

ADVANCED PPC STRATEGIES TO  
**MAXIMIZE YOUR  
E-COMMERCE  
CAMPAIGN**



Presented by:

 **NationalPositions**  
Profitable Internet Marketing

+

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Not quite sure if this ebook is right for you? See the below description to determine if your level matches the content you are about to read.

## INTRODUCTORY

Introductory content is for marketers who are new to the subject. This content typically includes step-by-step instructions on how to get started with this aspect of inbound marketing and learn its fundamentals. After reading it, you will be able to execute basic marketing tactics related to the topic.

## INTERMEDIATE

Intermediate content is for marketers who are familiar with the subject but have only basic experience in executing strategies and tactics on the topic. This content typically covers the fundamentals and moves on to reveal more complex functions and examples. After reading it, you will feel comfortable leading projects with this aspect of inbound marketing.

## ADVANCED

## THIS BOOK

Advanced content is for marketers who are, or want to be, experts on the subject. In it, we walk you through advanced features of this aspect of inbound marketing and help you develop complete mastery of the subject. After reading it, you will feel ready not only to execute strategies and tactics, but also to teach others how to be successful.

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# Introduction

PPC advertising is essential to growing a profitable e-commerce website. That being said, so many e-commerce merchants see their business fail because of an inefficient, unproductive PPC campaign.

In fact, too many online merchants lose money and faith in PPC because they haven't created a metric-focused, performance-driven campaign. That's why we've created this eBook to show merchants how to design and implement a profitable PPC campaign for their e-commerce websites.

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In this eBook you will learn how to establish the right business metrics for your campaign, how to write irresistible ad copy and how to create targeted ads that drive relevant, cost-effective clicks that convert.

Also, we examine Google's Product Listing Ads and the enormous marketing opportunity they present. Since launching to all US advertisers in Nov 2010, they've had a 600% global traffic growth year over year. The PLAs are much more engaging and have, on average, twice the click through rate of traditional text ads. (Source: Google ZMOT Research, 2011)

“ **Google's PLAs** have seen significant growth with advertiser adoption and product improvements. ”

The strategies offered in this eBook are proven tactics that we've used to increase profitability for many e-commerce websites. We're confident they'll help you boost sales and ROI!

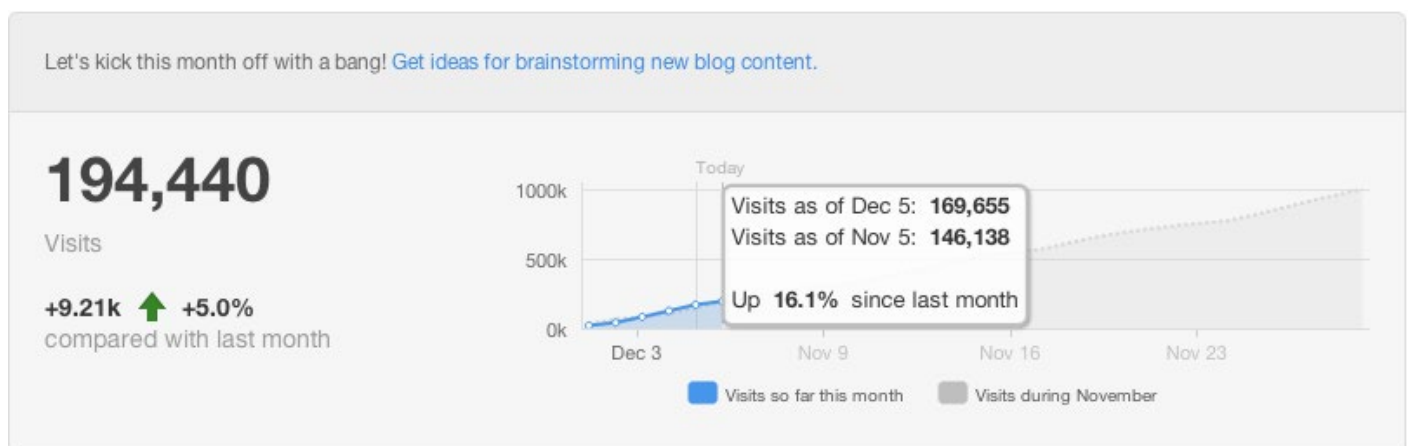
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# The Importance of **Business Metrics**: Understanding the Business Behind Your Campaign

Defining success is an essential step in achieving it. While this may sound like a simple enough idea, it can be difficult to measure how online efforts really affect the bottom line. Too many ecommerce advertisers live in an Adwords bubble and do not take the time to fully comprehend the business behind an account—leading to unrealistic targets and less successful campaigns.

