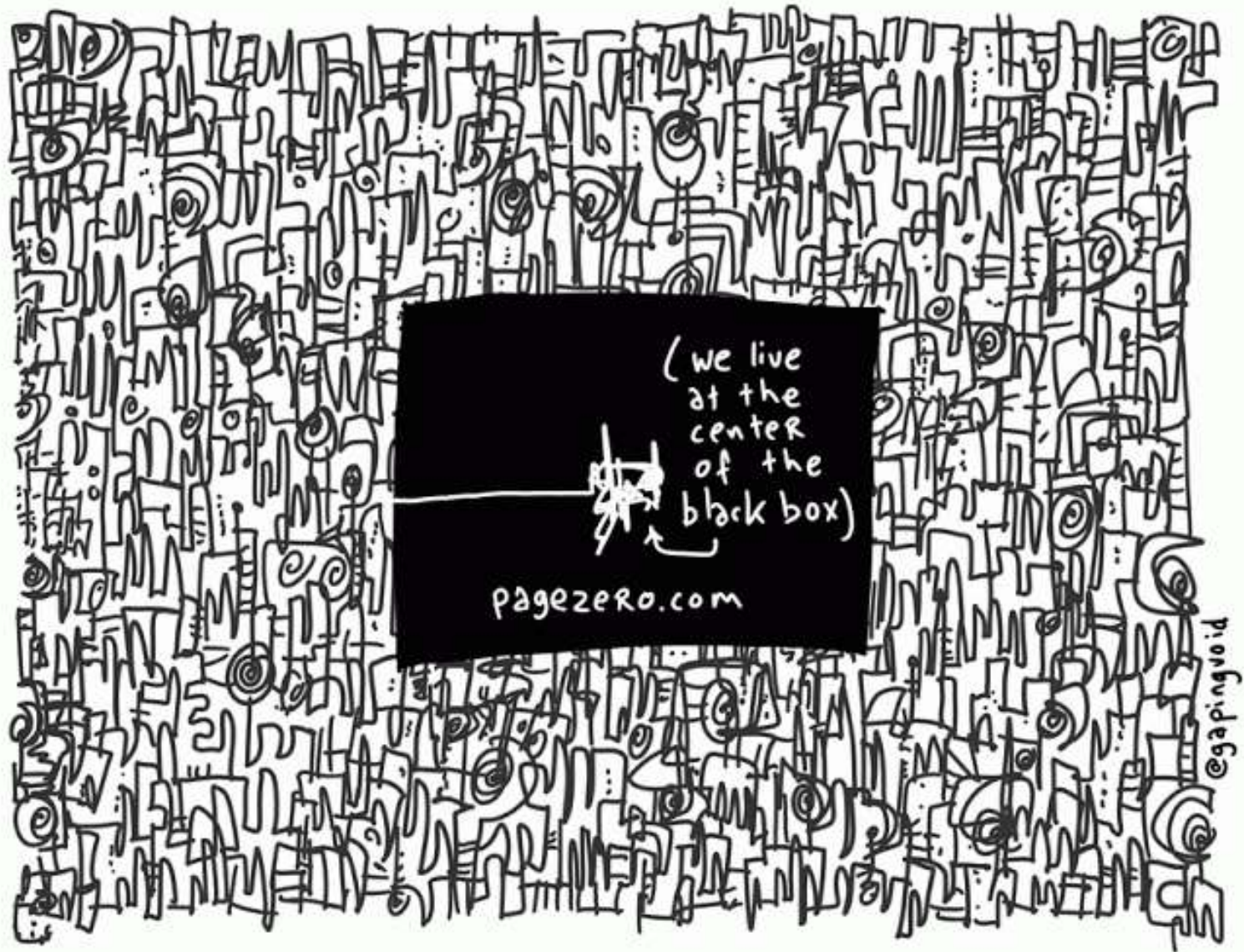


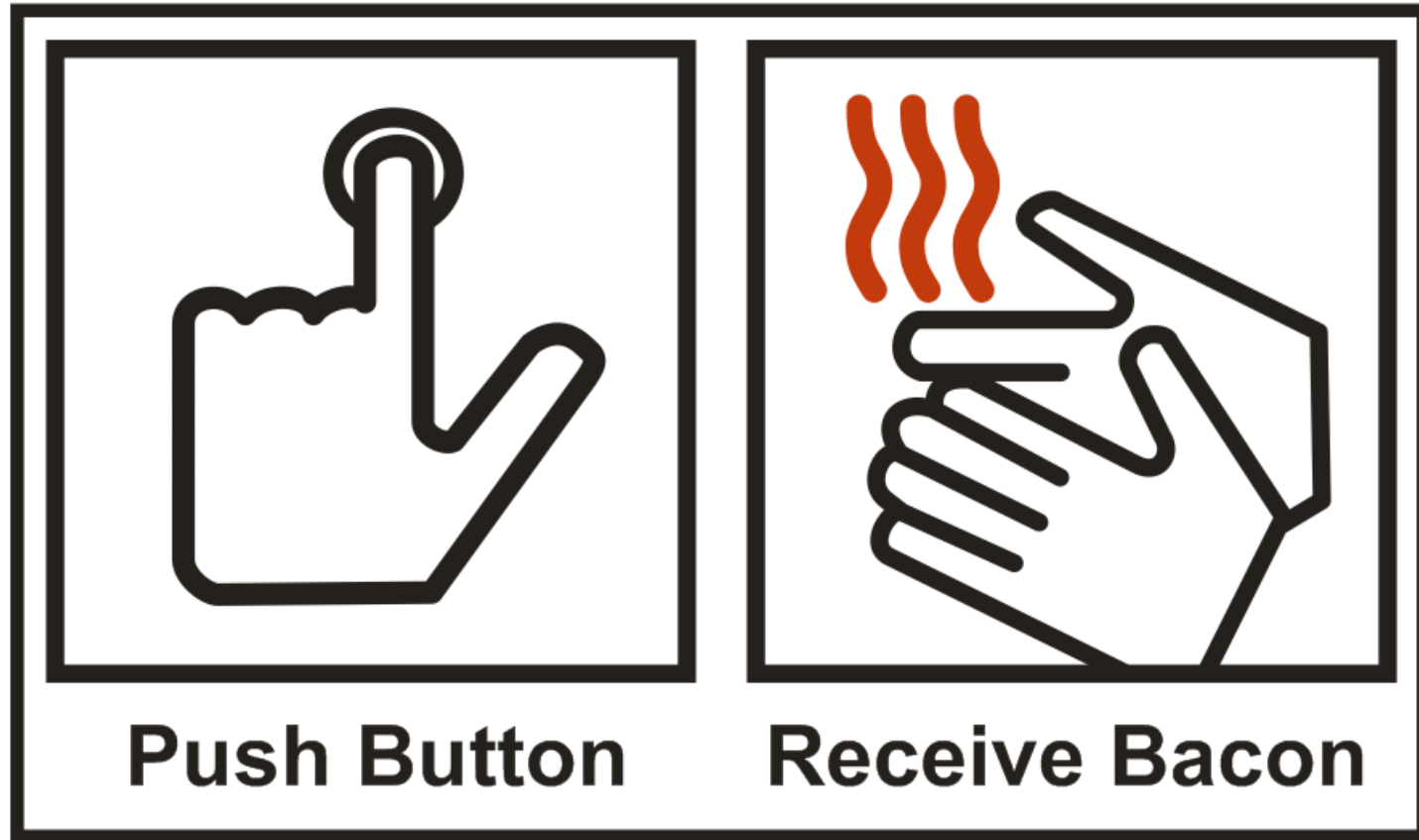
# PPC Campaign Automation

## “For the rest of us”

State of Search – Dallas  
Nov. 18, 2013  
Andrew Goodman



# How did we get here (and where is here)?



- “Stabby-Finger Steve” = account management?

# Sometimes I get scared (I admit it)



- “We don’t need this many people to watch machines make ketchup.”

# Eisenbergs: 80% of PPC Pros Redundant!?!

## PPC Pro – You’re Being Replaced

f Like 129

t Tweet 213

g+1 77

in Share 110



You're fired, laid-off, downsized, terminated, made redundant, rightsized, pursuing other opportunities, discharged, dismissed, pink-slipped. Search Engine Marketing professionals are becoming redundant, replaced by technology, so they should prepare themselves to hear those words.

**In the next 3 years, 80% of PPC professionals will be replaced by an algorithm.**

Those that won't, will be the few who already provide high value or find ways to increase their value to clients. There will simply be fewer positions and high value change. **If you are a PPC pro don't imagine yourself immune; please read on.**

# But software vendors have plenty to fear, too. 1. Consolidation. 2. Google.

## Column: Paid Search Column



### Paid Search Automation: Choosing A Vendor

Mar 9, 2009 at 12:19pm ET by [Andrew Goodman](#)



