

Controlling PPC Costs with Negative Keywords:

An Expert's Guide



WordStream®

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Negative Keywords: How to Put an End to Waste & Maximize PPC Profits

MOST PPC CAMPAIGNS cost far more than they need to, because advertisers are paying for clicks that never deliver.

Some sources estimate that advertisers who use broad and phrase match without negative keywords are wasting up to 30% of their budgets.

When conducting pay-per-click (PPC) marketing campaigns, it's important to determine your most profitable keyword opportunities and act on them by creating relevant ad groups, text ads and landing pages. This allows you to draw in all those potential customers who are searching for offerings like yours using Google and other search engines. When people click on your PPC ads and subsequently buy your products or services, you see a return on your investment in search advertising.

But unless you've got money to burn, it's *equally* important to **identify and eliminate wasteful PPC spending**. Most PPC campaigns cost far more than they need to, because advertisers are paying for clicks that never deliver. For truly cost-effective campaigns with maximum ROI, this step is just as crucial as effective keyword research.

The key to eliminating wasteful ad spend is **negative keyword discovery**.

Negative keywords offer an opportunity to strategically restrict your PPC advertisements, so they only reach your best potential audience. Effective PPC management means consistently expanding your keyword portfolio while simultaneously refining the list of keywords you're already bidding on in order to maximize relevance — and consequently, profits.

Creating an environment where you can dynamically define effective negative keywords helps you:

*For more help with match types, check out our **Complete Guide to AdWords Matching Options.***

<http://marketing.wordstream.com/adwordsmatchtypeguide.html>

- **Improve Click-Through Rate (CTR)** — Ensuring that your ads aren't running against irrelevant queries means exposing your account to fewer uninterested impressions. This means that the percentage of people who click on your ad will be greater. (CTR refers to the percentage of searchers who view your ad that go on to click on it.)
- **Create More Relevant Ad Groups** — By weeding out keywords that aren't related to your business, you tighten the relevance of your ad groups. Small, closely related ad groups allow you to craft a single message that speaks to the entire group of keywords.
- **Save Money** — By avoiding paying for useless clicks, you save a lot of money. Additionally, by creating more relevant keyword groups with higher CTR, you raise your Quality Scores, which will also lower your costs.

After reading this white paper, you'll understand exactly what negative keywords are and how they can improve the value and relevance of your paid search marketing efforts, as well as how to leverage WordStream's PPC management software to create negative keyword lists that will save you money and improve your ad campaign performance.

Let's get started!

What Are Negative Keywords?

Negative keywords are a pay-per-click advertising match type option offered by most of the major search engines. (A match type, or keyword matching option, is a way of designating what kinds of searches can trigger your ads to appear. Certain match types are more restrictive while others allow a broader range of matches, and hence more impressions.)

ABOUT 20%
of search queries have never
been searched on before!

There are a couple of things to keep in mind with regards to negative keywords:

- **They Serve as an Ad Filter** — Creating a negative keyword will ensure that your ad doesn't show for that particular term.
- **They Apply to Expansive Match Types** — Negative keywords are useful when applying phrase, modified broad, or broad match (or a similar expanded matching option, such as Yahoo's advanced match), as opposed to exact match (which only matches your ad to an exact keyword phrase you specify). When using broader match types, your keywords are matched to multiple variations of a phrase, not all of which will be logical extensions of the phrase you're targeting, and not all of which will be pertinent to your business.

Why Use the Broad Match & Negative Keyword Combination?

So why not just use exact match and show only for the specific keywords you want to target?

There are two core reasons you don't want to show only for these narrowly defined phrases:

- **It Limits Your Reach** — While broad and phrase match will sometimes display your ad in response to unwelcome keyword variations, they also help your ad display against highly valuable permutations of your keyword — variations that you wouldn't be able to anticipate. (About 20% of search queries have never been searched on before!) In fact, limiting yourself to exact match causes you to leave most of the traffic on the table, as it ignores the long tail.

- **The Costs Are Higher** — “Head” or broader terms have greater advertiser competition and typically cost you more per click than more specific variations.

The ideal solution is to utilize broad, modified broad, or phrase match while mining your account for negative keyword candidates. This way you can cast the widest possible net, but filter out potential matches that you know won't convert.

How to Find Negative Keywords

So you want to implement broad and phrase matching options to capture more traffic, but how do you combat irrelevant clicks and impressions (and uncontrolled ad spend)? Historically, discovering negative keywords has been a laborious and faulty process, involving sitting around and brainstorming (which only gets you so far) or poring through search query reports in Google AdWords.

But AdWords offers limited visibility into what queries your ads are being matched against. In addition, it's a very slow and annoying process to go through each query one by one. But let's say you take the time to do this and compile a list of undesirable queries. What do you do then?

The next step, traditionally, is to export the keywords to an Excel spreadsheet. This is far from ideal for a few reasons:

- **It's Time-Consuming and Manual** — You end up spending a massive amount of time pulling reports, slogging through analytics, manipulating the data in Excel, then going back to your account to implement the changes.
- **It's Static** — New searches are triggering your ads all the time; you'll have to repeat this process frequently to stay on top of wasteful spending.

THE IDEAL SOLUTION

is to utilize broad, modified broad, or phrase match while mining your account for negative keyword candidates. This way you can cast the widest possible net, but filter out potential matches that you know won't convert.

- **The Process Itself Is Redundant** — Pull a search query report for your account, and you'll see a lot of keywords that are generating relevant clicks. Why bother to go through the good stuff every week? Ideally, you'd have a report that shows you only queries you haven't reviewed yet.

So what's the alternative?

Getting Started With WordStream's Negative Keyword Tool

WordStream for PPC offers an innovative negative keyword tool that will help you lower costs and improve click-through rates for all-around more effective and budget-friendly PPC campaigns.

WordStream's negative keyword tool is unique because it empowers you to:

- **Eliminate wasteful ad spend *before* it starts** by *proactively* setting negative keywords and match types.
- **Save time and increase productivity** by identifying whole *clusters* of related negative keyword candidates rather than single instances of negative terms.
- **Efficiently manage negative keyword research** by using the same platform to find, review, and designate negative keywords and upload changes *directly* to your AdWords account.

As soon as you set up your WordStream account, the software mines your historical search query data to learn more about the types of words that are and aren't important to you. The software can then start to suggest negative keyword candidates, while offering you an automated negative keyword solution.

Let's take a look at how this works.

Want to see how this works?
Test-drive our **Free Negative
Keyword Tool:**

www.wordstream.com/negative-keywords

Results for: cat		RESET	
Negative Keyword Contenders		Relevant?	
Review highlighted terms below for relevancy			
scratch cat		yes	no
back cat		yes	no
dry cat		yes	no
cat hair		yes	no
costume cat		yes	no
cat up		yes	no
cat breeders		yes	no
eat cat		yes	no
sale cat		yes	no
cat dolls		yes	no
power cat		yes	no
bed cat		yes	no
home cat		yes	no
wild cat		yes	no
outdoor cat		yes	no
blue cat		yes	no
song cat		yes	no
fat cat		yes	no
cat health		yes	no

Negative Keyword	Match Type
stevens	Broad

By telling the software which terms are and aren't relevant, WordStream can make more and better negative keyword contender suggestions, which you can then turn into actual negative keywords within your AdWords account.

WordStream's negative keyword tool mines your research for clusters of terms that might not be relevant to your campaigns.

WordStream's negative keyword tool works by scanning your search query reports and your keyword research to find terms that might not be relevant to your business and your campaigns. You can review these terms and tell the tool whether or not they are relevant, and as you do so you're able to save the negatives and get new, more informed suggestions from the software as to potential negative terms.

The keywords in the above account belong to an online pet store. WordStream suggests clusters of terms that may trigger "cat" ads. Simply click "no" to add a term to the list of negative keywords on the right. Now you can rest assured that no queries relat-

ed to “Cat Stevens” or another irrelevant term that might pop up, like “cat on a hot tin roof,” will match against your ad in the future — and they won’t cost you a cent.

The process is far more efficient and powerful than traditional methods of negative keyword discovery, because:

- WordStream remembers when you designate a term as irrelevant, so you’ll never have to review that term again. Any search queries containing variations on that term will be filtered *automatically* going forward.
- As WordStream learns about your campaign, the tool actually gets *smarter* and provides better and better suggestions for your negative keyword list, making your job even easier.

You can also set the match type as part of this process. For the query “hot tin roof”:

- **Broad match** means that any search queries containing the words “hot,” “tin,” and “roof” will be filtered out.
- **Phrase match** means that any queries containing the phrase “hot tin roof” (in that order) will be filtered out.
- **Exact match** means that only the exact query “hot tin roof” will be filtered out.

You can also set terms as *positives* by clicking “yes” in the review pane. This ensures that keywords that are relevant to your business don’t end up on your negative keyword list, and helps WordStream learn a little more about which terms are and aren’t relevant for your campaigns and your business.

By taking a little time to designate positives and negatives, you are teaching WordStream about your keyword research and your business, so additional negative suggestions will be that much more powerful.

And because these suggestions come from your own history and research — rather than a purchased negative keyword list, or out of thin air — they're more relevant to your specific campaigns. WordStream allows you to:

- **Create a Personalized Negative Keyword List** — WordStream Web analytics tools continuously mine your own search query reports to create a negative keyword list that is completely personalized — and private.
- **Enjoy Negative Keyword Suggestions from Real Search Traffic** — A negative keyword is only valuable if you're actually restricting real traffic from real searchers: queries you would otherwise be bidding on.

The Value of Better Negative Keyword Management

Why is this all functionality so valuable? Effective negative keyword management keeps your keyword research clean and maximally relevant, so you're better able to deliver a compelling, targeted message to the exact segment of searchers you most want to reach. And your full PPC budget will be spent on impressions and clicks that are highly likely to drive relevant traffic, qualified leads, and eventual sales.

The WordStream negative keyword tool is a dynamic, proactive solution that will save you time and help keep your marketing costs down, so profits from PPC are as high as possible.

BY TAKING A LITTLE
time to designate positives and negatives, you are teaching WordStream about your keyword research and your business, so additional negative suggestions will be that much more powerful.



Chad Summerhill

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Fighting Cross-Campaign Ad Poaching with Negative Keyword Lists

By Chad Summerhill

Typically we see negative keywords being used to stop ad impressions from completely irrelevant search queries (or search queries that bring no business value), but there is a case for using relevant keywords as negative keywords.

Using brand-related keywords in negative keyword lists is not the only example of using relevant keywords as negatives. Depending on your business, you may find, after analyzing your search query reports, that your campaigns are poaching ad impressions from each other.