The most common pitfall for ecommerce sites is over simplifying the situation.



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But which metrics matter most in paid marketing? Here are 4 of the top metrics you should be keeping tab of if you want to start saving money and seeing bigger ROI:



## COCA TARGETS

Setting a COCA (Cost of Customer Acquisition), target is a simple and effective way to ensure profitability. Calculating the basic COCA target isn't too difficult either. If you know the average order value and the margin, then it's easy to set the ceiling.

An account-wide COCA target can work, but it's better for ecommerce sites to set more specific targets. Individual campaigns will likely have different average order values or lead quality, each requiring separate targets.



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## ROAS or COST OF SALE

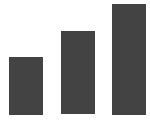
If ecommerce tracking is available, the most accurate way of measuring direct response is by looking at actual spend vs. revenue numbers. To put it simply, these metrics make it pretty easy to judge profitability, because you'll be looking at profits and losses right next to each other. Ecommerce tracking provides much better insight into profitability, but it can make tracking and attribution more difficult.

## ROA ( or ) COST OF SALE

The two most common metrics to use are ROAS (revenue/cost) or Cost of Sale (cost/revenue). These two metrics both show the same information, so the most important thing is to pick the one that makes more sense to you.

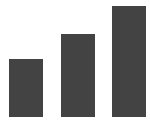
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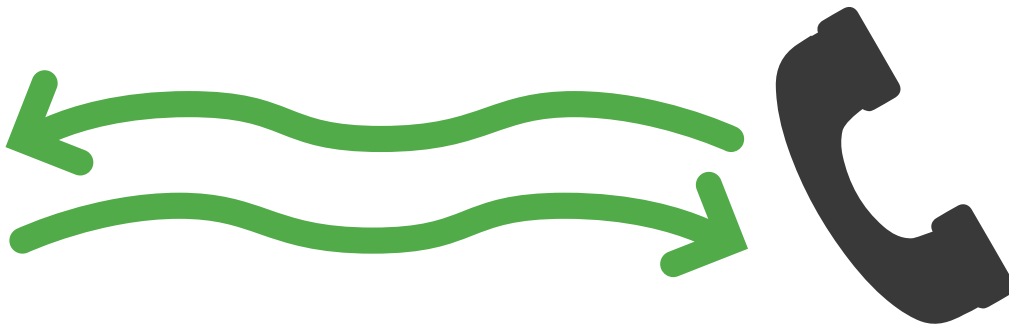
## Branded vs. Non-Branded Terms

Regardless of which metrics are used to measure success, it is important to measure the performance of branded and non-branded terms separately. Account wide metrics will always look better than they should if they are being lifted by branded sales, which can lead to over spending on all non-branded campaigns.



## Call Tracking

Many advertisers do not track phone calls, which can lead to underestimating the value of a campaign. In some cases, higher ticket ecommerce items will sell primarily over the phone, which makes tracking calls critically important. Call tracking gives businesses a much better idea of the real value of the traffic they're generating.



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## Identifying Your Offer: Are You Worth My Ten Seconds?

According to consumer reports, the average American is exposed to around 247 advertisements each day. Practically anywhere the eye can see, there is an ad begging for a second look.

Whether it's commercials, online ads, or those poor real estate agents racking up useless impressions on bus benches, there's no doubt we've grown a sense of numbness towards marketing messages over time.

**247**  
**THE AVERAGE AMERICAN IS  
EXPOSED TO AROUND 247  
ADVERTISEMENTS EACH DAY**

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Ad space online is no different, and our natural reaction is “No thank you,” even if, on some level, there was a hint of interest.

