



Evaluating PPC Ads in SERP

How to choose the best performing ad

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#PPCEE



Background

- PPC guy in the SEO driven world



Problem #1 Simpson's paradox

Which ad template is better?

Ad template	Clicks	Impressions	CTR
Ad A	506	20000	2.50%
Ad B	624	50000	1.25%

“ Jan Zdarsa, PPC Offline 2017 – watch full video - <https://youtu.be/gSbwewwHVQo>

Problem #1 Simpson's paradox

Trend in aggregated data disappears or reverses when you segment the data

Ad template	Segment	Clicks	Impressions	CTR
Ad A	Google.com	500	10000	5.00%
	Search partners	6	10000	0.06%
	Total	506	20000	2.50%
Ad B	Google.com	600	10000	6.00%
	Search partners	24	40000	0.06%
	Total	624	50000	1.25%

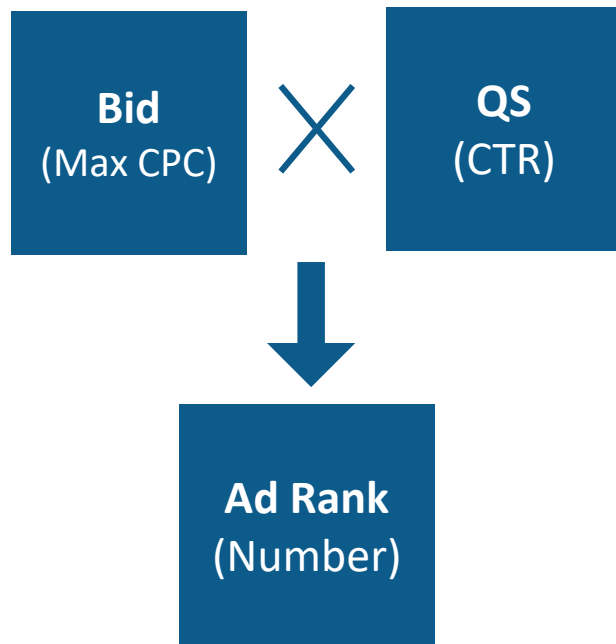
“ *SEO people usually do not know about this.* ”