0



0



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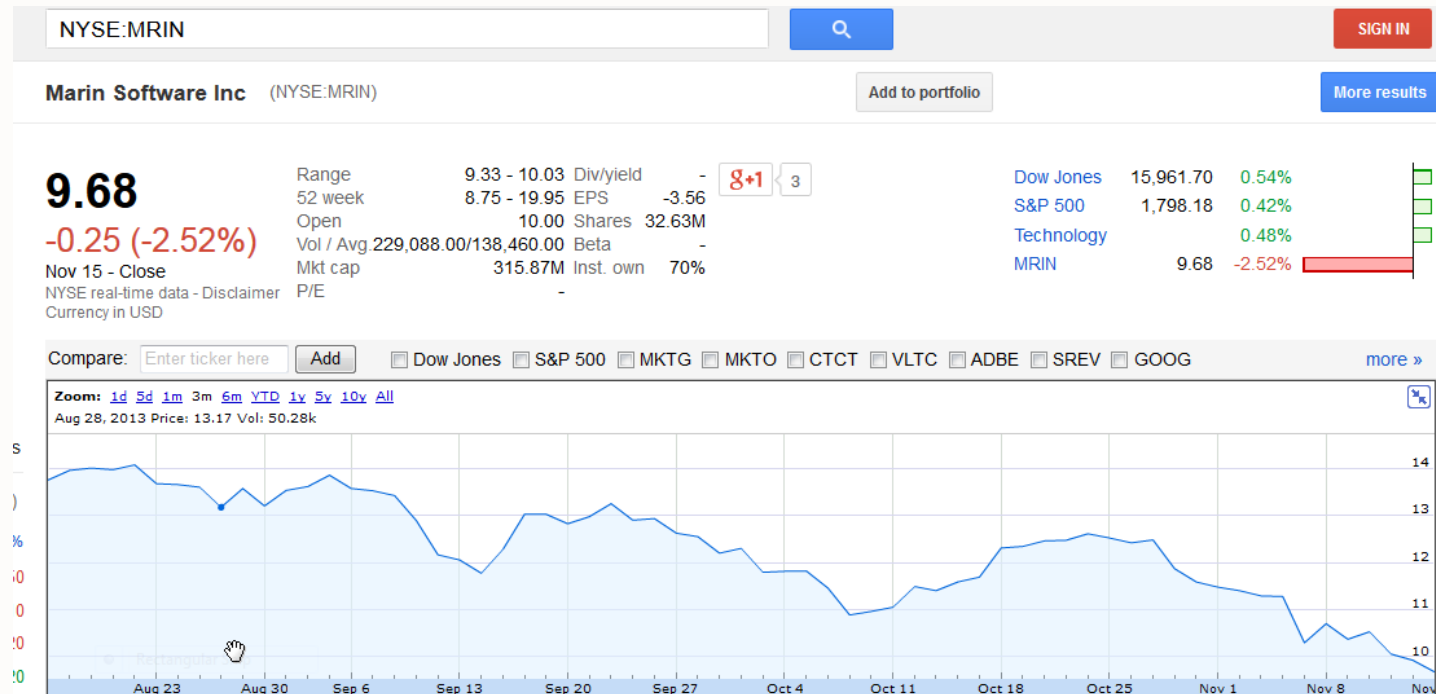


0

In the [previous two](#) columns, I covered questionable assumptions and [inconvenient truths](#) related to bid management automation in paid search. With all those reservations and concerns out of the way, if you're in the market for a solution vendor, you still have to form a relationship with one that meets your needs. Let's look at some criteria that might help you choose.

- “While not quite winner-take-all, the sector cries out for leadership.” - *Me, 4.5 years ago.*

# How are marketing automation vendors doing?



- In general, great. SaaS scales and can transform outdated practices.
- But is the tech good? And are they also de facto agencies?
- How relevant are they to your situation? In Q3 2013, Marin Software had **610 customers**, up from 502 in Q3 2012.
- Accumulated deficit: \$105 million.

# PPC bid management: “Unemotional baggage”?

- First bid management software was invented to fix a single problem: “bid gaps”.
- With a single feature change in the auction (bid discounter), such software became obsolete.
- Pain of managing “multiple PPC engines” gave way to a “Google first” world
- These third party solutions were often byzantine and proprietary; best *they* run it for you. Now you’ve picked them as your agency.

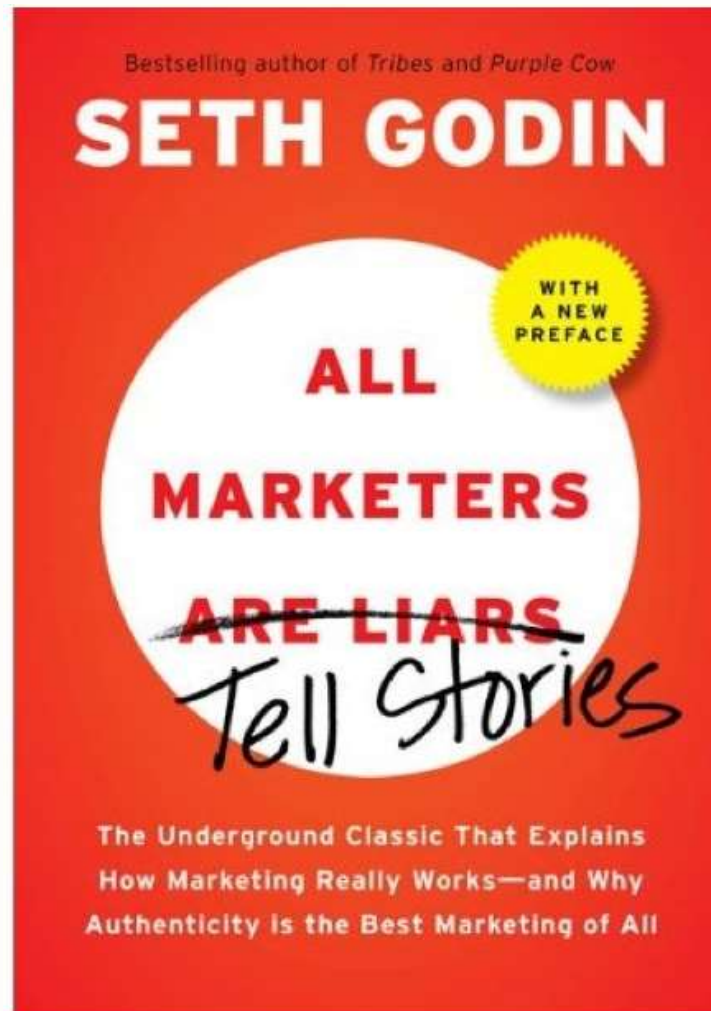




But for the most part, for most of us,  
more automation is long overdue.  
(Me talking to myself:)

