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How Advanced Analytics Is Providing Insight into How to Win PPC Customers

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Data Analytics and Pay Per Click

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Introduction to Analytics and PPC

PPC (pay-per-click) advertising has become incredibly popular with small and medium sized businesses over the past few years. This relatively new model for advertising can be much more cost efficient than most other types of paid advertising campaigns, but a lot of companies are having difficulty making PPC work for them. In almost all cases, this is because they aren't making the best use of their data.

Analytics is the cornerstone of effective online marketing and advertising, and it's especially useful when it comes to PPC advertising. Basically, when you have the right large data sets, you will have the means to gain a better understanding of which ads are the most effective and which customer groups you should target for the most profitable results.

This kind of data and analysis also gives insight into how to gain the attention of potential clients and how you can nurture them to convert from leads to sales. But what is it and why is it so important to your PPC ad campaigns? In this guide, we'll talk you through what industry experts mean when they talk about advanced data analytics and why it matters to your business. Then we'll take a closer look at PPC advertising, what it is, and why it's so popular with businesses across industries right now.

We'll then discuss how advanced data analytics directly affects your PPC campaigns and how it can help you create better advertisements with more value for your customers, as well as how you can use data to optimize your ads, website, and all follow-up contact with your customers. With this information, you should have a better idea of what you can do with the data you generate and how to use it to get more leads, increase lead conversions, and improve your customer retention, as well.

What Is Advanced Data Analytics and Why Should You Care?

So what exactly is advanced data analytics, and why should you care? Depending on whom you ask, advanced data analytics is either a frightening portent of a world in which no one has any privacy…or an exciting and innovative tool to help businesses and individuals alike achieve their goals. At its simplest, it is just the collection of large data sets. These data sets can then be used by data analysts and data scientists to determine trends and to make predictions based on those trends.

The concept of advanced data analytics is not at all new. Scientists and researchers have been using this concept for years to gather data on any number of subjects. Researchers have been collecting massive amounts of data over long periods of time to learn more about everything from cancer and other chronic diseases to obesity epidemics and economic trends.

The only difference is that today with advances in computer storage and processing power the volumes of data can become exceeding large. Corporations and public institutions were referring to this phenomenon as Advanced data analytics. However, large data sets are becoming the norm and the term Advanced data analytics is losing popularity within the IT departments of many organizations, who now just view it as data.

Let us not loose site of the fact that this data can and probably will include large amounts of varied and unstructured computational data collected at faster speeds than ever before. Experts refer to these as the "3 Vs" of data: volume, velocity, and variety.

A huge volume of data is collected through a number of different sources, including but not limited to social media, business and sales transactions in person and/or online, opt-in surveys and questionnaires, cookies, etc. But, of course, just collecting a lot of data doesn't help end users (businesses like yours) very much if that data can't be processed and analyzed. This is where velocity comes in.

Unlike manual data gathering and analysis in years past, advanced data analytics requires high-speed processing power. With the volume of the ever-increasing volume of the data coming in, there's an equally large need for high-speed processing and analysis. Thus, raw data can be turned into useable information at higher speeds than ever before.

The biggest challenge to velocity, though, is variety. Advanced data analytics incorporates more than just straight numbers. The variety of data types that businesses can use to improve their marketing and advertising strategies (as well as other strategies) include but are not limited to numeric data, videos, financial transactions, emails and more.

As you can see, advanced data analytics is more than just a simple collection of data points. Thanks to advancing technology, improved algorithms, and other efforts on the part of data scientists around the world, the amount of data that's being gathered and stored online today can now be used to gain more accurate insights into what customers want, what they're searching for online, and how to reach them more effectively.

In other words, advanced data analytics isn't just data – it's the ability to take raw data, turn it into useable information, and use scientific methods to process and analyze it to determine trends and make predictions that businesses can use to find and target their ideal customers without wasting a lot of time, effort, and money trying to find those customers on their own.