Problem #2 Ad auction trap

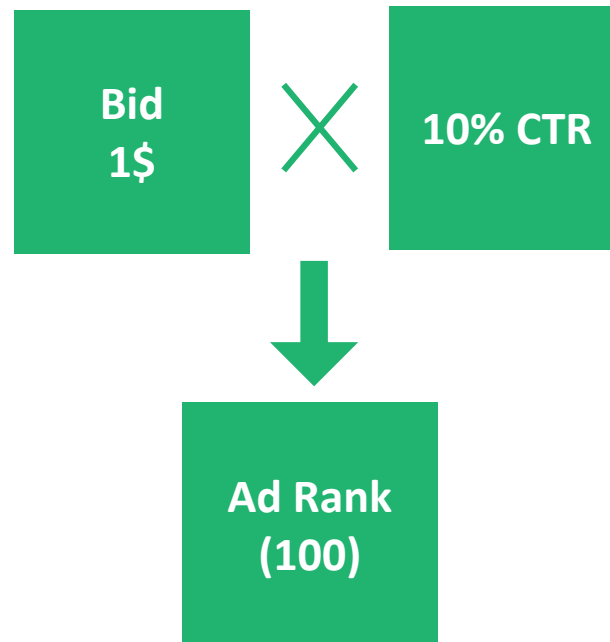
Impression ≠ Impression

Ad rank logic

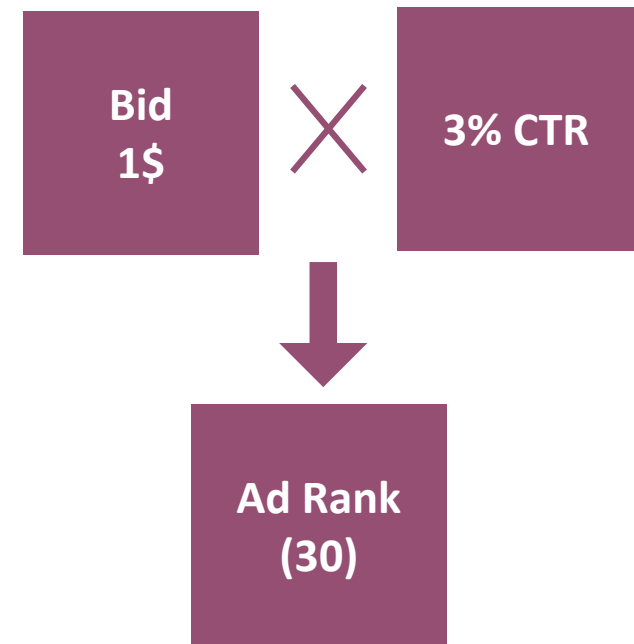


Simplified model

Good ad



Bad ad



Problem #2 Ad auction trap

Good ad

Position 1 CTR 6%

Position 2 CTR 4%

Position 4 CTR 0.06%

Google

🔍 Super relevant search terms

Google

🔍 relevant search terms

Google

🔍 Irrelevant search terms

Bad ad

Position 2 CTR 3%

Position 4 CTR 0.06%

No impression -

“

Not just with DSA ... Exact match is not 'exact' anymore

Problem #2 Ad auction trap

Good ad

1000 impr. CTR 6%

2000 impr. CTR 2%

3000 impr. CTR 0.06%

CTR 1.7%

Google

Super relevant search terms

Google

relevant search terms

Google

Irrelevant search terms

Bad ad

1000 impr. CTR 4%

2000 impr. CTR 1%

0 impr. -

CTR 2%

“

Better ad wins more “less relevant” ad auctions

Problem #2 Ad auction trap

Good ad

1000 impr. CTR 6%

2000 impr. CTR 2%

3000 impr. CTR 0.06%

6000 impr. CTR 1.7%

Google

Super relevant search terms

Google

relevant search terms

Google

Irrelevant search terms

Bad ad

1000 impr. CTR 4%

2000 impr. CTR 1%

0 impr. -

3000 impr. CTR 2%

“ Focus on impressions. Especially when using uneven rotation.

Segmentation is the solution

Group the results by average position and check the impressions

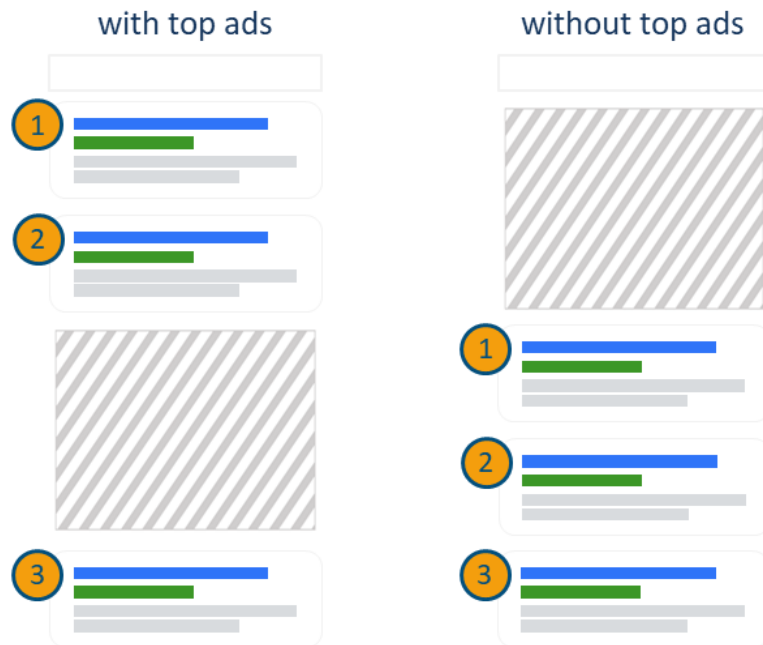
Ad template	Account	Ad position				
		1	2	3	4	5
Template A	Country 1	2%	8%	16%	19%	26%
	Country 2	2%	7%	15%	18%	31%
	Country 3	1%	8%	16%	22%	26%
Template B	Country 1	31%	35%	8%	9%	13%
	Country 2	29%	27%	8%	8%	10%
	Country 3	34%	28%	9%	11%	9%
Template C	Country 1	29%	17%	15%	17%	8%
	Country 2	18%	12%	11%	12%	12%
	Country 3	21%	16%	12%	17%	19%