- I am lazy?
- I am "smart"
- I am impetuous & driven by peer pressure
- Clients are impatient
- I am hard-working (just the flip-side to "lazy"?)
- I am susceptible to cognitive load and ego depletion
- I am susceptible to the narrative fallacy, hindsight bias, etc. etc. etc.
- As smart as I am... I am not fully RATIONAL

# The “storyteller’s paradox”



# Narratives contaminate computation

- ANTI-NARRATIVE: Human tendency to err by fabricating stories about everything we see.
  - Nonperforming segments are “naughty”: we overreact (pause, spend less, etc.)
  - Morality: click “fraud” vs. well-priced clicks / market
  - Past performance is just that: past. Is it the best predictor?
  - Vanity: Getting too caught up in hoping one’s ad creative is the best
  - Action for its own sake, because you are the hero in all of your narratives: “dayparting will fix it!” (Sometimes, it will. Prove it.)

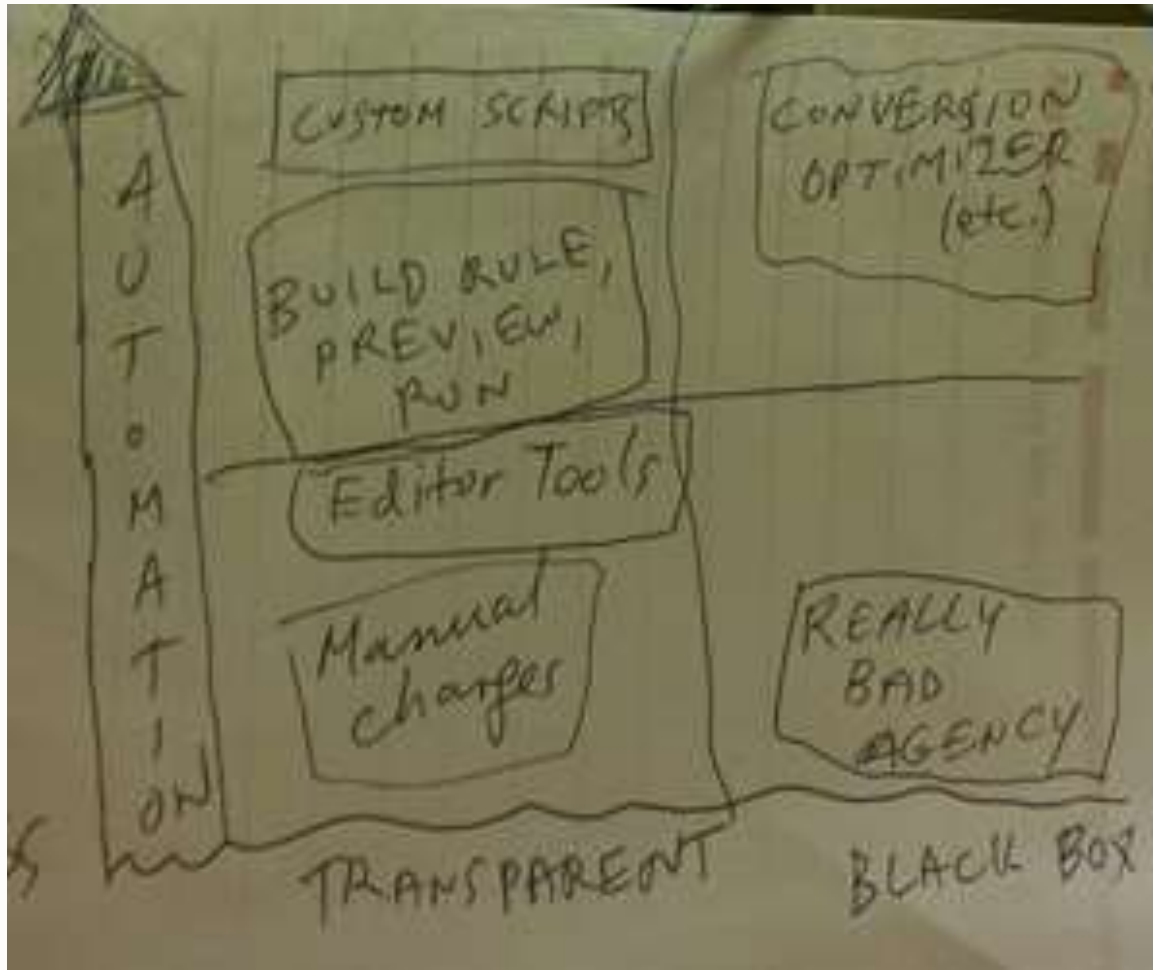
# Complexity has increased. Has your level of innovation?

- Proliferation of new account settings
- Murky automation options: "enhanced" CPC?
- Match type evolution
- Enhanced campaigns
- Improved attribution / shifting attribution
- Improved Google Analytics overall
- Improved machine learning (keyword queries)
- Quality Score
- Are you data-driven enough?
- Do you use the appropriate workflow to the task?
- Do you make your own rules?

