

# Chapter 3: Selling More with Google Analysis Tools

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## *In This Chapter*

- ✓ **Increasing sales by making adjustments to your Web site**
- ✓ **Understanding and implementing split tests**
- ✓ **Exploring AdWords graphs**
- ✓ **Introducing Google Analytics**

**P**eople talk a lot about how much the Web does for business — and a lot of success stories back that up. Google Apps and all the related Google tools are a great opportunity for you to create your own success story.

Google Ads represent a new, attractive technique for bringing in business. But to get the most business possible at the lowest price and with the greatest results takes analysis.

There's an old saying about how too much thinking and studying can prevent action: "paralysis by analysis." But these days, acting without having the data to back up your choices is often just not good enough.

Selling is increasingly data-driven, with hard information replacing guesstimates and intuition or laying the groundwork for intuition to be used on a higher level.

Salespeople have a famous differentiation: Real potential customers are *prospects*, but people who are just gathering information and wasting time are *suspects*.

By using a data-driven approach, you can find more prospects and avoid suspects before they even begin to waste your time. In fact, with Google Ads, you can let prospects find you — the suspects just find other things to do.

Then, intuition and analysis can combine to help you get the most out of the opportunities in front of you.

### Does your Web site make AdSense?

AdSense is a marvelous tool from Google that helps you make money from a Web site by allowing Google to run ads on it. Yes — your site becomes one of those Content Network sites we mentioned in the previous chapter.

Notice, though, that we said AdSense helps you make money from a Web site, not *your* Web site. That's because AdSense doesn't make sense for the kind of Web sites we've discussed in this book: Web sites that represent an organization to the world.

Putting other peoples' ads on your Web site usually looks kind of cheap. You almost

cheapen your brand, and it's certainly unlikely that it will make much money for you.

Where AdSense is great is in creating a follow-up or separate devotee's Web site about a topic you or your organization care about. The specialist site can do e-commerce, tie into offline sales, and use Google Ads and AdSense as well. And everything you know about using Google Ads and other Google Apps tools helps you do a better job of it.

For details, see *Google AdSense For Dummies* by Jerri Ledford (Wiley, 2008).

## *Modifying Your Web Site to Increase Sales*

Most Web sites suffer from the need to be many things to many people. The site has to give a good impression of your company, host news and other interesting information, show people how to get information on product support, and also serve as the front end for one or more different kinds of selling processes. No wonder most Web sites are so busy and, frankly, ineffective.

Google AdWords neatly solves this problem for you — at least for the traffic that comes in through Google Ads. Your Google Ads text is sales-oriented. People who come into your site are, in large part, ready to buy.

Here are the seven steps of a traditional sales cycle and how they relate to Google AdWords:

- 1. Prospecting:** *Prospecting* means finding potential buyers. Your Google Ad and the user themselves have done this for you. You can assume those who come to your site through the Google Ad are potential buyers — and they should arrive at a page that leads them through the rest of the buying process. (The Google Ads-sourced visitors who aren't potential buyers can easily click away to other parts of your site.)
- 2. Contact:** In a sense, you have your original contact through AdWords, but you don't have the flexibility of a person-to-person interaction yet. So AdWords and your Web site, by themselves, provide a form of contact, but a limited one.

3. **Qualification:** This means determining if the contact needs your product or service and can afford it. Google Ads, your Web site, and the users themselves can do a lot of this for you. Either give a price online or find ways to communicate whether you're a low-, medium-, or high-price brand. Then, customers who are interested in your price range tend to be the ones who contact you.
4. **Presentation:** This is telling prospects about your product or service. Again, the users can do much of this for themselves on your Web site.
5. **Removing objections:** Your Web site can do some of this, but it's much easier to do on the phone or in person. Skilled salespeople can read someone's body language (or tone of voice) and identify when he or she is still asking questions versus being ready to buy.
6. **Closing the sale:** This is getting the order, which you can do through e-commerce, on the phone, or in person. Everything else you do is a step in this direction.
7. **Getting referrals:** This is where you get references to other people you can sell to. The strongest referrals are to the customers themselves, who in most cases should be ready to buy from you again and again! But also give the customer ways to "share the wealth" and invite friends, family, and work colleagues to buy from you.

You can see the steps of the sales cycle showing through as you use Google AdWords and Google Analytics. Every number you see relates to part of it.

Now this process is far from complete — and far from perfect. For instance, it ignores *positioning* — the value of branding in the customer's mind. As an example, if a customer is convinced your product is the best, all objections but price melt away; if the customer thinks your product is low-quality, you have to set a very low price indeed to close many sales.

But let's focus for the moment on the core of the process, dealing with a user who comes to your site through AdWords. Here are the remaining steps. You can handle these entirely on your Web site through information pages and e-commerce or entirely interactively by having someone call to complete the sale or by arranging an in-person meeting:

- ◆ **Presentation:** For the prospect to learn more about the product, its price or price range, and so on. This is where prospects can be separated most painlessly from suspects, so try to arrange for a lot of this to happen on the Web.
- ◆ **Removing objections:** Objections vary widely, so address the most common ones on the Web, but expect to handle some common and some uncommon objections live — on the phone or in person.

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- ◆ **Closing the sale:** This is getting commitment from the buyer. It can be handled through e-commerce, but until that's up and running, it's best handled live — on the phone or in person.
- ◆ **Taking the order:** Again, eventually you can handle this through e-commerce, but until then you need to do it live. Many salespeople close the sale and then hand it off to an assistant to take the order.

Although some sales can be handled entirely through your Web site, usually it requires personal involvement for some or all of your sales. Fill in Table 3-1 to see what you should try to do in your Web site and what you should leave to live approaches — in person or on the phone.