That's all well and good in theory, but how does it work in practice? How does advanced data analytics affect PPC advertising, and how can it help your business get more conversions while spending less money? Let's take a closer look at what exactly PPC advertising is and how it works. Then we'll delve deeper into how advanced data analytics can specifically aid in PPC advertising.

What Is PPC?

The concept of pay-per-click (PPC) advertising is fairly simple. Instead of paying for an ad to appear in a magazine, on a billboard, on TV, or on a website for a given amount of time, with a pay-per-click service, you'll create an ad campaign that will appear on an advertising platform (e.g., Google, Facebook, LinkedIn, etc.), and you'll only be charged for your ads when potential customers actually click on them. This way you know that you're not going to be charged to run an add that people are just scrolling past and not actually interacting with.

The key to PPC advertising, though, is that it's keyword-based. Advertisers choose popular keywords for their industries and markets, and they make bids to get their ads shown when users search for those keywords. Choosing the wrong keywords for your ads can result in your ads never appearing for your target audience, or your ads might appear for the wrong audience entirely. If people who are not interested in your product see your ads and click on them for

whatever reason (misleading content, improper ad placement, etc.), it could result in a very expensive mistake for your business.

There are a number of strategies you can employ, though, to avoid bidding on keywords that are super-saturated and/or highly competitive. This is where advanced data analytics comes into play for PPC advertising, and it's why advanced data analytics is so important to online marketing, especially PPC campaigns. With the right data and analysis, you can avoid spending a lot on your advertising budget while still reaching your intended target audience.

How Does Advanced Data Analytics Affect PPC Advertising?

So what is the biggest challenge for businesses attempting to find their potential customers online? Some of the most useful and informative data available on your customers is also some of the most difficult to analyze if you're forced to use traditional data analysis tools. Why? Because it's chaotic. It comes in the form of videos, social media posts, photos, and other online activity that doesn't easily break down into chunks of numeric data that are easy to process.

Thanks to advanced data analytics, though, you can get real information on this kind of data in real-time. Along with numerous other applications, this solves a major problem for businesses that want to take advantage of PPC advertising.

Data's Significance for PPC Campaigns

The PPC model of advertising is very attractive to a lot of businesses because – if implemented correctly – they will only spend advertising money when potential customers directly interact with their ads. Theoretically, this means that investing in a PPC advertising campaign is a far more efficient use of your advertising funds, as you aren't paying for questionable ad space and/or time. You don't have to sink money into a campaign only to find out that it's not reaching your target audience. If a campaign isn't effective, you'll know because you won't be getting clicks on your ads, and you can go back and make changes to grab customers' attention, get them to click on your ads, nurturing more conversions and driving more sales.

However, without the assistance that data provides to give you insights into your potential customers' wants and needs, as well as where they spend most of their time online and other valuable information, you won't know what changes you need to make to your campaign to make it more effective. If you start an ad campaign that's getting no clicks, you could be looking at a number of problems, including but not limited to:

- Bidding on the wrong keywords

- Ads appearing on the wrong platforms

- Not including the right keywords in your ads

- Using ineffective graphics and/or videos in your ads

When you don't know why your ad campaign is failing, you could waste a lot of valuable time with trial-and-error changes that have little to no effect on your results. Eventually, you'll probably find the right formula, but you'll waste a lot of resources in the meantime. With advanced data analytics, you can quickly and easily get relevant information on the kinds of keywords you need to use, where your audience hangs out online, whether or not video is an effective medium for them, what devices they're using to browse the Internet most of the time, and much, much more. With all of this information, you can create the best PPC campaign for your target audience without spending a lot of time, energy, and resources.

POTENTIAL PROBLEMS WITH PPC ADVERTS

BIDDING ON THE WRONG KEYWORDS

ADS APPEARING ON THE WRONG PLATFORMS

NOT INCLUDING THE RIGHT KEYWORDS IN YOUR ADS

USING INEFFECTIVE GRAPHICS AND/OR VIDEOS IN YOUR ADS

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Also, getting little to no attention is not the only way that a PPC ad campaign can fail. If you are

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using the wrong keywords or you have an ad that's somehow misleading, you could get a lot of clicks on your ads but get no significant increase in your conversion rate or sales numbers. In this case, people are clicking on your ads, seeing that your services or products don't match their needs, and clicking away. And every click costs money. So you can see how advanced data analytics can save you from some very expensive mistakes with your PPC ad campaigns.

