Proving the Value of PPC Through Conversion Tracking with Matthew Umbro

Woman: Hi, everybody, and welcome. Today, we're going to have Matthew Umbro speak. Matthew Umbro is a senior Pay-Per-Click Specialist at Exclusive Concepts. He has been in the PPC industry since 2007, working with clients across multiple industries to attain profitable ROIs, improve the lead generation and better brand awareness. He has earned his Google AdWords qualification and is a Microsoft Advertising Accredited Professional. Matthew regularly posts on the Exclusive Concept daily video blog, Your Daily Concept, as part of the PPC Tuesday series.

Matthew is also the founder of PPC Chat, a weekly Twitter chat where industry specialists discuss, analyze, and debate various PPC topics. PPC Chat occurs every Tuesday at 12 PM Eastern and is designated with the hashtag #ppcchat. The tag is also used throughout the week by PPC Chat participants to share industry updates, blog posts, post questions, and more. Weekly streamcaps of PPC Chat can be found on Matthew's personal blog, The PPC Blog.

Welcome.

Matthew: Thank you. So I'm very excited to be here and talk about a topic that is very dear to me, and I know it's big for all of us. It's conversion tracking. How we show the value to our clients and make sure that they know what they're paying us for and why we're important.

So what I want to go into today is really proving the value of PPC conversion tracking, and make sure that we all understand what can really be done with conversion tracking aside from just the obvious.

So just to tell you a little bit about myself. Again, I managed over a hundred campaigns between AdWords, AdCenter, Yahoo Search Marketing when that was still around, and most recently, in the Facebook and LinkedIn. Again, a regular contributor to the Exclusive Concepts Your

Daily Concept PPC Tuesday series, a new PPC topic discussed every Tuesday within a video blog. And then finally, the founder of PPC Chat. I'm sure – how many of you participate in the chat each week? So that's a weekly chat, again, we talk about various topics from beginning topics to advanced, and a really great chat that I'm glad you guys have gone on to and really made it what it is today. And this is my cat, Dublin, decided to make an appearance. When we're getting ready in the morning, he likes to go in the sink.

So, the agenda for today, I want to begin with quickly going over what a conversion is and types of conversions you can track, and sometimes how conversion tracking is more than meets the eye. Then I want to go into what I've deemed the 3 conversion tiers of PPC, and these conversion tiers are different categories of PPC conversions that over the years in working with clients I've found that the ones, the conversions they want to track and the not-so-obvious conversions they don't know they can track. And finally, I want to go into the value of conversion funnels, both through Google AdWords search funnels and the new Google Analytics multichannel funnels.

So what is this magic conversion we see, specifically right here on the AdWords interface? You know, again, we all track conversion tiers, and we all know conversions are really anything that we deem valuable toward our business goals whether it be purchases, form submissions through contact us, e-mail sign ups, white paper downloads, use of key pages. The one I'm going to be speaking about further later on, on-click tracking events, it clicks to social media channels on your sites, just Twitter and Facebook, and clicks to resources not requiring registration. And also phone calls, you know? Sometimes overlooked, but phone calls are also a conversion and extremely important to showing clients the true value you bring to PPC.

With conversion tracking, it's extremely important to create a standard naming convention when you begin and to create separate conversions for all the different types of conversion types you have. John Lee spoke about it on the account structure panel this morning how in the long run, it's going to make it easier and more effective for reporting. So in this case, we've got conversion for purchases, conversion for contact us, and a conversion for demo conversions. So again, make sure you come up with an appropriate naming convention that later on down the line will make it easy to report and ultimately show your value.

So, quick question, how many of you work in e-commerce accounts? And how many of you track revenue directly through AdWords? Okay. So some of you know this then, it is possible to track revenue directly through AdWords and adCenter, which we'll talk about in a minute. But if we look here, every shopping cart software has a unique subtotal order variable. And at Exclusive, we work with a lot of Yahoo Stores where the specific variable is order subtotal. So what we're able to is dynamically, we put this code in here and it dynamically inserts the revenue. So we can track revenue down to the keyword level, the ad group level, the specific ad copy level, and it really is one place to centrally track all your revenue and subsequently, your return on ad spend.

It's important to know also that this value can also be a static value. So if you are working in lead generation campaigns, and say a contact us form submission is worth $50 to you, you can put that as the value. And again, start to get a return on ad spend and show that either to your client if you're an agency or your management if you're in-house.