So how will Google Adwords, an increasingly saturated market that allows only 3 tiny lines of ad copy, help your ecommerce site get viable leads?

It’s all about gaining—and holding—a customer’s attention. Here’s how you can stand apart from the competition and convince users you’re worth more than their ten seconds.



## Importance of **Price Competitiveness**: Show Them Your Value

There’s no way around it, being price competitive should be your number one priority.

Shoppers have become increasingly smart and savvy online, especially when, in an instant, they can sort results by the lowest price and compare five different stores selling your same products.

You don’t always have to be the absolute lowest price, but be close enough to let other factors that set you apart from the “other guys” play a role.

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## Compelling Marketing: Summing the **Value of Your Offer** into **95 Characters**

Once you're in the ballpark range of being competitive on pricing, the second question becomes, "Why should I buy from you?"

Do your best to resolve this conflict by giving users more value than they think will be possible elsewhere. Effective marketing requires an attuned sense of the audience you are attempting to reach and a message capable of actually reaching them.

So what's the catch? You have 95 characters to work with. With a 25 character headline and two 35 character description lines, you must be concise and extremely utilitarian with your ad copy.

“ **Effective marketing** requires an attuned sense of the audience you are attempting to reach. ”

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In order to meet the needs of your target audience most efficiently you will need to incorporate as many of the following elements as possible:

## 1. Qualifiers

You want to make sure that the consumers clicking on your ads are qualified customers that plan on making a purchase. The most effective way to qualify your traffic is by including price explicitly in your ad. The vast majority of purchase decisions online are made strictly based on price. Whether he/she is a ‘bargain hunter’ or a ‘luxury shopper,’ chances are your customer has a price in mind for the product or service they are searching for. Include price directly in the headline of your ad.



## 2. Call to Action

This one is simple – tell your consumer what you want them to do! Incorporate a sense of urgency or a specific sales process like: “Save Online Today!” or “Limited Time Mother’s Day Sale.”

**SAVE ONLINE TODAY!**  
CLICK HERE

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### 3. Risk Reduction

It is also important to remember that shopping online is still a relatively new phenomenon. Many of your customers are making their first purchase online, have limited experience with online shopping, and/or have never interacted with your website. Reduce any worry of risk involved in an online purchase by mentioning special shipping deals, as well as free return policies or lifetime warranties in your ad—these make customers more comfortable and encourage sales.

### 4. Credibility

Further trust by building credibility. Have you been in business 50 years? Are you recognized by any highly regarded associations? Any awards? Put anything you can in the ad that will solidify that you are a legitimate and trusted vendor.

**IN BUSINESS**  **YEARS**

### 5. Product Features

More than likely your customer already has a good idea of what your product is and what it does. If you have a particularly unique or new product, though, you'll probably need to explain some features in the ad.

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These strategies can set you apart from your competitors and allow you to dominate the market without the need for aggressive over-bidding. Google makes money every time consumers click on PPC ads. You, however, only make money if the revenue gained from ecommerce sales through PPC is higher than the total costs accumulated while getting that customer.

Be clear about what makes you special, and whatever it is, make sure the message gets through. You have 95 characters...you can't include everything in one ad. So make a few different ads that incorporate different elements and test them against each other to see what works best. Save the music, choreography, and fancy witticisms for your next TV commercial. For PPC, keep it simple, and tell to people what they need to know.

**AD 1****AD 2****AD 3**

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## The Perception of “Getting a Deal”: Making Customers Feel Good About Their Purchase

Never underestimate the power of a good deal, even if it’s just the perception of a good deal.

Everyone wants to feel like they got a deal no matter what the circumstance. Have you ever heard anyone say they got ripped off and it didn’t bother them? Didn’t think so.

A visual representation of how great a deal someone is getting can go a long ways in adding perceived value and prompting a purchase. Having strikethroughs on an original price along with the “sale price” (which is your actual price) in red, for example, naturally stands out and makes shoppers feel like they’ve already saved money by choosing to buy from you. It’s a quick and simple way to incentivize purchasing from you over someone else.



Having a combination of price competitiveness, compelling marketing, perceived deals, and a conversion friendly design that instills trust, will put you in a great position to catch attention and close a sale, all without customers second-guessing your offer.