**Table 3-1 Figure Out What to Do on the Web and What to Do Live**

|                     | <i>Web</i> |       |                |        | <i>Phone/In person</i> |                |       |        |
|---------------------|------------|-------|----------------|--------|------------------------|----------------|-------|--------|
|                     | Always     | Often | Some-<br>times | Rarely | Rarely                 | Some-<br>times | Often | Always |
| Presentation        |            |       |                |        |                        |                |       |        |
| Removing objections |            |       |                |        |                        |                |       |        |
| Closing the sale    |            |       |                |        |                        |                |       |        |
| Taking the order    |            |       |                |        |                        |                |       |        |

Table 3-1 helps you determine at what point you want to start encouraging people to call you or e-mail you to call them.

### ***BATCS: A case study***

For many products and services, the Web cycle is very short: Tell them a bit about the product or service and then encourage them to call or e-mail you.

BATCS is a good example. For book sales, the entire sales cycle takes place online — but the last step or two (closing the sale in some cases; taking the order in all cases) takes place on a partner site such as Amazon or in a bookstore — like a top salesperson handing the customer off to an assistant to take the order!

For in-person courses, which cost hundreds of pounds, the sales cycle is quite different. Presentation of basic information takes place on the Web, as does part of the job of removing objections. The BATCS Web site includes a favorable review of the company's book. The very existence of the book and good notices remove objections to the course.

But, because the course is a substantial commitment of time and money for the student, the next step is always a phone call, usually concerned with removing more objections before closing the sale.

In fact, BATCS has a two-part sales cycle for courses. The first part is a speech analysis, which costs only £60 (about \$90 US). The potential customer is only committing to spend this amount in an initial meeting.

The second part is the course itself, which costs £500 (about \$750 US). The customer only has to agree to this after getting the chance to meet the teacher in the speech analysis.

BATCS has, over time, modified its entire sales cycle around AdWords. If sales were being made in person, there might not be the same need to split the speech analysis and the course; but because the initial contact for the courses is online, commitment has to be built up:

- ◆ **User clicks the AdWords ad.** Commitment: low. Cost to company: about 10p (about 15¢ US).
- ◆ **User visits Web site, learns about book and courses.** Commitment: moderate. Cost to company: none.
- ◆ **User phones or sends e-mail (which leads to a call) to learn more and set up an appointment.** Commitment: higher — people are often nervous when they call — and quite high if they agree to pay £60 (about \$90 US) and come to the office for a speech analysis. Cost to company: about 15 minutes of time for the call or e-mail interaction; the speech analysis, if it happens, is a sale.  
*Note:* BATCS gets much positive feedback for responding quickly to potential customers. No sense letting enthusiasm fade at this delicate point.
- ◆ **User visits for speech analysis.** Commitment: high; the person's paying £60 and considering spending £500 (about \$750 US) more. Cost to company: none; customer is paying for the visit — which usually also results in a course sign-up.
- ◆ **User signs up for course.** Commitment: highest, £500 and 14 hours of classroom time. Cost to company: none; customer is paying for the course.

Notice how the commitment gradually escalates, from a 10p cost to the company, through a £60 speech analysis, to a £500 course commitment.

### ***Changing your site***

One can make a thousand adjustments to a site in response to the changes AdWord brings. But for most products and services, you need just a few crucial changes:

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- ◆ **Consider product and service pages to be landing pages.** (You may later make customized versions for various purposes, but even these can be based on product and service pages.) Think of visitors to these pages as potential buyers — but don't change to urgent, sales-oriented language.
- ◆ **Look at the rest of your site as supporting information for sales.** Pages on your site should meet objections, provide supporting information, and so on. You still need to provide other information for other stakeholders, such as the press; in fact, AdWords-inspired visitors consider this reassuring.
- ◆ **Make it very easy for people to contact you.** Every site should have a Contact Us or similar link on every page; Wiley, an extremely reputable company, has a contact link at the top and bottom of every page. For smaller sites, being easy to contact means putting an e-mail address and phone number on every page. BATCS achieves this by using an image of a business card as a graphical element on every page, including the vital phone number and e-mail address.
- ◆ **Make sure everything on your site is correct — spelled right, formatted correctly.** This is far more important than fancy graphics or advanced multimedia features. With AdWords, you can be sure that you're meeting potential customers on your site. Getting these details right is like dressing well for a meeting; getting them wrong is like arriving with torn trousers and ketchup stains on your grimy t-shirt.

### **Do you need professional help?**

Google offers the option of getting professional help with starting your AdWords campaign. If you commit to spend a few hundred dollars a month on AdWords, a Google pro will help you get started.

This is certainly an attractive option for larger businesses that can devote a lot of time to acting on the pro's suggestions. For medium-sized and small businesses, though, the commitment may outweigh the benefit. You

may get clicks and traffic — and pay for it — before you're ready to turn it into a profitable business.

Consider getting started with the steps in this chapter, getting a couple of months of results, and making a few sales through your AdWords efforts before jumping on the Jumpstart bandwagon. Then, when you're ready, visit [www.google.com/jutart](http://www.google.com/jutart).

## Using AdWords for a Split Test

One of the most sophisticated marketing techniques ever invented (and that usually costs at least thousands of dollars to implement) is just a few clicks away in AdWords: the *split test*.

The idea with split tests is that you run two versions of an ad (or sell a product in two different boxes, for two different prices, and so on) and see which one does better. The difficulty is in the numbers.

You not only need to get thousands of people to see the two versions; you need to get hundreds to act on them. You can imagine the expenditures in ad placements, dummy boxes, and so on, needed to get any kind of meaningful results. You spend weeks of time and make payments to people who think up, set up, execute, and analyze the whole process.

You can do the same thing for just a few dollars in AdWords. And get results in hours or days. And try variations as fast as you can think of them.

