impression.

Analyzing the data

Depending on what you're analyzing, you may need to pull reports in AdWords to get cost or other relevant data to input into your attribution model.

You need to match up your campaigns, ad groups or keywords appropriately, and pull all reports for the same time frame in both the Funnels and AdWords reports.

Pull and calculate all conversion data and metrics from the Funnels reports (over the same time frame) for best data comparison, because the conversions in Search Funnels are time-stamped differently than in AdWords.

Attribution Modeling with Search Funnels

Comparing a few simple attribution models is another mechanism for understanding the size of the opportunity presented by the data within Search Funnels. You can draw these models from the Top Paths reports.

Creating a simplified attribution model

Depending on the data that you've pulled and what you value as a marketer, you can put together one of several choices of Attribution Model to get an idea of how this data applies to your account.

Linear clicks model

You can split a conversion's value evenly across each click in the path to assign equal value to each touch along the way.

This is a basic approach but can be meaningful in helping to understand how you might allocate cost or view efficiency differently across campaigns, ad groups or keywords.

Comparing first and last click

From the data pulled from a First Click report, you can understand the first and last clicks as *bounds* (upper and lower limits of a boundary), for the range of an effect of a keyword.

This approach gives you a sense of what the range of attribution can be – a keyword that performs highly in the 'first click' position and poorly in the 'last click' position shows a higher range of separation between the First Click and Last Click attribution numbers.

You can test these keywords as candidates to increase spend.

Clicks and impressions attribution weighting

With this attribution weighting method you decide what percentage of credit to assign to an assist click versus an assist impression. This credit for the conversion gets redistributed from the last click to the assists (clicks and impressions), so that you can redistribute how much value you assign to the last click directly prior to a conversion versus the clicks and impressions that assisted it.

Many advertisers choose to value an assist click and an assist impression differently because they're distinct interactions a user has with the ad that carry potentially different information about the ad's value in impacting a user's conversion behavior.

For example, a user might see the ad for your product but not click on it (which is an assist impression), or they might do a search on that keyword and not notice the ad, even though the ad displayed on the page (which is still an assist impression).

However, if a user clicks on the ad, that's a specific action to interact with the ad (an assist click), which is usually a higher level of engagement with the ad prior to conversion. So, many advertisers choose to weight an assist click more heavily than an assist impression. You give an assist 'weight' by assigning it more or less relative value in the model.

You can weight assists by dividing the conversion across the different assists in the path (data would come from a Top Paths report) and giving assist clicks a larger percentage of conversion credit than assist impressions.

For example, say you decide on the following inputs:

An assist impression is valued at half an assist click and an assist click is valued at half a last click. Therefore, an assist impression is valued at a quarter of a last click.

You can now apply these weights to divvy up your conversion credit for multiple paths, such as:

Assist Impression > Last Click

Assist Impression gets 20% of the conversion credit.

Last Click gets 80% of the conversion credit.

Or:

Assist Click > Last Click

Assist Click gets 33% of the conversion credit.

Last Click gets 67% of the conversion credit.

Or even:

Assist Impression > Assist Click > Last Click

Assist Impression gets 14% of the conversion credit.

Assist Click gets 29% of the conversion credit.

Last Click gets 57% of the conversion credit.

And so on! (The numbers here are rounded to make things a bit easier.)

Path-based attribution weighting

Your other option is to divide up a conversion's credit for a click path according to each ad's position within that path.

For example, say you decide on the following inputs:

1 click paths are unsplit

2 click paths are split 70/30

3 click paths are split 70/10/20

4 click paths are split 20/20/20/40

The following samples show how credit would be split:

Click A > Click B > Conversion

A = 0.7, B = 0.3

Click A > Click A > Click B > Conversion

A = 0.8, B = 0.2

Click A > Click B > Click B > Click A > Conversion

A = 0.6, B = 0.4

Taking Things Further

You can discover more about using AdWords Search Funnels at these resources:

- ✔ Google AdWords Help Center: `adwords.google.com/support` under the 'Your ad performance' section

- ✔ YouTube Channel: `www.youtube.com/user/GoogleBusiness`

- ✔ Google AdWords Online Classroom: `www.google.com/adwords/dummies`

Chapter 6

Ten (Or So) Useful Phrases

• •

*S*ome of the terms used to describe online conversion optimization can be a bit confusing. Here's a quick translation guide to the phrases we think are key:

A/B testing. This allows you to compare two or more different versions of a page quickly and simply to see which version is more effective at referring quality leads and customers.