Create More Personalized and Better Targeted Ads

If you're a Facebook user, you've likely noticed periodic on the sidebar of your newsfeed and integrated into the feed itself. When this practice first began, a lot of users were annoyed by the interruption, but Facebook's developers have put a lot of effort into creating a more streamlined experience. This way users feel like the ads are less intrusive in their formats and placement, and the ads they see will be better suited to their interests. Google has done the same with advertisements shown in searches and on websites using Google AdWords.

Both Facebook and Google use massive amounts of personal data provided by their users to accomplish this. Thanks to advanced data analytics, the system is in place to allow businesses of all sizes to create more personalized and better targeted ads. You can use a lot of the same data sets that Google and Facebook use to create ads that are specifically targeted to people who are interested in your products or services.

With advanced data analytics, you can do research on your market niche. You can find out who your ideal customers are, where they live, how much money they make, what their interests are, which devices they use most to go online, where they hang out online, and much more. This will give you the information you need to create ads that are personal and that will grab your target audience's attention. Not only that, but it'll also give you the information you need to understand where you need to place those ads and when.

Understanding Ads' Effectiveness

One of the most impressive and convenient features of PPC advertising is that you don't have to get it completely right the first time. While you don't want to blindly launch campaigns and make changes at random to try to grab more customers, you do have the freedom to make calculated adjustments to your ads. This is a faster and more accurate process when you use advanced data analytics to understand your ads' effectiveness.

When you choose to launch a PPC ad campaign, you'll first want to use advanced data analytics to determine what kinds of ads are the most effective for your target audience. You can do this by looking at the analytics for similar ad campaigns and seeing what others have done before you that worked and what didn't work, as well.

Doing this will help you identify the kinds of content that drive sales in your industry, which will help you identify the best types of ads to create for your campaign. Once you launch your

campaign, you can then look at the data for your own campaign to determine how effective your ads are. Looking at this will give you insight into what changes you need to make to create a more effective campaign.

Targeting the Right Customers

As we mentioned briefly earlier, advanced data analytics is incredibly effective at helping you target the right customers. This is made possible when data analysts and data scientists are able to put together raw structured and unstructured data to tell a story. Let's say that you sell kayaks and that your data tells you that 75% of your customers are between the ages of 25 and 34. Let's also say that your data tells you that 70% of your customers hold four-year degrees and that your customer retention rate is at 50% and that 80% of your sales are kayaks, while only 20% are accessories. What does all that tell you?

To you, that might just mean that your average customer is young and active, and your retention rate isn't that great. However, when you look just a bit closer, you'll see that your customers are well educated and are most likely professionals who like to get outside on the weekends to enjoy some outdoor adventures. They buy their kayaks from you, but they're more likely to go to other manufacturers for accessories. This tells you that you need to do some work on advertising your accessories as well as your kayaks, which could drive your customer retention and your sales up significantly.

Help With Hyper-Localization

Through location data provided by users on their smartphones and tablets, as well as data gleaned from social media use, advanced data analytics can now significantly improve businesses' local and mobile reach through their PPC campaigns. It's now possible, using advanced data analytics, to specifically advertise to potential customers on their smartphones who are currently near your business and might be searching for your products and/or services in the area. This kind of hyper-localization is really only possible because advanced data analytics works in real-time to create better targeted ads that appear at the right time and place for your customers.

Strategies for Optimizing Campaigns With Data Analytics

Now that you have a better understanding of how advanced data analytics works with PPC campaigns, you likely want to know a bit more about how to optimize your campaigns using advanced data analytics to get better results. These are a few of the most useful and effective strategies to improve your ads' effectiveness and get more conversions using advanced data analytics.

