

Use and Effect of Google Ads Effect of Google Ads for Marketing Success



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Abstract: *The present article examines success factors by using and implementing google ads in enterprises. In order to assess the importance of google ads for marketing success, the first step is to classify the importance of google as a search platform. Measured in terms of page views, google was the clear market leader in the search engine market with a market share of 87.66 percent, ahead of Bing and Yahoo. 5.8 billion search queries per day - two trillion search queries per year - also generate opportunities for companies to present themselves and win customers. The results of this research suggest that the keyword for successful online marketing in SEA focuses on relevance. Only if content is created that, in addition to the actual promotion of a product or service, leads to further and for the user target-oriented information, the campaign experiences a quality upgrade, which not only affects the ranking and quality factors, but also the conversion behavior of customers. Based on the execution of a literature review, which has been carried out with emphasis on empirical studies and essays since 2010, four main success factors, such as presentation and content of the website, accordingly keyword marketing, the complementary use of analytics, and ad extension have been evolved.*

Keywords: Google Ads, Marketing, Success Factors

I. INTRODUCTION

The average click-through rate (CTR)¹ of a top-listed search result on Google is currently 19.3 percent. The CTR of a result listed in second place, however, is half that (10.73 percent). The rate of users willing to access paid content is four times higher than other search engine sites (Amazon, YouTube, Bing). Google also proclaims that for every dollar spent on advertising on the portal, an average of two dollars in revenue flows back [1]. With a 31.2 percent share of the global digital advertising market, Google is the undisputed leader [2]. While these figures may sound impressive, it is highly individual for each company how much traffic is generated via google on the company's websites and to what success, measured in revenue, an ad placed via pay per click leads.² Especially in the start-up phase of a company, the time when customers must be acquired, so that the break-even is reached as quickly and sustainably as possible, successful advertising is necessary [3]. Here it is explicitly not about a description of the application of the Ads program, but on the economic effect paths to be expected in the

advertising enterprise. Accordingly, the question to be answered is:

What are suitable success factors for marketing with Google Ads?

II. METHODOLOGY

Partial analysis is the keyword in this work. An abstracting component is inherent to the research process of the work, since no universal statements can be made about the connection between Google Ads and company success. Therefore, the present result is not to be interpreted as empirical, but nomological with mention of previous scientific emphasis. For this purpose, a comprehensive literature review since 2010 is conducted in order to finally arrive at concrete recommendations of the identification of marketing success through Google Ads.

III. THE IMPORTANCE OF ONLINE MARKETING

The connection between online marketing³ as an important part of digital business and Google as the most visited website in the world is significant [4]. In 2018, for example, the European Parliament found that 37 percent of consumers shop online almost without exception, while 57 percent of shoppers use the internet as their first source of product-based information. In the knowledge that 68 percent of customers also buy online, the importance of online marketing is growing [5]. This is particularly evident in the past year. After the exogenous shock initiated by the measures to combat the Corona pandemic, declines in sales were recorded in the use of all advertising channels [6]. The only exceptions are the search engine advertising and social media advertising channels, which did not see a decline in revenue from advertising spend in 2020 [7]. On the contrary: With growth of 6.1 and 5.6 percent respectively, these digital fields are clearly succeeding, which is also reflected in a gradual shift of traditional advertising in favor of digital advertising [8]. In 2020, more than EUR 10 billion was spent on digital advertising for the first time, around EUR 4.1 billion of this in the area of search sponsored text ads [9]. According to estimates by the company Statista, this amount will increase to almost 5.6 billion euros by 2025, making it by far the largest item in the digital advertising sector [10]. The question arises as to how this budget can be used in the most meaningful way possible, or: How can Google Ads help

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¹ The CTR is the percentage of clicks in relation to the frequency of search results displayed.

² With so-called PPC, the customer only incurs costs if his advertising material is clicked on.

³ The term can be defined as taking measures to direct visitors to websites where business can be done. Cf. Lammennett, E. (2019): Praxiswissen Online-Marketing: Affiliate-, Influencer-, Content- und E-Mail-Marketing, Google Ads, SEO, Social Media, Online- inklusive Facebook-Werbung, p. 29, Springer Verlag.



generate clicks on websites where business can be done?

his journal uses double-blind review process, which means that both the reviewer (s) and author (s) identities concealed from the reviewers, and vice versa, throughout the review process. All submitted manuscripts are reviewed by three reviewer one from India and rest two from overseas. There should be proper comments of the reviewers for the purpose of acceptance/ rejection. There should be a minimum of 1 to 2 week time window for it.