Now, as with any AdWords work you do, we're not suggesting you just start randomly creating ads to run against each other. No one has the time, energy, or money to just keep throwing random stuff at the wall to see what sticks.

But a few hours' work can help you come up with two similar but distinctive ads, each of which has its plusses and minuses. These can only be tested — then used or improved further — by split testing.

Follow these instructions to run a split test. Then use the results to improve all your ads:

- 1. Sign into your AdWords account.**

Your dashboard appears.

- 2. Look for your ad in the upper-left area under the My Ad Campaign tab. Under your ad, click the Create Another Ad link.**

The Create Another Ad panel appears, as shown in Figure 3-1.

- 3. Click the A Variation on My Current Ad radio button.**

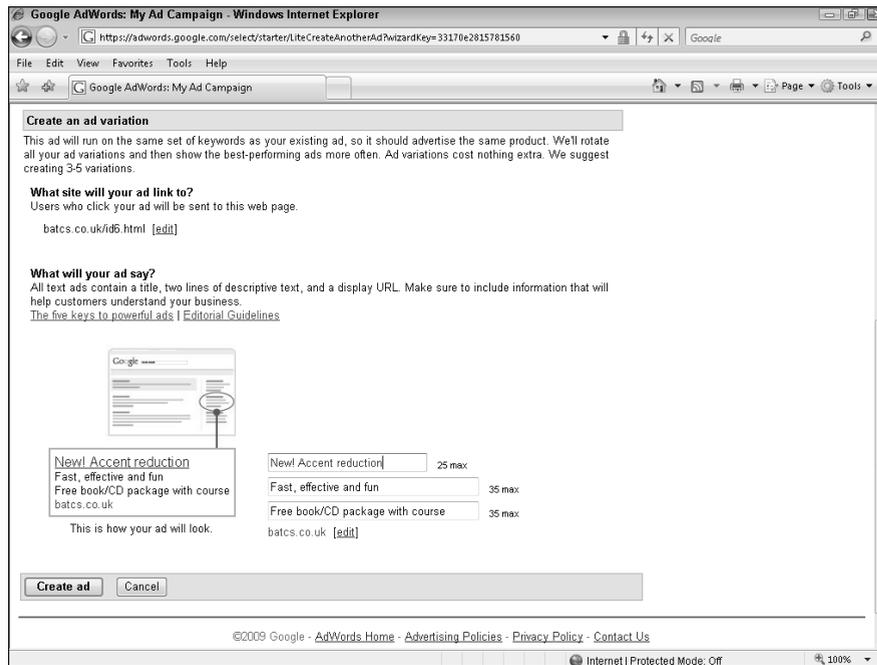
Ignore the other option, A New Ad for a Different Purpose, for now.

A new area, titled Create an Ad Variation, appears on the same Web page, as shown in Figure 3-2.

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**Figure 3-1:**  
Now's your chance to create a new ad.



**Figure 3-2:**  
Here's where you change the link and the words.

## Using AdWords for testing ideas

How do you test a new idea for a product using AdWords?

Easy enough; create an AdWords ad for the product or service, and see how many clicks it gets.

Where should the clicks go? Simple enough; create an additional page on your site, unconnected to navigation, to serve as a landing page for your test ad. Thank the user for visiting, and consider asking them to send you an e-mail if they'd like to know more about the product

if it launches. (Don't try to sell them anything; they're probably annoyed at unwillingly being part of a test.)

Split tests and idea checking in AdWords are being used every day now, by companies big and small. Best-selling books have arrived at their titles using AdWords.

So now you have a nearly free and very easy way to test your ideas online — and one that sharpens your AdWords skills for your existing products as well.

4. **Change the text of the ad to create the new version. If you also want the new version to direct users to a different landing page, click the Edit link next to the destination link and enter the new URL. To change the displayed link, click the link Edit next to that. When you're done, click the Create Ad button.**

Often, the same landing page works if you're just making changes to wording to test effectiveness.

After you click the Create Ad button, your new ad is launched and your dashboard appears. (See the next section.)



Note the figures — impressions and clicks — for your existing ad before launching the ads together. Otherwise you won't be able to compare results for both ads over an identical time period. (You can avoid this by fine-tuning the reporting period, but you can't know exactly when your new ad actually starts showing, so it's better to subtract the old data.)

Now you just have to sit back and wait for results!

How do you know when you have good results? Certain statistical tests can give you a pretty good idea. A rule of thumb that we've used in the past is that 100 total clicks between the ads is a fairly large number for a relatively brief sampling period — if you stop at exactly 100 clicks, it's easy to calculate percentages. And 100 clicks might only cost you about \$10.

Still, 100 clicks usually are only *indicative*, as the statisticians say. For results that are quite likely to be statistically significant, let 1,000 clicks accumulate. This may cost about \$100, so make sure your sales machine is up to the task