Because of this, I recommend that you create a negative keyword list for each of your major campaigns in your AdWords account.

For example, let's say that you sell pet clothes for both dogs and cats. You may have both a DOG CLOTHES and a CAT CLOTHES campaign running in your account. Most likely, you have broad match keywords that may compete for the same ad impressions across campaigns.

The only way to prevent Google from choosing to serve an ad to the wrong search query is by explicitly telling them not to do so with a negative keyword. Otherwise, they enjoy the freedom you've given them by choosing to use broad match keywords. To get your lists started, I would take the top exact match keywords in your campaigns and create a negative keyword list for each of your campaigns. Here's what those lists might look like for the DOG CLOTHES and CAT CLOTHES campaigns:

YOU MAY FIND, AFTER analyzing your search query reports, that your campaigns are poaching ad impressions from each other.

DOG CLOTHES campaign	the CAT CLOTHES campaign
DOG CLOTHES Negative List	CAT CLOTHES Negative List
dog clothes	cat clothes
cheap dog clothes	cat clothes for cats
dog clothes and accessories	arctic cat clothes
designer dog clothes	pet cat clothes
small dog clothes	cat clothes and accessories
dog clothes patterns	sphynx cat clothes
wholesale dog clothes	designer cat clothes
dog clothes cheap	cheshire cat clothes
cute dog clothes	cat clothes for sale
how to make dog clothes	cool cat clothes

Now depending on how closely related your campaigns are, you may have to **experiment with using different negative match types**. In the example above, you should be safe using negative broad match keywords.

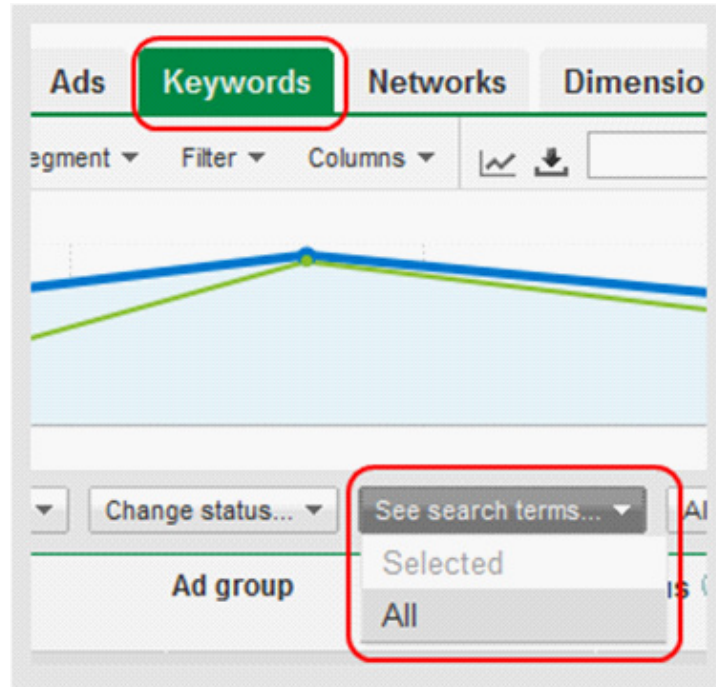
Next, associate your negative lists to all the other campaigns in the account (that might be an ad poacher) for each campaign. In order to do this you have to navigate to the bottom of the keywords tab for each campaign and open up the “Negative keywords” link.

The end and desired result is that Google can’t serve a “cat clothes” ad to a “dog clothes” search query because the only ads eligible to serve are in your CAT CLOTHES campaign.

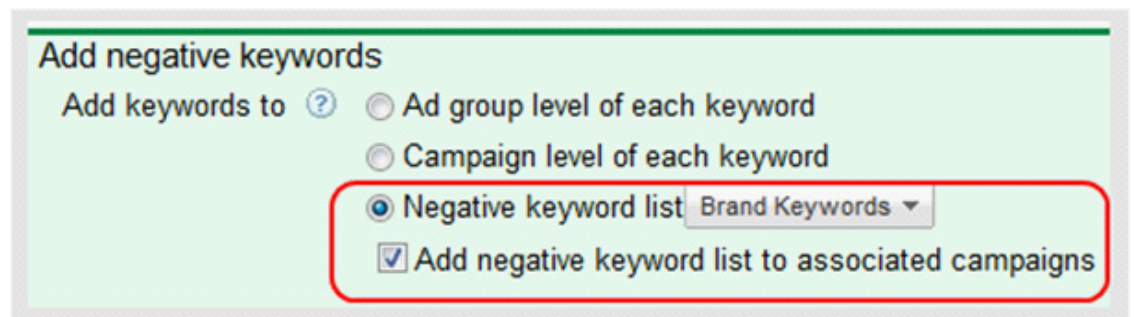
Now once you have these lists in place within your AdWords account, regularly take the time to drill into your search term report located in the “Keywords” tab.

Looking for an easy way to find negative keywords? Try our **Free Negative Keyword Tool:**

www.wordstream.com/negative-keywords



Add any ad poaching search queries that you find directly to your negative keyword lists.



Now sit back and enjoy getting Google to serve the right ads for the right search queries. Of course, you can push this same concept to the ad group level for even tighter control.

Advanced Search Query Mining

By Chad Summerhill

Part 1: The Power of Search Queries

If you are bidding on broad match keywords and ignoring your search queries, you are definitely wasting money, by not managing your negative keywords, missing out on profitable long-tail keyword opportunities, and possibly missing new emerging search trends in your market.

Keywords are not search queries.

Keywords are not search queries, although search queries can be keywords. **Keywords are assumptions** about the words we think our customer will use when using a search engine, while **search queries are the reality**.

If you are only using exact match keywords in your PPC campaigns, then your keywords will match your customers' search queries exactly every time a search is matched to your ad.

However, if you are taking advantage of broad and phrase match, oftentimes one keyword can generate hundreds or even thousands of search queries. It is our responsibility to **take control of these search queries**.

Keep this in mind when thinking about keywords and search queries:

*Keywords vs. Search Queries:
What's the Difference?*

<http://www.wordstream.com/blog/ws/2011/05/25/keywords-vs-search-queries>

USING BROAD MATCH

keywords is the best keyword expansion method available to find out what words your potential customers are using when searching for products, services, or information.

- Keywords are **advertiser-centric assumptions** — a targeting method to attract search queries.
- Search queries are **customer-centric realities** — your customers' voice and, most importantly, clues to your customers' intent.

You can't find new search queries without using broad match.

Some may argue that using broad match is a technique to increase traffic to your PPC campaigns. Unfortunately, this is the misguided goal of many broad match campaigns. Using broad match with a focus on just increasing your exposure without paying attention to your search queries will definitely open your account up to waste and risk.

The real goal of using broad match keywords should be to **find the profitable user search queries** your customers are using that triggered an ad. The advertiser can take action on these search queries by including them as exact match keywords in their PPC campaigns.

This allows the advertiser to create an appropriate customer experience tied more directly to their intent. This, in turn, should create better and more profitable outcomes for the advertiser.

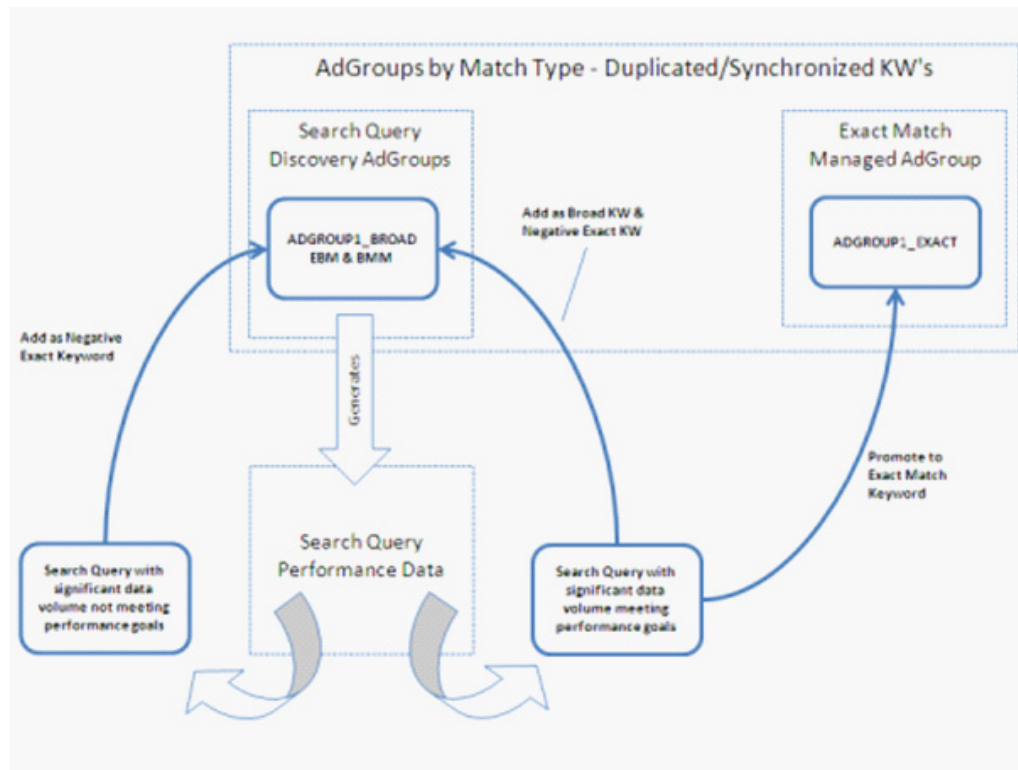
Using broad match keywords is the **best keyword expansion method available** to find out what words your potential customers are using when searching for products, services, or information. And the way you find these wonderful words is by mining your search query data.

The Goal of Search Query Mining

Through search query mining, you want to find:

- **Keyword candidates:** Good performers that you might have otherwise missed and that need to be promoted to keywords.
- **Negative keyword candidates:** Poor performers that need to be added as negative keywords, both as ad group negatives and [campaign negative keywords](#).

Here is a visualization of search query mining, showing the ad group structure and the workflow.



As your query mining efforts mature you will find less and less irrelevant search queries and more new profitable long-tail keywords or even new high-volume search queries reflecting changes in your customers' search behavior.

Now that we agree on the power of search queries, we will jump right into the world of search query mining. I will detail:

- **Part 2: Getting the Right Data**
- **Part 3: Preparing Your Data for Analysis**
- **Part 4: Mining Your Data for Insights**
- **Part 5: Acting on Your Insights**

Advanced search query mining is about going beyond the tools provided to you by the search engines and taking control of your search queries, which are arguably the most valuable search assets you have.