“

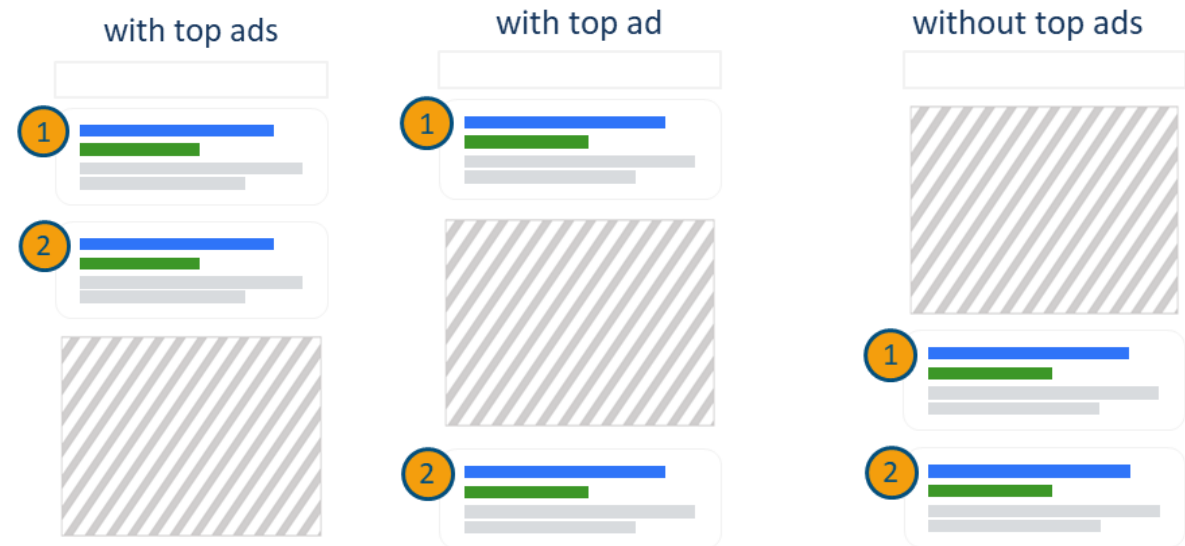
Jan Zdarsa, PPC Offline 2017 – watch full video - <https://youtu.be/gSbwewwHVQo>

Avg. position \neq real position

Where is position 1?



Where is position 2?



“

Martin Roettgerding, 2019, ppc-epiphany.com/2019/03/06/debunking-ad-testing-part-3-the-small-picture/

Problem #3 – There is no avg. position

- Segment just by Top vs. Other (Simpson's paradox is back)
- Segment by Impr. (Top) % and Impr. (Abs. Top) %

Impressions			
Ad template	Top	Other	total Impr.
Ad A	80000	20000	57000
Ad B	119000	51000	170000

CTR			
Ad template	Top	Other	total CTR
Ad A	3.4%	1.5%	3.0%
Ad B	3.2%	0.8%	2.5%

“

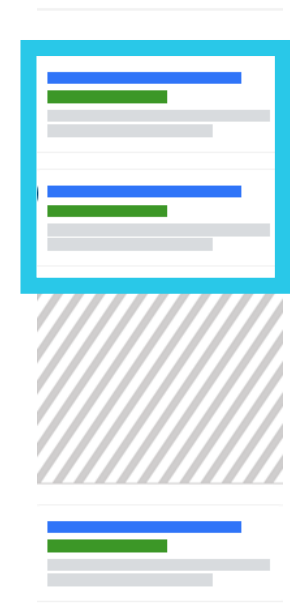
Google: Our new metrics give you a much clearer view of your prominence on the page than average position does.

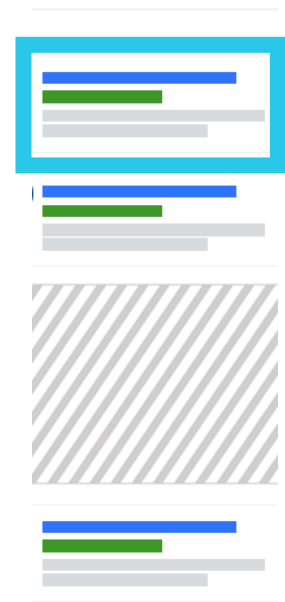
Search impression top rate [Impr. (Top) %]

Search top impression rate = Impressions on top/all Impressions

Segment	Impressions	Impr. (Top%)
Top	1000	-
Others	500	-
Total	1500	67% (=1000/1500)

Data from only 1 ad group





Impression absolute top rate

[Impr. (Abs. Top) %]

Impr. (Abs. Top) % = Impressions on the absolute top/all Impressions

Segment	Impressions	Impr. (Top%)	Impr. (Abs. Top) %
Top	1000	-	-
Others	500	-	-
Total	1500	67% (=1000/1500)	10%

Data from only 1 ad group

Impression absolute top rate

[Impr. (Abs. Top) %]

Impr. (Abs. Top) % = Impressions on the absolute top/all Impressions

Segment	Impressions	Impr. (Top%)	Impr. (Abs. Top) %
Top	1000	-	-
Others	500	-	-
Total	1500	67% (=1000/1500)	10%
Absolute top	150 (=10% * 1500)	-	-