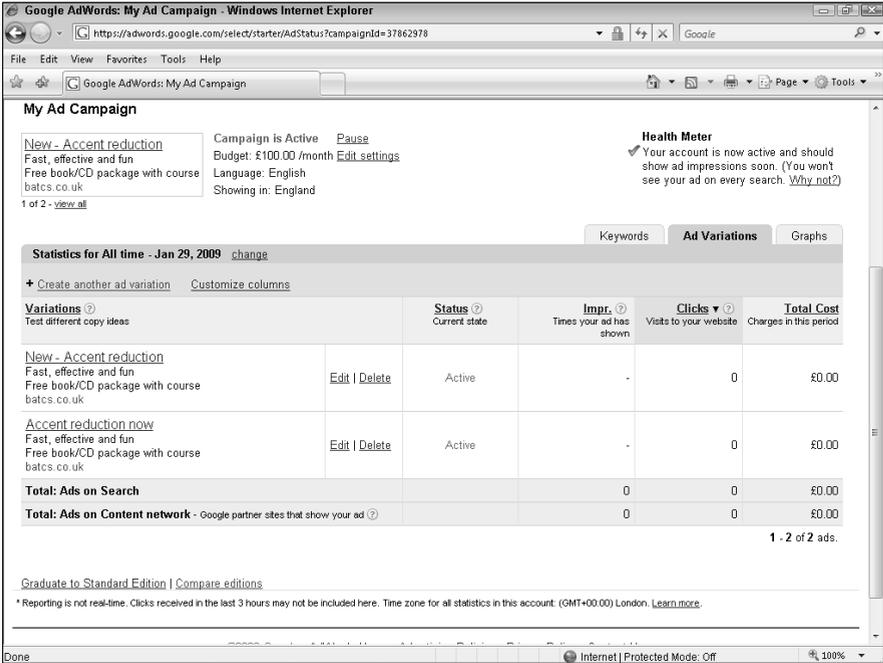
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of making the money back. With 1,000 clicks, your results are much more trustworthy statistically — and, if you stop at exactly 1,000 clicks, it's easy to calculate percentages.

### *Showing More Options in Your Dashboard*

Simplicity is great for starting out, but sometimes a bit more complexity can be better.

So it is with the Google AdWords Dashboard, as shown in Figure 3-3. The Dashboard hides, by default, one of the most important settings that AdWords has — and it encourages you to let Google manage this setting for you.



The screenshot shows the Google AdWords dashboard for a campaign named "My Ad Campaign". The campaign is active with a budget of £100.00/month. The dashboard includes a "Health Meter" indicating the account is active. Below this, there are tabs for "Keywords", "Ad Variations", and "Graphs". The "Ad Variations" tab is selected, showing a table of ad variations. The table has columns for "Variations", "Status", "Impr.", "Clicks", and "Total Cost". Two variations are listed: "New - Accent reduction" and "Accent reduction now", both with a status of "Active" and zero clicks and cost. The table also shows "Total: Ads on Search" and "Total: Ads on Content network" with zero clicks and cost. The dashboard also includes a "Create another ad variation" button and a "Customize columns" link.

| Variations   | Status | Impr. | Clicks | Total Cost |
|--|--------|-------|--------|------------|
| New - Accent reduction<br>Fast, effective and fun<br>Free book/CD package with course<br>batcs.co.uk | Active | -     | 0      | £0.00      |
| Accent reduction now<br>Fast, effective and fun<br>Free book/CD package with course<br>batcs.co.uk   | Active | -     | 0      | £0.00      |
| <b>Total: Ads on Search</b>  |        | 0     | 0      | £0.00      |
| <b>Total: Ads on Content network</b> - Google partner sites that show your ad                        |        | 0     | 0      | £0.00      |

**Figure 3-3:**  
On your  
marks, get  
set — dash!  
(board).

This can work fine, or it can lead to very odd results. You must at least understand the settings — including the hidden ones — so you can know what each of them does.

The whole idea of a Dashboard is to allow you to quickly scan the status of something important — your car, your jumbo jet, or your Google AdWords campaign — and quickly, intuitively grasp whether things are going well or

poorly. Then you can drill down into the details of any problem areas (or areas that are okay, but could be better) and improve them. Master the settings on your Dashboard — as well as what isn't there — and optimize it to reflect your needs, so it can do its job properly.

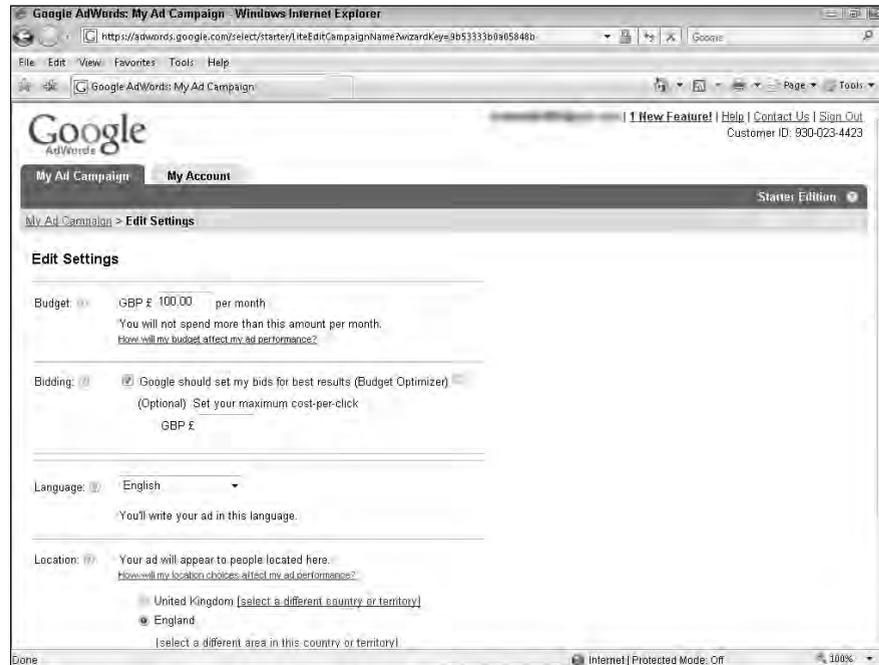
Here are the settings that Google does show by default, and a brief explanation of each:

- ◆ **Status:** Simply whether the ad is active or not. Pay attention to this setting, and don't let your Dashboard display get cluttered with inactive ads. Save the text of any inactive ad in a word processing document or elsewhere if it's valuable, but get the ads off your dashboard.
- ◆ **Impressions:** This is the number of times your ad has appeared. If someone sees your name several times in various places, it has a slight but possibly helpful branding effect, even if viewers don't click. But mostly, impressions are only valuable to the extent they drive clicks. You can't get clicks without impressions.
- ◆ **Clicks:** This is the number of clicks you get — your whole reason for doing all this. Clicks are what costs you money. Getting more clicks is the focus of your efforts with Google AdWords. (Getting better results when you do get a click is the job of your Web site, which also needs your attention.)
- ◆ **Total Cost:** Usually a column like this is the sum or product of other numbers in a table — but the Dashboard doesn't show the cost per click, so you can't derive the cost yourself. You just have to take on faith that Google knows what it's doing.