Now, who can track revenue in adCenter? Who knows how to do that? There you go. So this is a little bit trickier, as our meme indicates, and if you haven't checked out the site, ppcmemes.com, it's humor for us in the PPC industry. So adCenter conversion and revenue tracking is a little bit different. It used to be that you could track conversions at the individual campaign level and you'd literally just check the radio box to get a conversion that you put on your site. But recently, adCenter changed where conversions are. You now have to go into the tools link and then the campaign analytics link. And you then create your goals here – or conversions. That's what adCenter calls them, goals, but conversions for that point. So let's say again we're setting up a purchase conversion, and again, I'm just using the purchase to emphasize the point of adding the added revenue value tracking, but these can be whatever conversions you're tracking, whether white paper downloads, contact us, et cetera. So with the goal name, again, we want to make sure we come up with a standing naming convention. And again, in this case, we're using purchase.

Now, what's unique about adCenter is you can add conversion steps to your conversion process. So if you wanted to make it a 3 step process or 4, you could do that. Now, for this example, we'll just use it as the conversion step name as conversion. Then to track revenue, similar to AdWords, we add the specific variable. However, the problem here is that adCenter will generate the code, but it's not a complete code. You have to put on your coding hat and you're going to have to tinker with the code a little bit to be able to track the revenue. And I won't go into that here, because that's more of a detailed process. But after the discussion or later on, please feel free to reach out to me and we can go over adCenter revenue tracking in greater detail. But again, needless to say, conversion tracking and revenue tracking in AdWords and adCenter is both possible and highly recommended if you aren't doing it already.

So, we got the basics out of the way. Now, let's go on to the 3 conversion tiers of PPC. I kind of did it in the Law and Order-type font. So these conversion tiers, again, are – throughout my career, I've worked with many different clients, whether it lead generation, e-commerce, B2C, and you know, we have the main conversions that we tracked, the purchases, the contact us. But there are also a ton of conversions that show value from your PPC program that just weren't tracked, and quite frankly, when they are tracked, you can report to the client and show even more the value that you're bringing and ultimately have them follow up on these leads and show the value even more. But we'll get into that in a minute.

So, your tier 1 conversions are your high impact conversions. And quite frankly, these are the ones you dream about. These are the ones when you sign on a new client, or you're working in-house, you hope to provide. E-commerce sites, you hope to get that purchase, and then lead generation site to contact us. These are clients who – while they're purchasing from you directly or filling out your form are saying either I want it, I've decided to buy from you out of all my other options, or I want you to contact me back directly. Tier 1 conversions can also be in the form of phone calls, and specifically with AdWords, we talk about the click-to-call extension or the click-to-call feature within the call extensions within both mobile devices and call metrics within a dynamic phone number for regular text based ads. And we also talk about on-site phone calls. In other words, people who click your PPC ads and come to your site and make a phone call. AdWords doesn't report that directly within their interface, however, that's where we talk about call tracking software, which again, we'll get into in a minute.

With these pre-click conversions, we're able to actually see where they come in on the call details report in the dimensions tab, and we can see specifically when the call started and when it ended, and these associated other metrics. Now, this is a report that at the beginning of the month I like to export and send to clients and ask them, can you check this with your call tracking software, if there is any, and are you able to attribute any sales or any further business opportunities to these tier 1 conversions? And if you look at the duration, the ones that lasted longer, those are really the ones that most likely have turned into legitimate opportunities. Sometimes you'll see 10 seconds or less. Don't even bother with those. But these are the important ones, you know, if the client has only 5 minutes, ask them to look at the ones that are 10 minutes or longer or 5 minutes or longer, depending on the industry, and see if any of these calls did turn into anything further.

And then, also, there's phone call tracking once someone gets to your site. I think a big issue we see with PPC is that it's sometimes tough to track those phone calls that originate from people clicking your ads. And not just PPC, but organic traffic, direct traffic, and the other source. We work with a company at Exclusive, MyNextCustomer. I don't know if any of you have heard of them, but they allow us to see exactly where each call came from and we put a specific phone number for each source. Now, what this value brings, again, is it allows you to attribute additional revenue and/or business potential to clients and say, yes, we may have only gotten 50 on-site conversions, however, we got an additional 10 phone calls, and, you know, tell us what happened to them. So again, when we talk about phone call tracking software, there's a little bit more involved with that, and clients do have to update their site with specific code, depending on the example. But it is extremely important to track these phone calls as well.

Man: Question – with MyNextCustomer, so I can pare it down at the keyword to generate that phone call?

Matthew: Not the keyword, but the actual source, whether it be AdWords or so forth.