IV. GOOGLE ADS

If Google Ads is designed to enable companies to be found whenever a specific product or service is searched for on the platform [11]. A so-called "hot lead" can arise - the contact with a customer with the intention to buy an individual product.⁴ In this way, the ratio of website visitors to users who actually buy something (conversion rate) increases if the purchase was previously defined as a conversion by the advertiser.⁵ Conversion tracking can thus be used to directly measure the success of an advertising campaign. In this sense, however, a differentiation must be made between websites with an online shop and those without. Without an online shop, the advertising revenue cannot be determined exactly, so the CTR of five percent specified by Google is more likely to be targeted in order to identify a successful advertising campaign [12]. The snippet (ad snippet that is displayed in Google search) is then apparently well optimized. The advertiser pays in the cost-per-click procedure (CPC) for each click generated in this way, which allows him transparent cost control [13]. In practice, it is essential to compare the key figures conversion rate (CR), CTR and CPC with each other, keeping an eye on the targeted company revenue. By using Google Ads, a brand also increases its awareness by up to 21 percent, according to a study by Busch. The online marketing tool benefits from the awareness of the Google brand. At the same time, Google provides the platform on which most people worldwide search for products and services [14]. In Germany, for example, 76 percent of consumers begin their product search when shopping online on Google [15]. In this way, ads achieve a higher relevance than advertising according to the watering can principle. Acetendencies for this are of course the correct application and preparation of the campaigns, which is generated from an overall view of possible success factors.

A. Superior Success Factors

The classification of the possible success factors in this chapter will be ranked according to their importance. Thereby, no claim is made to a general completeness, but only elementary components of campaigning with Google Ads are considered.

Success factor 1: Presentation and content of the website

"One of the most used factors for targeted marketing with Google Ads is the structure of the website on which products and services are advertised" (Ulber/Remo 2020: 335). The so-called usability is of outstanding importance. As an important quality feature, it describes how easy a website is

to use, what effect design and appearance as well as page speed have. The latter is fundamental, since too long loading times drive visitors away from the website [16].

With an average visit duration of 40 seconds per website [17], there is not much time to inform and convince. Since the original product search in AdWs comes from the user, advantages can be realized in highly targeted pull marketing, as described. The website should also be responsive, as more than 80 percent of search queries are generated via smartphones instead of stationary desktops [18]. Google has been taking this development into account since 2018 with the rollout of the mobile-first index [19]. In fact, the customer journey is increasingly being displayed "mobile only" [20]. The use of ads therefore implies the complete addressing of potential customers via the smartphone. In order to generate relevance, informative and meaningful advertising should continue to be used instead of clumsy advertising. The large flood of content makes it increasingly challenging to create content that is actively perceived by users [21]. According to the study "Context matters", advertising messages in editorial environments are perceived far more activating than on other advertising channels [22]. Nielsen and Pernice prove this in their study "Eyetracking Web Usability" by tracking the gaze paths of users on advertising websites. According to them, the content paired with visual stimuli almost always determines how users behave on the website [23].

Success factor 2: Keywords

One way to create highly relevant advertising is to consistently match the tripartite elements of keyword⁶, ad and landing page. In this way, Internet users are shown advertising that is appropriate and tailored to them in each case. [24] "The keyword you choose for your campaign will determine the quantity and quality of your visitors"(Calcott/Weller: p. 108) [25]. It is important to link the correct landing page in the ad, so that the user sometimes lands on exactly the right subpage (this should consist of at least 300 words) and not on the general website and then has to click through first. Through conversion tracking, the advertiser then gets to see which keywords lead to the most pre-defined conversions [26]. Depending on the search frequency and relevance, a "keyword hierarchy" should be developed in order to then book the most promising terms in Ads so that the ad appears on the first page of "google" [27]. In addition, the Google support pages recommend five to 20 keywords per campaign to increase the probability of hits [28]. Ideally, the keyword entered by the customer and the term used in the ad are identical. In this case, the user's behavior must be examined closely. Since most searchers only click on the first ads and start searching again (with a new keyword) if they are unsuccessful, a top placement makes more sense [29]. Google's Keyword Planner can be helpful here, as can the Keyword Placeholder. "The keyword placeholder can be used for any text ad, with the keyword placeholder code built into either the ad title, description, or displayed URL" (Ulmer/Remo 2020: p. 319) [30].