This is all useful information, but as you go forward, you need more. Here are the three crucial fields you need to keep on top of:

- ◆ **Click-through rate (CTR):** This is the most important figure in determining the success of your ad campaign, and you need to track it — but it's not shown directly. The click-through rate is simply the number of clicks your ad gets divided by the number of times it's shown, expressed as a percentage. If you get one click in 100 showings — not an awful rate, by the way — that's a 1.00% click-through rate.
- ◆ **Budget Optimizer on/off:** This option is not even visible in the Dashboard; you have to click the Edit Settings link to see it, as shown in Figure 3-4. In the Standard Edition of Google AdWords, you spend a lot of time worrying about — we mean, adjusting — your cost-per-click. In the Starter Edition, which we're discussing here, it's set for you by Google as it optimizes your campaign. The Budget Optimizer is great for starting, but you should move away from it (and to the Standard Edition) soon after you get started.

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**Figure 3-4:**  
Don't forget  
to Edit  
Settings.

- ◆ **Maximum cost-per-click:** Like the Budget Optimizer check box, this option is not visible in the Dashboard, but only after you click the Edit Settings link. This is the most you will spend on a single click. It's optional if Budget Optimizer is turned on — Budget Optimizer optimizes within the cost-per-click limit you set — and required if Budget Optimizer is off.

There are three other fields on the Edit Settings page that you need to keep an eye on:

- ◆ **Budget:** A small budget might mean few showings of your ad. A large one might mean a large hole in your wallet. Check your spending versus your budget daily to protect yourself.
- ◆ **Language:** Google AdWords provides the least expensive way imaginable to test your product's appeal in one or more foreign markets, or in different language markets at home (Spanish in the US, French in Canada, Hindi or Arabic in the UK; you'll stand out!). Split test an English-language ad against a different-language one and track the results. It may be worth translating a few Web pages and getting someone bilingual onto your sales staff!
- ◆ **Location:** This is a huge issue that you should end up spending a lot of time on. You need to begin experimenting with the location to see what effect different levels of targeting have. You have a lot more targeting options in the Standard Edition, so now's the time to begin experimenting.

## How Google manages your ads

Google manages your ads in a way that's designed to stretch your budget and maximize both your results and Google's yield. But the specifics of how this works can be opaque and maddening.

You have to totally change your mindset relating to AdWords to understand what Google does with ads. Google wants the highest yield per page shown. That means it wants to put ads near the top with both the highest money per click and the highest chance of getting clicked. It's the product of these two numbers that matters; in particular, a high-paying ad that almost never gets clicked is just about worthless to Google. An attractive, appropriately focused ad that gets a lot of clicks is worth more, even if the cost per click is less.

Google also tries to preserve your budget by rationing your ad showings so you don't run out of displays until the end of the month. This leads to the maddening fact that you often won't see your ad when you do a relevant search, even

if there are few other ads or none at all. Often people try to get around this by setting a high budget, promising themselves to manage it down as the target approaches — then they never do that, so Google gets more per month than you really want it to.

Your precious ad is just grist to the AdWords mill. If it has a high budget and drives clicks at a decent rate, it gets shown — high up and a lot. If not, it gets left off. You, friends, family members, and colleagues who go look for it often won't see it — and neither will customers.

That's why it's important to learn about AdWords and to make needed Web site and business process changes quickly, before you give up from lack of money/profit, sheer frustration, or both. This book is a good taster, but if you like AdWords at all after trying it, move up to *AdWords For Dummies* by Howie Jacobson (Wiley, 2009) and other books, articles, and Web sites that can help you get more out of AdWords.

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After you start to understand what kind of click-through rate you're getting, you can start using the Maximum cost-per-click rate if you want to — after all, you may know the most a click is likely to be worth to you. But although we also advocate turning off the Budget Optimizer as soon as you can, you need all the information you can get to make the most of the control you gain — which means you should move to the Standard Edition of Google AdWords at that time or soon after.

Because it's somewhat obscured in the Starter Edition, we have not yet explained a key feature of Google AdWords, and here is a good point to do so. AdWords does not always charge you the maximum cost-per-click you set. Instead, it charges you as little as it can to get the best placement possible.

Let's say there are two ads that could run on a page — yours and one other. The other ad has a maximum cost-per-click of 5¢, and you have a maximum cost-per-click of 10¢.

