The Startup Code 2019 @MIT

5 WAYS TO TEST & OPTIMIZE YOUR BUSINESS MODEL WITH GOOGLE ADS

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4TH YEAR CO-HOSTING THE STARTUP CODE @ MIT

AGENDA

1/24/2019

What is Google Ads?

Why use Google Ads for your startup?

5 Ways to Test & Optimize with Google Ads

Prospect targeting, messaging and sales flow

Best Google Ads first steps for startups

Google Ads tools and resources

WHAT IS GOOGLE ADS?



Global online advertising platform

Promote your business and brand Drive website traffic Sell your products and services



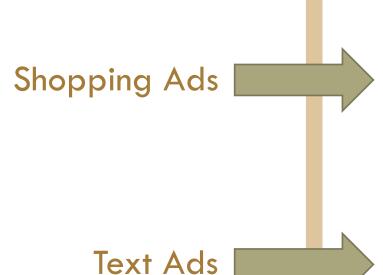
Precise targeting, tracking & analytics

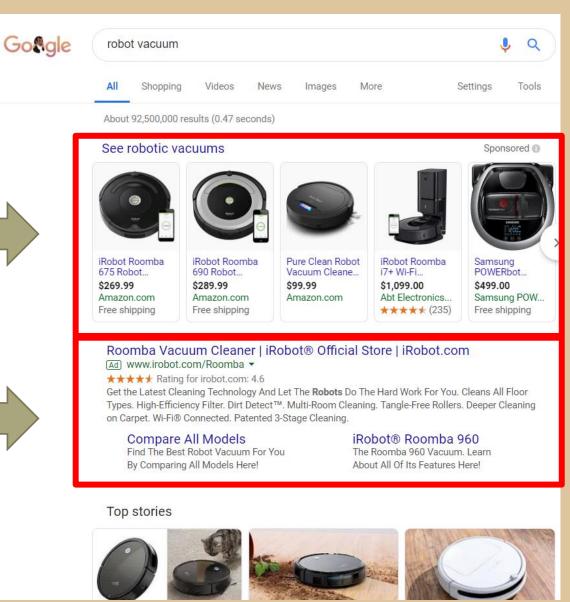
WHAT IS GOOGLE ADS?



Pay for ad clicks

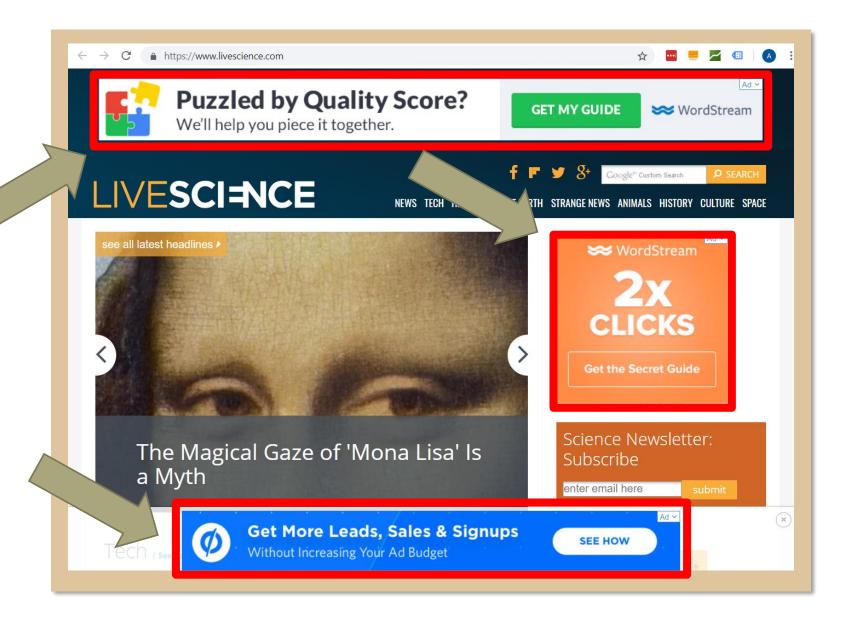
GOOGLE SEARCH RESULTS PAGE ADS





GOOGLE DISPLAY NETWORK ADS

Various Display Ad placements





WHAT IS GOOGLE ADS:

ANY QUESTIONS SO FAR?

Compared to...

Traditional Media (print, TV, radio)

SEO (Search Engine Opt.)

Facebook Ads

Compared to...