Data from only 1 ad group

Create a new metric

Absolute top impressions from top impressions

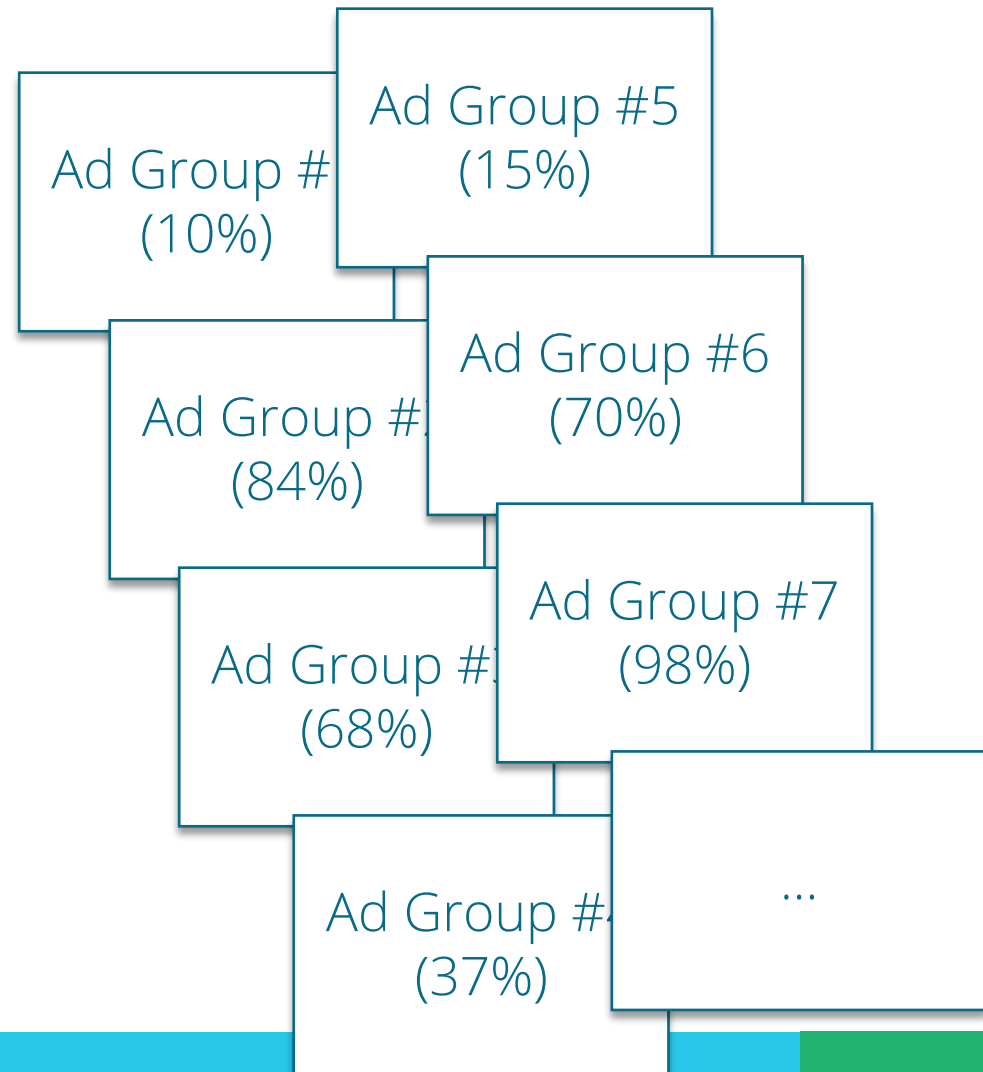
[Abs. Top from Top %]

