

Google adwords interview Questions & Answers:

1) Explain what is Adwords?

Adwords is the system that Google has designed to assist in marketing product or services in Google search engine and its affiliated sites. It will place a text ad that appears when people search for phrases associated to your offering.

2) Explain how Adwords work?

Adwords work on bidding system if the bidding price is higher your ad will appear on top of the Google page. Adwords works on “pay per click” that means you only pay the amount you have bid if someone taps on your ad as a result of a web search.

3) Explain why to use Google Adwords?

Google Adwords behave differently to traffic that comes from Google Adwords or “Pay Per Click”. The traffic that comes through surfing often visits the website for information, whereas the traffic via pay per click knows what they are clicking on and what they want to buy. So few visitors through Adwords might be more valuable than million visitors.

4) Explain what is Ad rank?

Ad rank determines your ad position on Google page, and it is determined by your bid for that keyword and quality score.

5) Explain how does Ad rank impact Cost-Per-Click?

Ad rank plays a huge role in defining the actual cost-per-click that your opponents pay, when someone clicks on their ads. Your CPC can be calculated by following way

Your Price = The ad rank of the person below you/ your quality score + \$0.01

service-sem

to know more about Cpc calculation formula :

<http://omnetworkom.blogspot.in/2017/02/google-adwords-ad-rank-and-quality-score.html>

6) Explain how does a Google auction work?

Each month auction gets run billion of times, and the result are such that users find ads that are relevant to what they are looking for. The search engine processes the request and runs the auction that determines the ad positions and each advertisers CPC.

7) Explain what gets entered into a Google Account?

Once the advertisers determine the keywords that they want to bid on, Google will enter a keyword from your account which is most related into the auction with the maximum bid specified as well as the associated ad.

8) Explain what is Google Quality Score?

Google's quality score determines how beneficial and relevant your ad is to the user, based primarily on your ad's CTR, quality of your landing page and keyword relevance. Higher quality score keywords will save your money and earn better ad ranking.

9) Explain what is an ad group in Google Adwords?

Ad group is a container of your keywords, advertisements, and landing pages. Google rewards advertisers who prepare Adword campaigns with tightly structured ad groups. Its not advisable to include all your keywords into the single ad group, but to organize keywords into themes.

10) Explain what is conversion optimizer in Adwords?

Conversion Optimizer is a tool used by Google Adwords for bid manipulation and decides which clicks on the ad will be valuable. It can help you to return maximum on your investment.

11) Mention some of the Google Adword Ad Extensions?

Different ad extension can enhance the increase in traffic. Some of the common Ad extensions used in adwords are:

- Sitelinks
- Call Extensions
- Location Extensions
- Social Annotations
- Seller ratings
- Mobile app extensions
- Offer ads
- Communication Ad
- Review extension
- Image and drop down navigation Ad extension

.. 12) Mention in google Adwords that options can't be changed after creating an account?

After creating account Currency and Time Zone, cannot be changed.

13) Explain how you can improve conversion rates?

By creating ads that match properly with keywords and create tightly themed ad groups, you can target users to the campaign that helps in conversions.

14) Mention what is the limit set for the number or characters for Adwords ad?

Limit for Adword is

Description line 1st : 25 characters
Description line 2nd: 35 characters
Destination URL: 1024 characters
No images are allowed in URL.

15) Explain what is the meaning of CTR and how you can calculate?

CTR stands for Click through rate that tells the number of visitors visited on your ad on the web page. The formula for calculating CTR is

Number of click / Number of impressions X 100

These will give you an answer in percentage like what percentage of customers have viewed your ad.

16) Mention what are the type of Keywords?

There are no specific types for Keywords however they are classified on the basis of how likely is going to be clicked by visitors

Research Keywords: It tends to contain one or two words – Tea
Consideration: It tends to contain two or three words – Green Tea
Purchase: It must have more than three words – buy loose green tea
Loyalty: This must be shorter- Starbucks

17) Explain what is Google Ad API?

Google Ad API is designed for representing large, tech savvy advertisers and third parties. It allows developers build an application that directly interacts with Google Adwords server.

18) Mention what all things can be done using Google Ad API?

With Google Ad API, you can build an application that can do following things

You can automatically generate keywords, ad text, custom reports and landing pages
Develop additional applications and tools to help you manage accounts
Synchronize Adwords data with your inventory system to manage campaigns based on stock

19) Explain how you can track conversions in Google Adwords?