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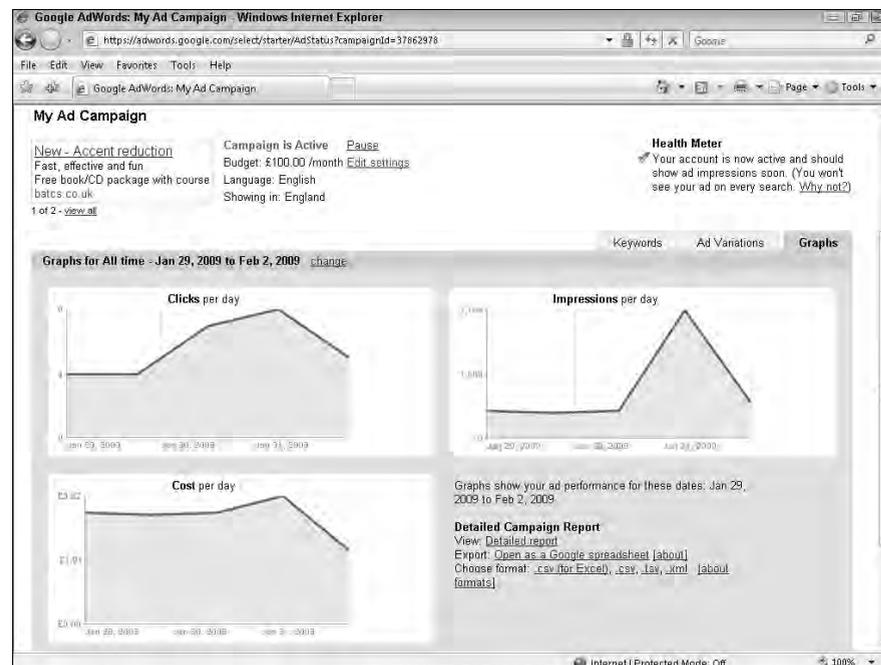
Google places the other ad second and charges its owner 5¢ — and places your ad first and charges you just over 5¢. This is called the AdWords Discounter. You're only charged the minimum you need to pay for your placement.

Now theoretically that should mean you pay next to nothing when your ad is the only one on a page, as you only have to beat 0¢; but you can actually only be assured that what you pay is somewhat less than your maximum cost per click.

### Looking at AdWords Graphs

As you would expect from a dashboard, AdWords produces attractive graphs that can help you manage your account — and it helps you export results to a spreadsheet for further analysis.

When you click the Graphs tab, you see results much like Figure 3-5. (This is after clicking the Change link to show some of the options for changing time periods of the graphs.) The graphs — Clicks, Costs, and Impressions per day — are pretty self-explanatory.



**Figure 3-5:**  
Turn curves  
into cash.

They're in the right order in terms of focus, but the wrong order in terms of process. Impressions must happen before clicks, and cost is the result of clicks. So let's discuss them in that order:

- ◆ **Impressions:** Watch how your impressions vary, first by weekdays versus weekends and then by specific days of the week. This tells you whether your keywords are disproportionately getting searched on at some times rather than others. And yes, it is worth it to, for instance, take down your ads on a weekend if you determine that your sales and profits are less on days when no one's at work to answer the phone — or that it's worth your taking a few calls on the weekends! (Or, alternatively, when someone searching for, say, *limo* is looking for more of a fun-oriented service rather than your business-oriented one.)
- ◆ **Clicks:** Now look at clicks versus impressions by day. Counter-trends — where the pattern of clicks declines or rises versus the trends in impressions — are interesting, not only for optimizing opportunities from “good” clicks but eliminating “bad” ones that aren't generating business — but are costing you money.
- ◆ **Cost per day:** Look at your cost per day versus the business you're getting — which is the “missing chart” that you need to generate for comparison. If there are days when costs are low and sales are high, you know what to do!

### *Changing the time period*

You can easily change the time period you're looking at. Just follow these steps:

1. **Click the Change link, to pull down the options for changing the time period.**
2. **To see one of the canned time periods, click the larger pull-down menu and choose a time period, as shown in Figure 3-6. To choose a custom time period, click the smaller pull-down menus, and specify the date range (at least two days). Click Go.**

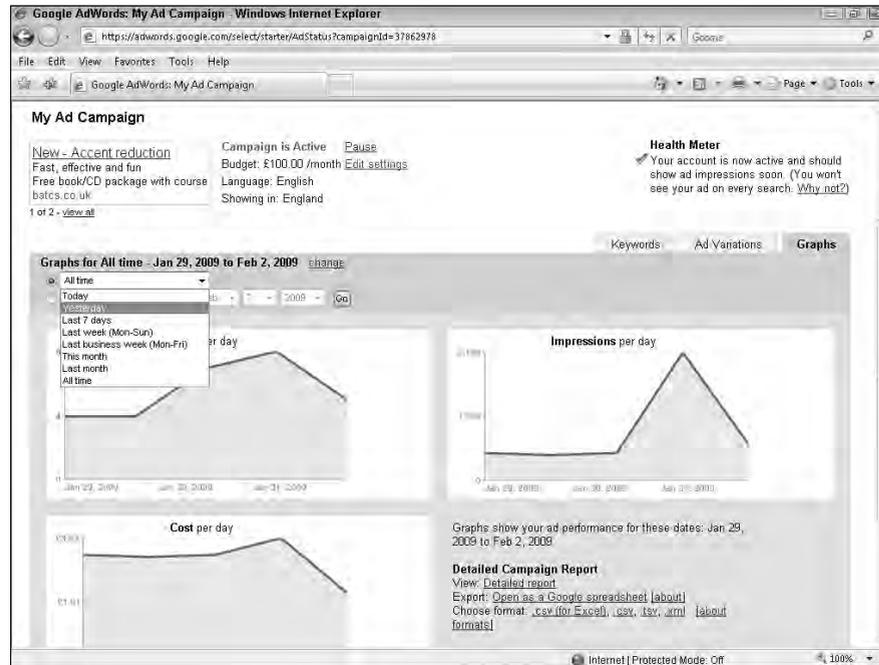
The choices for the larger pull-down menu are Today; Yesterday; Last 7 days; Last week (Mon-Sun); Last business week (Mon-Fri); This week; Last month; and All time.

When you click Go, the graphs updates.

If you get the persistent error message, “Clicks are unavailable for a period of less than two days,” choose the All time option to restore the graphs. Then try different time periods again.



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**Figure 3-6:** Canned settings produce fresh results.

