

6 Ways to Outsmart Your Competition in AdWords

Introduction

Outsmarting your competition in AdWords is a daunting task.

It requires you to go beyond more common optimisation strategies and look at new ways of improving your campaigns. In this white paper we look at 6 potential opportunities for you to improve your search marketing performance and get ahead of your competition.

0

Using Google Analytics for better AdWords geographic targeting

Where should you be targeting your advertising? Google puts it eloquently in their campaign tips saying: "By advertising to the right customers, you can hopefully increase your return on investment (ROI)." Finding the right customers is the tricky part.

Selecting your initial location settings is usually determined by two things: your ability to service specific locations; and your campaign objectives. This does not mean that once it is set up you should forget about it. You should improve your location targeting over time by reviewing the campaign performance for each location.

AdWords supplies a great performance report for the different geographic locations your ads show in. It's easy to find under the "Dimensions" tab and selecting the "Geographic" view. Here is an example:

Country/Territory	Region	City	Most specific location 7	Clicks [?]	Impr.[?]	CTR [<u>*</u>]	Avg. CPC	Cost [?]	Avg. Pos.	Converted 4 clicks [?]	Cost / converted click ?	Click conversion rate 2
United Arab Emirates	Dubai	Dubai	Dubai	2,372	50,728	4.68%	\$1.31	\$3,109.09	2.4	68	\$45.54	2.889
United Kingdom	England	London	London	739	40,622	1.82%	\$1.21	\$896.13	4.3	27	\$33.11	3.669
Brazil	State of Sao Paulo	Sao Paulo	Sao Paulo	759	33,982	2.23%	\$0.67	\$505.03	2.1	10	\$50.47	1.32%
Hong Kong	Unspecified	Unspecified	Hong Kong	528	16,541	3.19%	\$1.02	\$539.18	2.5	10	\$53.92	1.895
United States	New York	New York	New York	120	4,021	2.98%	\$1.14	\$137.31	2.9	7	\$19.47	5.88%
Mexico	Federal District	Unspecified	Cuauhtemoc	308	7,652	4.03%	\$0.63	\$193.99	1.5	6	\$31.93	1.959
United Arab Emirates	Abu Dhabi	Abu Dhabi	Abu Dhabi	561	12,400	4.52%	\$1.21	\$681.41	2.4	6	\$113.30	1.079
Australia	New South Wales	Sydney	Sydney	349	14,521	2.40%	\$1.25	\$437.43	3.6	5	\$87.49	1.439
Italy	Lazio	Rome	Rome	467	17,878	2.61%	\$0.95	\$444.43	2.2	5	\$88.89	1.079
Australia	New South Wales	Sydney	Sydney CBD	496	12,892	3.85%	\$1.06	\$524.90	3.2	4	\$131.22	0.819
Australia	Victoria	Melbourne	Melbourne	278	16,365	1.70%	\$1.28	\$354.55	3.6	4	\$88.64	1.449
Belgium	East Flanders	Ghent	Ghent	151	3,106	4.86%	\$0.86	\$129.80	2.2	4	\$32.17	2.679
Italy	Lombardy	Milan	Milan	616	21.005	2.93%	\$1.02	\$625.94	2.2	4	\$156.48	0.651

Campaigns Ad groups Settings Ads Keywords Audiences Ad extensions Dimensions Display Network 🔻

View: Geographic + Fitter + Columns + & View Change History



This report is a great place to start when optimising your campaigns. You can easily see which locations have the best conversion rates and which locations are costing you the most per conversion.

In this example, traffic from London has a high conversion rate but the ads have a poor average position. In this case you could consider adding a location bid modifier to try to improve the ad position and increase the volume of clicks for London.

To outsmart your competitors though you need to go beyond just using AdWords data. AdWords reports are great but they are also limited. AdWords can only create reports based on the keyword lists and locations you use for your campaigns.

Google Analytics' locations reports don't have the same limitations as AdWords. By using both together you can identify more opportunities for improvement than relying on AdWords alone.