In Google Adwords, conversion tracking can be done in following ways

Tracking purchases by involving basic tracking code provided by Adwords and modifying it with additional code unique to your particular e-commerce platform
View-through conversion window options tracks when a person sees your ad but does not click it (impression)
By enabling your ad rotation setting to optimize for clicks, meaning that Adwords will serve the ads it feels are likely to be clicked

By accessing search funnels inside tools and analysis, you can also know when customers clicked on your ad for the first time and how frequently they saw your ad before converting.

20) Explain what are the other two options for bidding other than C-P-C?

Other than CPC the other two options are CPM (Cost per Thousand Impression) and CPA (Cost Per Action).

Campaign type:

(1)Search Network only:

Search Network only” (which means Google search only)

(2)Display Network only :

“Display Network only” (which means your ad shows up in Google’s Display network of websites, videos, YouTube, Blogger and more. This is also known as AdSense)

(3)Search Network with Display Select:

“Search Network with Display Select” (which is a combo of search and display)

(4)Shopping :

Best way to create shopping ads

(5)Video :

Video ads on youtube and across the web.

(6)Universal app campaign :

Promote your app across search, Display and Youtube

Types of Ad in Google Adwords :

Text ad:

Show two headlines, a line of ad text , and your website URL.

Responsive ad:

Create ads that automatically adjust the size, appearance and format to fit available and spaces

Image ad:

Use text, graphics, and animation in your ad, or upload your own.

Ad gallery:

Create an ad using one of the ad types from our gallery.

(A) Lightbox Ads:

Reach, delight, and engage with audiences through rich, interactive formats. Pay only when people engage with you.

(B) Dynamic Ads:

Create rich media ads that match people's location and the content they're seeing. For a more compelling message.

(C)Gmail Ads :

Show expandable interactive ads above the Promotions tab in Gmail inboxes. Pay only for the first click to expand your ad..

(D) Video Ads

Videos can be an effective way to build awareness of your business. Create a video ad on the Google Display Network.

(I) TrueView In-Display Video Ad

Promote your YouTube videos on YouTube, non-search content pages and on the Google Display Network. Currently available in selected countries

(ii) In-Stream Video Ad

Non-skippable 15 or 20 second video ad within video publisher content

(E) General Purpose Ads

Capture people's attention with animated ads. Just add text and an image. We'll take care of the rest.

App/digital content ad:

Create a click to download ad to promote your app.

Dynamic search ad :

Target relevant searches with ads generated instantly from your website.

Mobile app engagement ad:

Ads that encourage actions within your Android app.

Call-only ad:

Show click-to-call ads with a phone number.

Consider your goals :

Each bid strategy is suited for different kinds of campaigns and advertising goals. For the purposes of bidding, you'll want to consider three basic types of goals, along with your current campaign settings.

- **If you want to generate traffic to your website**, focusing on clicks could be ideal for you. Cost-per-click (CPC) bidding may be right for your campaign.
- **If you want to increase brand awareness**—not drive traffic to your site—focusing on impressions may be your strategy. You can use cost per thousand viewable impressions (vCPM) bidding to put your message in front of customers.
- **If you want customers to take a direct action on your site**, and you're using [conversion tracking](#), then it may be best to focus on conversions. Cost-per-acquisition (CPA) bidding lets you do that.

(1)Focus on clicks with CPC bidding

If you're focusing on gaining clicks to generate traffic to your website, there are two cost-per-click bid strategies to consider:

(a)Maximize Clicks is an [automated bid strategy](#). It's the simplest way to bid for clicks. All you have to do is set a [daily budget](#), and the AdWords system automatically manages your bids to bring you the most clicks possible within your budget.

Maximize Clicks could be a good option for you if the following describes your campaign:

- You have an advertising budget you'd like to reach consistently.
- You don't want to spend time monitoring and updating individual cost-per-click (CPC) bids, and you're willing to let the AdWords system update CPC bids automatically.
- You're mainly interested in increasing website traffic.
- You're new to AdWords or don't know exactly how much to bid for particular keywords or placements.

Maximize Clicks isn't a good choice for you if your advertising goals include maintaining a specific [ad position](#) or cost per conversion. It isn't possible to set individual CPC bids with Maximize Clicks, but you can set a maximum CPC bid for your entire campaign.

