

bevelwise whitepaper

How Quality Score Can Make or Break your PPC Campaigns



In your pay-per-click campaign a quality score is shown for each keyword. Quality Score is used to influence your keywords' cost-per-click (CPC), average position and estimating the first page bids that you see in your account. Quality score in Google AdWords is a score out of 10. In general, the higher your score, the lower your CPC and the better your ad position will be.

Quality Score ensures that Google shows the most relevant ads to its users. Searchers want to find the information they're looking for quickly and easily. Quality Score helps Google show more relevant users to your website. To make sure that your potential customers see your ad, you need to pay attention to Quality Score and optimize your campaigns based on those scores. It also influences your ad position and largely determines your keywords' minimum bids, which can help reduce your CPC.

Quality Scores Range from 1 to 10

In your Google AdWords account, you can find your Quality Scores under the "keywords" tab. If you don't see Quality Score, use the "Columns" drop down to make sure it is visible. Each individual keyword will show a quality score on a scale from 1 to 10.

1-4: The keyword isn't very relevant to users and as a result may have a very high first page bid. This means that the keyword isn't performing very well for your campaign. Try experimenting with variations of this keyword or breaking it out into its own separate ad group and write more relevant ad copy. You could also see if there is a more targeted version of this keyword because the issue may be that it's too broad.

5-7: This keyword is performing well and there is no need to worry. On a grading scale, an AdWords Specialist at Google told us "7 is equivalent to an A-." It may have a good first page bid, and the keyword may not be very costly. Optimization can lower your overall costs, draw more clicks to your ads, and result in a better return on your investment (ROI). If you want to further optimize, try using more targeted ad text and keywords or try adding negative keywords to your campaigns to cut irrelevant impressions.

8-10: The keyword is extremely relevant and has a high click-through-rate (CTR), relevant ad text and a relevant landing page. The first page bid for this keyword may be low based on the marketplace. This keyword is very relevant and effective for your ad campaign. AdWords Specialists at Google told us it is rare to get this high of a quality score from Google.

(Most of our "optimized" clients have scores of a 7 with a high likelihood of also seeing scores of 8-10.)



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Quality Score Formula

Google has an arithmetic formula to grade your keywords and give them a Quality Score. Quality Scores are dependent on the following factors:

- The historical CTR of the keyword and the matched ad on Google
- Your account history, which is measured by the CTR of all the ads and keywords in your account
- Historical CTR of the display URLs in the ad group
- Landing page quality
- The relevance of the keyword to the ads in its ad group
- The relevance of the keyword and the matched ad to the search query
- Relevance of ad text (especially the title)
- Account performance in the geographical region where the ad will be shown
- Other relevance factors

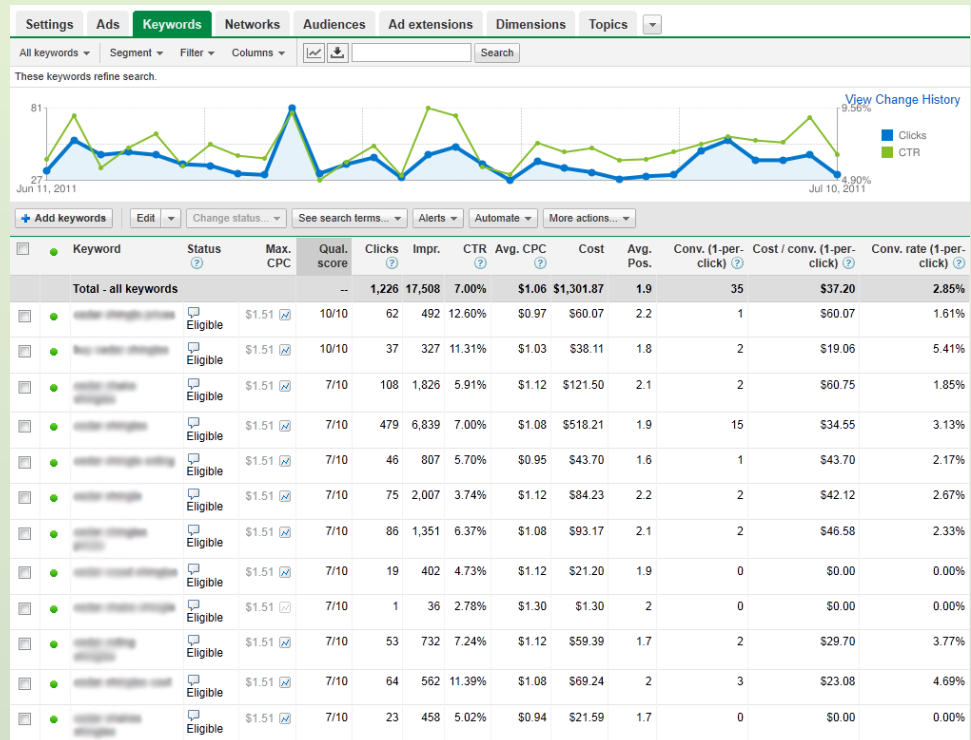
How Quality Score Impacts Your PPC Campaign

