Pay-Per-Click Advertising: What Is PPC & How Does It Work?

If you have ever noticed the advertisements that appear alongside search results on Google and other search engines or come across an adverts on a webpage you are already familiar with pay-per-click, or <u>PPC advertising</u>.

What Is Pay-Per-Click Advertising?

PPC is an online advertising model in which advertisers pay each time a user clicks on one of their online ads.

There are different types of PPC ads, but one of the most common types is the paid search ad. These ads appear when people search for things online using a search engine like Google – especially when they are performing commercial searches, meaning that they're looking for something to buy. This could be anything from a mobile search (someone looking for "pizza near me" on their phone) to a local service search (someone looking for a dentist or a plumber in their area) to someone shopping for a gift ("Mother's Day flowers") or a highend item like enterprise software. All of these searches trigger pay-per-click ads.

In pay-per-click advertising, businesses running ads are only charged when a user actually clicks on their ad, hence the name "pay-per-click."

Other forms of PPC advertising include display advertising and retarketing.

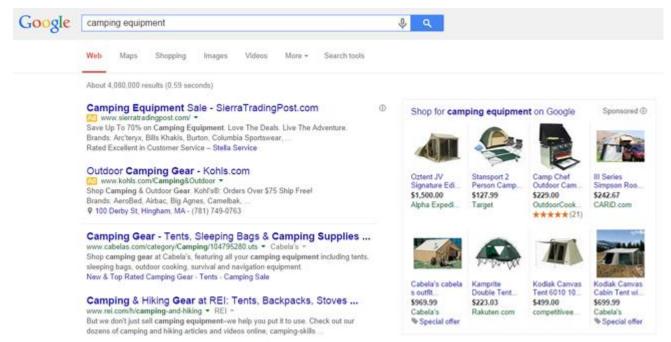
How Does Pay-Per-Click Advertising Work?

In order for ads to appear alongside the results on a search engine (commonly referred to as a Search Engine Results Page, or SERP), advertisers cannot simply pay more to ensure that their ads appear more prominently than their competitor's ads. Instead, ads are subject to what is known as the Ad Auction, an entirely automated process that Google and other major search engines use to determine the relevance and validity of advertisements that appear on their SERPs.

How Keywords Work in Pay-Per-Click Advertising

As its name implies, the <u>Ad Auction</u> is a bidding system. This means that advertisers must bid on the terms they want to "trigger," or display, their ads. These terms are known as keywords.

Say, for example, that your business specializes in camping equipment. A user wanting to purchase a new tent, sleeping bag, or portable stove might enter the keyword "camping equipment" into a search engine to find retailers offering these items.



At the moment the user submits their search query, the search engine performs the complex algorithmic calculations that the Ad Auction is based upon. This determines which ads are displayed, in which order, and by which advertiser.

Since you have to pay for each click on your ads, it's imperative to only bid on keywords that are relevant to your business, so you can be sure to get ROI from your ad spend. A <u>keyword tool</u> can helps you find the right keywords to bid on that are both likely to drive sales or conversions, and are not prohibitively expensive.

Actionable Insight into Your Pay-Per-Click Advertising Campaigns

Although the basics of pay-per-click advertising are simple, managing a successful paid search account can be anything but. Many advertisers simply cannot devote the time and effort required to stay abreast of developments to <u>Google AdWords</u> and Bing Ads, and many are missing valuable opportunities to grow their business through PPC.

Awogor Digitals Enterprise can help.

We can provide insight into actionable data, including:

- Keywords, including top-performing search terms
- Negative keywords that can save you money
- Conversions
- Ad performance information
- Bid optimization suggestions