Analytics has a useful map representation which allows you to visualize the location data. It allows you to see from a broad country overview down to a specific city's data.



Analytics has a useful map representation which allows you to visualize the location data. It allows you to see from a broad country overview down to a specific city's data.





Google Analytics reporting gives you access to a larger sample size than AdWords alone because it can aggregate data from all of the traffic sources. It can also show you opportunities in locations which you are not targeting with your paid search campaigns.

Using Google Analytics reports alongside AdWords reports can help you to improve your campaign targeting by providing you with a better view of your overall market.

2. Revisit the Keyword Planner

Using AdWords Keyword Planner to plan seasonal budgets

Improving the performance of search campaigns is typically a retrospective task, looking back at the data collected and using it to make changes to the campaigns. If you are looking for seasonality in your keyword data you will have to run the campaigns for a long period before the data is able to reveal any seasonality.



When setting up new campaigns most search marketers turn to their trusted friend, the Google Keyword Planner. However after the campaign setup is done the Keyword Planner is often forgotten.

The opportunity here is that you can find seasonal trend data for your best performing keywords without having to wait for any length of time.

If you are trying to plan your AdWords budget it would be beneficial to investigate the seasonality for those keywords which give you the highest ROI and plan your budgets accordingly.

3. Manage bids more intelligently

Using the "search lost impression share" columns to manage bids

The AdWords help centre states the following: "Adjust your bids to spend more on keywords that are proven to work. This can improve your ad position for those keywords and attract more customers."

While this is sound advice in most cases, it is also not the only way to improve your overall performance. Increasing your bids also comes with an increasing cost associated with those keywords. This may actually increase your cost per conversion and thus reduce your ROI.

In some cases performance is not limited by ad rank but rather by your marketing budget. If you are faced with a budget limitation it would possibly be beneficial to reduce your bids and rank lower.

In AdWords you are able to modify your data columns to show the competitive metrics: Search Impression Share, Search Lost IS (rank) and Search Lost IS (budget), as shown in the screenshot below.

erformance	>>		Id all columns	Campaign	
Namu and and					
Conversions	>>	Search Impr. share	>>	Budget	
Attribution	>>	Search Exact match IS	39	Status	
Social Metrics	>>	Search Lost IS (rank)	30	Clicks	
Call details	>>	Search Lost IS (budget)	39	Cicks	
Competitive metrics	>>	Display Impr. share	>	ii Impr.	
Performance (Active View)	>>				
Google Analytics	>>	Display Lost IS (rank)	>>	I CTR	
Reach Metrics	>>	Display Lost IS (budget)	30	Avg. CPC	
Change history	>>	Relative CTR	>>		
Smail Metrics	>>			Cost	
YouTube Earned actions	>>				
Custom columns	>>			Avg. Pos.	
				Converted clicks	
				Cost / converted click	
				Click conversion rate	
				Search Impr. share	
				E Search Lost IS (rank)	
				Search Lost IS (budget)	

× × × × × × × × × × × × ×



These metrics can help you to identify opportunities where either increasing or decreasing your bids will improve your performance. Here are two examples where impression share can help guide your bid adjustments.

In the example below you can see that the problems with these two campaigns are due to the search impressions lost due to your ad rank. At this point the campaign budget is not an issue but ad rank is. If your aim is to increase the volume of clicks for these campaigns then you will need to increase your keyword bids and rank higher.

Search Impr. share ?	Search Lost IS (rank) ?	Search Lost IS ↑ (budget) ?
32.29%	67.71%	0.00%
53.97%	46.03%	0.00%

In the example left you can see that the problems with these two campaigns are due to the search impressions lost due to your budget rather than your ad rank. If your aim is to increase the volume of clicks for these campaigns the potential benefit from increasing your bids is very small.

This is because **you are losing out on a very small portion of impressions** due to of your **ad rank** and increasing your keyword bids will **only lead to a marginal increase** in **impression share**.