= *Impressions on the absolute top/all impressions on top*

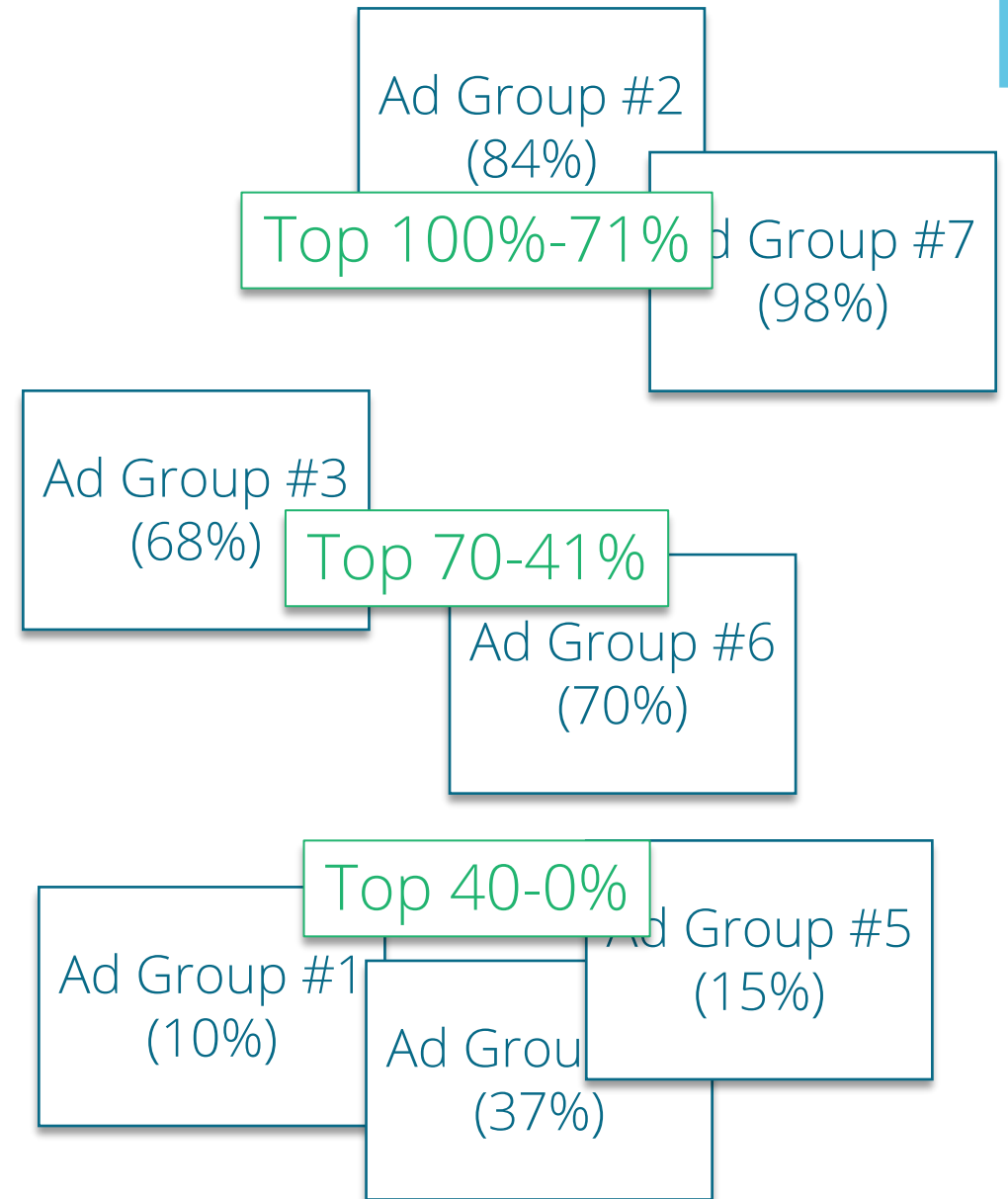
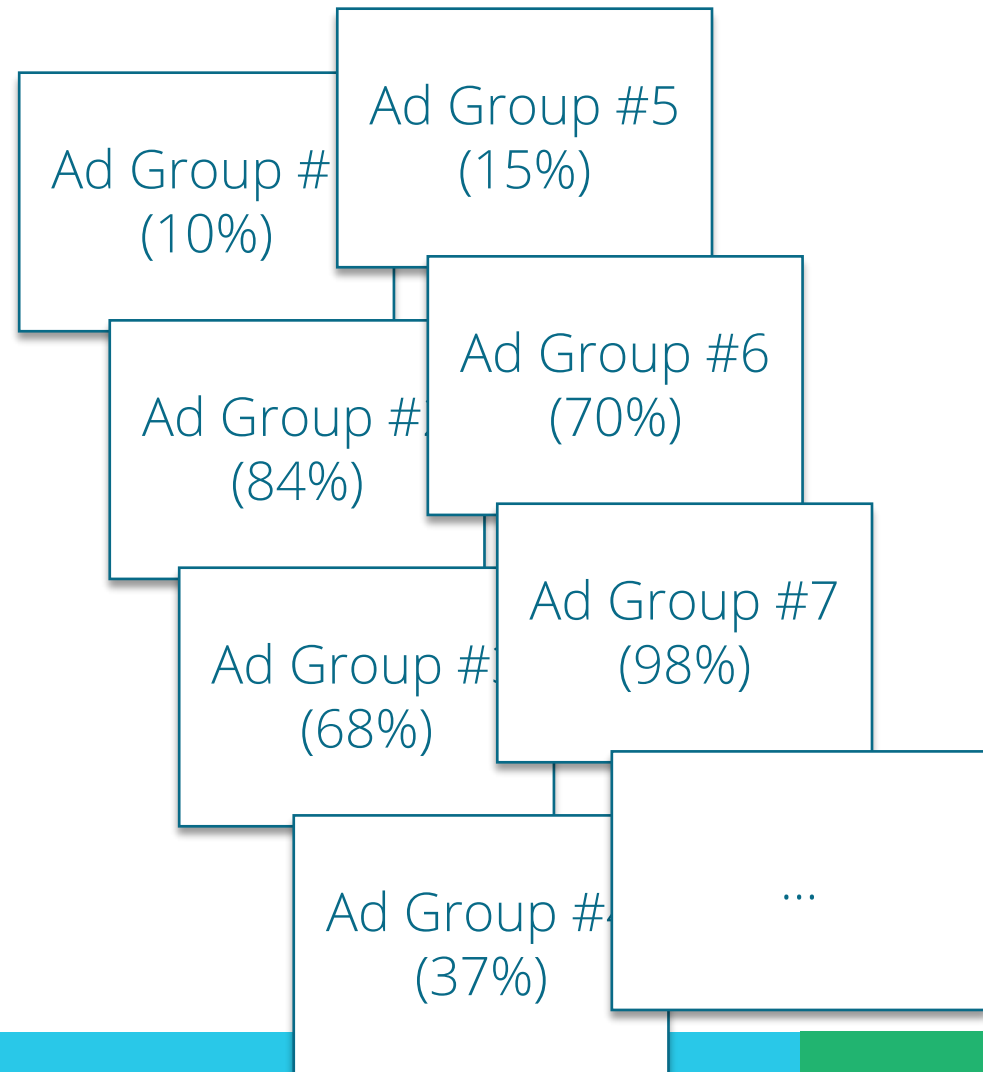
Segment	Impressions	Impr. (Top%)	Impr. (Abs. Top) %	Abs. Top from Top %
Top	1000	-	-	-
Others	500	-	-	-
Total	1500	67%	10%	15% (=150/1000)
Absolute top	150	-	-	-

