



## INTRODUCTION

Google Ads, formally Google AdWords is the single most successful and profitable Google product or service ... **ever**. Cost per click, while not invented by Google, has been used to build a tech empire rivaled by only a few businesses worldwide. For business owners, it allows a quick, but sometimes costly way to jump to the top of Google search results.

## KEY PRINCIPLES

- Google Ads works on a "bidding model" where you pay only when visitors click your ad.
- The amount charged each time your ad is clicked, is called your "cost per click" or CPC.
- The cost of your clicks, depends on your quality score and competition.
- Your quality score, is calculated based on how relevant your ads are to the search term.
- For example, if someone searches Google for "big blue widgets", your ad and landing page need to contain that phrase, and high quality content that would appeal to this audience.
- The higher your quality score, the lower your bids, and the more traffic you can purchase.

## WHAT TO WATCH OUT FOR

Google has a lot of tools to help business owners setup and run campaigns themselves. The danger with this, is that their tools encourage you to spend more! This seems obvious, but some experts estimate that 25% to as much as 90% of small business ad budgets are wasted as a result of poor management.

## FINAL THOUGHTS

Keep a close eye on your campaigns, avoid broad, "set it and forget it" strategies, and slowly increase your budget as you gain a better understanding of the tools, and your audience.