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# Targeted Advertising: The Art of Bringing The Aisle To The Shopper

The beauty of shopping online is that we're able to instantly browse through tens of merchants selling similar products, all while sitting on our couches.

The problem this creates is our attention spans as shoppers has continued to shrink and patience runs thin when you come to an ecommerce site that is organized poorly or doesn't navigate as expected. Nobody wants to spend the same amount of time trying to find a product on your site as they would if they were walking around in a store.



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That's why you have to do everything you can to streamline the process and create targeted search campaigns that bring the aisle to the shopper. Try targeting ads by:



## PRODUCT CATEGORIES

Humans by nature will try to categorize everything into neat little pieces of information. Believe it or not, starting a successful Ecommerce business builds off this very principle. The first step is simple: create PPC campaigns based off your product category keywords and drive traffic directly to your category pages—the “aisle” they’re looking for. This saves the user time, reduces your bounce rate, and most importantly increases your conversion.



**APPAREL**



**GLASSWARE**



**UTENSILS**

Even better, if you have a campaign for each category and ad groups for each subcategory, eventually it won't be tough to pinpoint where you're making great returns and which areas you should start cutting back on to improve returns.

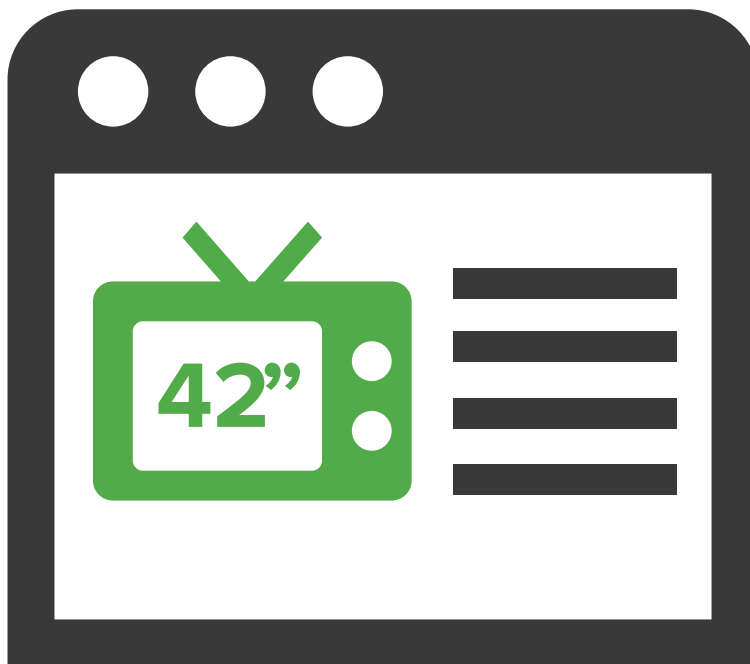
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## SORT ORDERS

When users narrow their search by including certain features or parameters, do your best to align your landing pages with their needs. Try to put yourself in the same shoes as your buyers. If you did a search for 42 inch LED TVs and you came directly to page which was already sorted to show you the right size and type of TV you want versus, say, a homepage, which one do you think has the better chance of closing a sale?



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## SPECIFIC PRODUCTS

Create ad groups for specific products you know sell well and have a decent amount of search volume. If you bid on product specific keywords and write an ad with the exact product name in the headline and a price, send the traffic directly to that product page. Sure the volume of clicks and impressions won't be nearly as high as your general terms, but those who do type in the specific keywords and click on your ad will have a much higher intent to purchase.

At this point, it should be pretty obvious how important it is to have conversion friendly product category and product page designs to supplement your account structure.

Anytime you are building campaigns that segment your paid traffic in an organized fashion, you will not only be increasing your conversion rates, but the data you gather will be much more useful and actionable. The more time you save users from having to dig through your site while creating a convenient shopping experience, the greater the likelihood your clicks will turn into sales.

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# Shopping Cart Abandonment

Ecommerce websites must take advantage of every opportunity to convert a visitor. A good portion of online sales will happen with more than one visit to the site, which means that simply optimizing the website experience may not be enough. Remarketing has become the most effective tool for maintaining contact and bringing qualified customers back to the site to purchase.