⁴ In this context, a distinction should be made between the cold lead (potential customer) and the warm lead (interested party).

⁵ In this paper we want to assume this, as we are investigating the effect of Google AdWords in terms of its earning power.

⁶ It is about the paid placement of short text ads.

Thus, the word entered by the user correlates one-to-one in the ad, which leads to correspondingly high relevance. In this way, the quality factor in the ads account can be increased and lead to better performance and lower costs.

Success factor 3: Link Google Ads with Analytics

The data stored in ads, which contain valuable insights into user behaviour, not only reveal optimisation potential within campaigns, but also provide practical empirical data [31-32].

Google Analytics also provides detailed information about user behavior after clicking on the ad, the time spent on the landing page and the website in general. For a pecuniarily relevant success analysis it is essential to know how the users navigate on the website [33].

A large-scale study of 27,000 B2B websites surveyed found that 49 percent of these sites already use a vendor's web analytics solution, 82 percent of which in turn use Google Analytics [34].

A detailed presentation of the benefits of web analytics would go beyond the scope of this paper, so here we offer an overview of the use and benefits of analytics in a survey of 740 web analysts. Search Engine Marketing (SEM) forms one of the key benefits here [35].

Success factor 4: Entering ad extensions

The benefit of ad extensions lies in the additional information provided by the advertiser to its customers as well as Google. In this way, not only is the relevance of the ad increased, but the ad value is also ranked higher by Google. In addition, advertisers with the ad extensions stand out from competitors who do not use this tool [36].

Because ads with extensions take up more space due to the greater density of information, advertisers get more space and visibility. For example, caller extensions (phone number is displayed), sitelinks (signposts to certain subpages of the website) or location extensions (view business address and location on Google Maps) offer the user additional incentives to visit the corresponding website.

Surveys at the School of Library and Information Science have shown that digital readers spend much less time on individual texts and frequently switch between individual media and media content [37]. The more information that is provided with the first touchpoint, the more likely it is that the next "journey" will be successful.

In a live project conducted by Ulber and Rumo, CTRs can be measured for callouts, snippets, sitelinks, and caller extensions, each oscillating around ten percent. This puts ad extensions above the average CTR for the entire project [38]. Ad extensions is one way to go in this regard.

B. Inferior Success Factors

In addition to the four success factors mentioned, other determinants can significantly influence the success of a campaign. In addition to the quality factor, the ad rank plays a central role. These two aspects decide how much the advertiser ultimately pays per click. In terms of budget optimisation of the campaign(s), success factors one and two may play the most significant role in this context [39]. Furthermore, it must be clearly defined in the campaign what is to be achieved and how the campaigns distinguish themselves from each other in Ads, so that advertisers are prevented from competing with each other.

V. RESULTS

Google Ads offers an efficient platform for online marketing. The article revealed that relevance, which should run like a red thread through the marketing measures, is the magic word in marketing with Google Ads in order to achieve a positive evaluation of the results. The following **hypothesis** can be dared: efficient marketing with Google AdWords requires an attractive range of products and / or services, a modern and user-friendly website, a careful stringency between advertising and offer and thus a high relevance between booked keywords and ads and linked landing pages as well as continuous monitoring and optimization of the Google AdWords account with the inclusion of specific peculiarities that each individual advertising company has and experiences that are gained over time.

VI. CONCLUSION

The success factors learned from secondary research certainly form a valid basis for efficient marketing with Google Ads. However, it must be taken into account at this point that due to the heterogeneous product landscape, there can be no generally valid approach to identifying such success factors. This makes it considerably more difficult to validate a statement about the connection between the use of Google Ads and product sales based on the increase in revenue. A tendency, based on the literature study, can be shown on the other hand: The main keyword for successful online marketing in the field of SEA is relevance. Only if content is created, in addition to the actual promotion of a product or service, it will lead to further and for the user target-oriented information, the campaign experiences a quality upgrade, which not only affects the ranking and quality factors, but also the conversion behavior of customers. Stringency between ad and offer as well as high relevance between booked keywords, placed ads and linked target pages therefore constitute a part of the success strategy with Google Ads in any case.

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