# Be the Michelangelo of Rules



# How automated and how transparent?



# Workflow?

- Generating big GA reports, pondering them, making appropriate changes: valuable but slow
- Eyeballing segments and fixing obvious problems: surprisingly effective, but highly unscientific
- Rebidding 1,000's of keywords as seasons or auction conditions change: unsustainable
- Consider and build rules, then act "in bulk" on rules.
  - In AdWords, 2 methods
  - Third party tools
  - Not counting black box tools (inside & outside AdWords)

# OK, so let's start with the t-shirt people. Let's make some rules.

If **Avg. Pos.** > 3.8  
And **Conv.** >= 1  
And **AdWords ROAS** > 180 %  
And **Clicks** < 150

Then **Increase Bid by 20 %**

Changes would apply to 272 matches

Resulting bid changes preview [Export to excel](#)

[Add/Remove Columns](#)

Pages:

count to access its reports

Clicks	Impr.	Cost	Avg. Pos.	Conv.	CTR	Avg. CPC	Cost/Conv.	Conv. Rate	Freq
15	1,352	\$5.85	4.75	2	1.11 %	\$0.38	\$2.92	13.33 %	0.00
85	7,205	\$40.49	5.00	3	1.18 %	\$0.47	\$13.49	3.53 %	0.00
19	485	\$10.43	4.04	2	3.92 %	\$0.54	\$5.21	10.53 %	0.00
14	994	\$2.87	4.26	2	1.41 %	\$0.20	\$1.43	14.29 %	0.00
17	3,188	\$13.36	4.52	1	0.53 %	\$0.78	\$13.36	5.88 %	0.00
65	5,314	\$12.80	4.14	2	1.22 %	\$0.19	\$6.40	3.08 %	0.00
23	1,794	\$26.57	7.17	1	1.28 %	\$1.15	\$26.57	4.35 %	0.00
7	820	\$3.60	4.62	1	0.85 %	\$0.51	\$3.60	14.29 %	0.00
2	153	\$0.43	5.82	2	1.31 %	\$0.21	\$0.21	100.00 %	0.00
10	701	\$7.17	6.01	1	1.43 %	\$0.71	\$7.17	10.00 %	0.00



# Wait a minute... doesn't AdWords now have an "Automate" button?

Create rule: **Send email for ad groups**

Automated rules can save you time by operating across your account based on criteria you specify. [Learn how to create rules](#), and s  
Rules aren't guaranteed to run in some cases, so we recommend regularly monitoring the rules you set up. [Learn more](#)

Apply to <sup>?</sup> All but deleted ad groups in all campaigns ▼

Automatic action **Send email for ad groups**

Requirements <sup>?</sup>

Cost ▼ > ▼ \$ 30 ✕

Conv. value / cost ▼ < ▼ 1.7 ✕

[+ Add another](#)

Frequency <sup>?</sup> Weekly ▼ Tuesday ▼ 07 AM ▼ using data from Last 60 days ▼ <sup>?</sup>  
(GMT-08:00) Pacific Time  
day of week hour

Note that a rule can start running at any time within the hour you select.

---

Rule name Send email for ad groups

---

[Preview results](#) Previewing is recommended before saving

[Save](#) [Cancel](#)

# Using AdWords filters to bid... and more (why & how)

The screenshot displays the Google AdWords interface. At the top, a yellow filter bar contains the following criteria: "Conversions (1-per-click) >= 2, Conversions (1-per-click) <= 89, Avg. position worse than 2.5, Match type: Exact,Phrase, Cost / conv. (1-per-click) < 9.76". Below the filter bar, a dropdown menu is open, showing options: "Enable", "Pause", "Delete", "Change max. CPC bids...", "Change keyword text...", "Change match type...", "Change destination URL...", "Copy to...", "Spreadsheet edit", and "Recent bulk edits". The "Spreadsheet edit" option is highlighted. Below the menu, a line chart shows performance metrics over time, with a blue line for clicks and an orange line for cost. The x-axis ranges from Jul 1, 2012 to Feb 18, 2013. Below the chart, a table lists keywords and their performance metrics.

Keyword	Campaign	Ad group	Status	Max. CPC	+Clicks	Impr.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (1-per-click)	Cost / conv. (1-per-click)	Conv. rate (1-per-click)	View-through Conv.	Qual. score
Total - all account					2,612,310	218,401,911	1.20%	\$0.88	\$2,307,494.31	3.1	144,913	\$15.91	5.56%	183	--
"bosch parts"	Campaign #6 - Bosch	Bosch Parts	Eligible	\$0.62	631	13,296	4.75%	\$0.57	\$360.32	3.4	37	\$9.74	5.86%	0	7/10

# Filter #1: “Quality Score as Wise Tea Leaves”

- Clicks > 4
- Sort campaign in order of Quality Score – low to high
- Pause duds
- Or bid up, down, or no change, based on:
  - Judgment of likely commercial intent or “bleeder”
  - Assumption that Quality Score is currently wrong
  - Wish to increase impressions to “give keyword a fair shot”
  - Wish to decrease impressions to avoid saddling the account with a poor QS history

