Tech -Talk is an online newsletter that is circulated by Blue Sky Net to our network of contacts throughout our service delivery region. People, events, and ideas discussed in "Tech -Talk, will all revolve around improving technology and E-Commerce practices.



# **Resources for Businesses**

Friday September 20th, 2013

## Pay Per Click Advertising

Pay-per-click advertising (PPC) is a marketing technique that has become quite popular in the last decade or so. The concept is simple; you pay a search engine to place your ad at the top of result listings for certain search words or phrases, and then you are charged a certain predetermined amount on a "per-click" basis. That is comparable to renting a billboard except you only pay when a customer, who saw the billboard, comes into your store. So as an example, a restaurant could pay Google or Yahoo to appear at the top of the search listings for anybody who searched specific keywords such as "place to eat", "restaurant", and/or "home cooked meal". That restaurant would only pay for any person who actually clicks on their ad.

Paid listings appear above the organic listings in search engine results such as Google, Bing, and Yahoo. Some companies spend thousands on search engine optimization efforts to have their organic listing show up just BELOW the paid listings. The organic listings are the free listings for search results, and are ranked in order of relevancy based on the search. Up until recently many consumers would skip over the paid ads, and select one of the top organic ads listed. As the search engine companies have began to blend the paid ads to look more like the organic ads, this trend is beginning to diminish. This is adding to the value of paid ads, as they are now being clicked on more frequently.

The PPC marketing technique combined with effective web traffic analysis can lead to huge returns on advertising dollars for some businesses. By analyzing web traffic to your website effectively, you can figure out a few important details about your business that will help you make more educated pay-per-click investment decisions. The trick with pay-per-click advertising, is that you need to decide upfront the maximum amount you are willing to pay, or how many clicks you are purchasing. Before making that decision you are going to want to know some details about your business. That is where we turn to a website traffic analysis.

An analysis of traffic on your website can help you determine your online conversion rate. Your online conversion rate is the rate at which you are able to convert visitors to your site into sales. If you look at your past performance and determine that you convert at a 10% rate, you now know that for every ten clicks you receive, you should generate one additional sale. You still have to pay for all ten clicks, so that is why knowing your conversion rate is important to ensure the cost of those ten clicks isn't higher than the amount of profit you are going to receive from that one additional sale generated. Web traffic analysis can also help a business discover which portions of their website might be performing well. By knowing which pages on your website perform well, you can direct more traffic to that page on your website, which should increase your conversion rate. Meanwhile, if the analysis reveals that a certain portion of the website is performing poorly and dropping your conversion rate, you can take appropriate actions to improve this section, or remove it completely.

For a more detailed description of pay-per-click budgeting, check out this <u>article</u> from the search engine people.

### Free Online Resources

Watch this <u>youtube video</u> for a visual explanation of pay-perclick advertising.



Pay Per Click - In Simple English

#### **BEAM Recipient of the Month**



## Upcoming Volumes of Tech -Talk

The topics for the next issues of Tech -Talk will be listed here. Make sure to look here for upcoming topics that might be of help to you and your business. Also feel free to <u>contact us</u> to suggest future ideas you would like to see discussed. The people at PracticalEcommerce have assembled this list of 24 pay-per-click tools, that are available to you to help you develop your pay-per-click strategy.

These are all applications that will help you in some way with your pay-per-click campaign.



Learn, in this <u>news article</u> by Michelle Brown with Zag Interactive, how pay-per-click marketing can be in the best interest for some organizations, depending on various factors including; industry competition, geography, and keyword popularity.

The "Resources for Businesses" section of our website @ <u>http://www.blueskynet.ca/for-businesse</u>s is a great place to find free materials such as E-Books and articles to get information on important business topics. Also, don't forget to browse the rest of our website for more information on Blue Sky Net's current projects, including BAIMAP (Broadband & Associated Infrastructure Mapping & Analysis Project), BEAM (Broadband for E-Business And Marketing), or our Municipal GIS partnership project.

#### 10/17/2013

Managing your Online Reputation

#### 11/21/2013

Website Analytics - Learn how to harness the power of this incredible tool.



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