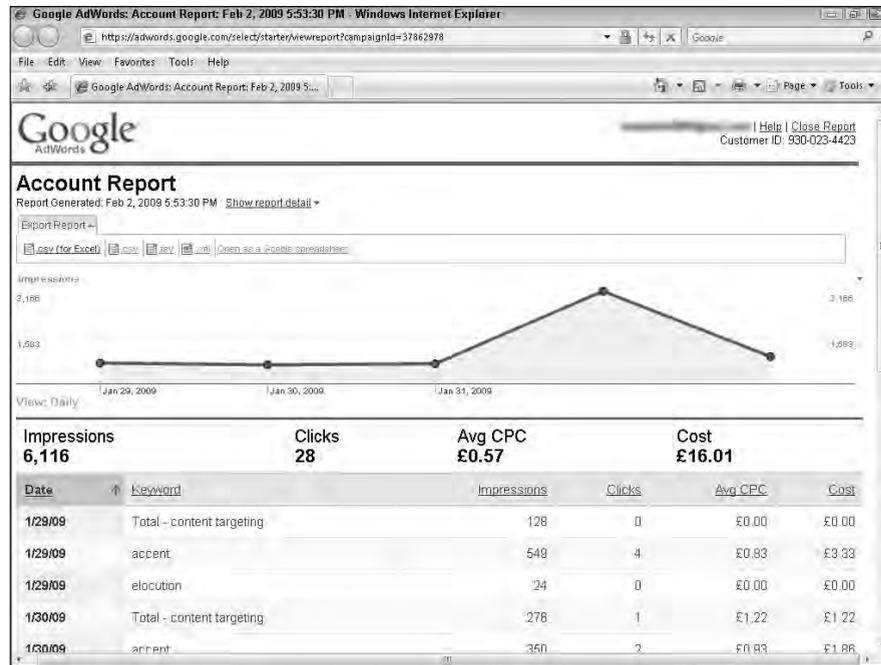
### 3. To view a detailed report, look in the lower-right area — where the fourth graph would be if there were one — and click the Detailed Report link.

A detailed report appears, including a breakdown by keyword, as shown in Figure 3-7. You can also see in the figure that you have options for exporting the report in various formats.

Look at your numbers during different time periods. Although detailed analysis is best done in a spreadsheet — see the next section — you can get a quick feel by using some obvious and potentially counter-intuitive time periods:

- ◆ **A full week:** Look at data a full week at a time to see differences in individual days and in weekdays versus weekends. Or pull up two weeks at a time; your eye should be pretty good at spotting similarities and differences in the patterns. More than two weeks, and it is hard to see much in the tiny graphs AdWords produces.
- ◆ **A calendar month:** A calendar month maps to the way you pay many of your bills and gives you a feel for any effect of monthly or bimonthly paydays and so on. Again, if you pull up two full calendar months, you can spot similarities and differences in the patterns rather well.

- ◆ **A calendar month plus a week before and after:** You can spot monthly trends even better if you review the weeks before and after a given month.



**Figure 3-7:** AdWords' big report is impressive — if your numbers are good!

All this is valuable and a great way to spot trends and get ideas. But to really get very far with the data AdWords produces, you need to export your data to a spreadsheet.

## The danger of days

The speed with which your ads get put into service varies, as do the habits of people at various times of the day. So it's hard to make much sense of the results you get the day you make a change or the day after.

After some initial experimentation, let your ads run for long enough to get a real sense for trends — a calendar month gives you a good idea, especially if your business is affected by

days of the week, changes in the weather, or how close it is to payday for different groups of your customers.

Of course, a full year's data is necessary to get on top of seasonal trends, back to school, and so on, but it may take many months of experimentation before you're ready to let a campaign run with little change for that long.

Book VI  
Chapter 3

Selling More with  
Google Analysis  
Tools

### ***(Quick) looks can be deceiving***

The graphs in the AdWords Dashboard are great for getting a quick first impression or spotting emerging problems. But if you're spending any kind of money at all, they can flatter to deceive — make you think you're more on top of things than you really are. Subtle, but possibly important trends are simply too hard to spot in the simple graphs AdWords produces.

After you get going with your AdWords program, develop the discipline of exporting your numbers to a spreadsheet. Simply click one of the spreadsheet-related links and save the file.

Then combine the newly exported numbers with an ongoing spreadsheet that tracks all your AdWords data. With this spreadsheet you should be able to slice and dice the numbers, producing charts and graphs.

Everyone does different things with spreadsheets — and with business results — but be ready to produce at least the following:

- ◆ **Daily trends.** Yes, AdWords produces a daily trends graph for you, but it's quite small. You need the ability to produce large, easy-to-read graphs where you can see the individual days and map them to various events in the real world — weekdays and weekends, vacations (yours and your customers'), events and seasonality in your line of business, and so on. Use this to reduce the number of low-sales days and increase the impact of your best days.
- ◆ **Weekly trends.** Weekly trends cut out a lot of the daily “noise” and give you an idea of how your business is really doing over time. There are only 52 weeks in a year, so weekly trends can help you quickly see how things are going over the longer term.
- ◆ **Monthly trends.** If you have a small- to medium-sized business, there's a good chance that your business is changing enough that monthly trends aren't fully comparable. You do need to produce monthly trends for analysis, but in many cases weekly trends are the most useful.

You should be able to produce average sales and profits increases and decreases for each of these time periods. And don't forget to produce two-day, two-week, and two-month graphs so you can quickly compare one period to another.

## Producing trendlines

The way the eye sees trends in highly varying curves can be quite deceiving. A technique called linear regression can help; the most popular type uses least squares analysis. It finds the straight line that best fits a given trend.

In Microsoft Excel, the function to use is called TREND. Other spreadsheets may or may not have similar functions. However, some online sites now calculate a least squares line for you. You can then fit this line back onto your own chart by drawing a straight line between the start and end points of the least squares line.

This shows you, for instance, when you might expect gradually increasing sales to reach a given point. Or, less optimistically, when gradually decreasing sales might disappear altogether!