Part 2: Getting the Right Data

As with any PPC analysis, you must get the right data to answer your questions. Here are some of the questions our data will need to be able to answer easily:

- What search queries have high impressions but no clicks?
- What search queries have resulted in a conversion?
- What search queries have a below average CTR for the ad-group?
- What search queries have an above average cost per conversion?
- What search queries are duplicates of existing exact match keywords?

ADVANCED SEARCH

query mining is about going beyond the tools provided to you by the search engines and taking control of your search queries, which are arguably the most valuable search assets you have.

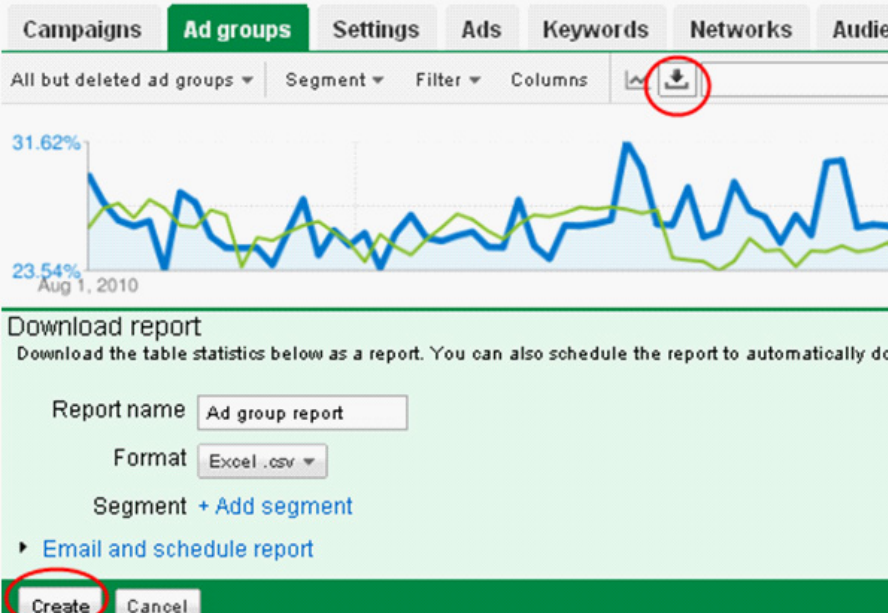
In order to answer questions about a search query's performance we need the **Search Query Report**, for questions about comparison metrics we will need an **Ad-Group Report**, and for questions about duplication we will need a **Keyword Account Structure Report**.

This tutorial does require a basic understanding of how to use the AdWords interface, Microsoft Excel, and AdWords Editor. I will try to be as detailed as possible without bogging the article down.

Let's get started!

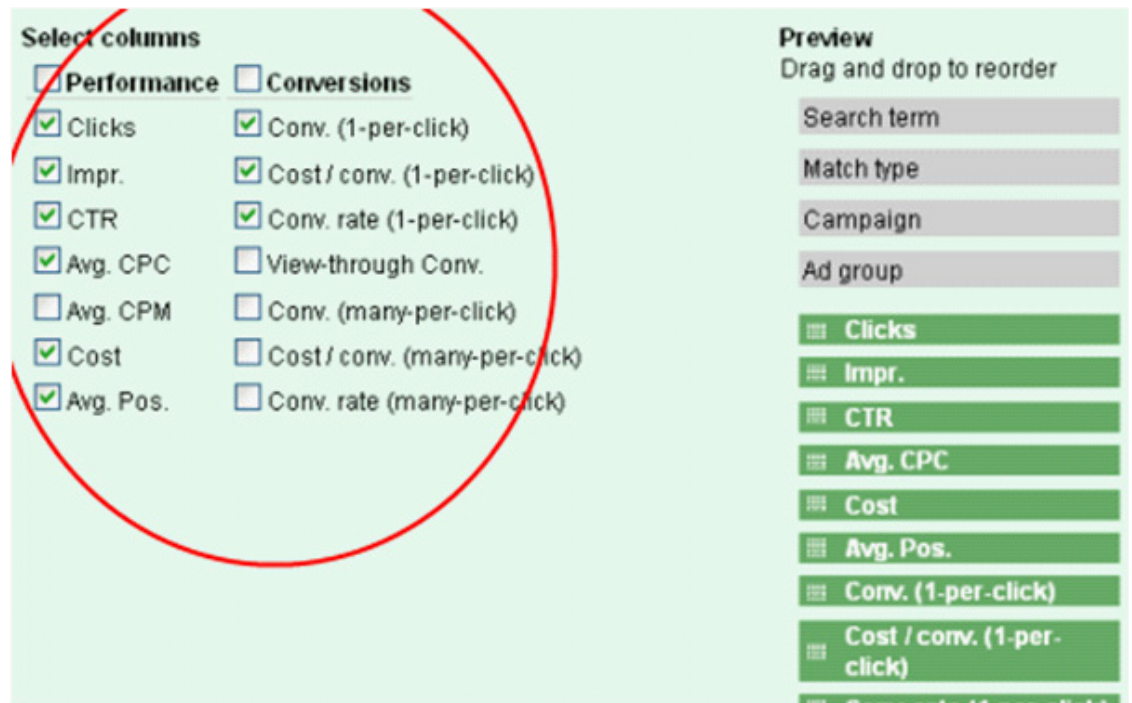
Search Query Report

Either through the MMC Reporting Center or your AdWords interface, pull a **90-day Search Query Report** for the campaigns you want to use for this query mining exercise.



The screenshot shows the AdWords interface with the 'Ad groups' tab selected. The top navigation bar includes 'Campaigns', 'Ad groups', 'Settings', 'Ads', 'Keywords', 'Networks', and 'Audience'. Below the navigation bar, there are filters for 'All but deleted ad groups', 'Segment', 'Filter', and 'Columns'. A red circle highlights a download icon in the top right corner. The main content area displays a line chart with two data series, one blue and one green, showing performance over time. The y-axis ranges from 23.54% to 31.62%, and the x-axis starts on 'Aug 1, 2010'. Below the chart is the 'Download report' section, which includes a text input for 'Report name' (set to 'Ad group report'), a dropdown for 'Format' (set to 'Excel .csv'), and a link for '+ Add segment'. There is also a link for 'Email and schedule report'. At the bottom, there are 'Create' and 'Cancel' buttons, with the 'Create' button circled in red.

Choose the columns I have displayed below.



Select columns

<input type="checkbox"/> Performance	<input type="checkbox"/> Conversions
<input checked="" type="checkbox"/> Clicks	<input checked="" type="checkbox"/> Conv. (1-per-click)
<input checked="" type="checkbox"/> Impr.	<input checked="" type="checkbox"/> Cost / conv. (1-per-click)
<input checked="" type="checkbox"/> CTR	<input checked="" type="checkbox"/> Conv. rate (1-per-click)
<input checked="" type="checkbox"/> Avg. CPC	<input type="checkbox"/> View-through Conv.
<input type="checkbox"/> Avg. CPM	<input type="checkbox"/> Conv. (many-per-click)
<input checked="" type="checkbox"/> Cost	<input type="checkbox"/> Cost / conv. (many-per-click)
<input checked="" type="checkbox"/> Avg. Pos.	<input type="checkbox"/> Conv. rate (many-per-click)

Preview
Drag and drop to reorder

- Search term
- Match type
- Campaign
- Ad group
- Clicks
- Impr.
- CTR
- Avg. CPC
- Cost
- Avg. Pos.
- Conv. (1-per-click)
- Cost / conv. (1-per-click)

Next, **download the report as a .csv and open it in Excel**. We will come back later to and format this report for our analysis.

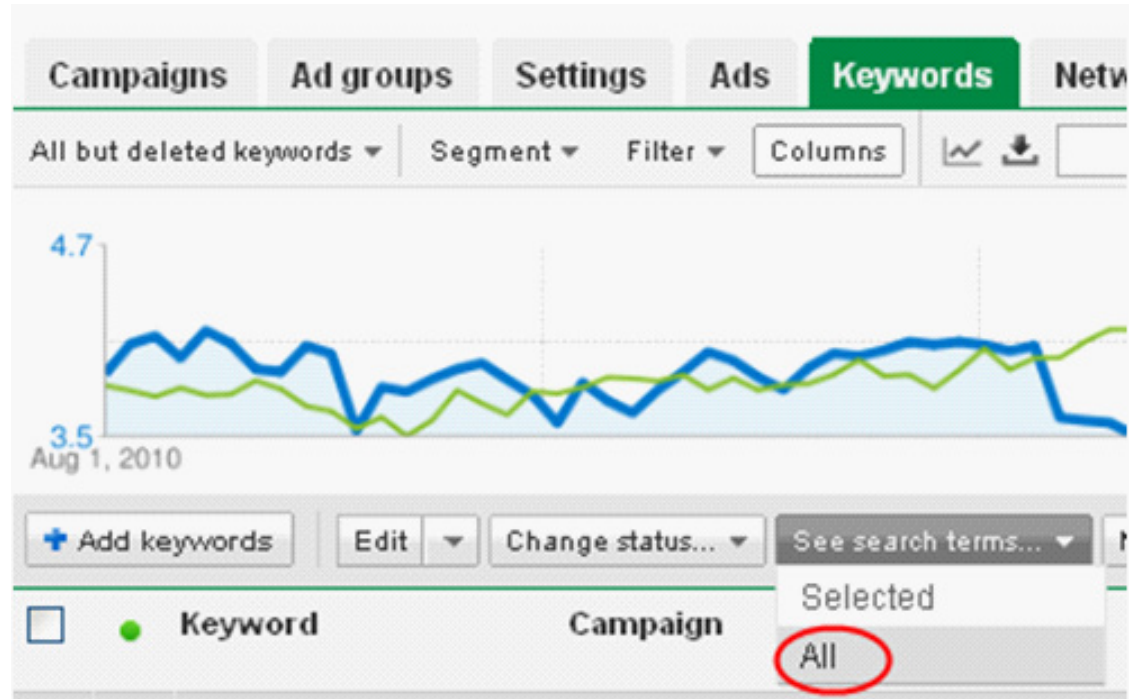
Ad-Group Report

Some of you may be asking why we are about to pull an ad-group report for our search query mining exercise. A big part of data-analysis is applying the proper context for PPC peer comparisons. For this analysis, I want to be able to compare search query performance against the ad-group that it matched to.