Keyword Research

First of all, the most successful PPC campaigns and other marketing and advertising campaigns don't happen by accident. And their creators do not choose keywords at random or by guessing what they think people in their target audience are searching for right now. Rather, they perform keyword research to find out which keywords and phrases are currently trending with their audiences, and they use advanced data analytics to get the job done.

Keyword research allows you to focus less on what you're selling and more on what your customers are searching for. With the right tools, you can find the most popular keywords related to your industry and your market. You can also find related keywords and phrases, as well as long-tail keywords that will help personalize your ads.

For example, if your business makes and sells weightlifting equipment, you might think that the keyword "lifting" would be a good one to include in your PPC ads. While "lifting" definitely gets a lot of hits, and it'll show a large number of searches in your research, it's too vague to be an effective search term. People searching for this term could include those looking for auto lifts, uplifting content, and other "lifting" related topics that have nothing to do with barbells, squat racks, and other lifting equipment. Therein lies the value of long-tail keywords, but you won't be on your own to find these, either.

To get a good start on your keyword research, simply go to Google and type in your short-tail keyword. In this example, you'd type "lifting". Google will then give you a list of auto-complete keywords for your search, including phrases like:

- Lifting weights

- Lifting straps

- Lifting shoes

- Lifting belts

- Lifting quotes

If you enter the key phrase "weight lifting" or the keyword "weightlifting", you'll get similar auto-complete suggestions that you can add to your list of potential keywords. Then you can take those suggestions and enter them into a keyword research tool to find out which ones are going to be the most effective.

When you plug your keywords and phrases into a tool like Google AdWord's Keyword Planner, you'll be able to harness the power of advanced data analytics to show you how many people

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are searching for these terms, and you'll see suggested terms and how popular they are, as well. That's as far as Keyword Planner goes, but other tools offer even more data to help you understand which keywords will be most effective.

These tools use advanced data analytics to determine the "worth" of popular keywords to determine how competitive they are and how much advertisers are willing to pay for them. Along with other metrics that can help you determine which keywords are duds and which are too expensive for your budget, these tools are an example of how advanced data analytics can be used to find the right keywords to bid on for your PPC campaigns and which ones to use in your ads themselves to ensure you pass Google, Facebook, and other advertising platforms' relevancy algorithms.

With advanced data analytics, you can easily find out which keywords your target audience is searching for, and you can narrow your search to avoid super-saturated keywords that will put your ads in front of people who aren't your ideal customers. Likewise, you can find keywords and phrases that don't have as much competition and won't require a very high bid to get your ads out there.

A/B Split Testing

Of course, keyword research isn't the only way that advanced data analytics can help you optimize your PPC advertising campaigns. A/B testing (also called split testing) is a marketing technique used to test different ads to see which one will be the most effective for your audience. When you do an A/B test, you'll run two campaigns simultaneously, but one will have a different CTA (call to action), differently worded copy, a different image, different shape and/or placement, and/or different keywords than the other. Then you'll track how well each ad does over a set period of time to determine which one you'll continue to use.

Once again, advanced data analytics is important to this process because you don't want to start with two random ads. You want to use the information available to you through keyword research and advanced data analytics to choose two ads that are likely to work for your customers. You'll know exactly how they differ, and you'll have the tools available to you to determine which one is more effective at the end of the testing period.

Advanced Data Analytics and Conversions – Nurturing Potential Clients into Sales

Advanced data analytics isn't just useful in creating your PPC campaigns, though. Once you've created a marketing and advertising strategy for your PPC ads, you should start to see more traffic coming to your website. The key now is to convert those leads into sales and then to improve customer retention, as well. So how can you do that?

Through advanced data analytics, you can begin to see patterns emerging in the ways in which visitors and customers use your website. If you have a high bounce rate, there's a good chance that you have at least one misleading ad and that those visitors aren't actually part of your target audience. Do a lot of your visitors abandon their carts with products in them? If so, you might want to look at how many steps (or clicks) it takes for your customers to go from viewing a product to checking out and completing their transaction.

Advanced data analytics metrics can measure how long your leads tend to stay on your site before leaving, how many site visits result in transactions, and how long visitors linger on certain products. This can be helpful in nurturing more conversions in a number of ways.

