

PPC - TERMINOLOGY

http://www.tutorialspoint.com/pay_per_click/ppc_terminology.htm

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Given below is a list of the terms frequently used in PPC advertising followed by a short description of the terms. You should be thorough with these terms before proceeding further.

Ad group

It is a collection of relevant keywords under one name. Maximum 20,000 keywords can be added into an Ad Group.

Ad Network

An Ad Network is an online business that specializes in matching up of advertisers to the websites looking to host the ad. Ad networks work as brokers for both suppliers *sites with content that can host ads, for example, tutorialspoint.com* and buyers *the advertisers*. An ad network relieves the websites from having to set up and invest in their own ad servers and tracking software.

Ad Position

Ad position is the order in which an ad is displayed on a webpage. For example, ad position "1" means the ad is displayed first on the webpage.

Ad Rank

It is a value used to determine the Ad Proposition.

Call-To-Action CTA

This is a marketing term used for the action you want the website visitor to take.

Campaign

It is a series of relevant ad groups.

Click-Through-Rate CTR

It is a metric showing how often a visitor clicks your ad after seeing it. It can be defined as the number of clicks per thousand impressions. CTR contributes to Ad Rank.

Conversion

Conversion is the action the user wants when he clicks on an ad. It occurs when a visitor takes action. For example, the user makes purchases, signs ups, submits enquiry forms, views a page, or downloads, depending on the program's goals.

Conversion Rate

It is the measurement of the success of a paid campaign. It is measured by the number of potential visitors performing any of the desired actions such as buying a product, filling a form, etc.

For example, if there are 100 visitors to a particular webpage via a PPC ad, and three of those 100 visitors buy the product the website sells, then the conversion rate for that particular ad is three percent. The larger the conversion rate, the more successful the website is.

Cost Per Action or Cost Per Acquisition CPA

It is the amount you pay for every lead, sign-up, or purchases.

Cost Per Click CPC

It implies the amount you pay for every single click on your ads.

Cost Per Mille *CPM*

It is the amount paid for every thousand views of the PPC ad.

Destination URL

It is where you want the user to land when he clicks on the ad.

Display URL

It is the name of a page of the website.

Geo-targeting

Delivery of ads to a particular geographic location of the users. It allows the advertisers to choose specific locations where they wish to show their ads.

Impression

In the context of online advertising, it is a measure of the number of times an ad is seen irrespective of clicking on it. Each time the ad displays, it is counted as one impression.

Keyword

It is a search query made by a user. A word or a phrase of words entered in the search box by the user. The search engine matches your keywords and gives you relevant results on the Search Engine Result Page *SERP*.

Landing Page

It is any standalone webpage distinct from the main website on which the visitor lands.

Negative Keywords

They are the ones for which you do not want your ad to appear.

PPC Bid

It is the maximum amount of fees an advertiser is ready to pay for a click.

Prospect

Prospect is a potential user who can buy a product/service being advertised.

Quality Score

It is a dynamic metrics assigned to each of your keywords and ads. It determines the quality of your keyword, ad, and the landing page. High quality score boosts the ad rank.

Search Engine Result Page *SERP*

The page that lists the results returned by the search engine in response to a user query.

Split Testing

It is a classic method of testing an ad to determine the effectiveness of a PPC ad. It compares two versions of an ad that are identical except for one specific difference of a word or an image.