Traditional Media (print, TV, radio)

Advantages of Google Ads:

- Precise targeting
- Behavior tracking
- Reach 1M+ sites & apps

SEO (Search Engine Opt.)

Facebook Ads

Compared to...

Traditional Media (print, TV, radio)

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Facebook Ads

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SEO
(Search Engine Opt.)

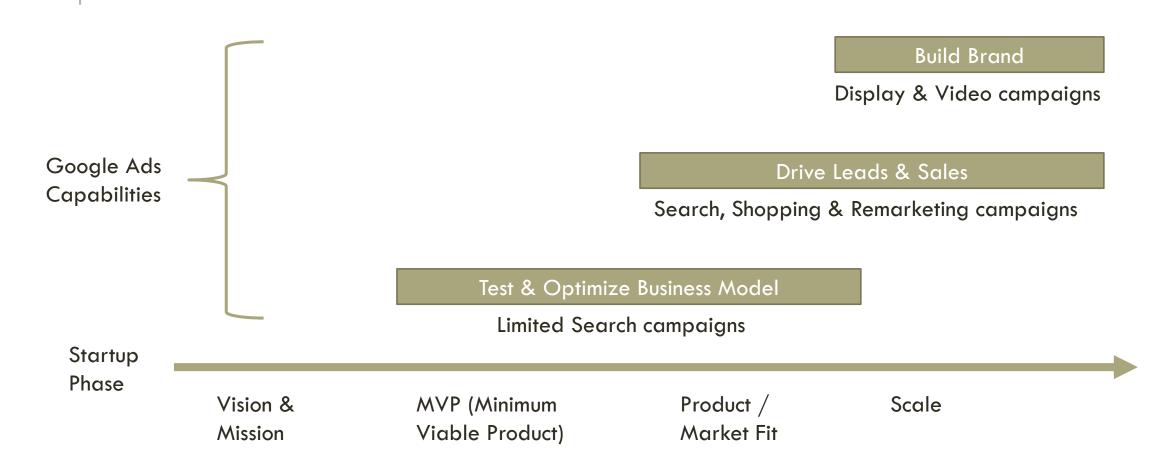
Advantages of Google Ads:

- Precise targeting
- Quick testing/results
- Reach 1M+ sites & apps

Facebook Ads

Advantages of Google Ads:

- Reach hot prospects searching for your product or service now
- Reach 1M+ sites & apps





5 WAYS TO TEST & OPTIMIZE YOUR BUSINESS MODEL WITH GOOGLE ADS

#1: Learn Your Online Prospect Volume

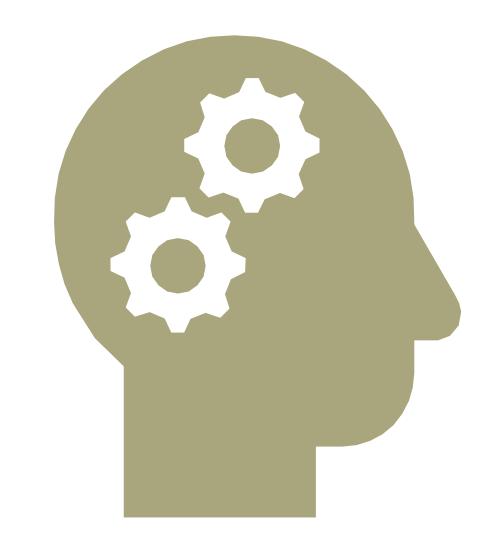
#2: Learn What Prospects Actually Search For

#3: Learn Which Marketing Messages Engage

#4: Learn Which Business Offers Resonate

#5: Learn How to Stand Out from Competitors

KEY QUESTION: Is your target market large enough?



KEY QUESTION:

Is your target market

large enough?



"Almost every failed startup has a product. What failed startups don't have are enough customers."