Data from only 1 ad group

Calculate it for all ad groups



Group it



Group the results by the new segments

Impressions					
Ad template	Top 100-71	Top 70-41	Top 40-0	Other	total Impr.
Ad A	25000	28000	27000	20000	100000
Ad B	47600	42500	28900	51000	170000

CTR					
Ad template	Top 100-71	Top 70-41	Top 40-0	Other	total CTR
Ad A	3.6%	3.5%	3.0%	1.5%	3.0%
Ad B	3.8%	3.0%	2.5%	0.8%	2.5%

Use my Excel (Power Query) template and automate it!

What to do when the results are contradictory?

Impressions					
Ad template	Top 100-71	Top 70-41	Top 40-0	Other	total Impr.
Ad A	25000	28000	27000	20000	100000
Ad B	47600	42500	28900	51000	170000

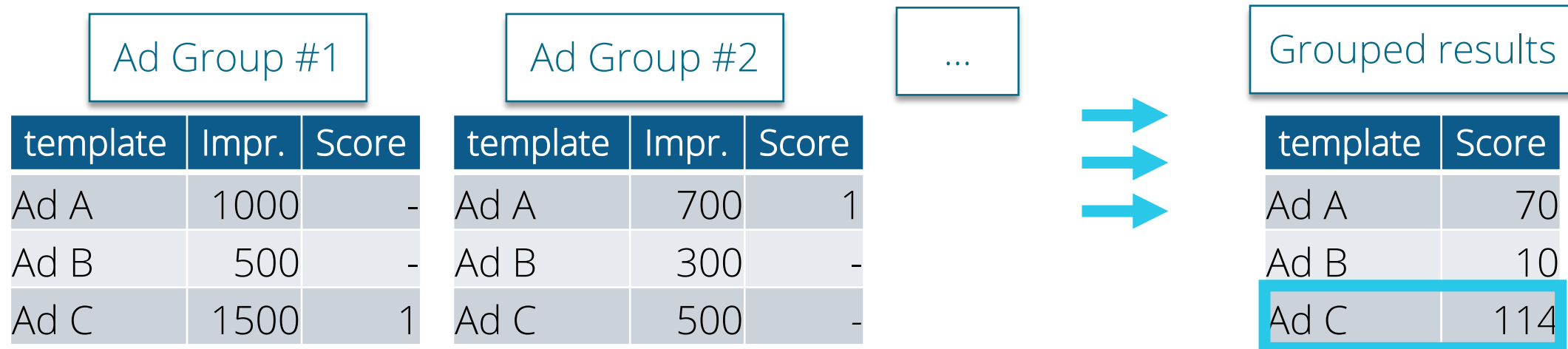
CTR					
Ad template	Top 100-71	Top 70-41	Top 40-0	Other	total CTR
Ad A	3.6%	3.5%	3.0%	1.5%	3.0%
Ad B	3.0%	3.0%	2.5%	0.8%	2.5%