Assist Click. An ad click that contributed to a conversion but wasn't directly responsible for the sale.

Assist Impression. The display of an ad that indirectly contributed to a conversion without being clicked.

Bounce rate. The percentage of single page visits or visits in which the person left your site from the landing page.

Click through rate (CTR). The number of clicks your ad generates in proportion to the number of times it's shown for each keyword.

Content Management System (CMS). The system used to manage the content of a website.

Conversion. A defined action in response to your ad. A conversion may be a sale, a registration, a download, or a sign up, depending on your campaign goals.

Conversion attribution. The practice of trying to understand the value of media investment that might not be apparent by metrics that only measure the last action taken.

Conversion rate. The number of visitors who respond to your ad (by, say, buying something or registering) divided by the number of clicks on the ad, multiplied by 100, and expressed as a percentage.

Cookie. A piece of text stored by a user's web browser and can be used for authentication, storing site preferences, shopping cart contents or anything else you can do by storing text data.

Cost-Per-Acquisition (CPA). The advertiser pays for acquiring something (typically new customers by making sales).

Cost-Per-Click (CPC). Advertisers pay only when their ad is clicked.

Impression. This is the point at which an ad is viewed by a visitor or displayed on a webpage.

Landing page. The first page a user views in a session, also known as the 'Entrance Page'.

Multivariate test. A method of experimentation that allows you to test multiple variables simultaneously. For example, using multivariate testing, you could identify the headline, image, and promo text on a page as your page sections, and then create three different variations for each one. When the experiment is running on your page, a user might see Headline A, Image B and Promo Text C all together, or Headline B, Image C and Promo Text A.
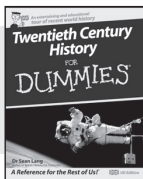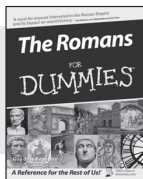
FOR DUMMIES®

Making Everything Easier!™

HISTORY

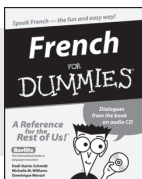**British History FOR DUMMIES**
Dr Sean Lang
978-0-470-99468-9

Twentieth Century History FOR DUMMIES
Dr Sean Lang
A Reference for the Rest of Us!
978-0-470-51015-5

The Romans FOR DUMMIES
A Reference for the Rest of Us!
978-0-470-03077-6

LANGUAGES

French FOR DUMMIES
A Reference for the Rest of Us!
978-0-7645-5193-2

Spanish FOR DUMMIES
Pedro Vázquez Bermejo
978-0-470-68815-1
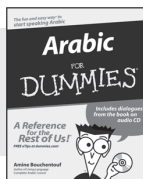
Arabic FOR DUMMIES
Amine Bouchentouf
A Reference for the Rest of Us!
978-0-471-77270-5

COMPUTER BASICS

PCs FOR DUMMIES
Dan Gookin
978-0-470-46542-4

Laptops FOR DUMMIES
Susana Wald
978-0-470-57829-2
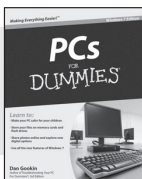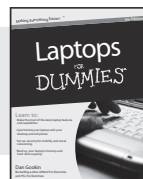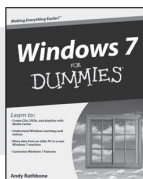
Windows 7 FOR DUMMIES
Andy Rathbone
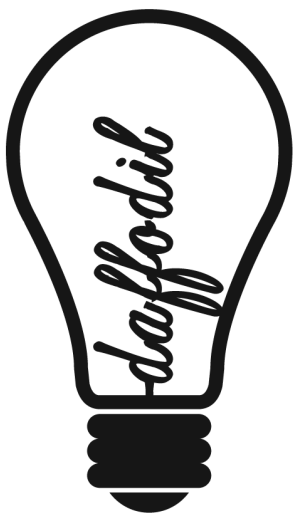978-0-470-49743-2