Now, tier 2 conversions are your conversation starter conversions, and these are the conversions where people trade their information to you in order to get a specific download, whether that be getting a tool kit, signing up for your e-mail newsletter, or registering for the webinar. And these conversions are really the ones that clients need to nurture. And quite frankly, prospects have said I'm willing to engage with your company because I want this resource, but I don't want to buy right now, or I don't want to become a client right now.

So what I do with these leads is, I actually see if I can be cc’d on these e-mail form submissions. So usually when the form gets submitted, it goes to the sales team. I see if I can get cc’d on that e-mail, and what I'll do every month is write all the leads that came in from PPC and talk about what the specific conversion was, what the specific converting keyword was, and so forth. So every month, I send this report to the clients with these tier 2 conversions and I consistently ask them, what’s happening with these leads? Are they doing anything?

And I think the real value here is that you're not just showing numbers. You're not just saying 50 conversions came in. You're putting names behind those numbers and you're saying, okay, we brought you these leads, now what's happening to them? And again, it's a way that you're going above and beyond with clients to show them that PPC is working, and if you're able to gather companies or titles and they're in your client's industry – you know, I worked with a client who sold IT management software and I provided these leads, and some of the titles were IT Management Leader, IT Director, and those are the leads you’re trying to get, and it's proving to them that you’re bringing in the right type of leads and ultimately helping them with their sales process by giving you the direct leads to follow up on. Sometimes they won't allow you to do this, but it doesn't hurt to ask.

So again, with tier 2 conversions, these are the ones you nurture. It's also through e-marketing, you can put more ads in front of these people, but if they sign up for a white paper and they allow themselves to be on your e-mail newsletter, consistently send them e-mails. They'll unsubscribe if they don't want them. And again, this goes back to continuing to be on social media and making sure that you're active on Twitter, you're active on Facebook, because as was mentioned earlier, PPC isn't done in a vacuum. It really takes all of your other channels to succeed. And the more active you are on these other channels, the more tier 2 conversions you hope to turn into tier 1.

Which we then get into our tier 3 conversions, and these are your interaction conversions. These are conversions where visitors don't actually submit any information to you but engage with your site, and those are the clicks on your Twitter icons, YouTube icons. And also, does anyone know what this is?

Man: [Indiscernible 16:35].

Matthew: Exactly. So what this is is this is a code behind the client's page that has solution brochures. Now, these brochures aren't behind the registration form, so a client or a customer can just go click on that link and download them directly. Now that's great, but from a PPC angle, we want to be able to track that and we want to be able to report those conversions to clients. So we set up on-click event tracking, and just as you said, we then go into Google Analytics and set it up as a goal and then are able to see how many of these clicks came from PPC.

So in this example, our goal is white paper clicks, and we have 637. We're then able to see that 65 of these clicks came from PPC. So again, with these tier 3 conversions, visitors aren't submitting information, but they are engaging with your brand and you can track to a certain extent. Obviously, if they click a Twitter icon you don't know if they're signing up to follow you, but it helps show that PPC isn't just brand awareness at times and it's not just getting clicks. You go into Google Analytics, you set these goals up and you can see that you are getting these tier 3 conversions.

So then when you present a report, instead of just a normal report where you say, here are tier 1 conversions and here is the revenue that was made from it, we go into a 3 tier report. We talk about our tier 1, because that is most important to clients. We then go into our tier 2, we had 20 e-mail sign up conversions, and if you're able to, put these specific leads on a spreadsheet and hand those to the client as well. Then we have our tier 3, and we had 5 Twitter click conversions and 5 resource download conversions.

I think again with the specific social media icons, I think a lot of companies want to put social media icons on their site because that's what everyone's doing. But how many track them? And it's a great conversion to track, again, for the long run, because tier 2 and tier 3 converters, you want to remarket to and you want to consistently stay in their face. So stay in front of them, and report these findings to either your client or if you're in-house your management and show them that people are actively engaging with these items on your site and that there is more potential.

So, conversion funnels. How many people use the search funnels report in AdWords? Okay, good. Shawn Livengood, who was on an earlier panel about account structure, he wrote a great piece this week about search funnel reports in AdWords, and what those search funnels are are if you go into the conversions tab within Google AdWords and you go to the left, Google makes it hard to find, but there's a link for search funnels. And basically what these search funnels allow you to do is see how exactly how your keywords work together.

So, for example, in this case right here, we're looking at a campaign level. We can view these conversion paths from both the ad group and the keyword level and search query level as well. But it's showing not only the last click conversion where, in this case, top one, the candidate, the branded campaign is the last click conversion. But it's showing the assists. And the first one also, the candidate, the branded campaign.