For example: *Search query CTR is 30% below that of its peers.*

If you are wondering why I don't just use the SQR data for this comparison, it's because the SQR only reports on search queries that received a click. If I aggregated the SQR by ad-group it would show a much inflated CTR compared to the CTR that is reported in the ad-group report that contains all impressions.

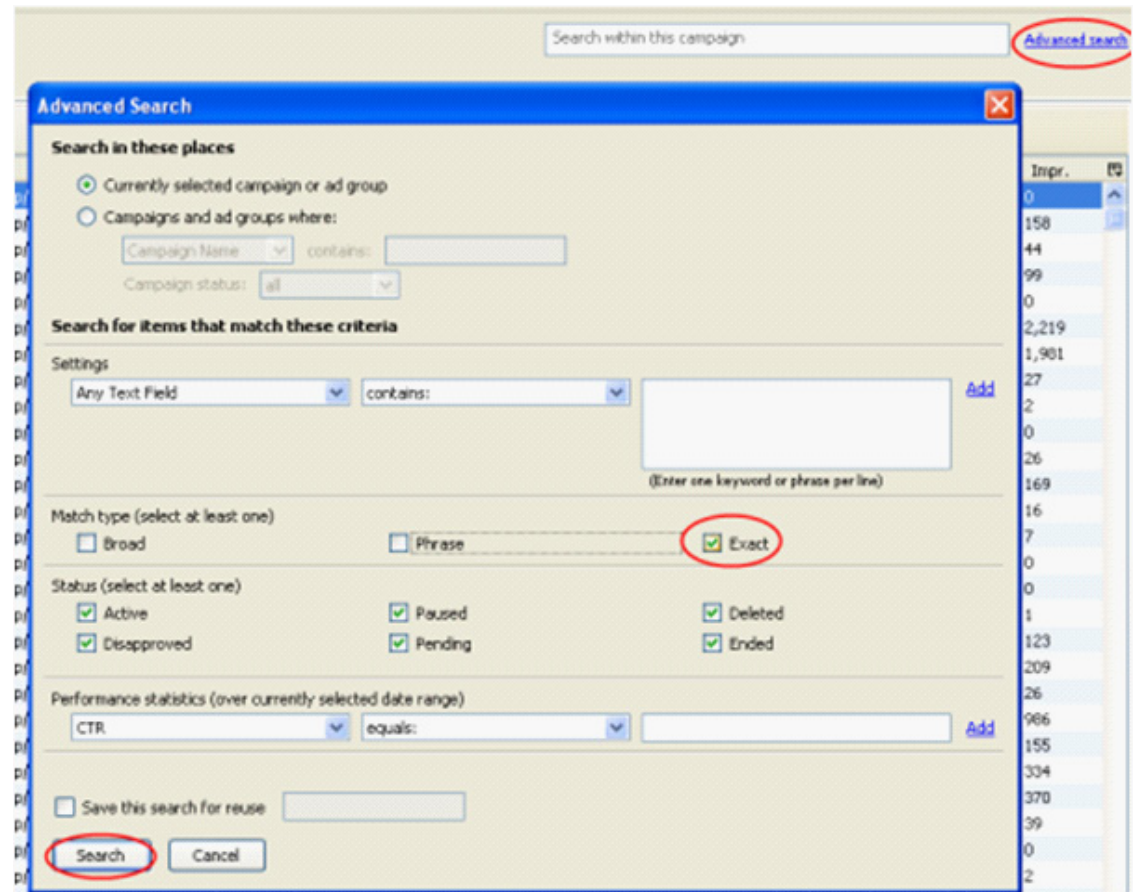
Now, **pull your ad-group report for the same time-period** and campaigns as the SQR you just downloaded.



Download and open the ad-group report in Excel and we will come back to it later.

Account Structure — Exact Match Keywords

Next, **copy your exact match keywords for the campaigns** you are analyzing from AdWords Editor and **paste it into Excel**. Again, this keyword data will be used for context during our analysis of your SQR.

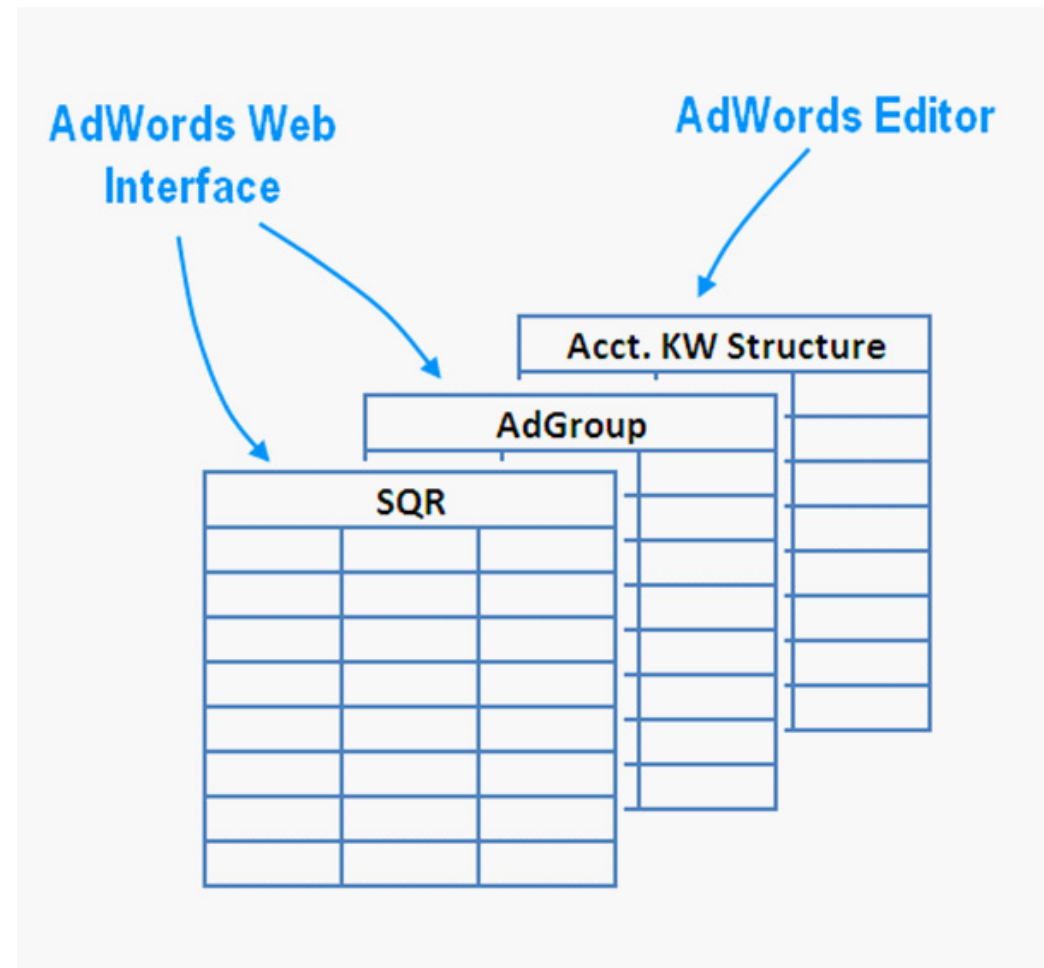


We will use this data to find duplicate search queries (search queries that are already in your account as an exact match keyword) and for comparing the individual words that make up your search queries as we mine for campaign negative keywords.

The reason we use this data source instead of the exact match search queries found in the SQR is because we want all keywords that are currently in your account not just keywords with impressions and the SQR is a performance report and will not show the current state of your account like AdWords Editor will.

Put it all in Excel

You should now have three sets of data (1. SQR, 2. Ad Group Report, and 3. Keyword Data from Editor). Next get them into an Excel workbook together as shown below:



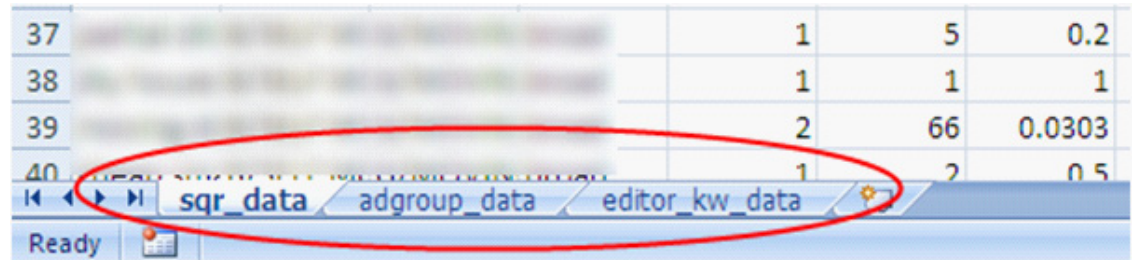
In the next section I will show you how to prepare your data for search query mining. You will learn how to:

- Format your data as a table in Excel
- Create derived fields in Excel (DUP_FLAG, PEER_CTR, ETC.)
- Create a WORD COUNT formula in Excel
- Use the Excel VLOOKUP FORMULA

As with most data-mining exercises, data preparation will be a large part of the work and is crucial for being able to answer all of the questions we will have concerning our search queries' performance.

Part 3: Preparing Your Data

In part 2, we gathered all of the data we would need for our search query mining exercise into Excel, as seen below.



37		1	5	0.2
38		1	1	1
39		2	66	0.0303
40		1	2	0.5

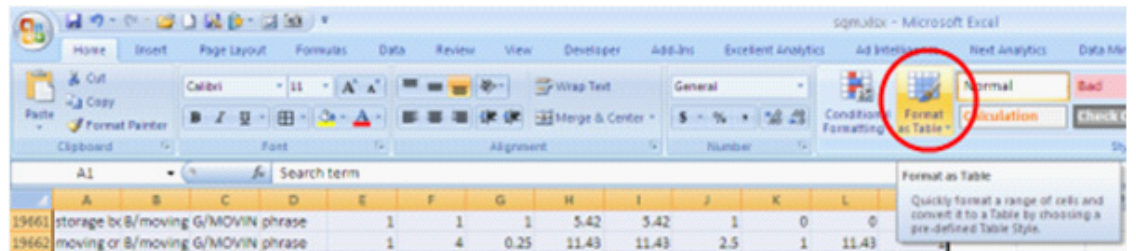
Now, we must take the time to prepare our data for analysis. This will include creating derived fields to bring information to the surface, flagging and deleting noise, converting counts to proportions, etc. We are going to use the power of Excel to our advantage and push our data to its limits to extract value.