Search Lost IS 🛧 (rank) ?	Search Lost IS (budget) ?	Search Impr. share ?
0.73%	38.33%	60.94%
1.27%	20.00%	78.73%

On the other hand there is a big opportunity if you are able to increase your campaign budget. In most cases it is not easy to just add more money to a campaign. The alternative is to make your budget stretch further by reducing your cost per click.

In this case reducing your keyword bids will help to get more clicks from the same budget amount. Your ad rank will

drop for those search terms but in most cases the resulting increase in clicks will lead to more conversions and a better ROI.

The "search lost impression share" columns can help you to manage your keyword bids by identifying whether to increase or decrease your bids.

4. Analyse ad copy trends

Improve your ad performance by analysing your competitors' ad copy

With Google Expanded Text Ads becoming a reality, it is more important than ever to stay on top of ad text trends.

Ad text is one of the major contributing factors to success in search advertising. Any competent search marketer will be A/B split testing multiple ads per ad group to see which messaging performs best.

Your competitors will be doing the same for their own ad text, so analysing their ads will help you to see what's working for them. Based on what is working for you and what is working for your competitors you can identify successful ad text trends.

This can be a tedious process to keep track of your competitors' ads and you won't always be able to find all of their ad variations but there is software that can help you with this.

Adthena's competitive intelligence solution has a feature to analyse all of your competitors' ad text and the performance statistics around them. This is done using algorithms so it removes the need for manually keeping track of competitors' ads. Below is an example.

Competitor	Advert	Est. ? 🔻	Position ?	Search ? Terms	Frequenc ?	Display ? Length
nugoboss.com	HUGO BOSS Jackets - HUGOBOSS.com Mil www.hugoboss.com/Jackets Sale at the Official Online Store. For a Limited Time Only. Buy Now!	87,116	Average: 2.7 Best: T1	2428	9.55%	18d More than week old 19.06.16 - 06.07.16
hugoboss.com HUGO BOSS Parkas Ad www.hugoboss.com/Parkas Sale at the Official Online Store. For a Limited Time Only. Buy Now!		72,752	Average: 1.3 Best: T1	361 🖪	28.41%	18d More than week old 19.06.16 - 06.07.16
firefighterscharity.org.uk Wrap Up Warm This Winter - Buy A Fire Fighter		56,943	Average: 3.8 Best: T1	1122	18.12%	31d Current 19.06.16 - 19.07.16
Mandmdirect.com Up to 75% off Shoes - Great Deals on Mens Sh Ad www.mandmdirect.com/Mens-Shoes Free Delivery + No Quibble Returns!		54,452	Average: 3.8 Best: T1	62 🖪	62.84%	31d Current 19.06.16 - 19.07.16
marisota.co.uk	Up to 50% off Sale Now On - Ladies Jackets th www.marisota.co.uk/Upto50%off Designed With Shape In Mind	52,863	Average: 3.3 Best: T1	33 🗹	55.72%	31d Current 19.06.16 - 19.07.16

#9

Q 4. Analyse ad copy trends

Seeing what ads your competitors are running can give you insights into their strategy. Being able to see the frequency and the length of time they are running ads for can also indicate how successful those text variations are.

Monitoring your competitors advertising can help you identify things like their seasonal changes, sales or discounts they are running, new product launches and the like. You can easily see which groups of keywords competitors are using with which ads.

Being aware of what is working not only with your own advertising but across the whole search landscape will help you to improve your ad copy and your overall performance.

5. Stay on top of market changes

Use the top movers report to stay on top of market changes.



According to AdWords

"The Top Movers report shows you what campaigns and ad groups saw the biggest changes, and helps you understand what may be driving those changes."

Top increases for Cost

Campaign:		+
+ \$1 \$144.46 to \$3	76.53 320.99	+ 122.20%
Impr.	8,485 to 17,072	101.20%
Interactions	138 to 197	42.75%
Avg. cost	\$1.05 to \$1.63	55.65%
Avg. Pos.	3.8 to 3.5	-6.81%
Interaction rate	1.63% to 1.15%	-29.05%
Conversions	0 to 1	00
Cost / conversion	\$0.00 to \$309.79	00
	,	View change history

The Top Movers report is a good place to start when deciding which campaigns need improvement but it can also be an early warning system for major market changes.