But how many times do clients ask you why are we bidding on our branded keywords? Do you guys get that question? One reason that I'd like to say, aside from the studies out there that bidding on your branded keywords does ultimately improve traffic and helps improve credibility when it has an organic listing with it, but let's take a look at this result. Our last click conversion is from the branded campaign. So if we were to go into the AdWords interface and look at the keywords, we would see six conversions come from our branded keywords. But that doesn't do the specific products campaign justice because those specific product keywords were assists in the ultimate last click conversion. And what I mean by that is someone saw your ad for a specific product they typed in, clicked to your site, looked around, and then left, and then maybe price shopped, but then remembered your brand, typed that brand name in, and then clicked your ad and made a purchase there. So we have a 2 path conversion funnel, but branded was the last touch point where as these specific products were your assisted conversions.

And that's something to report to a client and say, well, yes, maybe these specific products aren't getting many conversions, but they're assisting in overall conversions. And you know, it'll help you think twice later down the line when you know, to pause specific keywords that may be getting good click-through rates but not high conversions. So just make sure to look at this report again. There's a lot of items you can look into it and you can dig deeper. But it is an important report that is underutilized.

And then we also have conversion funnels through Google Analytics, specifically, the multi-channel funnels report. And this is really cool, quite frankly. This was released a few months ago, and I've been starting to use it a lot more. Not only with – basically, this is the same report as within the AdWord search funnel report, but this report allows you to see how all your channels are working together.

So in this case, roughly 120 conversions were the result of either direct or organic search. Well, that's great. But paid search was the catalyst and assisted in those conversions. Now, the AdWords cookie and the adCenter cookie last for 30 days on your site, so if you do look in AdWords, AdWords will attribute the conversion within that 30 days to the specific day that the click occurred. However, Analytics will attribute it to the last click. So there is some disconnect here which, you know, clients always ask me, why am I seeing different numbers in AdWords versus Analytics? It's important to distinguish that, but for conversions that happened 30 days later from when the cookie was placed, this is a great report as well because it shows what the specific path was and how visitors ultimately converted. So both through the search funnels report and the multi-channel funnels report is great because in reviewing these conversion funnel reports, you help to prove the true value of PPC to your clients. And again, from – this one I made, but the idea was from the PPC meme site.

So the key takeaways here, define your conversions, make sure you come up with an appropriate naming convention that will allow you to measure them and quite honestly optimize for success and report later down the line.

Set up appropriate tracking. Whether your lead generation, you want to set constant values for your conversions, you can do that, or if you're doing it for an e-commerce site, make sure you get the shopping cart's subtotal order variable and implement that. And again, you know, you could do the total order variable if that, but subtotal order variable allows you to track the revenue directly within the AdWords and adCenter interface.

Accurately report conversions. Again, this goes back to defining your conversions, but for lead generation campaigns, if you are running those, see if you can get access to these leads and really show the client what value you're bringing to them and follow up with these leads. Don't just send them to them and let them do whatever with them. Pressure them. Well, not pressure them, but you know, constantly follow up and make sure they know that you are bringing in these leads and that there are names behind the conversions you're bringing in.

And then emphasize your conversion funnels. Again, two underutilized reports that are extremely important and will show you a lot of value. And I suggest if you haven't already, check out Shawn's article. His blog is PPCwithoutpity.com. He's actually doing a 4-part series on these search funnels within AdWords. I would check that out. Great stuff. It goes very in-depth with these specific search funnels.

Thank you. So, questions?

Man: When you're doing a number of reports with the client, how do you kind of approach the multi-, like mini-conversions per click when it's like when it came through AdWords and they come back organically within that 30 day window and converted, how do you go about kind of assigning the value to that in the client's eyes?

Matthew: I think it's important to help them understand the multi-channel funnels report. You know, I say when showing that report to clients, do use it with ease and really make sure that you're utilizing it. But if you do show it with clients, make sure that it's understood that there are assisted conversions and these last click conversions. And in terms of assigning values, the assisted conversion, you know, I guess the answer to that is I don't necessarily assign values. I do assign the values to the last click conversion, but I make point of these assisted conversions and say that they helped. And kind of what Mark was talking about earlier with these assisted conversions value. We do need to come up with a better standard to attribute conversion value, but as of now, it's mostly the last click that's showing the client that assisted conversions did help.