Here are some of the questions our data will need to be able to answer easily:

- **What search queries have high impressions but no clicks?** (might be a good negative candidate)
- **What search queries have resulted in a conversion?** (promote these to exact match keywords in your account)
- **What search queries have a below average CTR for the ad group?** (negative candidate)
- **What search queries have an above average cost per conversion?** (might need a new ad/landing page or may be negative candidates)

Step #1: Format your data as an Excel Table

1. Highlight your entire SQR dataset including the header row.
2. Click on “Format as Table” from the Home ribbon.



3. Choose a style that you like.
4. Click “OK.”

GOTCHA ALERT:

Your broad and phrase match keywords might be ad-poaching your exact match keywords.

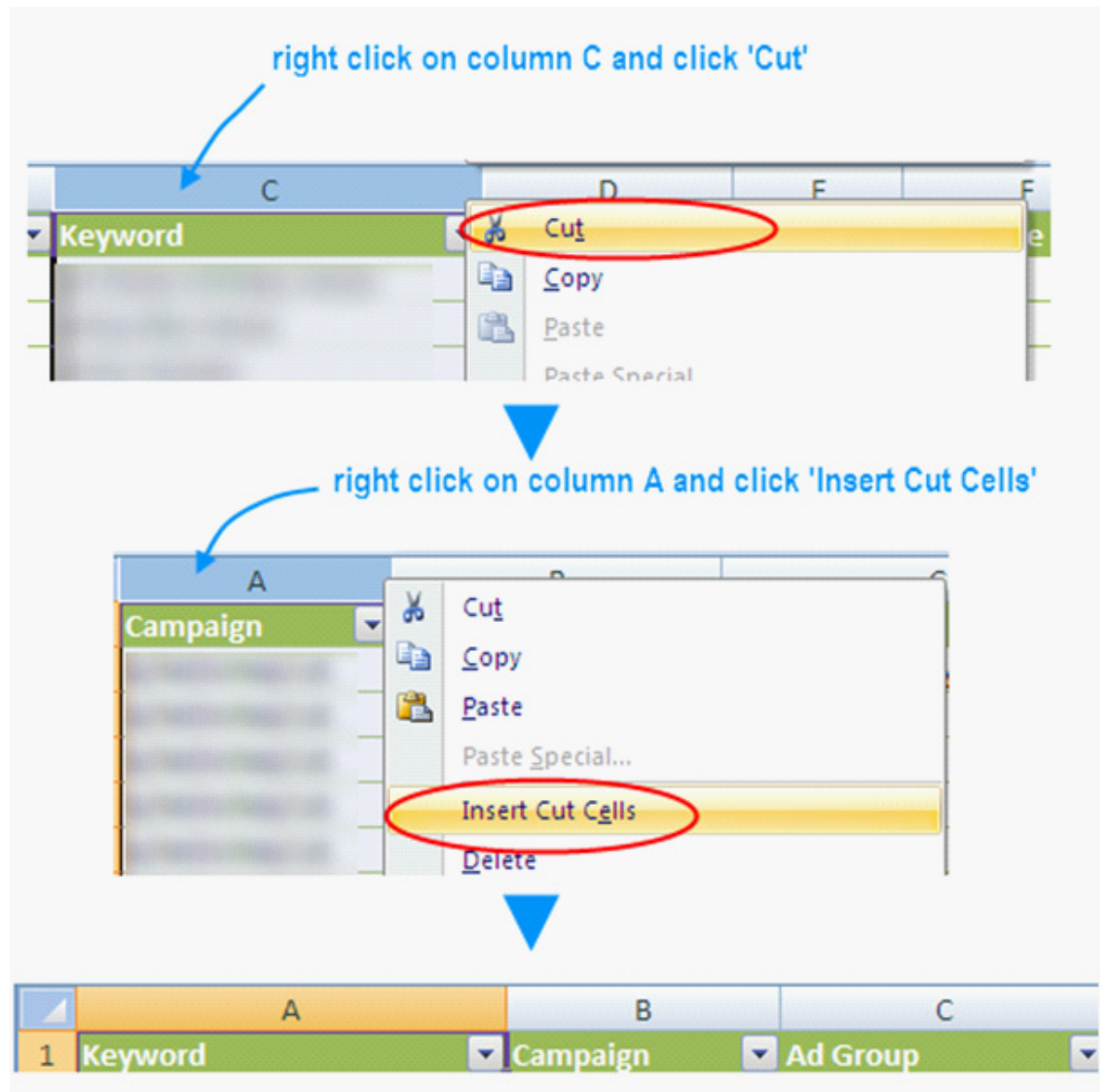
	D	E	F	G	H	I	J	K
Match type	Clicks	Impressions	CTR	Avg. CPC	Cost	Avg. position	Conversion (1-p	
phrase	1	10	0.1	1.85	1.85	4.2	0	
phrase	1	1	1	1.83	1.83	5	0	
phrase	4	174					1	
phrase	1	3					0	
phrase	1	9					0	
phrase	1	2					0	
phrase	1	3					0	
phrase	1	1					1	
phrase	1	1					0	
phrase	1	1					0	
phrase	1	1					0	

5. Repeat these steps for both the ad group and account keyword structure datasets.

Step #2: Flag Duplicate Search Queries

Duplicate search queries are broad and phrase match search queries that are already being targeted in your account as an exact match keyword. In other words, your broad and phrase match keywords might be ad-poaching your exact match keywords.

1. Go to your AdWords Editor keyword data and cut column C (keyword) and insert it at column A so that "Keyword" is your first column.



2. Create a new column “DUP_CHK” in column “N” in your “sqr_data” tab. Because you formatted your dataset as a table, all you have to do is type the word “DUP_CHK” in cell “N1” and a new column will be created.

3. Type this formula in “N2” (or use the formula wizard):

```
=VLOOKUP(Table1[[#This Row],[Search term]],editor_kw_data!A:C,2,FALSE)
```

4. After Excel is through processing, copy all of column “N” and right click then “Paste Special > Values” back into column “N”. This way every time you change something in Excel it doesn’t start processing through your data again (can be annoying if you have 100K search queries).

Step #3: Word Count Column

We will use a search query word count later in the analysis process while we are surveying our data.

1. Create a “WORD_COUNT” column in cell “O1” just as before.
2. Type this formula in cell “O2”:

```
=LEN(A1) - LEN(SUBSTITUTE(A1," ","")) + 1
```

Step #4: Create a search query peer CTR column

Having a CTR comparison (or reasonable CTR expectation) will be very valuable for our analysis. In order to calculate a “Peer CTR” we must subtract the search queries clicks and impressions from the ad group’s total clicks and impressions and then calculate a CTR.

1. Create a “PEER_CTR” column in cell “P1”

2. Type this formula in cell “P2”:

```
=(VLOOKUP(Table1[[#This Row],[Ad group]],adgroup_data!A:L,4,FALSE)-Table1[[#This Row],[Clicks]])/(VLOOKUP(Table1[[#This Row],[Ad group]],adgroup_data!A:L,5,FALSE)-Table1[[#This Row],[Impressions]])
```

Friendly formula: $(ag_clicks - sq_clicks) / (ag_imp - sq_imp)$
= PEER_CTR

Step #5: Create a search query peer conversion rate column

Like “PEER_CTR”, a comparison (expected conversion rate) is a great metric to have during your search query analysis. You create it very similarly to how you just created “PEER_CTR”.

1. Create a “PEER_CVR” column in cell “Q1” (CVR = conversion rate)
2. Type this formula in cell “Q2” similar to the “PEER_CTR” formula:

```
=(VLOOKUP(Table1[[#This Row],[Ad group]],adgroup_data!A:L,10,FALSE)-Table1[[#This Row],[Conv. (1-per-click)])/(VLOOKUP(Table1[[#This Row],[AZgroup]],adgroup_data!A:L,4,FALSE)-Table1[[#This Row],[Clicks]])
```

Friendly formula: $(ag_conv - sq_conv) / (ag_clicks - sq_clicks)$
= PEER_CVR

Step #6: Create a search query peer cost/conversion column

In order for us to later look for a high CPA search query, we must have an average or expected CPA to compare against.

1. Create a “PEER_CPA” column in cell “R1” (CPA = cost per conversion)

```
=(VLOOKUP(Table1[[#This Row],[Ad group]],adgroup_data!A:L,8,FALSE)-Table1[[#This Row],[Cost]])/(VLOOKUP(Table1[[#This Row],[Ad group]],adgroup_data!A:L,10,FALSE)-Table1[[#This Row],[Cost / conv.(1-per-click)]])
```

Step #7: Create a needed impressions column

In order to answer the question, “How many impression are needed before we should expect to see clicks?” we must calculate a needed impressions metric. We do this by dividing the number of clicks you would like to see by the peer CTR.

Of course, you could use a more “statistically significant” approach as I described in my [PPC analysis post](#). The point is to create a flag that can be used to filter out search queries with sparse data later in our analysis.

1. Create a “NEEDED_IMP” column in cell “S1”
2. Type this formula in cell “S2”: `=1.5/Table1[[#This Row],[PEER_CTR]]`

Step #8: Create a needed clicks column

In order to answer the question, “How many clicks are needed before we should expect to see conversions?” we must calculate a needed clicks metric. We do this by dividing 1-2 clicks by the peer CTR.

1. Create a “NEEDED_CLICKS” column in cell “T1”
2. Type this formula in cell “T2”: `=1.5/Table1 [#This Row] , [PEER_CVR]`

Step #9: Create an enough impressions column

In this step we are going to use the “NEEDED_IMP” column that we created earlier with an “IF” statement to set a flag that we can use as a filter later in our analysis.

1. Create an “ENOUGH_IMP” column in cell “U1”
2. Type this formula in cell “U2”:

```
=IF(Table1 [#This Row] , [Impressions] > Table1 [#This Row] , [NEEDED_IMP] , "Y" , "N")
```

Step #10: Create an enough clicks column

Again we are going to use a derived field that we created earlier, “NEEDED_CLICKS” to set a flag for “ENOUGH_CLICKS”.

1. Create an “ENOUGH_CLICKS” column in cell “V1”

2. Type this formula in cell “U2”:

```
=IF(Table1[[#This Row],[Clicks]]>Table1[[#This Row],[NEEDED_CLICKS]],"Y","N")
```

Step #11: Create a low CTR column

This is a very important filter that we will use later that helps us focus on search queries with below average CTRs. The formula described below will set a flag for “LOW_CTR” for search queries with a CTR that is 30%+ below its peers in that ad group.