## Available wherever books are sold

WILEY

Learn to choose your words wisely

Google AdWords can open up your business to precisely those who are searching for your products and services. But there's more to using it really effectively than that – 'bulb', for example, means different things to different customers. Google offers free online courses for all levels of knowledge and experience. So, learn to use AdWords effectively and understand how words can make your business shine.

To learn more, visit **www.google.com/adwords/dummies**

Google™
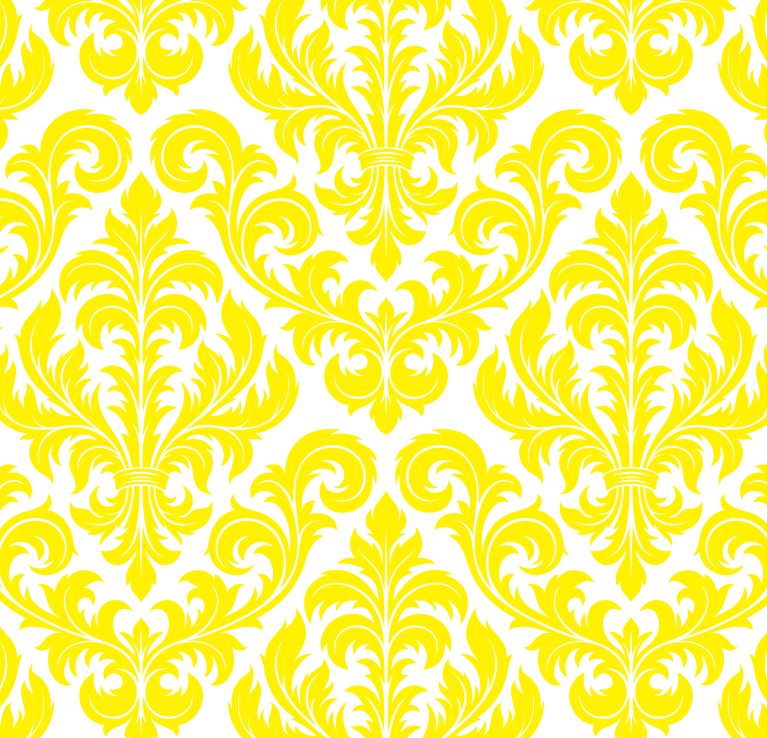
Learn to love patterns

With the insight and intelligence that Google Analytics offers your business, you can see exactly how people use your website, enabling you to identify the best way to make improvements. Sign up to our free course, take the Google Analytics Individual Qualification (IQ) online and you'll become an expert in pattern appreciation – and putting it to good use.

Geekify yourself at **www.google.com/analytics/fordummies**

Google™

Boost your online marketing ROI

Discover how to:

- **Increase your conversion rate**

- **Make the most of Google Analytics**

- **Optimize your website**

Attract website traffic and turn it into valuable customers

Millions of people click on Google AdWords ads every day. This minibook explains how you can make sure your ads show on searches that are most likely to convert into sales. Understand which ad clicks and impressions lead to conversions, better apportion your marketing spend and even develop your own conversion attribution model. Discover the secrets to getting more bang for your buck with this book!

THE DUMMIES WAY

- *Explanations in plain English*
- *'Get in, get out' information*
- *Icons and other navigational aids*
- *A dash of humour and fun*

Get smart!
@ **www.dummies.com**

- ✔ *Find listings of all our books*
- ✔ *Choose from among many different subject categories*
- ✔ *Sign up for eTips at etips.dummies.com*

For Dummies®
A Branded Imprint of
WILEY