Man: You're taking the time to review those, like, you're getting cc'd all the e-mails of leads, maybe you're listening to recorded phone calls with your call tracking software. Like, how much time are you committing to that? And do you feel like it's really delivering the value of your time considering that really they're the client and they're the one that should care about their leads, more than you as the PPC manager to care about them?

Matthew: No, that's a great point. To be honest, that putting leads in a spreadsheet was really the result of getting burned by a client who didn't share the leads. We just sent the leads over, or we just sent the conversion numbers over and didn't follow-up with the leads, and they left us for another company because they didn’t think we were providing value. So I agree. Doing this does take extra, and you know, obviously, if you're getting 150 conversions a month, that's going to take some time. So maybe it's more just the contact us conversions, or, you know, you discuss with the client what the main conversions are that you want to report on. But I think it is important to spend an extra hour to a month to report these conversions for these lead gen campaigns and actually show the names behind the conversions. It does take longer, and, you know, but at the end of the day, I think it really shows the true value you bring and helps that client and your relationship.

Man: Just on that note, we were doing that for years, and then we found that we were able to start charging for it and did it pretty regularly on all our new accounts. We just called it conversions optimization coaching, and, you know, we’d write all the reports and stuff, and then we’d say you’re the reason and charge an extra $300 per client and they’re all eating it up because they want it and nobody offers it. So you can sell it. I had another question for you. But go ahead.

Matthew: Sure. I was just going to add to that, that I found it does help me because looking at the specific titles and e-mail addresses and companies of the leads coming in, it helps prove that either you’re bringing in relevant traffic or if it's just someone with a Hotmail address, you might have to update some copy and get a more defined audience. So it does help in that sense, but again, you know, whether you're charging for it, or you set a limited expectation of it, make sure that you are providing those leads to clients if possible.

Man: And it can also be people trying to steal their clients away because they all – we do phone tracking, we get people every day trying to steal our customers away and they say, well, do you check the analytics, do you do phone tracking, do you listen to phone calls, and all that stuff, and they're like, well, no, we don't do that. No, we don’t do that. And so they’re like, okay, well, forget it. And they hang up on them.

Matthew: If a client wants to do it though, I'll gladly allow them to do it.

Man: I would agree. It's a lot of work.

I had a question about the tier 3 conversions, the code – where did you get that again? It's like in the interface?

Matthew: The on-click actually is through Google Analytics. And if you go to – if you do a search for Google Analytics on-click tracking, it will show you the specific code snippet of how to implement it. Again, that's a naming convention that you'll want to do, and there's actually a section within Google Analytics that you can also look for the event tracking, called event tracking, that you can see all your specific events and the associated, you know, mediums and further sources into those and you can get more granular.

Man: Okay.

Woman: Do you try any other call tracking companies, or do you only work with MyNextCustomer?

Matthew: We work with – one of our clients uses a company and I've gone through the interface and they do it at a keyword level where they literally set up a new phone number for every conversion – for every keyword, I should say. But I found the interface to be terrible, quite honestly, in there, and I haven't been able to really do anything in it. The great thing with MyNextCustomer is that they allow you to listen to the phone calls. I do want to try more software, but the interface is great and it's easy to do and it shows good value to the clients.

Man: Can your clients log on to that?

Matthew: Yes.

Man: And do their own thing?

Matthew: Yes.

Man: I got one very similar to that. It adds a lot of value.

Matthew: Yeah.

Man: Have you got a special strategy for your 2 tier results conversions, and then like a retargeting strategy to get them to the real conversion sales?

Matthew: In the past, I have. You know, again, the lead generation campaigns where – I haven't done those in a while, but yes, I mean, we do remarketing to make sure that they follow-up whether maybe it's, you know, through a demo or, you know, talk to a rep. We have sent those out in the past, and again, you want to nurture these leads. And you don't want them to just go into their own vacuum somewhere else that no one's ever going to pay attention to. And unfortunately, no matter what clients say, sometimes they won't follow-up.

Another not great thing, but another beneficial item to sending these clients the leads is that they catch their own sales force not following up with them. And not in the sense that you want to get anyone in trouble, but I mean, you have a job to do and you're being paid for it, and you're being – your value is being determined on it. So make sure clients know what you're bringing in, and they have to do what they need to do to follow-up with them. But again, if you show that value, then you’re going to look that much more important to them.

So, I'll be around for questions all day today, so feel free to – and obviously I’m on Twitter. You can e-mail me, and you can check out the PPC Tuesday series. So, I'm on there, you can see my handsome mug again, but – not so much.

Thank you very much. I’ve enjoyed it.