1. Create a “LOW_CTR” column in cell “W1”
2. Type this formula in cell “W2”:

```
=IF(Table1[[#This Row],[CTR]]<(Table1[[#This Row],[PEER_CTR]]*0.7),"Y","N")
```

Step #12: Create a low conversion rate column

Just like low CTR, a below average conversion rate can be an attribute of a negative keyword candidate.

1. Create a “LOW_CVR” column in cell “X1”
2. Type this formula in cell “W2”:

```
=IF(Table1[[#This Row],[Conv. rate (1-per-click)]]<(Table1[[#This Row],[PEER_CVR]]*0.7),"Y","N")
```

A HIGH CPA

can also offer insights into potential problems with a search query.

Step #12: Create a high cost per conversion column

A high CPA can also offer insights into potential problems with a search query. The search query may perform better with a different landing page or perhaps it needs to be added as a negative keyword. The formula below sets a flag for search queries that have a CPA 30%+ above its peers.

1. Create a “HIGH_CPA” column in cell “Y1”
2. Type this formula in cell “Y2”:

```
=IF(Table1[[#This Row],[Cost / conv. (1-per-click)]]>(Table1[[#This Row],[PEER_CPA]]*1.3),"Y","N")
```

N	O	P	Q	R	S	
DUP_CK	WORD_CT	PEER_CTR	PEER_CVR	PEER_CPA	NEEDED_IMP	
T	U	V	W	X	Y	
NEEDED_CLICKS	ENOUGH_IMP?	ENOUGH_CLICKS?	LOW_CTR	LOW_CVI	HIGH_CPA	

This might seem like a lot of work, but once you get familiar with these techniques it should only take you about five minutes to create all 12 columns.

I also encourage you to experiment with creating your own derived fields for your analysis. What I have described above comes from much trial and error (with my own data), and is by no means the only way you could/should prepare your data. Start by formulating the questions you will be asking of your data. This will help you figure out what new fields, flags, etc. you will need to answer those questions.

In the next section, I will show you how to start mining your prepared data for insights. We will be creating a negative candidates list as well as a keyword expansion list.

Part 4: Mining Your Data for Insights

In the last section, I showed you how to prepare your search query data for analysis. We had some specific questions that needed to be answered and that shaped how we transformed our data. These questions included the following:

- What search queries have high impressions but no clicks?
- What search queries have resulted in a conversion?
- What search queries have a below-average CTR for the ad group?
- What search queries have an above-average cost/conversion?
- Do I have a problem with ad poaching and duplication?

For the most part, these questions are focused around search queries that may need to be added as negative keywords and search queries that need to be a part of a keyword expansion strategy.

I like to start my query mining analysis with a quick survey of my data.

Survey your data

The really bad and obvious waste can sometimes be seen easily in your data by just sorting by cost and filtering for zero conversions, etc., so a quick survey of your data is always advised.

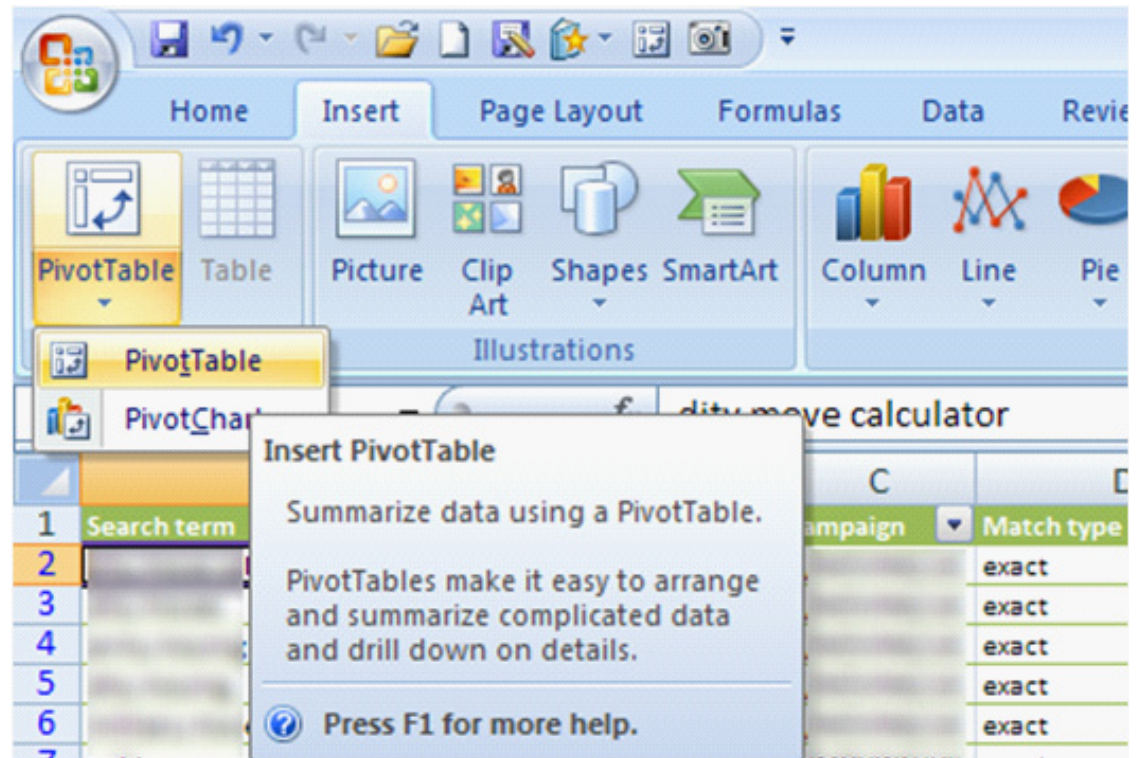
I encourage you to get to know your data. Use a pivot table, sort, and filter. The more you learn about your data, the better equipped you will be for the next part of our analysis process.

GET TO KNOW

your data. The more you learn about your data, the better equipped you will be for the next part of our analysis process.

A good example of this would be creating a pivot table to see how much duplication is happening.

1. Select a cell in your 'sqr_data' worksheet
2. Insert a Pivot Table



3. Add 'DUP_CHK' to the Row Label
4. Add 'Search Term' to the Values and Count
5. Add 'Match Type' to the Report Filter and filter out the exact match search queries (they definitely will already be in the account)

	A	B
1	Match type	(Multiple Items) [Filter]
2		Duplication
3	Row Labels [Dropdown]	Count of Search term
4	[Blurred]	0.68%
5	#N/A	99.32%
6	Grand Total	100.00%

6. See if you have an issue with duplication

Drag fields between areas below:

Report Filter	Column Labels
Match type [Dropdown]	
Row Labels	Values
DUP_CK [Dropdown]	Count of Sea... [Dropdown]
<input type="checkbox"/> Defer Layout Update	Update

ONE OF THE MAIN

reasons for search query mining is to find negative keyword candidates, or words and phrases that are driving up costs without delivering ROI.

Depending on your results, you may need to invest some time to reduce the amount of ad-poaching that is occurring by the creative use of negative keywords (i.e., add the exact keyword negative to the broad and phrase match ad group where the duplication is occurring).

While you are surveying your data, go ahead and filter for zero conversion search queries as well as search queries with zero clicks. Look for the easy stuff before we jump into the more advanced analysis.

Create your negative keyword candidates list

One of the main reasons for search query mining is to find negative keyword candidates, or words and phrases that might need to be added as a negative keyword inside your ad groups or campaigns. Because of the time we spent preparing our data, creating this list will be much easier.

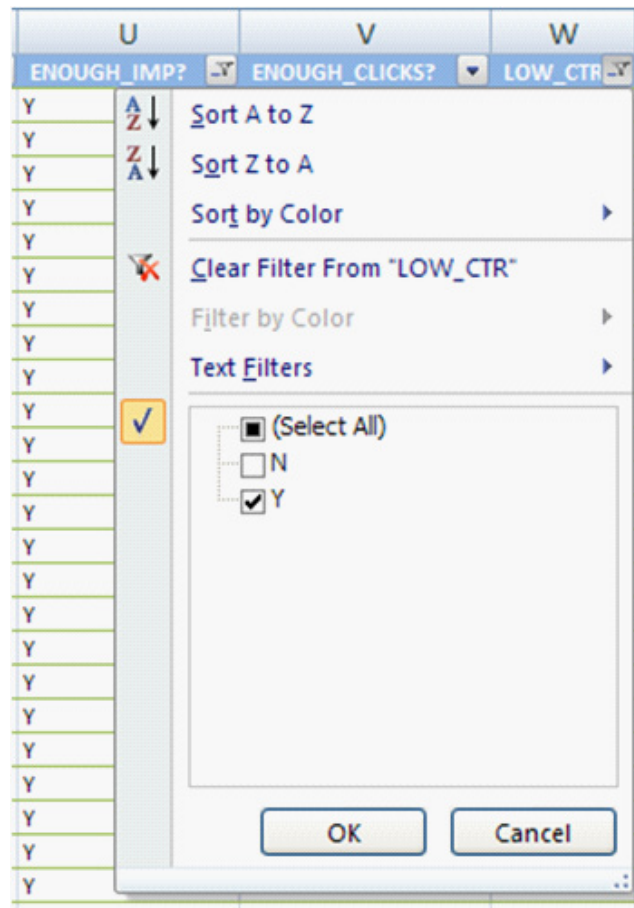
In this tutorial I will be focusing on ad group level negatives. Look here for more information on finding campaign negative keywords. Ad group level negatives will be based primarily on the search query's performance when compared to its peers in the ad group. If it's performing badly, most likely you will need to add it as a negative and let another ad group worry about it. If you think it's relevant you may need to move it to another ad group (as a keyword) with better aligned ad copy or landing page.

Here are the questions we will ask of our data in order to create our negative candidates list:

- What search queries have a below average CTR for the ad group?
- What search queries have a below average CVR for the ad group?
- What search queries have an above average cost/conversion?

This is how you create your list of negative candidates:

1. Filter for 'DUP_CHK'. Choose '#N/A'...this will leave only non-duplicates.
2. Filter for 'LOW_CTR'
3. Filter for 'zero conversions' (optional)
4. Filter for 'ENOUGH_IMP' (this is optional and may not be necessary with small datasets)



5. Copy the resulting data into another worksheet and rename it 'negative candidates'
6. Repeat this process for your 'LOW_CVR' and 'HIGH_CPA' search queries.

SEARCH QUERY MINING

is part art and part science.