- Gabriel Weinberg, author of "Traction: How Any Startup Can Achieve Explosive Customer Growth"

Tool: Google Ads Keyword Planner

Large market: 90k avg searches/month for "robot vacuum", with big holiday spike

Keyword (by relevance)	Avg. monthly searches	Competition	Competition (indexed value)	Top of page bid (low range)	Top of page bid (high range)
Your search term					
robot vacuum	90,500	High	100	\$0.76	\$10.00
Idea					
roomba	246,000	High	99	\$0.87	\$2.54
irobot	110,000	High	96	\$0.95	\$2.5
irobot roomba	74,000	High	100	\$0.93	\$2.6
robot vacuum cleaner	22,200	High	100	\$0.66	\$10.0
best robot vacuum	49,500	High	100	\$0.39	\$1.2
roomba vacuum	22,200	High	100	\$0.93	\$3.1
robot hoover	170	High	99	\$0.50	\$3.4
i robot vacuum	12,100	High	100	\$1.08	\$4.33
i robot roomba	1,600	High	76	\$0.88	\$3.29
automatic vacuum	5,400	High	100	\$0.56	\$10.00
robot cleaner	8,100	High	100	\$0.51	\$9.30
automatic vacuum cleaner	3,600	High	100	\$0.53	\$6.32
roomba 650	6,600	High	100	\$0.74	\$2.0
roomba 980	33,100	High	100	\$0.62	\$2.8

Example Product Idea

A much smaller (MIT optimized!) robot vacuum.

Oops!

Problem: online market also much smaller! (~0.3% of the full robot vacuum market)

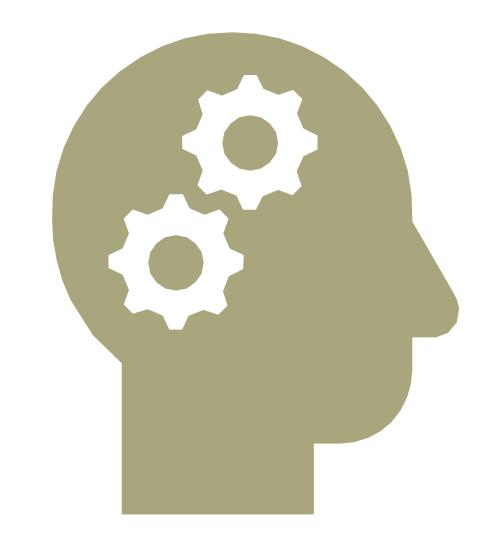
	Keyword (by relevance)	Avg. monthly searches	Competition	Competition (indexed value)	Top of page bid (low range)	Top of page bid (high range)
Your	search term					
	micro robot vacuum	-	-		_	-
	compact robot vacuum	10	High	100	\$0.76	\$4.03
	tiny robot vacuum	10	High	100	\$0.76	\$2.83
	small robot vacuum	110	High	100	\$0.66	\$2.03
	mini robot vacuum	170	High	100	\$0.60	\$2.00
	robot vacuum	90,500	High	100	\$0.76	\$10.00
Idea						
	roomba	246,000	High	99	\$0.87	\$2.54
	irobot	110,000	High	96	\$0.95	\$2.58
	irobot roomba	74,000	High	100	\$0.93	\$2.61
	miele vacuum	49,500	High	100	\$1.02	\$3.01
	robot vacuum cleaner	22,200	High	100	\$0.66	\$10.00
	roomba 650	6,600	High	100	\$0.74	\$2.05
	best robot vacuum	49,500	High	100	\$0.39	\$1.21
	irobot roomba 650	2,900	High	100	\$0.72	\$2.02
	roomba vacuum	22,200	High	100	\$0.93	\$3.17

If market too small for business model, then what?

- A) Build a market

 Expensive
- B) Find a big partner Give up control
- C) Re-work your business plan

KEY QUESTION:
Are you speaking to prospects in their language?



KEY QUESTION:

Are you speaking to prospects in their language?



"Good marketing makes the company look smart."

Great marketing makes the customer feel smart."

- Joe Chernov, former VP of Marketing at HubSpot

Example Product Plan

Name: The iMicroVac

Messaging: "The micro robot

vacuum for tight spaces"

Oops!

No one searches for "micro" robot vacuum!

	Keyword (by relevance)	Avg. monthly searches	Competition	Competition (indexed value)	Top of page bid (low range)	Top of page bid (high range)
Your	search term					
	micro robot vacuum	-	-		-	-
	compact robot vacuum	10	High	100	\$0.76	\$4.03
	tiny robot vacuum	10	High	100	\$0.76	\$2.83
	small robot vacuum	110	High	100	\$0.66	\$2.03
	mini robot vacuum	170	High	100	\$0.60	\$2.00
	robot vacuum	90,500	High	100	\$0.76	\$10.00
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	miele vacuum	49,500	High	100	\$1.02	\$3.01
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	roomba 650	6,600	High	100	\$0.74	\$2.05
	best robot vacuum	49,500	High	100	\$0.39	\$1.21
	irobot roomba 650	2,900	High	100	\$0.72	\$2.02
	roomba vacuum	22,200	High	100	\$0.93	\$3.17

Example Product Plan

Name: HyperPV Panels

Messaging: "Lightweight photovoltaic panels with 80% greater energy efficiency"

Oops!