The report can show you when there are large shifts in the costs of your campaigns or a decrease in the number of conversions generated. Both of these factors may be caused by changes to your competitors' search strategies.

If a competitor invests more budget into their search marketing or moves into your market niche the Top Movers report will show you which campaigns were affected. This will then help to guide your competitor research and improve your reaction time.

In order to outsmart competitors you need to be able to move fast and the Top Movers report gives you the data to do just that.

The Top Movers report can be coupled with Adthena's reports in order to get a deeper understanding of the market changes. While the Top Movers report can indicate when competitors make changes to their search marketing, Adthena's reports are able to see which competitors affected those changes and how.

Adthena will show you in depth what keyword or ad text changes your competitors implemented. This will allow you to both understand the market changes and counteract them more effectively than using the Top Movers report alone.

6. Evolve beyond static keyword lists



Use whole market keyword intelligence rather than static keyword lists

There are numerous tools available for search marketers to use to improve their strategies. Many of these are free but they offer limited capabilities. Paid for tools offer more powerful insights but at a cost.

Most tools are faced with the same fundamental limitation. They rely on small static lists of keywords which need to be uploaded in order for data to be collected.

The problem with this is that you can only analyse trends for the things which you have input into the tool. If the inputs are poor the outputs will be poor also. In this case you are paying for bad insights because the tool is not able to see beyond those static lists.

If you want to outsmart competitors you need to move away from static lists and start using a market-driven intelligence tool. A market-driven intelligence tool uses artificial intelligence algorithms to monitor your relevant search landscape, including keywords you didn't even know were out there but that are working for your competitors.

Here is an example from the Adthena intelligence tool. Adthena uses a patented process and machine learning to determine your whole market landscape and thus relevant keywords for your business which you aren't yet competing for. It can display which of your competitors are using them, what the estimated volumes are for those keywords as well as an estimated CPC for each of them and the best ad copy for those terms.



Search Term Opportunities

T Filters	Relevant Competitors 🔻	Relevant Search Terms 🔻	Apply
------------------	------------------------	-------------------------	-------

Potential search terms 1,348 Po

Potential clicks 273,962

Search Term	Competitors? 👻	Est. Clicks	Avg. ? Position	Top ? Competitor	Est. CPC ?
jacket womens sale	31 🖪	18	3.3	mandmdirect.com	£0.58
womens jackets sale	30 🗹	189	3.4	mandmdirect.com	£0.49
jacket and coat sale	29 🗹	17	3.4	tkmaxx.com	£0.61
casual mens jackets uk	29 🖪	13	3.9	jacamo.co.uk	£0.57
men jackets	29 🖪	512	3.6	jacamo.co.uk	£0.60
mens summer jackets sale	29 🖸	37	3.1	jacamo.co.uk	£0.58
ladies jackets online	29 🖪	35	3.6	mango.com	£0.53
mens quilted jacket sale	29 🗹	102	3.2	jacamo.co.uk	£0.53
mens jackets sale online	29 Ґ	26	3.5	jacamo.co.uk	£0.61
buy mens jacket	29 🖸	14	3.1	mandmdirect.com	£0.59

This can identify holes in your marketing strategy or opportunities for you to move into. Only market-driven tools can detect keywords which are working for competitors that you are missing out on.

Adthena also provides you with a head to head comparison for you and your competitors. This is a dynamic report that is able to identify your competitors marketing efforts without you needing to supply keyword lists.

6. Evolve beyond static keyword lists



This report allows you to see where you and your competitors' marketing strategies are overlapping. It provides a gap analysis to identify what is working for your competitors that you are missing. Also it allows you to closely track your share of voice and other SEM market trends.

In order to outsmart your competition you need to move away from static keyword tools and rather invest in a whole market intelligence solution

To learn more visit: <u>Adthena.com/features/</u>

#15