You now have a dataset that is a fraction of the size of your original search query report. Because these search queries are below average in some way, they are much more likely to need to be added as a negative search query.

Of course, you can and should play around with your comparison thresholds. In this example we used a 30%+ below average comparison. Depending on your situation you may need to be more or less aggressive. For example if you are analyzing 300K rows of data you might want to start with an 80%+ below average comparison for CVR or CTR and drill right to the horrible stuff. Search query mining is part art and part science.

Regardless of the thresholds you choose, you now should have a much more manageable list of search queries to work through.

Create your keyword expansion list

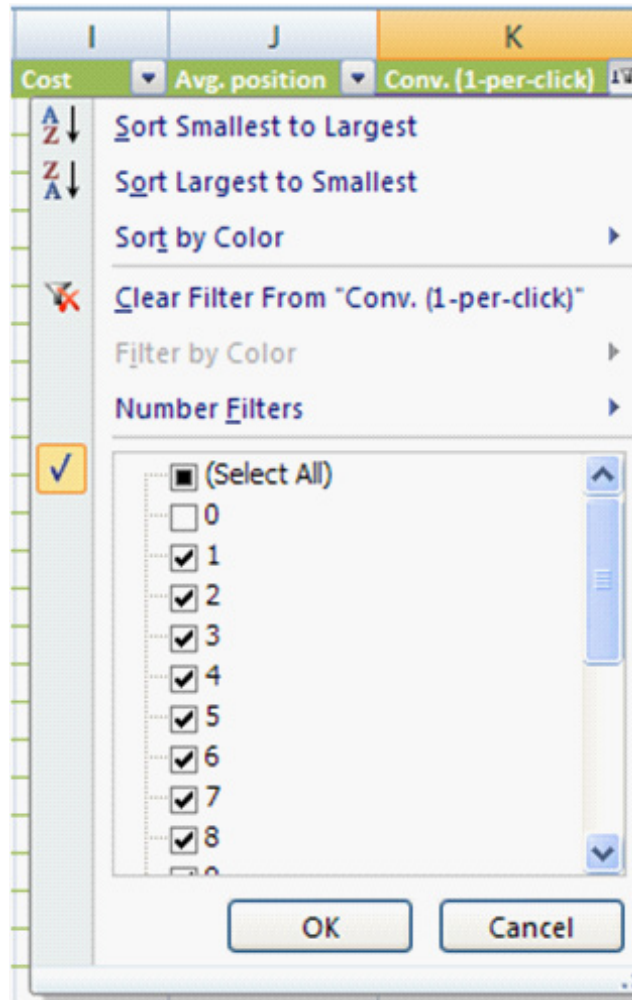
Your raw search query data most likely consists of thousands of rows of data, so we need a good way to pull the good performing search queries out and create a keyword expansion list.

Some PPCers are advocates for adding any search query with a conversion to your account as a keyword. I can understand the reasoning behind this, but I would like to suggest an alternative strategy.

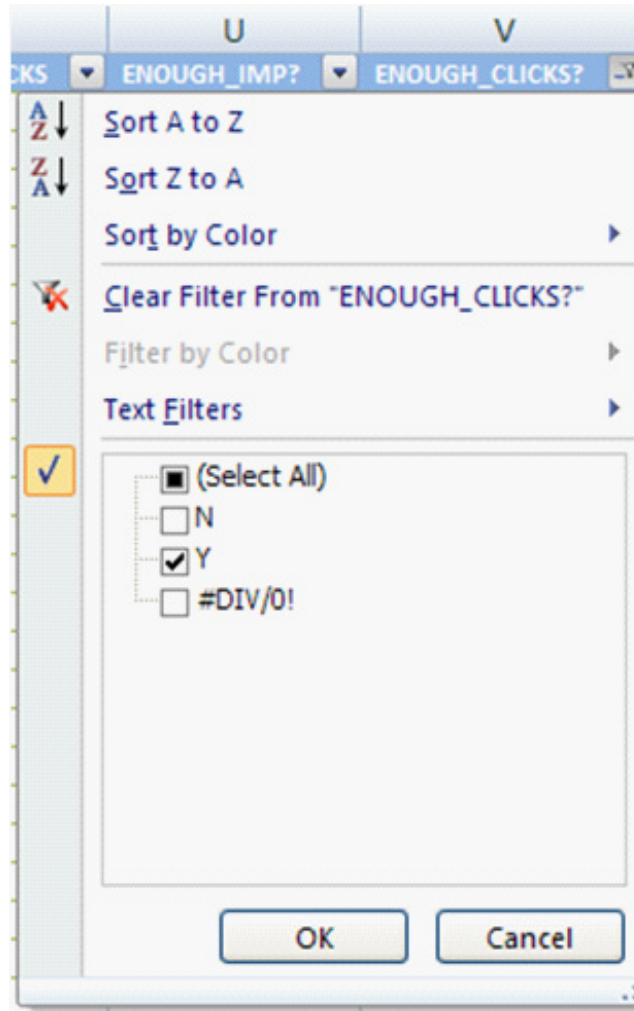
I don't like to add new keywords to my account unless they have enough activity (clicks) for me to potentially need to treat them differently (bids, ads, etc.)

An easy way for us to do this is to:

1. Filter for search queries that have resulted in a conversion.



2. Filter for 'ENOUGH_CLICKS'



3. Filter for 'N' on 'HIGH_CPA' (might be a good idea to do a quick pivot and find out how many of your converting search queries have a high CPS). NOTE: I took a fairly non-scientific approach in creating the 'ENOUGH_CLICKS' flag in my previous post, but it does help limit the list to search queries that have enough clicks to care about. You could also throw a little more science at it and look for a "true CVR" using the formulas in this [peer comparisons](#) spreadsheet.

4. Copy and paste this data into another worksheet and rename the worksheet to keyword_expansion.

You should now have your negative candidates and keyword expansion list ready to be worked. In my experience these lists will be around 1-3% of your original search query report, making them much more focused and easier to work with.



In the next and final section, I will walk you through the process of taking action on your negative candidates and keyword expansion list. We will be using Excel again and the AdWords Editor. I hope you have found some valuable insights and are ready to take action.

Part 5: Acting on Your Insights

In the previous section I showed you my technique for creating an ad-group-level negative candidates list and a keyword expansion list from your search queries. In this section I'm going to show you a method for acting on those insights. I will also include a link in the conclusion of this post to a free Excel download that has all of the formulas I've used in this series.

Acting on your Negative Candidates

There are several factors that could be impacting the performance of your search queries, but for the purposes of this tutorial I am going to assume that you are following best practices and have tightly themed ad groups containing a small number of keywords.

GOOGLE'S IDEA

of broad is just about as broad as you can imagine, and sometimes even broader.

One reason that you have poor performing search queries in your ad group is because of the way Google matches search queries to your broad match keywords. Google's idea of broad is just about as broad as you can imagine, and sometimes even broader.

In order for a search query to be on the negative candidates list, your search query has already demonstrated that it doesn't belong in the ad-group that it's matching to — it has very poor CTR and CVR.

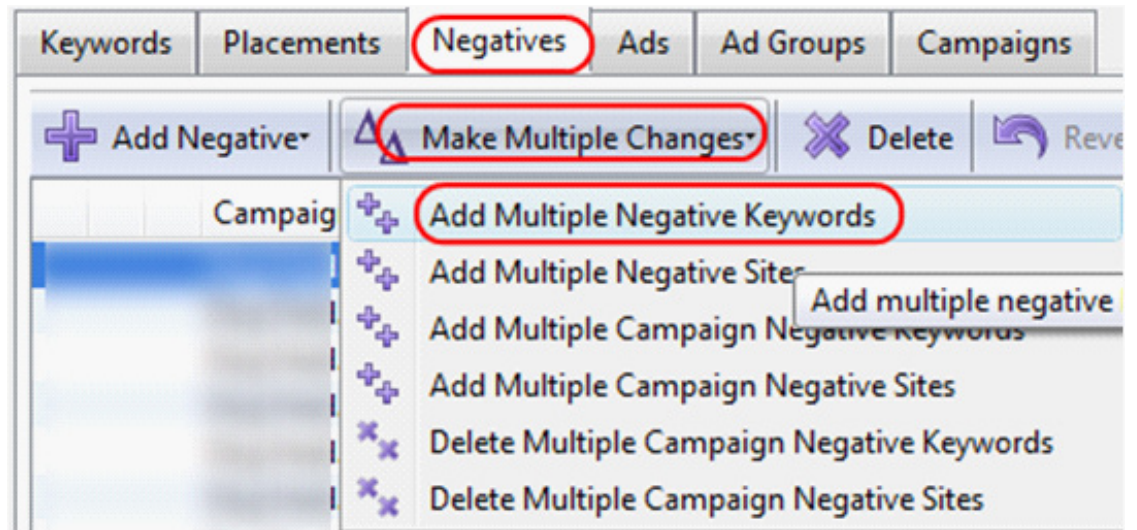
These search queries are not working with your existing ads. There is really no good reason not to just add the entire list as ad-group-level negative exact match keywords, preventing them from matching to your broad match keywords in the future.

This is accomplished by **copying your entire negative candidates list** from Excel and **pasting it into AdWords Editor**.

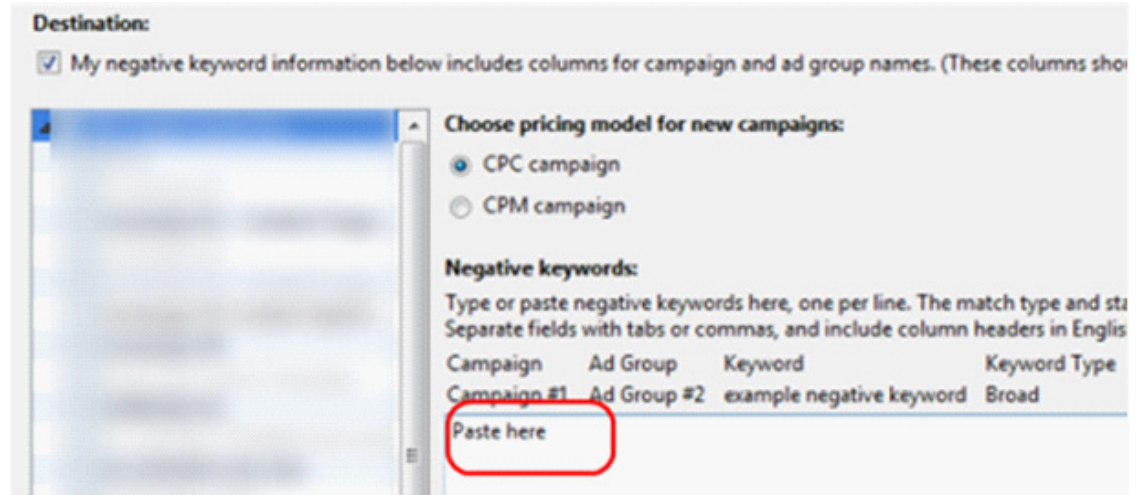
1. **Copy your list** of negative candidates
2. Paste them into a temporary worksheet
3. **Delete all columns except:** Campaign, Ad Group, Search Query (change this to Keyword), Match Types (change this to Keyword Type) (you may have to reorder your columns as shown above)
4. **Change the Search Query column** to Keyword
5. **Change the Match Type** column to Keyword Type
6. **Change all of your match types to exact** (we will be creating exact match negative keywords)
7. **Reorder your columns as:** Campaign, Ad Group, Keyword, and Keyword Type using Cut & Paste.