Which reminds us of the point of all this. Avoid “paralysis by analysis” — use the data you gather to help you take practical steps to increase your sales, cut your costs, and build your business.

### *The futility of stupidity*

In the AdWords world, little things can mean a lot. Figure 3-8 shows the results of a search on *AdWords For Dummies*. Can you spot the (admittedly small) mistake? (One of the names has been changed to protect the not-so-innocent.)

If not, look in the lower-right corner. The mistake is within the ad title: Adwords tutorial.

Still don't see it? AdWords uses a nefarious marketing trick beloved of technology companies, the intercap. That's a capital letter in the middle of a word. Truly an unnatural act in English, but very common in marketing.

But some ads don't use the intercap, opting for a lower-case “w”. Why? A simple mistake, of course.

But AdWords is all about the relentless pursuit of details. If someone is trying to get you to spend time and money with them to get your details right, shouldn't he be able to get the details right first?

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**Figure 3-8:**  
Can you  
spot the  
error?

Sharpen up those #2 pencils and put on your green accountant's eyeshade as you plunge into AdWords. Be ready to dot your i's and cross your t's. The margin between an expensive experiment and successfully building your business through AdWords is very small indeed.

## *Introducing Google Analytics*

The Starter Edition of AdWords has many advantages. One is the reports we've discussed. The Standard Edition has many nice features, including the capability to create custom reports; but it lacks the simple, standard reports of the Starter Edition.

The Standard Edition also allows you to manage multiple advertising campaigns — definitely necessary if you manage multiple Web sites, but not such a huge advantage if you only manage one.

What we're trying to say here is that, as long as your spending is fairly low and you're still learning a lot, there's not that much reason to upgrade to the Standard Edition except for one thing: It's only with the Standard Edition that you can access Google Analytics. The home page for Google Analytics is shown in Figure 3-9. It's not an accident that it uses some small type and some big words.

Google Analytics is extremely powerful — and a lot of work. You must understand a few basic concepts and accomplish a few tasks to use Google Analytics successfully:

- ◆ **Auto-Tagging:** Google goes to the Web page that your AdWords ad links to and tags it so as to pick up reporting information. (Wow!)
- ◆ **Tracking code:** But Google can't do it all; you have to add tracking code, provided by Google, to some or a lot of your Web site pages.
- ◆ **Filtering out “friends and family:”** You do not, of course, want to count visits from yourself, colleagues, and employees, and so on in your Google Analytics reports. So you have to enter the IP address — a number like 87.65.43.21 — of every computer used by any one of the visitors you want to eliminate so those computers can be ignored.
- ◆ **Creating and naming goals and funnels:** A goal might be getting someone to a product page. (A visit from a curious friend, then, would be an “own goal.”) A funnel is the series of pages that leads them there. You have to define and name each goal and funnel so you can track the major paths into your key Web pages.
- ◆ **Data integrity checks:** In case you messed up some of the previously mentioned points, you need to use Google AdWords reports as comparisons to your Analytics data to find out where — and to be sure that you're not counting some of the same traffic twice.

Google Analytics does to your Web site and your AdWords campaign what the doctors do to you when you get a detailed physical: the online equivalent of attaching wires, measuring oxygen in and CO<sub>2</sub> out, and putting perspiration in little pipettes for further analysis. Analytics instruments takes a measure of your Web site — but you have to learn what all the measurements mean.

## 586 *Introducing Google Analytics*



**Figure 3-9:**  
Be ready  
to use this  
separately  
for each  
goal-funnel  
combination.

Google Analytics is extremely powerful — but pretty darn complicated. We don't necessarily recommend it until you've thoroughly explored and mastered the features and reports in the Starter Edition, then in the Standard Edition, and now are using a spreadsheet to create some pretty nice custom reports as well. Oh, and we assume you are carefully studying Web site reports and have a pretty good idea how traffic is moving about on your site already.

Howie Jacobson, the author of *AdWords For Dummies* (Wiley, 2009) has kindly lent us a key figure from Google Analytics as our own Figure 3-10. It shows the funnel for a catalog request, a key goal for some Web sites.

We don't want to discourage you from ever using Google Analytics. However, we do want you to understand that it takes time and effort to master, and that you should first master other tools before investing the time and effort needed to get the most out of it.

**Goal Settings: G1**

**Enter Goal Information**

Goal URL:  (e.g. http://www.mysite.com/thankyou.html)  
When the user navigates to this page, they have reached the conversion goal (Checkout Complete, Registration Confirmation, etc.).

Goal name:   
Goal name will appear in Conversion reports.

Active Goal:  On  Off

**Define Funnel (optional)**

A funnel is a series of pages leading up to the Goal URL. For example, you might define the checkout steps that lead up to a completed purchase as a funnel. In this example, the funnel generally would not include individual product pages -- rather, it would consist only of those final pages that are common to all transactions.



The Defined Funnel Navigation report will show you how effectively you retain visitors throughout the conversion process.

|         | URL   | Name   |  |
|---------|---|--|--|
| Step 1  | <input type="text" value="http://www.cheesemongr.com/index."/>  | <input type="text" value="Home"/>            | <input type="checkbox"/> Required step |
| Step 2  | <input type="text" value="http://www.cheesemongr.com/catalog"/> | <input type="text" value="Catalog Request"/> |  |
| Step 3  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 4  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 5  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 6  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 7  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 8  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 9  | <input type="text"/>  | <input type="text"/>                         |  |
| Step 10 | <input type="text"/>  | <input type="text"/>                         |  |

Goal (see above)

**Additional settings**

Case sensitive   
URLs entered above must exactly match the capitalization of visited URLs.

Match Type:

Goal value:   
How do I use actual e-commerce values as my goal value?

**Figure 3-10:** Be ready to do this separately for each goal-funnel combination.

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