



Getting started in digital advertising

A guide for small businesses

Can digital advertising make you more successful?

Many of us now spend much of our lives online. Research suggests that 85% of U.S. internet users will search online at least once per month in 2020.¹

In 2020, 85% of U.S. millennials are expected to make at least one purchase online, while 78% of Gen Xers and 60% of baby boomers will do the same.² The retail industry is experiencing a major transformation, and inventory-led retail is declining significantly while online sales is expected to grow 12.8% to \$666.28 billion in 2020.³

Search engines such as Google, Bing and Yahoo are hugely influential. Digital and data-driven technologies continue to help minimize the chore of shopping while also reducing friction points during the customer decision journey to drive more informed purchases and save valuable time.

If your website isn't found when people search online, you could be missing out on sales. There are simple, low-cost ways to improve your chances of ranking higher up on "organic search" results pages, but competition for "organic traffic" is fierce, which is why many businesses of all sizes use paid search advertising.

Paid search is among the most popular type of pay per-click (PPC) advertising. With PPC advertising, you pay for the chance for your ad to be selected to appear at the top of search engine results pages, social media feeds or on other websites.

Alternatively, some businesses use display ads. Either way, you only pay if someone clicks on your ad. PPC probably won't provide all the answers, but it could be key to your marketing strategy's success.



[Microsoft Advertising](#) provides intelligent solutions that enable businesses to deliver engaging, personalized experiences to more than a half a billion people worldwide.⁴

Read on to learn more about pay per click and the role of analytics and search engine optimization. Find out how to manage digital advertising budgets and measure your return on investment. You can pick up top tips from experts Yiuwin Tsang and Amy Wilkinson of digital marketing agency Disruptive Thinking, and gain insight from successful small businesses.

We want you to harness the power of digital advertising, so you can attract more customers and take your business to new heights.

1. Perrin, Nicole, eMarketer, "Search in 2020," January 7, 2020.
2. eMarketer, US Digital Buyers by Generation, February 2020.
3. Lipsman, Andrew, eMarketer, "The Future of Retail 2020," December 2019. 4. comScore qSearch (custom), worldwide, September 2019. The Microsoft Search Network includes Microsoft sites, Yahoo sites (searches powered by Bing) and AOL sites worldwide. Data represents desktop traffic only.



How does pay-per-click advertising work?

You've probably seen pay-per-click ads thousands of times when searching online for information, products and services. Businesses of all types and sizes use pay-per-click advertising to great effect. So, how does it work?

When it comes to paid search, you can't simply pay more to ensure that your ad appears. Rather, you bid for keywords relevant to your products and services which are likely to be among the words potential customers enter when searching online.

Search advertising platforms, social media sites and others provide keyword tools, which can help you choose the right ones.

These tools can also inform you of how many average monthly searches are made for keywords you're considering, how much competition there is for them, and how much you should bid. Keywords with more competition command a higher price.

Pay-per-click ads are selected by ad auction. This is an automated process that determines which ads appear, and is guided by its keywords, bid price and website landing page relevance.

Even if your bid is lower, your ad can still be served, provided your webpage is considered to have greater relevance to the search.



The business benefits of pay-per-click advertising

A key benefit of pay per click is your business only pays if someone clicks on your ad, which can make it a highly cost-effective way to drive traffic to your website. A click might cost you 50 cents, yet it might lead to a \$5, \$50 or even a \$500 sale.

Another clear advantage of pay per click is you can set a maximum monthly spending limit, which you won't exceed unless you increase your budget.

Pay-per-click advertising can also enable you to better target those most likely to buy from your business. In addition to picking keywords that they're likely to use when searching online, you can also specify, for example, where geographically you want them to be served because you may only provide your services locally. Generating the wrong leads can waste much of your time and budget.

Pay-per-click campaigns can be set up and running quickly, so you can potentially attract new customers and make more sales right away. It can take far longer for other marketing options to work.

PPC ad campaigns are fully measurable. It's easy to view key data so you can decide whether your ad is bringing the desired results and return on investment. If your ad isn't working, you can make immediate changes to try to improve your success.



