

## PAY-PER-CLICK ADVERTISING AND ITS BENEFITS



Organic search engine optimization was the easiest way for businesses to get traffic to their websites. Ten years ago, almost 80 percent of website visitors reached those websites because of SEO campaigns by companies. Now, more and more advertisers are using pay-per-click advertising as a way to drive traffic to their websites. Not only are companies using PPC to drive traffic to their site, they are also using it for some added revenue. PPC has the ability to send plenty of traffic to a website that is relative to organic listings but many wonder if this traffic is profitable or not. When PPC campaigns are not profitable, advertisers blame the inherent nature of the campaigns as being unprofitable without much reason. Fundamental flaws in an online retailer's business strategy can be exposed by a PPC campaign because it can product traffic so quickly. PPC will not perform at an optimum level if the prices of your products are too high, the campaign is not managed well, the website's usability is bad, the products offered are out of season or the buying cycle for your products is complex. Small companies should adjust their PPC campaign expectations in an effort to realize better goals. The common expectation for a PPC campaign is that there will be a steady flow of traffic that is profitable for the company. This will then in turn provide a high return on advertisement spending. There are times when smaller companies must think as larger ones if they wish to expand. The largest retailers in the country view their first sale to a new customer as an open invitation into that customer's home. After the first sale to a new customer has been made, the retailer will pull out all the stops to make sure that customer becomes a lifetime friend. The retailer will use loyalty programs, email marketing, on-site personalization and other methods to create repeat purchases from the customer. Some smaller retailers might spend \$30 in PPC campaigns for every \$40 in related sales from PPC, which could lead small companies to say that PPC is not affordable. Should a small company be able to acquire \$500 or more over the course of one year from PPC advertisements, then the value to the company will be much greater. Any size company looking to invest in a PPC campaign should do so with plenty of caution. Acquiring profitable customers, which would require a long-term strategy, then you will be throwing out the immediate acquisition of profitable sales, which includes a short-term strategy. A company must be able to adopt a pattern that can constantly be tested and evolve when necessary. AdWords is where Google still generates the majority of its revenue. If Google wishes to bring in strong ad revenue each year, it will need to develop strong PPC campaigns.