Understanding Where You Need to Improve Your Marketing Strategy

To illustrate this, let's go back to our example about the kayak and kayaking accessories company. If you're using advanced data analytics to plan your marketing strategy, you'll have
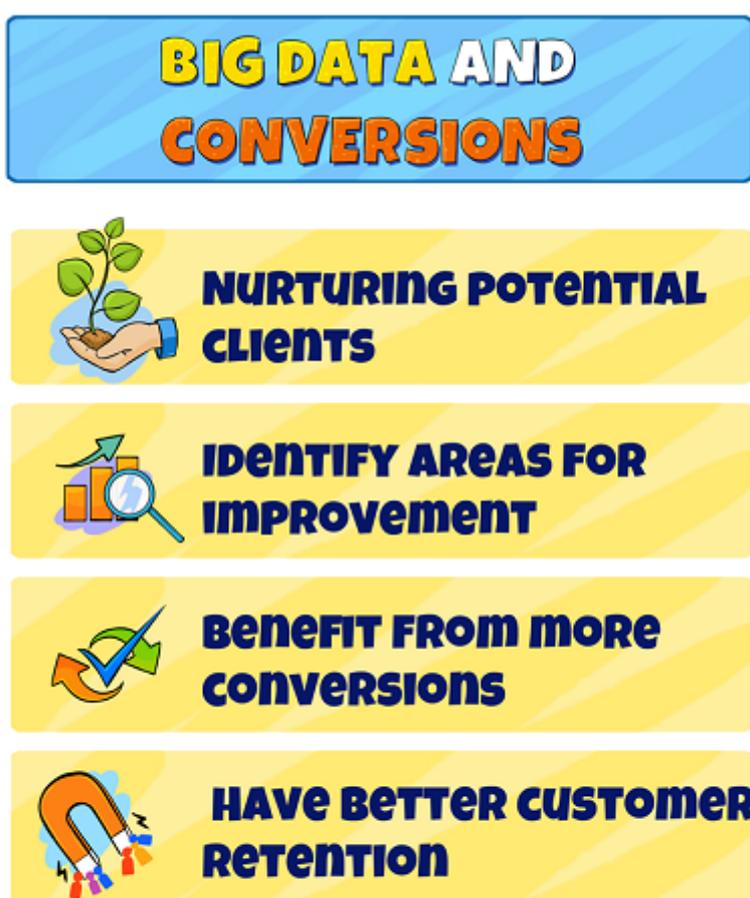
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found appropriate and relevant keywords and phrases for your ads, and you'll have information on how much traffic those ads are driving to your site. If this is all the information you have, you'll use this data in comparison with your conversion rate to determine whether or not the ads are effective for driving more sales to your site.

Now, let's say that from this data, you find out that your ads did drive traffic up on your site, but you saw insignificant change in sales numbers. This might lead you to believe that your ads are misleading and/or ineffective in some other way. After all, they failed to increase your conversion rate, so they're not successful ads, right? Actually, you may not have the whole picture if you're not using all of the data available to you.

In this case, if you look at your advanced data analytics for your website, you might notice that the majority of potential customers coming to your site via your PPC ads spend a lot of time visiting a single product page. Instead of clicking through to buy the product, though, they eventually leave. So, is this a failing in your PPC ads or somewhere else? If you see something like this you may want to take a look at that product page to see if it's somehow unclear and/or if you could improve the page's content to be more informative and valuable to your customers.

Advanced data analytics lets you see more with every PPC ad click and site visit. It lets you analyze your customers' behavior on your site, and it lets you pinpoint the places in your marketing strategy that could use some work to better cater to your customers' wants and needs.

Essentially, advanced data analytics' part in your marketing strategy may begin with your PPC ad campaigns, but it does not end there. With advanced data analytics, you can get the statistical data you need to understand how your customers use your site, which pages may be lacking quality content, whether or not you need to streamline your checkout process, and much more. But advanced data analytics isn't just good for creating a more successful website – it can also help you determine what you can do to follow up with leads and new customers to increase conversions and customer retention.