More impressions but lower CTR or CR

Back-up analysis #1

Compare volume of impressions for each ad group individually and then group the results

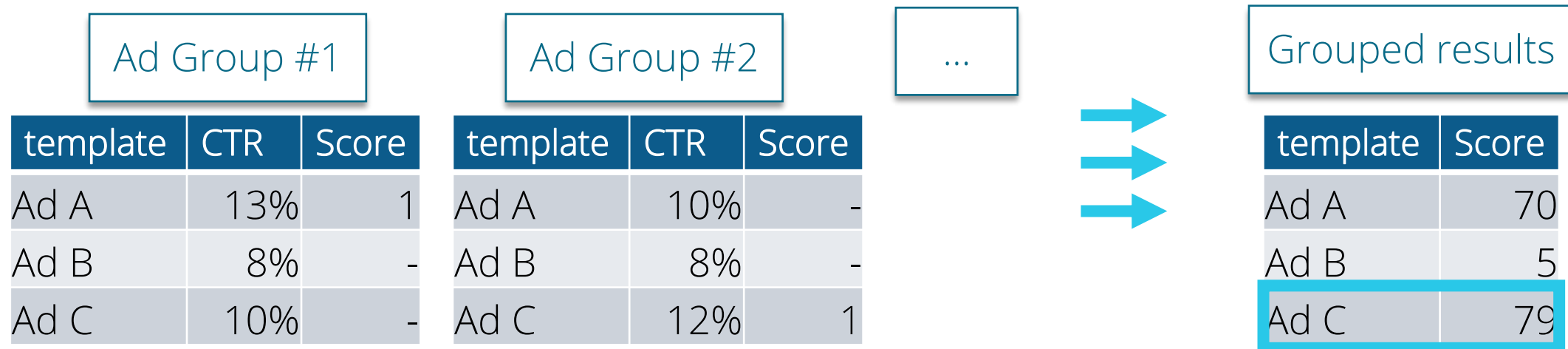
- Select ad groups where each ad has at least 30 impressions
- Check the performance of each ad in the ad group



Back-up analysis #2

Compare CTR or CR for each ad group individually and then group the results

- Select ad groups where each ads have similar volume of impressions ($\pm 10\%$ difference)



Do it yourself!

1. Label your ads
2. Download report twice with different segments
3. Change the source in Power Query
4. Filter the ad groups with sufficient volume of impressions
5. Calculate the new metric [Abs. Top from Top %]
6. Group ad templates by the new metric
7. Visualize the data and write down the result

Segments ?

Network (with search partners) X

Device X

Add segments

Segments ?


Network (with search partners) X

Device X

Top vs. Other X | Add segments



 tomaskomarek.com/ad-testing

 tomaskomarek.com/cs/vyhodnoceni-inzeratu

THANK YOU

QUESTIONS?