Example

You have a website that sells a variety of art supplies, and your main goal is to bring more customers to your site. You have a set amount that you want to spend on advertising each month, and there isn't a particular product you want to emphasize most. Maximize Clicks lets you decide the overall amount of your budget, then we'll find you the most customers based on that.

(b)Manual CPC bidding lets you manage your maximum CPC bids yourself. You can set different bids for each ad group in your campaign, or for individual keywords or placements. If you've found that certain keywords or placements are more profitable, you can use manual bidding to allocate more of your advertising budget to those keywords or [placements](#).

[More about Manual CPC bidding](#)

With Manual CPC bidding, you can fine-tune your maximum CPC bids to help control the cost and volume of clicks on your ads. Manual CPC bidding could be a good choice for you if your campaign fits this description:

- You'd like to control maximum CPC bids for individual ad groups, keywords, or placements.
- You're mainly interested in increasing website traffic, not necessarily brand awareness.
- You don't need to reach a target budget every month. (If you do need to reach a target budget, Maximize Clicks may be a better choice.)
- Your campaign targets the [Search Network](#), the [Display Network](#), or both.

If you're not sure which keywords or placements are most profitable, or if you don't have time to devote to managing manual bids, Maximize Clicks is probably a better fit for you.

Example

Although your website sells a wide range of art supplies, you're most interested in selling paint brushes. With Manual CPC bidding, even if your ad group has 15 keywords, you can choose to set a higher bid for only the keyword "paint brushes," which will apply whenever that keyword triggers your ad.

(2)Focus On Impressions With Manual VCPM Bidding

Manual bidding for [viewable impressions](#), also known as vCPM bidding, lets you control the visibility of your ads by fine-tuning your maximum vCPM bids.

Here are some cases in which we'd recommend manual vCPM bidding:

- Your ads are designed to increase awareness, but not necessarily generate clicks or traffic.

- You prefer the traditional industry metrics of vCPM (cost-per-thousand viewable impressions) campaigns.
 - You're targeting particular [placements](#), not just keywords. (Combined with placement targeting, bidding for impressions can help ensure your ads appear to a specific audience that will be interested in your ads.)
 - You're mainly interested in increasing brand awareness. Image ads and other multimedia formats often serve that purpose best, and these [ad formats](#) run on the Display Network.
 - Your message is in the ad itself, so you don't need people to click through to your site. This may apply to events (such as a television premiere) or political advertising.
- Manual vCPM bidding probably isn't for you if the goal of your campaign is a direct response from customers, like buying a product or filling out a form.

Example

You're giving a free concert in Paris, and want to get as many music lovers to come as possible. You're running a campaign with vibrant image ads that share the date, time, and location of the event -- everything a music fan needs to know to show up. As long as people see your ad, they'll know your whole message. Viewable CPM bidding can help you get it in front of as many eyes as possible.

(3)Focus On Conversions With Target CPA Bidding

Target CPA (cost-per-acquisition) bidding is an advanced option that lets you bid directly for conversions.

Your campaign must meet a few requirements in order to be eligible for Target CPA bidding:

- You have conversion tracking enabled.
- Your campaign targets the Search Network, the Display Network, or both.

We also recommend your account meet these criteria:

- Your campaign is direct-response oriented. For example, the campaign focuses on generating sign-ups or sales on an e-commerce website.
- Your campaign has a single well-defined conversion type, such as a completed purchase or sign-up.
- Your campaign has a relatively stable conversion rate, with no major changes (such as redefining the conversion event or moving the conversion tracking code) within the last 2 weeks.
- For best performance, your campaign should receive at least 50 conversions per month. AdWords relies on historical conversion data, so the longer conversion tracking has been running, the more data the system has, and the better job it can do optimizing your [return on investment \(ROI\)](#).

About Return On Investment (ROI):

Whether you use AdWords to increase sales, generate leads, or drive other valuable customer activity, it's a good idea to measure your [return on investment \(ROI\)](#). Knowing your ROI helps you evaluate whether the money you're spending on AdWords advertising is going to a good cause: healthy profits for your business.

How ROI Works

ROI is the ratio of your net profit to your costs. It's typically the most important measurement for an advertiser because it's based on your specific advertising goals and shows the real effect your advertising efforts have on your business. The exact method you use to calculate ROI depends upon the goals of your campaign.