EXPERT NOTE



“ Test five or six variations of each of your PPC ads. Start with a small budget and find out what works best before launching the full campaign. ”

— Amy Wilkinson, director and co-founder
at Disruptive Thinking

SUCCESS STORIES

DEPT digital agency points clients to Microsoft Advertising

DEPT offers an experience that transcends traditional or digital marketing. Its full-spectrum approach helps customers innovate solutions that connect businesses and people in ways that matter to them across all channels and platforms.

"Our core is working with clients and providing the best possible solutions," says Lead Digital Marketing Consultant Robert Verbeek. "Along with that, DEPT aims to empower employees to develop themselves as individuals and contribute to making the world a better place."

In order for the company to continue giving back to the community, DEPT strives to make sure their business continues to grow. One of the ways it does this is by getting more of their clients to advertise on the Microsoft Search Network. Last year, DEPT realized that many clients didn't understand the value that could bring.

"In the past, only 30% of our search clients used Bing Ads [now Microsoft Advertising]. "We educated clients on the incredible opportunity ..."

Verbeek says.

"We also did a lot of testing ... the results have been great."

DEPT's business has grown a lot, too — opening 120 new client accounts. When referring to Microsoft Advertising account managers, Verbeek says they are "supportive, dedicated, know exactly what we need and what our clients need from us. They go above and beyond to help us — that's quite unique. They always make our collaboration more fun and successful."

You can read the full story at about.ads.microsoft.com/en-us/insights/stories/giving-back-is-good-for-business-too.



" We also did a lot of testing ... the results have been great. "

— Robert Verbeek, lead digital marketing consultant at DEPT

Seven steps to launching your PPC campaign

1

Set clear objectives

Whether it's building brand awareness, increasing your web traffic or improving sales, decide what you need to achieve. What does "success" look like for you?

2

Focus on your target audience

Who are you trying to reach, where are they online and what do they want from you? Decide which key messages will best engage them.

3

Choose where to advertise

Search engine, social media or another website — how will you reach your target audience? Create an account and learn how to do it well. Many platforms and sites offer free tips and tools.

4

Set your campaign budget

How much will you need to spend to achieve your objectives? If they're sales-related, what's a realistic conversion rate? [Set a campaign budget that's likely to deliver your desired results.](#)



5

Choose your keywords very wisely

[Choosing the right keywords](#) is crucial to your campaign success. Your target audience should use them when searching, and they must align with your ad and landing pages. Set your maximum keyword bids and choose the right keyword matching option. "Broad match" will trigger your ad more often, but "phrase match" or "exact match" keywords can help drive clicks from searchers who are more likely to convert.

6

Write your PPC ad

There are many [dos and don'ts](#) when it comes to writing copy for your ads. Keep it simple. Be clear, concise and specific. Use relevant keywords and attention-grabbing headlines. Highlight your product or service. Include a clear call to action (example: Buy Online Now!). Link to a relevant landing page.

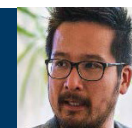
7

Test and improve where necessary

Set your daily campaign budget. Test different ads to find out what works best, and try different keywords and ad copy. Use analytics to measure results. Learn and get better!



EXPERT NOTE



“ Using negative keywords can prevent your ad from being triggered by irrelevant searches, which will only waste your PPC budget. ”

— Yiuwin Tsang, digital marketing business development at Disruptive Thinking



EXPERT NOTE



“ Make sure your website content is genuine, clearly structured and valuable to the user. Then, search engines will reward you. ”

— Amy Wilkinson, director and co-founder
at Disruptive Thinking

Optimizing your website for search engines

Most of us use search engines for initial research before we buy products or services, even if we ultimately buy in store. Businesses of all sizes compete to rank high up on search engine results pages because it generates significantly more clicks.

Search engine optimization (SEO) can help ensure that more people visit your website. SEO can not only boost your organic search rankings, it can also influence whether your ad is triggered. If your landing page isn't optimized, it can undermine your ad.

Optimizing your website can be quick, cheap and easy. Get it right and you can win more traffic and better target those most likely to buy from you, although it can take a while for your site to climb up organic search rankings.

When optimizing your website, [choosing the right keywords](#) is essential. They must be relevant to the page and appear in sufficient density, in headings, subheads, body copy, page titles, descriptions, image tags, etc.