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 tomas@tomaskomarek.com

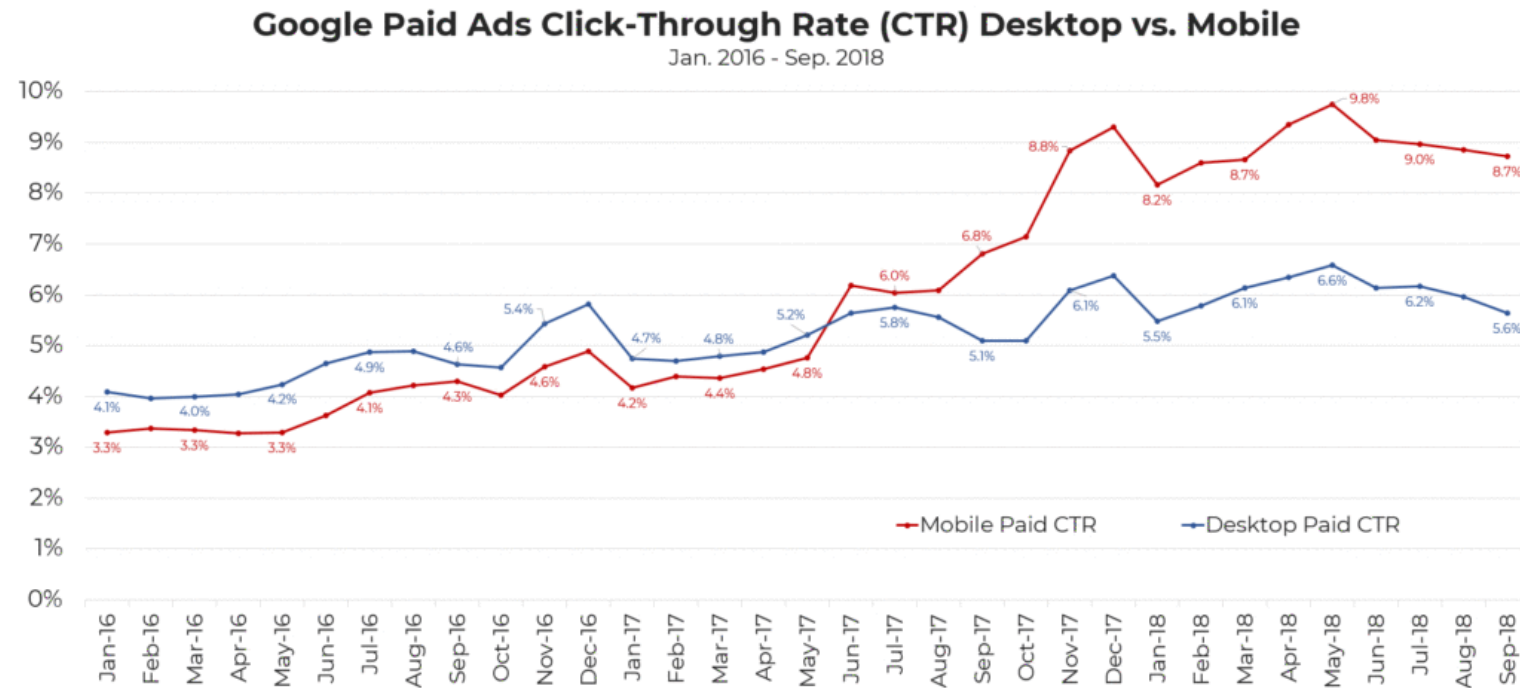
 tomaskomarek.com



APPENDIX

Segmentation is the solution

Exclude Search partners and segment by device



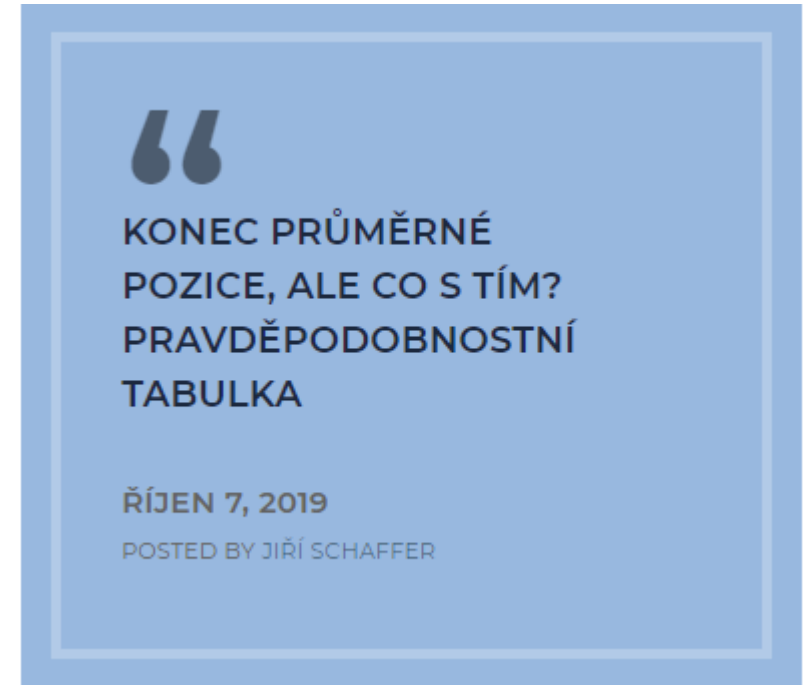
Clickstream data via **jumpshot** Assembled by Rand Fishkin from **SparkToro**

“

SparkToro, 2018, <https://sparktoro.com/blog/google-ctr-in-2018-paid-organic-no-click-searches/>

Solution for mac users

- Using just Impr. (Abs. Top) % like “avg. position”



Jiří Schaffer, 2019 jirischaffer.cz/konec-prumerne-pozice-tabulka/

Do you want to start with PowerQuery?

- Check excelinppc.com – blog from Dan Zrůst
- Power Query forum:
<https://social.technet.microsoft.com/Forums/en-US/home?forum=powerquery>
- Others:
 - <https://blog.crossjoin.co.uk/>
 - <https://www.thebiccountant.com/>

All done in 5 steps