One way to define ROI is:

$$(Revenue - Cost of goods sold) / Cost of goods sold$$

Let's say you have a product that costs \$100 to produce, and sells for \$200. You sell 6 of these products as a result of advertising them on AdWords, so your total cost is \$600 and your total sales is \$1200. Let's say your AdWords costs are \$200, for a total cost of \$800. Your ROI is:

$$\begin{aligned} &(\$1200 - \$800) / \$800 \\ &= \$400 / \$800 \\ &= 50\% \end{aligned}$$

In this example, you're earning a 50% return on investment. For every \$1 you spend, you get \$1.50 back.

For physical products, the cost of goods sold is equal to the manufacturing cost of all the items you sold plus your advertising costs, and your revenue is how much you made from selling those products. The amount you spend for each sale is known as cost per conversion.

If your business generates leads, the cost of goods sold is just your advertising costs, and your revenue is the amount you make on a typical lead. For example, if you typically make 1 sale for every 10 leads, and your typical sale is \$20, then each lead generates \$2 in revenue on average. The amount it costs you to get a lead is known as cost per acquisition.

Why ROI Matters

By calculating your ROI, you can find out how much money you've made by advertising with AdWords. You can also use ROI to help you decide how to spend your budget. For example, if you find that a certain campaign is generating a higher ROI than others, you can apply more of your budget to the successful campaign and less money to campaigns that aren't performing well. You can also use ROI data to try improve the performance of the less successful campaigns.

Use Conversions To Measure ROI

To identify your ROI, you first need to measure conversions, which are customer actions that you believe are valuable, such as purchases, signups, web page visits, or leads. In AdWords, you can use the free conversion tracking tool to help track how many clicks lead to conversions. Conversion tracking can also help you determine the profitability of a keyword or ad, and track conversion rates and costs-per-conversion.

Tip

Many AdWords advertisers use Google Analytics to track conversions. It's a free web analytics tool that helps you learn how your customers interact with your website. Learn more about [importing conversions from Google Analytics](#).

Once you've started to measure conversions, you can begin to evaluate your ROI. The value of each conversion should be greater than the amount you spent to get the conversion. For example, if you spend \$10 on clicks to get a sale, and receive \$15 for that sale, you've made money (\$5) and received a good return on your AdWords investment.

Return On Investment (ROI)

How much profit you've made from your ads compared to how much you've spent on those ads.

To calculate ROI, take the revenue that resulted from your ads, subtract your overall costs, then divide by your overall costs: $ROI = (Revenue - Cost\ of\ goods\ sold) / Cost\ of\ goods\ sold$.

Example

Let's say you have a product that costs \$100 to produce, and sells for \$200. You sell 6 of these products as a result of advertising them on AdWords. Your total sales are \$1200, and your AdWords costs are \$200. Your ROI is $(\$1200 - (\$600 + \$200)) / (\$600 + \$200)$, or 50%.

To help measure your AdWords ROI, you'll need to track **conversions**, actions that you want your customers to take on your website after clicking your ad such as a purchase, sign-up, or download. Try [conversion tracking](#) or [Google Analytics](#), free tools to help you track conversions in your account.

ROI is typically the most important measurement for advertisers because it shows the real effect that AdWords has on your business. While it's helpful to know the number of clicks and impressions you get, it's even better to know how your ads are contributing to the success of your business.

About Conversion Tracking

Conversion tracking is a free tool that shows you what happens *after* a customer clicks on your ads -- whether they purchased a product, signed up for your newsletter, called your business, or downloaded your app. When a customer completes an action that you've defined as valuable, these customer actions are called conversions.

Why Use Conversion Tracking

- See which keywords, ads, [ad groups](#), and [campaigns](#) are best at driving valuable customer activity.
- Understand your return on investment (ROI) and make better informed decisions about your ad spend.
- Use flexible bid strategies (such as target CPA, enhanced CPC, and target ROAS) that automatically optimize your campaigns according to your business goals.
- See how many customers may be interacting with your ads on one device or browser and converting on another. You can view cross-device, cross-browser, and other conversion data in your "All conversions" reporting column.

How Conversion Tracking Works

Conversion tracking starts with you creating a conversion action in your AdWords account. A conversion action is a specific customer activity that is valuable to your business. You can use conversion tracking for these sources:

- **Website actions:** Purchases, sign-ups, and other actions that customers complete on your website.
- **Phone calls:** Calls directly from your ads, calls to a phone number on your website, and clicks on a phone number on your mobile website.
- **App downloads and in-app actions:** Downloads of your Android or iOS mobile apps, and purchases or other activity within those apps.
- **Import:** Customer activity that begins online but finishes offline, such as when a customer clicks an ad and submits a contact form online, and later signs a contract in your office.