Just as certain keywords can be expected to convert at different rates, visitors who view different parts of the site will as well. When retargeting, segment site visitors. Home page visitors, category page visitors and product page visitors can be easily defined if URL's are friendly. But, shopping cart abandoners should always be the first segment targeted.



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According to a recent eMarketer study, the average shopping cart abandonment rate is over 60%. Visitors abandon carts for multiple reasons including unexpected shipping rates, poor experience or simply having not made up their mind. eMarketer's study covered some of the most popular reasons.

Relatively high abandonment rates alone shouldn't be cause for concern, as long as there's a coherent strategy in place to recapture as many of these users as possible. So, focus on:



## CONVERSION OPTIMIZATION

Should your shopping cart have multiple steps in the checkout process or one long form? Are there any particular points where more users are falling off? There are many questions that need to be answered through careful testing. Optimizing the shopping cart experience will lift conversion rates and sales from all channels without having to drive more traffic.



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## DYNAMIC REMARKETING

Shopping cart abandoners are particularly easy to market to, because they have already shown exactly what they are interested in by adding it to the cart. There are a number of providers out there who offer dynamic remarketing solutions, and Google recently released their own in beta.

These campaigns show ads specific to the products that users have viewed or added to their cart along with a name or price, and have much higher CTR's and conversion rates than their static counterparts, allowing for more aggressive exposure on paid channels. Many business owners will worry about ways of driving more traffic, when the money could be more effectively spent on converting their current traffic.

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# Diversifying Exposure: The Benefits of Effective Channel Management

In traditional marketing, much of the emphasis is placed on diversification. It's common knowledge that you shouldn't 'put all your eggs in one basket,' and the same applies here.

In the end, dedicating all of your efforts to one channel, let's say Google Ad Words, isn't going to bring you the exposure you need. Diversifying your strategy can take your paid ecommerce campaign to the next level.

Here's a look at 3 different channels available to you:

## 1. Free Shopping Engines

*Google Shopping\*, Bing Shopping, The Find*

These engines are obvious necessities for ecommerce sites. Any marketing you can do for free is worth doing! Get a sale from one of these engines and you can put that revenue directly into profits.

\*Google shopping recently changed their policies and so their 'free clicks' platform is transitioning into their PPC ads.

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## 2. Paid Shopping Engines

***Google Shopping (PLAs), PriceGrabber, Shopping.com, Shopzilla, Nextag, Pronto***

Paid shopping engines follow a similar PPC model to Google Ad Words. Most of these engines have minimum bids of upwards of \$0.50, meaning bid optimization is key. It's best to start out conservative, then gradually raise bids on products that are converting.

## 3. Marketplace

***Amazon, Sears, Rakuten, Newegg***

Marketplaces are unique in the sense that they run on a 'Commission' based payout structure. For Example, Amazon will take 8% of all revenue for apparel products, but 10% for all electronics. If the commission that the marketplace takes away makes sense with your profit margins, then you're good to go.



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So, which channel is more important? More profitable? Which should I use first? Which should I use most?

Short answer is...well, all of them.

In the long term you may notice trends that tell you which engines truly perform the best for your business, but you need to experiment with all types of engines first. The more channels you have, the more flexibility and control you'll ultimately have over your long-term profits.

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# Conclusion

PPC advertising is a tremendous acquisition channel for any e-commerce site, especially if you're selling branded products that are high-ticket items.

But in order to maximize your ROI, you must be relentlessly resourceful and data-driven. That means establishing the right business metrics, focuses on ad copy and landing pages that convert, qualifying your offer and targeting your ads so you drive cheaper clicks that drive more revenue.

Winning in the PPC space requires you to be more analytical than you competitors, so you can discover the unfound opportunities that nobody else is looking for.

The good news is that success is very achievable. There's no magic formula. All you have to do is implement strategies that we've seen work for hundreds of other e-commerce sites, with some small customization for your products and your target market.

But if you utilize the strategies we've outlined in this eBook, we're confident you will see your conversion rates and bottom line skyrocket.

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