More Conversions and Better Customer Retention

The ultimate goal for your business is not to get more traffic on your site or to get more people to opt in for your email newsletter. The goal is to increase your conversion rate and gain more repeat customers. Again, advanced data analytics can help.

When you have access to information on the types of communication that your leads respond best to, and when you identify the best channels to reach them through, you can improve your ability to follow up with your leads and your customers. Following up with leads who have visited your site and signed up for your mailing list works to build your relationship with them and

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improve the likelihood that they'll convert to customers. Following up with customers after a sale to enquire about their experience or to otherwise offer incentives to come back for more can dramatically increase your customer retention. And it's all possible thanks to your advanced data analytics.

In Conclusion

All in all, attempting to run a PPC advertising campaign without advanced data analytics is an exercise in futility. Essentially, when you do this, you play a guessing game as to where you should be advertising, what you should say, who your target audience is, and which keywords you should be using.

At best, this becomes a major waste of time and energy as you attempt to hone in on the problems with your ads to find the best approach to reach your customers. This could result in iteration after iteration of ineffective ads that get no attention and bring nothing to your site.

At worst, it can be a huge waste of advertising budget money, as you'll have to pay for every click, even if someone accidentally clicks on your ad and/or is misled by your content and believes that they're clicking on an ad to visit a website for an entirely different industry or niche. At first, this kind of mistake can look like you've stumbled upon a successful campaign strategy, but when you see that your sales numbers do not increase and that your site traffic remains unchanged, you'll find that you've spent a lot of money on absolutely nothing. In a worst-case scenario, you could even end up spending your entire advertising budget for the quarter (or even the year) on a failed campaign that does nothing for you.

Likewise, without advanced data analytics, you might bid on keywords that are so competitive that your ad will never get shown. Or you could take up your entire advertising budget trying to compete with large corporations for those high-value keywords. With advanced data analytics, though, you can find keywords that aren't as competitive that will specifically target your potential customers. With the right long-tail keywords, you can spend less money to get more of your ads displayed to the people who are most likely to become loyal customers for your brand.

Thanks to advanced data analytics, you can easily do keyword research in a few minutes instead of using trial-and-error methods to attempt to find the best keywords for your audience. You'll also be able to easily do A/B testing in a controlled and methodical way to determine which ads are the most effective to get more leads and more conversions, as well. With advanced data analytics, even your marketing experiments will be more efficient and accurate.

And, as you've seen here, advanced data analytics doesn't stop with your PPC ads, either. With advanced data analytics, you can see how your leads and customers behave when they visit your site. This information can tell you a lot about what you need to improve about your site, and it can provide you with the means to determine how to follow up with leads and existing

customers to improve your sales numbers and your customer retention.

Advanced data analytics and superior advanced analytics are the keys to the kingdom when it comes to PPC advertising and lead conversion. At Peppersack, we offer industry-leading advanced data analytics and advanced analytics solutions designed to improve your PPC campaigns, bring more traffic to your site, increase lead conversions, and improve customer retention. We do all of this with predictive analyses based on the most accurate data available today.

We help you use more of your data to paint a better picture of your ideal customer and to create the very best marketing strategy for your business. Contact us today to learn more about how we can help you dramatically improve your next PPC ad campaign so that you can save money and see better results, more conversions, and higher sales numbers.

Peppersack is a digital marketing agency base in Manchester, UK. Peppersack specializes in Inbound and Content Marketing. We build websites for our clients and support them with a range of services including Campaign Development, SEO, Content Generation, Social Media Marketing, Technical Support and Analytics.

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About Peppersack

Peppersack is a leading digital marketing agency providing SEO and content marketing services that deliver results. Our search engine optimisation services will help to raise your page rank. We deliver proven results in the form of traffic to websites and sales inquiries though integrated inbound marketing campaigns. We make it easy for your potential clients to find you. These services are based on a disciplined approach to research, analysis, business planning and reporting. Support services include content development, social media management and creative design and development.

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