The conversion tracking process works a little differently for each conversion source, but for each type besides offline conversions, it tends to fall into one of these categories:

- You add a conversion tracking tag, or code snippet, to your website or mobile app code. When a customer clicks on your ad from Google Search or selected Google [Display Network](#) sites, a temporary cookie is placed on their computer or mobile device. When they complete the action you defined, our system recognizes the cookie (through the code snippet you added), and we record a conversion.
- Some kinds of conversion tracking don't require a tag. For example, to track phone calls from call extensions or call-only ads, you use a Google forwarding number to track when the call came from one of your ads, and to track details like call duration, call start and end time, and caller area code. Also, app downloads from Google Play will automatically be recorded as conversions, and no tracking code is needed.

Counting Conversions

There are two important conversion tracking metrics: conversions and converted clicks. You can view both metrics in your conversion tracking reports.

- **Conversions**
For each conversion action, you can choose to count every or one conversion after each click. The "Conversions" column of your reports will display conversions within your chosen [conversion window](#), according to your selected counting method. The "Every" setting is useful for counting every instance of sales, while "One" is used to count only one conversion when the same person generates multiple leads (Example: one person fills out 2 different forms requesting to be contacted about different services you offer.)
- **Converted clicks**
The "Converted clicks" column shows you the number of AdWords ad clicks resulting in one or more conversions within your chosen [conversion window](#). Note that the converted clicks count doesn't reflect the relative value of each converting click. Clicks that lead to high-value conversions (such as multiple purchases) aren't distinguished from those that lead to low-value conversions (such as a single newsletter sign-up). Also, you can't segment the "Converted clicks" column by conversion name, source, or category, because each ad click can lead to multiple conversions. If you were to segment by conversion name, some converted clicks could be counted more than once, and your segmented converted clicks would add up to more than the total.

(1)About Manual Bidding:

[About Manual CPC Bidding:](#)

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- Your campaign targets the [Search Network](#), the [Display Network](#), or both.
If you're not sure which keywords or placements are most profitable, or if you don't have time to devote to managing manual bids, Maximize Clicks is probably a better fit for you.

Example

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(2)About automated bidding:

Automated bidding takes the heavy lifting and guesswork out of setting bids to meet your performance goals. Each type of automated bid strategy is designed to help you achieve a specific goal for your business. This article outlines the 6 different types of automated bid strategies and when to use them.

Before You Begin

If you'd like to automate your bidding for a Shopping campaign, read [About automated bidding for Shopping campaigns](#).

Example

Let's say you want to maximize conversions across your campaigns but don't have the time to set an individual [max. CPC](#) for each individual keyword. By adding those keywords to a portfolio Target CPA bid strategy and setting a CPA goal you want to hit, you allow AdWords to automatically optimize bids across keywords using advanced machine learning to get you more conversions within your performance target.

Types Of Automated Bid Strategies:

Goal	Bid strategy	Range
Increase site visits. Increase clicks on low-traffic terms while keeping	Maximize Clicks automatically sets your bids to help get as many clicks as possible within your budget. Maximize Clicks is available as either a standard	Campaigns, ad groups, keywords

<p>within a certain spend.</p>	<p>strategy in a single campaign or portfolio bid strategy across multiple campaigns, ad groups and keywords.</p> <p>Learn more about Maximize Clicks.</p> <p>Learn more about Maximize Clicks for Shopping campaigns.</p>	
<p>Increase visibility on the first page of Google search results or in the top positions.</p>	<p>Target Search Page Location automatically sets your bids to help increase the chances that your ads appear at the top of the page or on the first page of search results.</p> <p>It's only available as a portfolio bid strategy on the Search Network.</p> <p>Learn more about Target Search Page Location.</p>	<p>Campaigns, ad groups, keywords</p>
<p>Get more visibility than other domains in search results.</p>	<p>Target Outranking Share: You choose a domain you want to outrank in search results and how often you want to outrank it, and AdWords automatically sets your Search bids to help meet that target.</p> <p>It's only available as a portfolio bid strategy.</p> <p>Learn more about Target Outranking Share.</p>	<p>Campaigns, ad groups, keywords</p>
<p>Get more conversions with your target CPA.</p>	<p>Target CPA automatically sets Search or Display bids to help get as many conversions as possible at the target cost-per-acquisition (CPA) you set. Some conversions may cost more or less than your target.</p> <p>Target CPA bidding is available as either a standard strategy in a single campaign or portfolio bid strategy across multiple campaigns and ad groups.</p> <p>Target CPA bidding was previously referred to as "Conversion Optimizer."</p> <p>Learn more about Target CPA.</p>	<p>Campaigns, ad groups</p>
<p>Increase conversions while staying in control of your</p>	<p>Enhanced cost-per-click (ECPC) automatically adjusts your manual bids to try to maximize conversions.</p>	<p>Campaigns, ad groups</p>