# Filter #2: Scapegoating Broad Match!

Ad groups Settings Ads Keywords Audiences Ad extensions

All but deleted keywords Segment Filter Columns

**Filter**

Match type  Exact  Phrase  Broad Remove

Cost > \$ 26 Remove

Conv. value / cost < 2.0 Remove

+ Add another  Save filter

Apply Close

Cost / conv. (1-per-click) vs Conv. (1-per-click)

Week	Cost / conv. (1-per-click)	Conv. (1-per-click)
Week of Nov 1, 2011	\$100.00	\$0.00
Week of Nov 8, 2011	\$60.00	\$100.00
Week of Nov 15, 2011	\$60.00	\$80.00
Week of Nov 22, 2011	\$60.00	\$60.00
Week of Nov 29, 2011	\$100.00	\$20.00
Week of Dec 6, 2011	\$60.00	\$20.00
Week of Dec 13, 2011	\$60.00	\$20.00
Week of Dec 20, 2011	\$40.00	\$10.00
Week of Dec 27, 2011	\$60.00	\$10.00
Week of Jan 3, 2012	\$40.00	\$10.00

Change max. CPC bids (165 keywords selected)

Action Decrease max. CPC bids by 5 %  Lower bid limit

Make changes Preview changes Cancel

<input checked="" type="checkbox"/>	<input type="checkbox"/>	Keyword	Ad group	Status ?
-------------------------------------	--------------------------	---------	----------	----------

# Filter #3: Keyword intent myth-buster

Ad groups Settings Ads Keywords Audiences Ad extensions Dimensions

All but deleted keywords Segment Filter Columns

Filter

Keyword text contains trip

Keyword text contains trips

Keyword	Ad group	Status	Max. CPC	Clicks	Impr.	CTR	Avg. CPC	Cost	Avg. Pos.	Conv. (1-per-click)	Cost / conv. (1-per-click)	Conv. rate (1-per-click)
Total - all campaign				239,373	18,710,071	1.28%	\$1.03	\$247,334.81	3.1	4,834	\$51.17	2.02%
Total - all filtered keywords				50,142	1,655,978	3.03%	\$1.24	\$61,939.09	6.4	1,112	\$55.70	2.22%
Total - Search				222,991	8,234,544	2.71%	\$1.08	\$241,522.85	3.9	4,760	\$50.74	2.13%
Total - Display Network				16,382	10,475,527	0.16%	\$0.35	\$5,811.96	2.5	74	\$78.54	0.45%
Total - all campaign				239,373	18,710,071	1.28%	\$1.03	\$247,334.81	3.1	4,834	\$51.17	2.02%

# Filter #3A: Check SQR by theme

<input type="checkbox"/>	Search term	Match type <sup>?</sup>	Added/Excluded <sup>?</sup>	Ad group	↓ Clicks <sup>?</sup>	Impr. <sup>?</sup>	CTR <sup>?</sup>	Avg. CPC <sup>?</sup>	Cost <sup>?</sup>	Avg. Pos. <sup>?</sup>	Conv. (1-per-click) <sup>?</sup>	Cost/conv. (1-per-click) <sup>?</sup>	Conv. rate (1-per-click) <sup>?</sup>	View-through conv. <sup>?</sup>
					0	0	0.00%	\$0.00	\$0.00	0.0	0	\$0.00	0.00%	0
<input type="checkbox"/>	what is dried sage	Phrase match	None	DSA 1	1	1	100.00%	\$0.42	\$0.42	1.0	0	\$0.00	0.00%	0
<input type="checkbox"/>	what is the epa and dha ratio of organic raw coconut oil	Phrase match	None	DSA 1	1	2	50.00%	\$0.43	\$0.43	3.0	0	\$0.00	0.00%	0
Total - all filtered search terms					692	2,975	23.26%	\$0.36	\$245.93	2.0	5	\$49.09	0.72%	0
Total					0	0	0.00%	\$0.00	\$0.00	0.0	0	\$0.00	0.00%	0

Go to page:  Show rows:

# Filter #4: Breathe life into sleepy keywords

	All but deleted keywords	Segment	Filter	Columns														
	Filter																	
digital photo prints online	Main Campaign	Photo Printing	Eligible	CA\$1.72	115	6,885	1.67%	CA\$1.32	CA\$151.54	4.1	3	CA\$50.51	2.61%	3/10	119.8	0.8	0	0.00
buy photo prints	Main Campaign	Photo Printing	Eligible	CA\$1.55	111	9,150	1.21%	CA\$1.49	CA\$165.72	4.9	2	CA\$82.86	1.80%	6/10	103.2	0.6	1	1.00
acrylic printing	Main Campaign	Acrylic	Eligible	CA\$0.88	111	8,202	1.35%	CA\$0.70	CA\$77.29	4.8	2	CA\$38.64	1.80%	6/10	328.2	4.2	0	0.00
online photo printing services	Main Campaign	Photo Printing	Eligible	CA\$1.51	108	6,252	1.73%	CA\$1.25	CA\$134.82	5.0	4	CA\$33.70	3.70%	6/10	110.0	0.8	1	0.67
photo printing	Main Campaign	Photo Printing	Eligible	CA\$2.07	99	11,191	0.88%	CA\$1.42	CA\$140.60	4.7	3	CA\$46.87	3.03%	6/10	1,045.9	7.4	2	0.67

