

CHEAT SHEET - KEYWORD PLANNING / FORECASTING & SETTING A BUDGET

Inside of Google Ads, you can use the Planner to forecast expected results from your new campaign. Some of the important metrics include - Avg monthly searches, competitiveness, and top of page bids. For those with existing accounts and campaigns, you will also see your current Ad impression share, three month change and year-over-year (YoY) change (if applicable).

<input type="checkbox"/> Keyword ↑	Avg. monthly searches	Three month change	YoY change	Competition	Ad impression share	Top of page bid (low range)	Top of page bid (high range)
<input type="checkbox"/> online marketing book	100 - 1K	0%	+900%	High	—	\$1.95	\$10.31

ASSUMPTIONS:

Our goal is to achieve a 50% impression share for the keywords we care about being served to people physically located in our service territories. Your ads will be unique to each campaign group with descriptions that highlight your keywords, ensuring that potential customers searching for your products/services will feel greater confidence that you can solve their latest itch. The overall result? Your ads should achieve a 15% or higher CTR (click through rate).

PROJECTIONS:

If “online marketing book” has average monthly searches of 100-1,000k at a \$3 bid with 20% CTR reaching 50% impression share: $500 \text{ searches} \times 20\% \text{ CTR} = 100 \text{ clicks} \times \$3 \text{ CPC} = \$300 \text{ spend}$. As we can see from the forecast, the top of page bid is \$10.31 and this keyword has high competition and is growing fast (YoY change of 900%). That indicates that I may not be able to reach 50% of the potential search volume at a \$3 bid so once my campaign completes its learning phase, I’ll determine if I should go up to \$5, \$7 or \$10 to set the baseline for reach. Then, once my initial budget of \$1,500 is spent, I’ll have a clear idea of what I must spend to achieve the traffic and desired conversion results.

SETTING A BUDGET:

Start with what you already know by answering the following questions:

1. How much did you spend on marketing last year?
2. How many sales did you generate?
3. How much do you want to grow your business this year?
4. What are you willing to spend on advertising to achieve this growth?
5. What is a new customer worth to your business?
6. Out of all the leads you received, how many did you “win”?
7. How does seasonality impact my business?
8. How long is my sales cycle from first speaking with a potential customer to them signing a contract / or from first visit to purchase?

FILL IN THE BLANKS:

Annual Budget: _____

Required Leads: _____

Estimated Opportunities: _____

Estimated Sales: _____

Cost Per Lead: _____ Conversion Rate Traffic to Lead: _____

Cost Per Demo: _____ Conversion Rate Lead to Demo: _____

Cost Per Sale: _____ Conversion Rate Demo to Sale: _____

Alright! Does it seem realistic or do you need to reset some expectations? Now it's time to determine how you will allocate your marketing budget to achieve the desired traffic.

Remember! You can increase results in several ways.

- Generate Higher Quality Traffic
- Increase That Traffic at a higher rate.
- Increase sales rates by employing automatics and speed-to-lead strategies to nurture every lead to its fullest extent.