<p>keyword bids.</p>	<p>ECPC is available as an optional feature with Manual CPC bidding or as a portfolio bid strategy. It is fully compatible with third-party bidding systems, including those that automate your bids.</p> <p>Learn more about Enhanced CPC.</p> <p>Learn more about ECPC for Shopping campaigns.</p>	
<p>Meet a target return on ad spend (ROAS) when you value each conversion differently.</p>	<p>Target ROAS automatically sets bids to help get as much conversion value as possible at the target return on ad spend (ROAS) you set. Some conversions may have a higher or lower return than your target.</p> <p>It's only available as a portfolio bid strategy.</p> <p>Learn more about Target ROAS.</p> <p>Learn more about Target ROAS for Shopping campaigns.</p>	<p>Campaigns, ad groups, keywords</p>

The Power Of AdWords Smart Bidding

Smart Bidding is a set of conversion-based bid strategies—Target CPA, Target ROAS and Enhanced CPC—that use advanced machine learning to help you tailor the right bid to each and every [auction](#). It factors in a wide range of auction-time signals including device, location, time of day, remarketing list, language, and operating system to capture the unique context of every search.

For more information on how [AdWords Smart Bidding](#) works, download our guides for [Search](#) and [Display](#).

About AdWords Smart Bidding

AdWords Smart Bidding is a subset of automated bid strategies that use machine learning to optimize for conversions or conversion value in each and every auction—a feature known as “auction-time bidding”. [Target CPA](#), [Target ROAS](#), [Maximize Conversions](#), and [Enhanced CPC](#) are all Smart Bidding strategies.

For more information on how auction-time bidding works, download our guides for [Search](#) and [Display](#). If you'd like to automate your bidding for a Shopping campaign, read [About automated bidding for Shopping campaigns](#).

This article explains what Smart Bidding is and how you can use it to save time and improve your [return on investment](#).

Before you begin

If you're new to automated bidding in Adwords, read [About automated bidding](#) first.

To use Smart Bidding, you need to have conversion tracking enabled. Learn how to [Set up conversion tracking](#).

Why use AdWords Smart Bidding

With AdWords Smart Bidding, you get 4 key benefits that help you save time and improve performance.

1. Advanced machine learning

In bidding, machine learning algorithms train on data at a vast scale to help you make more accurate predictions across your account about how different bid amounts might impact conversions or conversion value. These algorithms factor in a wider range of parameters that impact performance than a single person or team could compute.

2. Wide range of contextual signals

With auction-time bidding, you can factor in a wide range of signals into your bid optimizations. Signals are identifiable attributes about a person or their context at the time of a particular auction. This includes attributes like device and location, which are available as manual [bid adjustments](#), plus additional signals and signal combinations exclusive to AdWords Smart Bidding. See a list of several of these important signals below.

Automated bidding signals

3. Flexible performance controls

AdWords Smart Bidding allows you to set performance targets and customize settings to your unique business goals:

- Optimize Search bids to your selected [attribution model](#), including data-driven attribution.
- Set device-specific performance targets for mobile, desktop, and tablet with Target CPA bidding (coming soon).

4. Transparent performance reporting

AdWords Smart Bidding offers reporting tools that give you deeper insight into your bidding performance and help you quickly troubleshoot any issues. These include:

- Detailed [bid strategy statuses](#) that show you what's going on under the hood of your bidding.
- [Campaign drafts and experiments](#) for Search and Display campaigns that make it easy to test how well AdWords Smart Bidding performs against your current bidding method.
- [Bid simulators](#) that forecast the number of conversions your ads might have received if you had set different CPA targets.
- [Alerts and notifications](#) that flag issues with conversion tracking and provide clear steps for fixing them.
- Rich performance reports that help you easily track performance changes back to updates to your bid strategy status or targets. Access these from the "Bid strategy" dropdown in the main Campaigns view or the Shared library.