- Jackpot! 82 keywords found... drifted "off radar"
- Big enough to move the needle, small enough to decide on one by one
- Over 60 of these needed to be bumped up

# Filter #5: Poor Engagement Long Tail: avg. visit less than 15 secs.

▼ Filter

Avg. visit duration (seconds) ▼	< ▼	<input type="text" value="15"/>	×
Clicks ▼	>= ▼	<input type="text" value="5"/>	×
Clicks ▼	<= ▼	<input type="text" value="30"/>	×

+ Add another

Save filter [?](#)



# Custom alerts sunsetted; instead, accomplish same using Automate

## Create rule: **Send email for campaigns**

Automated rules can save you time by operating across your account based on criteria you specify. [Learn](#)

Rules aren't guaranteed to run in some cases, so we recommend regularly monitoring the rules you set up. [Learn more](#)

Apply to <sup>?</sup>

All enabled campaigns ▾

Automatic action **Send email for campaigns**

Requirements <sup>?</sup>

Impressions ▾

= ▾

0

×

[+ Add another](#)

Frequency <sup>?</sup>

(GMT-05:00) Eastern Time

Daily ▾

12 PM ▾

hour

using data from

Previous day ▾

<sup>?</sup>

Note that a rule can start running at any time within the hour you select.

Rule name

Alert for Zero Impressions


[Preview results](#)

Previewing is recommended before saving

Save

Cancel

# Which KPI? When is test won?



[Who We Are](#)
[What We Do](#)
[Case Studies](#)
[Services](#)
[Resources](#)
[Contact Us](#)

Conversion Seminar

+ New ad

● Ad

|| [Hemp Seeds \(for Rate Unbeatable Quality Super Fast Delivery\) Nuts.com/Hemp](#)

● [Get Hemp Seeds Eat 'em Raw or Great Volume Delivery](#) Significance


|| [Hemp Seeds by Unbeatable Quality Super Fast Delivery Nuts.com/Hemp](#)

0  
Like  
2  
+1  
2  
Tweet  
1  
Share

### A/B/n Split Test Significance Calculator

Calculate if your optimization test results are statistically accurate.

A split test must reach a minimum of 95% statistical accuracy to be reliable. That way you know the winning test variation is not simply outperforming the other variations due to luck or accident. Just enter your data into the calculator below to determine the statistical accuracy of your split tests.



	# Visitors	Conversions
Control	<input type="text" value="3541"/>	<input type="text" value="107"/>
Treatment 1	<input type="text" value="1568"/>	<input type="text" value="82"/>
Treatment 2	<input type="text" value="1100"/>	<input type="text" value="44"/>

+ Add a Treatment

Calculate my Test Statistical Significance

The winning variation is **treatment 1** at a **99.98%** confidence level.

You need 95% or more to trust the test results.

Avg. PC <small>?</small>	↓ Total conv. value <small>?</small>	Conv. value / cost <small>?</small>
\$0.46	4,819.4	3
\$0.49	3,529	4.6
\$0.41	1,787.9	3.9

# Machine learning to “hack” display auction tendencies, and to target better than Google

adMetrica works with granular grid of campaigns, ad groups, & placements, with rapid testing & iteration

The image shows a screenshot of a website with a sidebar on the left and a main content area on the right. The sidebar is titled "Plexusworld" and "MORE INNOVATION". It lists several job openings with links and brief descriptions:

- 4BR Rent To Own Home \$379**  
www.FindRentToOwn.com/Rent-to-O...  
Bad Credit OK w/ Rent To Own Homes.  
Instant Access. No Money Down!
- Rent To Own Homes \$355/mo**  
www.GoRentToOwn.com  
Bad Credit OK. \$0 Down. View Now.  
Instant Access To Rent To Own Homes
- Work at Home Jobs (2013)**  
weeklymarks.com  
\$47/hr Part-Time Job Openings  
Requirements: Must Have Computer.
- Airport Jobs \$18-\$30/Hr**  
thecareerhop.com/airport-jobs-apply  
4 Positions Are Avail. \$18-\$30/hr. No  
Experience Needed. Apply Today!
- Target (Hiring)**  
Target.Jobs.MyJobHelper.com  
Earn \$18-\$25 per hour. No Experience  
Required.
- San Jose Homes for Sale**  
www.realtorch.com  
See all Available Homes - updated every  
15 minutes
- Free HUD Foreclosure List**  
CurrentBankForeclosures.com  
32,000 HUD Listings Search Foreclosure  
Listings Free

The main content area has a navigation bar with "ABOUT" and "COUNTRY". Below it is a large yellow highlighted advertisement with three buttons:

- LISTEN NOW** (with a green play button icon)
- + FULL VERSION** (with a plus sign icon)
- SIGN UP FREE TRIAL** (with a right arrow icon)

Below the ad, there is a section titled "Archive for Nevada" and a main heading "TIPS FOR FIRST-TIMERS TO LAS VEGAS". The date is "APRIL 15, 2013 | NEVADA, TRAVEL & TOURISM | COMMENTS OFF". The text below the heading is partially visible and appears to be a list of search terms related to Las Vegas travel and hotels.