#1 Quality Score Impact: Cost-Per-Click (CPC)

A keyword's Quality Score influences its CPC. This is how much you're charged for a click on your ad when it's triggered by that keyword. The higher a keyword's Quality Score, the lower its CPC, and vice versa. You will typically pay less than you bid for higher Quality Scores.

#2 Quality Score Impact: First Page CPC Bid Estimates

On your Keyword Analysis page, you'll see a metric labeled "Estimated first page bid." This metric estimates the CPC bid needed for your ad to reach the first page of Google search results when the search query matches your keyword. The estimate is based on the Quality Score and current advertiser competition for that keyword. Ad placement will still be dependent on Quality Score, your CPC bid, your budget, account settings and user behavior. Budget can also play a factor in determining your quality score at an account level.



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#3 Quality Score Impact: Eligibility

Every time one of your keywords matches a search query Google will evaluate its Quality Score and CPC bid to determine if they show your ads. Based on these and other factors they also determine which ad is shown in which position between your ad and other ads. Google's goal is to encourage relevant ads for their users, so their pricing system is designed to favor more specifically targeted ads and keywords. Don't just turn your campaign on and let it run, especially in a competitive marketplace.

#4 Quality Score Impact: Ad Position

Ads are positioned on search and content pages based on their Ad Rank. The ad with the highest Ad Rank appears in the first position, and so on down the page.

For Google and the search network, Ad Rank is defined by your keyword's Quality Score and CPC bid. Quality Score in this instance differs from the factors listed above in two ways:

- Landing page quality is not considered
- When calculating ad position on a search network placement, Quality Score considers the CTR on that particular search network partner in addition to CTR on Google

For ads triggered by keywords on the content network, the system considers the ad group's content bid (or the CPC or CPM bid, if content bids aren't enabled) and Quality Score. The Quality Score used in this instance is determined by the following factors:

- Your ad's performance history on this and similar sites
- The relevance of the ads and keywords in the ad group to the site
- Your landing page quality
- Other relevance factors

Improving a Keyword's Quality Score

Optimization is the best way to increase your keyword's performance (Quality Score, CTR, conversion rate) without raising costs. If your Quality Score is very low (below a 5), you may be using keywords, ads, or landing pages that aren't as targeted or relevant as they should be. This can mean higher CPCs and a potentially poor ROI. Remember, the higher your Quality Scores, the lower you'll pay when someone clicks on your ads.

The way you organize your campaigns and ad groups can be a factor when attempting to optimize for Quality Scores. You should be trying to have separate ad groups in a campaign for each theme of keywords you are trying to advertise on. A common mistake in many campaigns is having too many keywords in a single ad group. The reason this is a mistake is that if you have an ad group with 100+ keywords there can't be any way you are serving relevant targeted ad copy to all 100 keywords, thus negatively impacting your CTR and Quality Scores. As a guide we try to never make an ad group with more than 25 keywords in it.

Another common technique is by continually adding negative keywords to your campaign or ad groups to improve your CTR. Negative keywords are keywords that you define so that your ads will be excluded from a search. The most common example of a good negative keyword is "free" because if someone is searching for "free widgets" and I'm selling widgets I don't want that user to click my ad and cost my campaign money.