If you want to reach the layman, call them "solar panels" (180x more traffic!)

	Keyword (by relevance)	Avg. monthly searches	Competition	Competition (indexed value)	Top of page bid (low range)	Top of page bid (high range)
Your	search term					
	solar panels	165,000	High	100	\$2.23	\$11.97
	photovoltaic panels	880	High	100	\$2.34	\$9.10
Idea						
	solar energy	40,500	Medium	35	\$2.63	\$9.98
	solar power	27,100	High	98	\$2.87	\$9.92
	solar	74,000	Low	16	\$3.22	\$9.51
	solar panel cost	27,100	High	100	\$2.14	\$9.69
	solar panels for sale	18,100	High	100	\$1.79	\$8.16
	solar panel price	8,100	High	100	\$2.32	\$9.89
	solar power system	6,600	High	100	\$2.19	\$8.00
	solar cell	8,100	High	100	\$1.87	\$7.04
	solar panels for home	14,800	High	100	\$2.40	\$9.53
	buy solar panels	2,400	High	100	\$2.55	\$11.14
	solar panels for your home	4,400	High	100	\$1.80	\$6.65
	solar shingles	9,900	High	100	\$1.78	\$8.20
	flexible solar panels	6,600	High	100	\$0.65	\$8.89

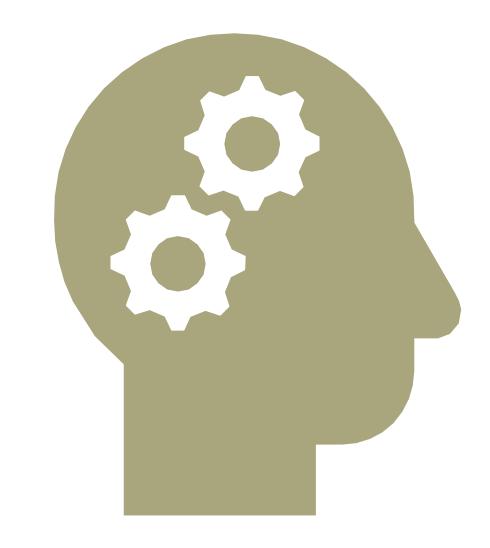
If your product language doesn't match your target customers' search language, then what?

Only one good solution: Change YOUR language

TEST & OPTIMIZE YOUR
BUSINESS MODEL:
#3: LEARN WHICH MARKETING
MESSAGES ENGAGE

KEY QUESTION:

Which advertising messages will deliver the greatest number of good prospects?



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KEY QUESTION:

Which advertising messages will deliver the greatest number of good prospects?



"Nobody reads ads. People read what interests them. Sometimes, it's an ad."

- Howard Gossage, real-life "Mad Men" inspiration

TEST & OPTIMIZE YOUR BUSINESS MODEL: #3: LEARN WHICH MARKETING MESSAGES ENGAGE

How to test ad messaging effectively in Google Ads:



Write 2-3 ad variants to run within each ad group



Change high-impact ad elements first

Headlines
Images (for Display ads)



Test the most meaningful content

Offers

Calls to Action

Competitive differentiators

Facts vs. emotions



Measure the results

TEST & OPTIMIZE YOUR
BUSINESS MODEL:
#3: LEARN WHICH
MARKETING MESSAGES ENGAGE

Tool: SEMRush

TEST: Positive

emotion

Official iRobot® Roomba - iRobot.com

Ad www.irobot.com/Roomba

Leave Cleaning To Your **Roomba** And Start Enjoying Your Home. Buy Here!

TEST: Feature

Official iRobot® Store | Shop Now For Free Shipping | iRobot.com

Ad store.irobot.com/Store

Get Free Shipping When You Purchase Any Robot On The Official **iRobot** Site!

TEST: Discount, urgency

Official iRobot® Store - 10% Off Limited Time
Offer - irobot.com

Ad store.irobot.com/Store

For A Limited Time Save Up To \$80 When You **Purchase** Select Robot Bundles.