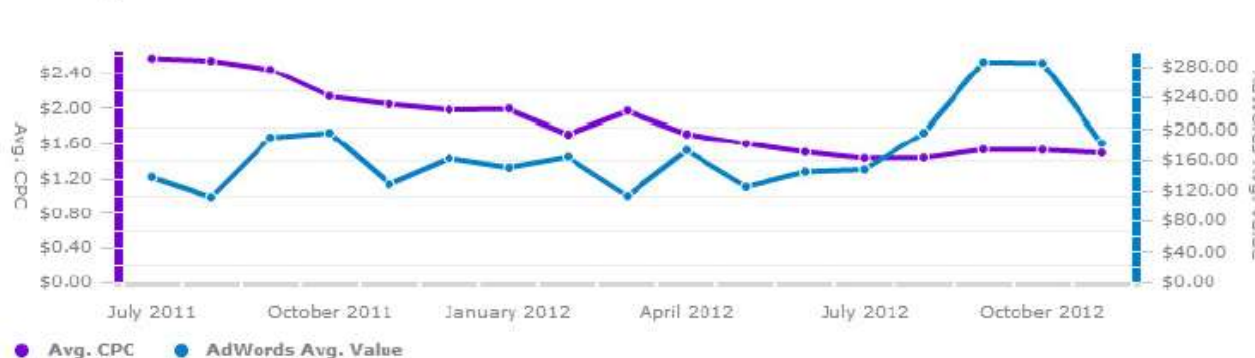
# Save time reporting? SaaS Drives Profitable Business Models in Most Professions Today (Mktg Agencies Included)

page zero media

Posterjack - Monthly Report

Posterjack > Main Campaign > Main Campaign (AdWords)

Date range : 01/07/2011 - 30/11/2012



## CPC and Avg. Value Trend - Canvas

We continue to fight for more reasonable CPC's in this vertical, reaching \$1.50 in November.

On a separate issue, average order sizes fell back from previous highs, but are still robust. The decline was no doubt tied to strategies intended to generate higher volumes: promotions and discounts.

# The black box makes you fragile?

## The case against Conversion Optimizer

- After removing CPA bidding (Conversion Optimizer), note how many ad positions are 1.1 or 1.0...
- Only you're "biased" in favor of *you winning*
- Check SQR. Note extent to which CPA bidding achieves its goals by cannibalizing across ad groups & campaigns, "borrowing" conversion from brand kw's.
- This type of bidding scheme helps more if you have very weak campaign organization, or are particularly lazy.
- Sadly, it trains you not to look inside the box.

# Special topic: labels vs. campaigns

- How to handle seasonality?
  - Constantly “chase” bids, rebidding based on recent behavior. Is this the best way to do it?
  - That might work well in conjunction with “labels” as you can include labels in filters and automation and will be included in a future release of the AdWords API
  - Bid proactively based on known seasonality
- Proactive bid factors could be achieved using either the ad scheduler or the “country” or “region” factors in Enhanced campaigns
- These are set at the campaign level
- Does poor campaign structure hinder seasonal strategy?

# The long tail of international customers: geobidding to 100+ countries

Custom: Jul 1, 2013 - Nov 16, 2013 ▼  
Compare to: Jul 1, 2012 - Nov 16, 2012

Avg. CPC	Conv. (1/click)	Cost/conv. (1/click)	Cost
<b>\$1.03</b> (- 11.20%)	<b>4,176</b> (+ 14.20%)	<b>\$49.44</b> (- 12.10%)	<b>\$206,477.22</b> (+ 0.40%)
<b>\$1.16</b>	<b>3,656</b>	<b>\$56.24</b>	<b>\$205,618.74</b>

<input type="checkbox"/>	Ireland	- 31%	1,010	12,888	7.84%	\$1.09	\$1,105.07	2.4	23	\$48.05
<input type="checkbox"/>	Argentina	- 35%	843	10,673	7.90%	\$0.55	\$463.99	2.8	8	\$58.00
<input type="checkbox"/>	Georgia, United States	- 8%	704	23,623	2.98%	\$1.59	\$1,118.89	3.3	18	\$62.16
<input type="checkbox"/>	Spain	- 35%	676	18,225	3.71%	\$0.65	\$440.97	3.9	8	\$55.12
<input type="checkbox"/>	France	- 39%	621	37,144	1.67%	\$0.84	\$522.51	5.1	6	\$87.08

International sales have risen from 35% to 42.5% in the past year; formerly a loss, now a profit center.

# Never-ending evolution in automation: what about geo-seasonality?

- Manual bid factor adjustments are OK for now for mobile and geo segments
- At some point we'll need help (automation)
- This shouldn't just be for "high end" advertisers
- Example: travel client
  - UK is strong in most campaigns
  - Then performance falls apart
  - Same goes for Australia – want to take certain trips during their winter but not their summer
- There is constant flux in behavior, and it goes beyond just keywords...



There's lots of stuff to worry about.  
Obsolescence, risk, Google... bosses...  
competitors... scared yet?