Who it's for

AdWords Smart Bidding works successfully for businesses large and small. To maximize results and give machine learning algorithms enough data to make informed bidding decisions, we recommend that advertisers have at least 30 conversions in the past 30 days before using Target CPA. We recommend 50 conversions in the past 30 days for Target ROAS.

Very important Google AdWords Terms :

1. Campaign - An ad campaign on Google AdWords is made up of your ad groups, and has the same budget, campaign type and your other ad settings. It's generally what you first set-up when you advertise, and it helps you organize your different paid advertising efforts. You can run multiple campaigns at any time from your Google account.

2. Ad groups - An ad group is your set of keywords, budgets and targeting methods for a particular objective, within the same campaign. For example, if you are running an ad campaign for a shoe sale, you could set up ad groups to target for online sales, women's shoes and men's shoes. You can have multiple ads in each ad group.

3. Campaign Type - Your campaign type is where you want your ads to be seen. Google has:

- "Search Network only" (which means Google search only)
- "Display Network only" (which means your ad shows up in Google's Display network of websites, videos, YouTube, Blogger and more. This is also known as AdSense)
- "Search Network with Display Select" (which is a combo of search and display)

If you have a Google Merchant Center account and want to use Product Listing Ads, you can also choose "Shopping" as a campaign type.

4. Keywords - Keywords are very important in your Google Ads. They are the words or word phrases you choose for your ads, and will help to determine where and when your ad will appear. When choosing your keywords, think like your customer and what they would be searching for when they want your product, service or offer. Though you can include as many as you like, I suggest a **maximum of twenty keywords**.

Here's Google's explanation on [how to build the best keyword list](#):

5. Quality Score - A quality score is the measurement from Google based on the relevancy of your ad headline, description, keywords and destination URL to your potential customer seeing your ad. A higher Quality Score can get you better ad placement and lower costs.

6. Impressions - An impression is the measurement of how many times your ad is shown.

7. Ad Rank - Your Ad Rank is the value that's used to determine where your ad shows up on a page. It's based on your Quality Score and your bid amount.

8. Mobile ad - Mobile ads are what your mobile searchers see on their devices. Google AdWords has WAP mobile ads and "ads for high-end mobile devices".

9. Ad extensions - Ad extensions are extra information about your business, such as your local address, phone number, and even coupons or additional websites. They're what shows up in blue below your ad descriptions.

General Ad Related Terms

10. Call to Action (CTA) - A CTA is literally the action you want your searcher to take. Good CTAs in your ads are short, action oriented words such as “Buy”, “Get”, “Act Now”, etc.

11. Click Through Rate (CTR) - Your CTR is an important metric in your account settings. It measures how many people who have seen your ad click through to your link destination.

12. Landing Page - Your [landing page](#) is the page on your website to which you’re driving traffic from your ad.

13. Optimization - Optimization in [Google AdWords](#) is like optimization elsewhere in marketing. It means making the changes in your ad that get you higher results for your objectives.

14. Split Testing - Split testing includes A/B and multivariate testing. It’s a method of controlled marketing experiments with the goal being to improve your objective results (such as higher CTR’s, increased conversion or even better Ad Ranking).

Cost Related Terms

15. Bid Strategy - Your bid strategy is basically how you set your bid type to pay for viewer interaction with your ads.

16. Daily budget - Your daily budget is what you’re willing to spend per day per ad. Your daily cost is based on a daily average per month, so don’t be alarmed if yours varies from day to day.

17. CPC - Cost-Per-Click is the most common bid type on [Google AdWords](#). It means you pay every time a person actually clicks on your ad. You set your “maximum CPC” in the bidding process, which means that dollar amount is the most you’ll pay for a click on your ad.

18. PPC - Pay-Per-Click is the same as CPC.

19. CPM - Cost-Per-thousand impressions is a bidding method that bases your costs on how many times your ads are shown (impressions).

20. Billing Threshold - Your billing threshold is the level of spending that triggers a charge to you for the ad costs. It applies to automatic payments, and the threshold level starts at \$50. If you reach that within 30 days, you’ll be billed, and your threshold then raises to \$100 and so on.