Paid Search Management for Dorje Designs, Inc.

Team assignment

In this assignment your team is serving as a paid search consultant for a small ethnic and tribal jewelry store - Dorje Designs ([http://www.dorjedesigns.com](http://www.dorjedesigns.com)) located in Boulder, Colorado. To bring customers to the site Anna Holland (the owner of the business) is using Google’s AdWords service. Overall Anna is satisfied with the current performance, however believes that there is some room for improvement in terms of revenues and return on advertising. Your task is to produce recommendations which will help Dorje Designs to increase sales while staying within their current advertising budget.

You should start your analysis with calculating Key Performance Indicators (explained on the next page) for each ad group (not a keyword!) using pivot tables. Your report should include the following components:

- Performance analysis of the current campaign. Your analysis should primarily focus on ad group level, but you may also want to comment on specific keywords.

- Recommendations on which ad groups in the current campaign should be retained and which should be dropped from the campaign. Explain your recommendations.

- Recommendations on which ad group(s) should be expanded with new keywords. Explain your recommendations.

- List of new keywords that you suggest to add to the existing (well performing) ad group. You should use Google AdWords “Keyword Planner” to generate keyword ideas.

- Traffic/costs estimations for new (added) keywords for the period of 1 year. You should use Google AdWords “Keyword Planner” to generate these estimations.

- A set of 3 new text ads which you propose to use in your campaign.

Learning objectives:

- Develop hands-on skills with analyzing paid search campaign data and improving campaign performance
- Learn Google AdWords Keyword Planner
- Learn how to use Pivot tables in EXCEL for data analysis

Submit your analysis by e-mail as a MS-Word or Adobe PDF document. If needed, include your charts and tables which you used in your analysis in the report (do not send a separate EXCEL file).
**Key Performance Indicators**

Here are some metrics (“Key Performance Indicators” or KPIs) to use to evaluate individual keyword and ad group performance.

<table>
<thead>
<tr>
<th>KPI</th>
<th>Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avg. CPC</td>
<td>Costs / Clicks</td>
</tr>
<tr>
<td>CTR</td>
<td>Clicks / Impressions</td>
</tr>
<tr>
<td>Transaction Conversion Rate (TCR)</td>
<td>Items Sold/Clicks</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>Earnings – Costs</td>
</tr>
<tr>
<td>Return on Ad $ Spent (ROA)</td>
<td>Net Revenue / Costs</td>
</tr>
<tr>
<td>Probability of Purchase (i.e., the chance that someone buys a product given that they were shown an ad)</td>
<td>Items Sold / Impressions</td>
</tr>
</tbody>
</table>

Use a pivot table to calculate each of these metrics for each ad group in the Dorje Designs adwords data. This will help you to identify which ad groups are working well and which are not.

**IMPORTANT:** To calculate KPIs for ad group you should apply corresponding formulas **within a pivot table using calculated fields.** Calculating KPIs for each individual keyword and then aggregating these within pivot table may produce **WRONG results.**

**How to use pivot tables to calculate ad group KPIs - screen casts**

Pivot table: [http://screencast.com/t/HgCei8S0u?ref=nf](http://screencast.com/t/HgCei8S0u?ref=nf)

CPC: [http://screencast.com/t/U3el1NVsM?ref=nf](http://screencast.com/t/U3el1NVsM?ref=nf)