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While a high quality score may seem like the most important part of your PPC campaign, the conversion rate is the best indicator. A high CTR or Quality Score doesn't necessarily mean a high ROI or that people are buying your product or service. On the other hand, the conversion rate shows if your keyword is driving sales, sign-ups, or your company's goals. Quality score will directly affect how much exposure your PPC ads get and what you are actually paying when someone clicks your ads.

MSN AdCenter



As of October 25th, 2010 the MSN AdCenter platform is currently powering the Bing & Yahoo search engines.

This partnership was strategic to make them a larger competitor to Google. The Quality Score on MSN AdCenter is very similarly calculated to Google's Quality Score. Just like Google's it is largely based on CTR. Receiving a higher Quality Score can ultimately allow you as an advertiser to spend less money and receive a higher ad position

Performance data for: Last month Start 6/1/2011 End 6/30/2011 OK

Keywords	Status	Match type	Quality score	Current bid (max. CPC)	Spend	Clicks	Impressions	CPA	CTR (%)	Avg. position	Conversions	Avg. CPC
advertising	Active	Broad	7/10	1.26	516.37	628	30,867	21.52	2.03	2.36	24	0.82
advertising services	Active	Broad	9/10	1.26	65.58	86	1,683	16.40	5.11	2.58	4	0.76
advertising online	Active	Broad	10/10	1.26	45.36	52	1,153	0.00	4.51	2.28	0	0.87
advertising online	Active	Broad	7/10	1.26	20.42	28	598	0.00	4.68	1.53	0	0.73
advertising online	Active	Broad	8/10	1.26	11.08	15	666	0.00	2.25	2.99	0	0.74
advertising online	Active	Broad	8/10	1.26	14.24	15	751	0.00	2.00	2.24	0	0.95
advertising online	Active	Broad	10/10	1.26	8.67	12	169	0.00	7.10	1.23	0	0.72
advertising online	Active	Broad	8/10	1.26	6.96	10	208	0.00	4.81	2.30	0	0.70
advertising online	Active	Broad	10/10	1.26	3.05	7	93	0.00	7.53	1.26	0	0.44
advertising online	Active	Broad	5/10	1.26	3.80	5	84	0.00	5.95	1.17	0	0.76
advertising online	Active	Broad	4/10	1.26	3.11	5	236	0.00	2.12	1.94	0	0.62
advertising online	Active	Broad	9/10	1.26	4.01	5	120	0.00	4.17	1.58	0	0.80
advertising online	Active	Broad	10/10	1.26	2.63	4	94	0.00	4.26	1.22	0	0.66
advertising online	Active	Broad	10/10	1.26	2.37	4	33	0.00	12.12	1.39	0	0.59

than your competitors. We have seen that in the MSN AdCenter platform Quality Score is only calculated on keywords that give a large enough sample size of data when it comes to impressions so don't worry if you have a few keywords in your campaigns that do not receive a Quality Score. That does not necessarily mean that those keywords are bad. It just means that they are not driving as much traffic as other keywords in your campaigns that are receiving Quality Scores.

Facebook Ads

When you are running Facebook Ads, you won't see a Quality Score metric in their interface (as of writing this). You will however be able to use some of the strategies we have discussed when optimizing PPC campaigns to improve your campaigns performance on Facebook. The biggest thing to focus on here is CTR. The higher CTR your ads receive on Facebook's network the lower your



CPC will be and the more traffic you will be able to drive regardless of where your budget is. Continually be split testing ad titles, ad copy and display images to try and see what works best with your target users. Debates have gone around internet marketing communities that display images are some of the biggest ways to impact CTR one way or the other, but see what works best for you. The bottom line is that Facebook, like other PPC advertising platforms, only gets paid when someone clicks your ads. Therefore, optimizing for CTR can improve your campaigns performance because they want to serve relevant ads to users that are more likely to click.

In Summary

Quality Score helps guarantee that the most relevant ads appear the highest to users searching on Google. Google boasts that the AdWords PPC system works best for advertisers, users, publishers and Google as well. Users get the information they searched for, advertisers get better visitors (therefore a higher ROI) and Google makes more money when both searchers and advertisers are happy. Relevant ads tend to earn more clicks, appear in a higher position, and cost less. Within your PPC campaign, keywords with higher Quality Scores will bring you more success.