

Bidding is offering a competitive price that a bidder is ready to pay for a service. The term 'bidding' is always used in the context of auction. Bidding is very useful to set the value of an object, an art piece, a property, a commodity, etc. The amount itself is called as a **bid**.

PPC Bidding

In the context of internet marketing, the amount an online business organization allocates for PPC advertising is known as **PPC bid**. The bids specify the maximum amount that an organization is ready to pay each time a user clicks your ad. This is called the maximum Cost-Per-Click *maxCPC*.

Factors that Affect Bidding

Bidding depends upon the following factors:

- Advertising budget of the organization
- The time the organization plans to use paid advertising.
- Keyword popularity
- Competition from other advertisers

What to Bid For?

With the help of bid management tools, you can bid for:

- Conversion events such as video views, contact forms, store directions, the time of ad display, etc.
- Keywords such as brand phrases, user phrases, direct response phrases, lead generation phrases, engaging phrases, etc.

Pricing Strategies

Before you start bidding, you need to consult the seller to determine and set the price of the product or the service the seller is selling. The following list shows popular pricing strategies:

- **Cost-Plus-Price** - It is the simplest method of determining price. Here, you sell the product or service for more price than it took for making it.
- **Competitor-based Pricing** - It involves finding out the prices set by other businesses in the same sector, and then adopting the numbers, with some positive and negative marginal numbers according to how the seller's product does for that day.
- **Value-based Pricing** - Note that the prospect is not all that interested in the manufacturing cost of a product; he is rather more concerned about receiving the full value for the price he pays. Hence, it is quite critical to research the other products available to the prospect and analyze what additional value do they offer, and price your product based on the value it provides.

How Much To Bid?

When it comes to pricing, what you pay for depends on overall media budget, aggressiveness, negotiation skills, and the business circumstances.

PPC Bid Management Solutions

You can use AdWords to build and manage your ads pretty easily. But in case you have more than a few dozen ad groups, or you are spending more than \$10,000 a month on paid search, a bid management tool is required for day-to-day management of the ads.

There are quite a few bid management platforms available in the market. Selecting the best

platform is a time-consuming task. These tools vary in options and features from one another.

Here is a list of some popular bid management solutions:

Acquisio

They manage Facebook paid socials and provide retargeting efforts. Acquisio's PPC bidding tool adjusts bids and campaign budgets automatically based on the events you define, and delivers automated reports with data from Google, adCenter, as well as Baidu.

Kenshoo

The bid management tool offers portfolio, model-based or rules-based bidding, and it is easy to optimize, tag, research, and optimize campaign elements. Kenshoo has customized A/B testing tools, conversion attribution, great reporting options, and real-time campaigns that dynamically build and sync your campaigns with inventory data.

Marin

It is an easy-to-use online management platform. It provides a desktop editor tool and strong reporting solutions. Marin also has a real-time campaign feature for online merchants called Marin Dynamic Campaigns.

Clickable

Social and search advertising management platform Clickable offers a bid management system that delivers quantitative and qualitative keyword, ad group, and campaign recommendations. Clickable also offers Conversion Tracking, Keyword Call Tracking, Bulk Keyword Editing, Custom Reporting, and free PPC evaluation.

keywordMax

It is designed for advertisers, agencies, and local businesses. Its PPC product performs rule-based bid adjustments 24 times per day, and offers advanced real-time reporting. The platform is easily private labeled.

PPCBidMax

It is an automated bid management tool for AdWords and adCenter. Their prices are flat monthly rates, between 48 and 799.20 for PPC BidMax 5.1, and \$239.20 for PPC Ad Max 1.0.

SearchForce

It can quickly adjust the bidding rules anytime for the entire campaign or make multiple one-time adjustments to the entire portfolio. It is a flexible platform.

WordStream PPC Advisor

It offers weekly and on-demand recommendations based on bidding best practices and the user's goals. PPC Advisor combines keyword discovery, analysis, grouping, organization, and prioritization.

WordWatch

It is an advanced management tool for Google AdWords campaigns only. Users can choose either traffic or conversion goal and it identifies keywords with high performance potential and optimizes bid prices for increased results.

The list of the ad management tools is still growing day-by-day.

Factors to Confirm Before Bidding

Before bidding for the keywords or conversion events, here are the questions you must be ready

with the answers:

- Is my goal defined and known? What is this PPC ad meant for: increasing brand awareness, increasing sales, or increasing number of subscribers?
- Is the budget set properly for this ad?
- Is the list of potential keywords ready?
- Is the list finalized into a targeted list of words manually by hiring professionals or by using a tool?
- At what times do I want my ad to be displayed?
- Which pricing strategy is appropriate for this particular ad?
- What is the starting bid price and the last bid price required to put for this product or service?

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