Inbound links from other websites to yours can help boost your rankings as well. Although there's much you can do yourself, agencies and other professionals can optimize your website and specific landing pages for you for a fee.



EXPERT NOTE



“ Don’t be overwhelmed by analytics. Focus on key numbers and your main objectives. Measure what really matters and act on it. ”

— Yiuwin Tsang, digital marketing business development at Disruptive Thinking

Analytics: measure what matters to increase your returns

Digital advertising provides many learning opportunities. Where necessary, you can make changes — big or small — so you’re more successful and more likely to maximize your returns.

This is only possible thanks to web analytics, which enable you to find valuable meaning in user data. You can use analytics to “measure what matters” and optimize your campaigns accordingly.

You need to know what action people take after clicking on your ad. Do they soon click away or visit other pages? Maybe some buy, but how do your conversion rates compare to your goals?

Data might show that you’re getting a high click-through rate but a low conversion rate, providing a clear message that your landing page may need some improvement. Perhaps visitors to your website are clicking away to pages where the call to action is weaker, so they don’t buy. Most likely these issues can be sorted out.

Whether it’s click-through rate, average ad position, average cost per click, conversion rate or impressions, analytics allow you to view the numbers that matter so you can better understand your ad’s performance.

Measuring the overall success of your campaigns is also easier with analytics. You can also use analytics tools to learn more about your website visitors and better meet their needs.

SUCCESS STORIES

Volvo boosts campaign CTR with the Microsoft Audience Network

In mid-2018, Volvo Cars USA was gearing up to announce their newly redesigned Volvo S60 sedan. This presented a few challenges for the digital marketing team at Volvo and its media agency, Mindshare.

When its Microsoft Advertising account team approached them about beta testing the Microsoft Audience Network, Mindshare thought it could be part of the solution for supporting XC90 awareness.

It added the Microsoft Audience Network to the funnel strategy as a new tactic for generating awareness, specifically incremental traffic to the site, qualified leads, and incremental conversions.

The Microsoft Audience Network supports [Microsoft Audience Ads](#). These ads, available as image-based or feed-based ads, reach hundreds of millions of unique monthly searchers in the U.S.¹

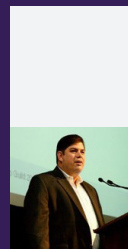
The campaign drove significant traffic to the XC90 website, with over 50 million impressions and over 65,000 impressions in incremental traffic, with the number of conversions exceeding expectations.²

The cost per click (CPC) was also lower than the average paid search traffic to the XC90 website, while the cost per acquisition (CPA) was on par with its non-brand search campaigns.²

Based on the results of this initial campaign, Volvo plans to continue to invest in the Microsoft Audience Network.

"It was a very successful test for us," says Trevor Hettesheimer, manager of KPI and analytics, search and planning for Volvo. "We do have other products in the portfolio and other brand messaging initiatives that we want to add scale to as we continue along our growth transformation journey. The Microsoft Audience Network is a very efficient way to add scale, and it performs."

Read more at about.ads.microsoft.com/en-us/insights/stories/volvo-boosts-campaign-ctr-with-the-microsoft-audience-network.



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1. comScore Media Metrix Multi-Platform, U.S. December 2017. Data from desktop and mobile combined.
2. Volvo internal data, 2018.



Setting budgets and calculating your return on investment

One of PPC's key advantages is you can set your average daily or monthly budget, which caps your spending. You can also choose different types of daily activity. For example, to have your ads appear throughout the whole day across the entire month, or have your ads served as frequently as appropriate early in the day, until your daily budget is used up.

So, how much budget should you commit? Obviously, many businesses set out to achieve a certain volume of unit sales or total revenue. Bearing in mind costs and margin, they'll know how much it's worth spending to generate those sales. Past experience might tell them how much they need to spend to deliver those sales.

However, weighing return on investment (ROI) isn't always straightforward, as some use PPC advertising to help raise awareness of their business, while others base their ROI on a customer's lifetime value.

Your campaign objectives must be achievable and measurable, and your budgets should enable you to achieve them. The more campaigns you run, the better you can get and the more you'll learn about how much budget to spend.