	A	B	C	D
1	Campaign	Ad group	Keyword	Keyword Type
2				exact
3				exact
4				exact
5				exact
6				exact
7				exact
8				exact

8. Now **copy your modified list** of negative candidates
9. In AdWords Editor, **click on Negatives > Make Multiple Changes > Add Multiple Negative Keywords** as shown below.



10. **Paste your copied list** of negative keywords into the wizard



11. Click Finish.

Now your negative exact match keywords are in AdWords Editor waiting to be uploaded into your account. Take a look at what you've added and make sure everything looks good before you post your changes.

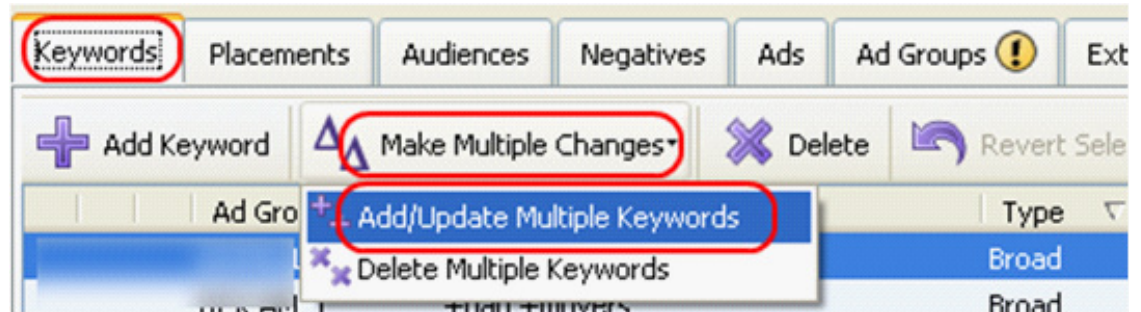
Acting on Your Keyword Expansion List

Adding new keywords to your account is more difficult. You must make sure they find a good home (ad group).

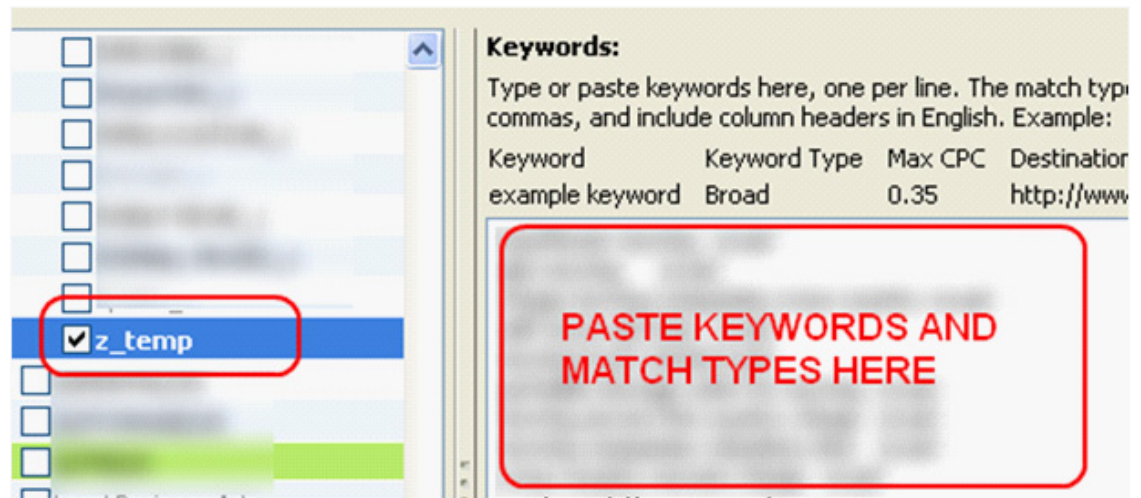
At a high level, you **copy your keyword expansion list, paste it into AdWords Editor, and distribute it into appropriate ad groups.**

1. In AdWords Editor create a temporary ad group in the campaign that you will be adding keywords to — name it something like z_temp so it will sort to the bottom of your ad groups in the tree-view, making it easier to find when you are going back and forth. And **change its status to 'paused.'**

2. **Copy your keyword expansion search terms** (only the one column) for the campaign that you are expanding and paste them into a different spreadsheet.
3. **Add a match type column** and make your entire search terms list 'exact match.'
4. **Copy your newly made list** of terms and match types (not the column headers).
5. In AdWords Editor select the campaign you are working on then **click on Keywords > Make Multiple Changes > Add/Update Multiple Keywords** to open the keyword wizard.



6. In the keyword wizard, **select the 'z_temp'** ad group from the campaign structure tree, **paste your new keywords** into the wizard as shown below and **click on the 'Next'** button.



A GOOD PLACE

to start is by using your existing ad groups and keywords as the criteria for filtering your keyword expansion list.

Add/Update Multiple Keywords - Step 2 of 2

Add keywords in bulk, or update keywords using external data.

129 New Keywords

Campaign	Ad Group	Keyword	Type	Max. C...	Dest. URL	Status
	z_temp		Exact			Normal
	z_temp		Exact			Normal
	z_temp		Exact			Normal

7. If everything looks good **click Finish**.

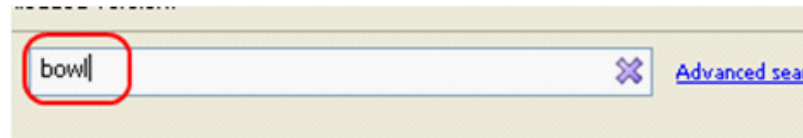
Now you have all of your new keywords in a temporary ad group waiting to be distributed to an appropriate ad group.

The challenge is finding the appropriate groupings/ themes of your new keywords. There are a couple of ways I approach this problem.

- Manually scan your keywords looking for themes that match to existing ad groups and keywords.
- Use the AdWords Editor Keyword Grouping tool.
- Use the free WordStream Keyword Grouping tool.

A good place to start is by using your existing ad groups and keywords as the criteria for filtering your keyword expansion list. If you have a well built out campaign then you probably have most of the groupings already.

For example: let's pretend that you sell dog food and dog food accessories. It's safe to assume that you already have a dog food bowl ad group, so you should filter your keyword expansion list by the word 'bowl' in AdWords Editor.



The resulting list will be all of your new keywords that contain the word 'bowl.' From here you can just drag-and-drop your keywords into the 'bowl' ad group or ad groups.

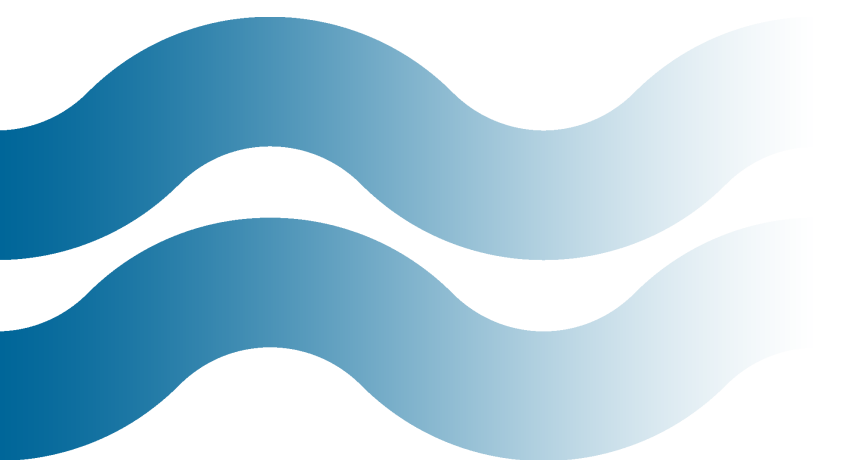
Similarly, you can use the output of one of the grouping tools above as your filtering criteria and then distribute your keywords.

WordStream Free Keyword Grouper:

A screenshot of the WordStream Free Keyword Grouper interface. The title is 'Results for: dog food'. Below the title, there are two columns. The left column is titled 'Suggested Niches: 10 of 75' and contains a list of niches: 'dog food', 'dog food', 'cat', 'pet', 'bowls', 'natural', 'feeder', and 'treats'. The 'bowls' niche is highlighted in blue and has a red box around it. To the right of this list is the text 'Use to filter your list'. The right column is titled 'bowls: 103 keywords' and includes the text 'Includes: bowls, bowl'. Below this is a list of keywords: 'dog bowls', 'puppy bowl', 'raised dog bowls', 'elevated dog bowls', 'food bowls', 'cat water bowl', 'dog water bowl', and 'ceramic dog bowls'. Each keyword has a blue 'X' icon to its right.

Hopefully this gives you a good overview of the workflow. The most labor-intensive part of this whole process will be getting your new keywords into the right ad groups, but free tools like the WordStream [Keyword Grouper](#) and AdWords Editor can help speed things up.

To help you along, here is a [search query mining Excel template](#) free to download with all of the formulas I demonstrated in this series.





About WordStream

Recently named an “OnDemand Top 100 Winner for SaaS” by AlwaysOn, WordStream provides Internet marketing software and [PPC services](#) to help search marketers get better results from their search marketing efforts. The company’s easy-to-use software facilitates more effective paid and organic search campaigns by increasing relevance and Quality Scores in Google AdWords, automating proven best practices, and delivering expert-level results in a fraction of the time. Whether you’re new to search marketing or are experienced at PPC management, WordStream’s simple tools for better [keyword research](#) and organization, AdWords management, and Quality Score optimization can help grow your business and drive better results.

WordStream is available to try for free at:

<https://www.wordstream.com/ppc-free-trial>.