EXPERT NOTE



“ If your ROI isn't good, find out why. Don't just dismiss PPC. Your ad or your landing page might be responsible. Question all touch points. ”

— Amy Wilkinson, director and co-founder
at Disruptive Thinking

SUCCESS STORIES

ThriftBooks boosts revenue with Microsoft Audience Ads

Online bookseller [ThriftBooks](#) has been selling new and used books since the summer of 2003. Since its founding, the company has become one of the world's leading online used bookstores with multiple processing and fulfillment centers throughout the U.S., allowing it to quickly deliver books around the globe.

Since 2012, search engine marketing (SEM) has been the cornerstone of the ThriftBooks marketing strategy.

"I'd heard about the Microsoft Audience Network at the Search Marketing Expo [SMX]," says Seth Meisel, senior digital marketing manager for ThriftBooks. "Product feed-based Audience Ads were a standout among the new offerings. It was exciting to return from a conference and apply new tactics that contribute to annual growth."

For ThriftBooks, Audience Ads turned out to be a great way to add more oomph to its existing PPC game plan. "It's only a few clicks away to opt in to Audience Ads for preexisting campaigns, making it easy to adopt at scale," says Meisel. "We were able to extend our existing audience strategy to the Microsoft Audience Network, which gave us access to high-quality native placements and great exposure right out of the gate. Plus, the product allows for network-level bidding modifiers, so over time, as differences in performance crop up between the search and audience networks, we're able to adjust how we value traffic."

"The Microsoft Advertising team was instrumental in making this campaign a reality," says Meisel. "They've been with us every step of the way, from being proactive with ideation and feature availability on through a flawless execution of the campaign."

[Download the infographic](#) to take the ThriftBooks success story with you.



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What if a PPC campaign isn't working?



Revisit your keyword choices. Are your keywords specific enough? Are you using enough variations? [Use free advice on how to select keywords](#). Expand and refine your keyword list.



Reconsider your keyword matching choices. A "broad match" might bring many triggers, but not from enough target audience searches. Using "phrase match" or "exact match" keywords could greatly improve your click-through rate.



Using [negative keywords](#) can also prevent your ad from showing up in irrelevant searches.



You may need to [increase your keyword bids](#) if you're not getting on the first search engine results pages.



Your ad may need major or minor surgery. Find ways to [make your ad more engaging and compelling](#).



EXPERT NOTE



“ Linking from your ads to product- or service-specific landing pages that are most relevant to search queries can boost your click-throughs. ”

— Yiuwin Tsang, digital marketing business development at Disruptive Thinking



Using [ad extensions](#) enables you to include more information about your business, which can boost visibility and click-through rates. Ad extensions are free to add to your ads, with the usual charges for any clicks you get.



You need to [select the right landing page](#). If not, you can get a high bounce rate or low conversion rate.

Four other things to consider



Social media ads

Using LinkedIn ads can be a great way to target a global network of professionals and the organizations they work for. Other options include Facebook, Instagram, Twitter, Pinterest and YouTube. Be where your audience is.



Remarketing campaigns

This is where ads are later served to those who have previously visited your website, thanks to cookies placed in their browser. Remarketing campaigns can easily be set up and can be a highly effective way to reengage and convert those who have already showed interest in your products or services.



Display advertising

Online display ads can be banner, image or text ads, and they can be used to target specific audiences on a PPC basis. They can be more eye-catching and work well if you're aiming to increase brand awareness or push a product that relies on a visual sell-in. You can add visual elements to your ads to make them stand out.



Offline marketing

Most businesses use a mix of marketing tactics — online, offline or both — and these can work in tandem. For example, you might hold an event, publicized by online marketing. At the event, you could ask attendees for their email addresses for subsequent marketing campaigns or you could encourage them to visit a dedicated webpage, so you can better analyze your event's success.

Successful marketing requires sound knowledge of your customers. You won't always get it right — it's a learning process. With digital advertising, finding out what works takes time and effort, but it can ultimately bring great rewards.



Audience targeting

Reach your ideal customer



Personalized experience

Deliver the right message at the right time








Optimization

Increase performance and reduce management



You run your business.
We'll help you find your customers.


People on the Microsoft Search Network spend more online than the average internet searcher by **37%**.¹

-  Automated bidding
-  Shared budgets
-  Location targeting
-  In-market Audiences
-  Remarketing

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