TEST: Market Segment Roomba Vacuum Cleaner | iRobot® Official Store | iRobot.com

Ad store.irobot.com/

Got A Pet? Get A Helping Hand From **iRobot**® & Start Enjoying Your Home. Shop Now!

TEST & OPTIMIZE YOUR
BUSINESS MODEL:
#3: LEARN WHICH
MARKETING MESSAGES ENGAGE

Tool: Google Ads

Ad ↑	Status	Ad type	Clicks	Impr.	CTR	Avg. CPC	Cost	Conversions
100% Pure Moringa Oxidation-Proof Packaging Free S&H For Orders Over \$50 www.greenvirginproducts.com/Moringa Fresher & More Potent - See Why Our Moringa is Regarded as The World's Best! 90 Day Money Back Guarantee	Approved	Expanded text ad	282	12,733	2.21%	\$0.99	\$278.82	6.00
100% Pure Moringa The Premium Choice Free S&H For Orders Over \$50 www.greenvirginproducts.com/Moringa The Most Potent Moringa You Can Buy, You'll Never Buy Moringa From Our Lower-Priced Competitors Again - Find Out Why.	Approved	Expanded text ad	364	14,970	2.43%	\$0.97	\$351.86	7.58

Learn which ads generate the highest Click-Thru Rate and therefore the most website visitors

TEST & OPTIMIZE YOUR
BUSINESS MODEL:
#3: LEARN WHICH MARKETING
MESSAGES ENGAGE

What to do if your website isn't ready yet?

Offer a "Fake Sale"!

Hello! You caught us before we're ready.

We're working hard to put the finishing touches on "X". Things are going well, and it should be ready to help you with "Y" very soon. If you'd like us to send you a reminder when it's ready, please enter your email below.

Your Email

Let Me Know

And please accept the special gift below as a "thank you"!

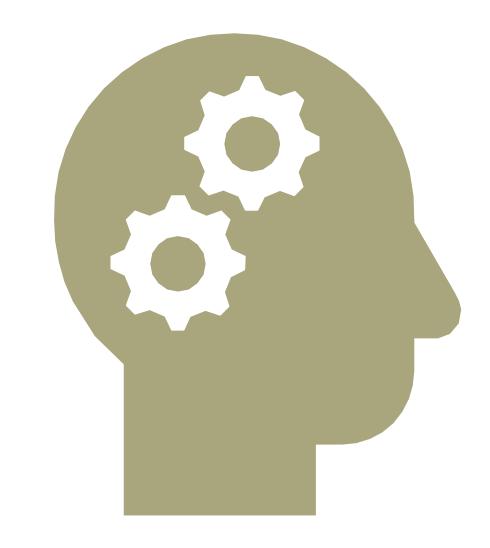
TEST & OPTIMIZE YOUR BUSINESS MODEL: #3: LEARN WHICH MARKETING MESSAGES ENGAGE

If your initial messaging idea doesn't engage well, then what?

- A) Switch to better messaging (use what you just learned)
- B) Change the product/service

TEST & OPTIMIZE YOUR
BUSINESS MODEL:
#4: LEARN WHICH BUSINESS
OFFERS RESONATE

KEY QUESTION:
Which landing page offers
produce the most "conversions"?



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#4: LEARN WHICH BUSINESS
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KEY QUESTION:
Which landing page offers
produce the most "conversions"?



"It's much easier to double your business by doubling your conversion rate than doubling your traffic."

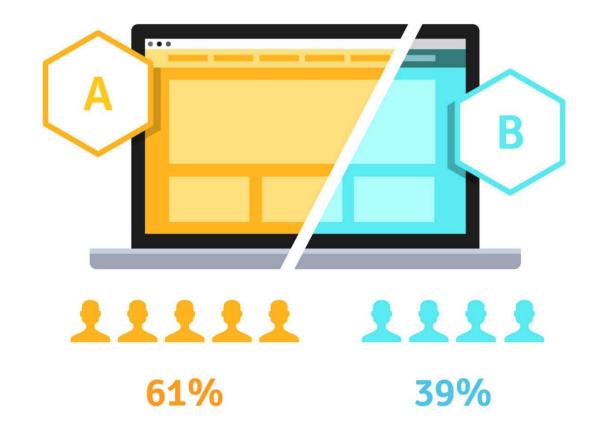
- Bryan Eisenberg, NY Times bestselling author, Customer Experience Pioneer

TEST & OPTIMIZE YOUR
BUSINESS MODEL:
#4: LEARN WHICH BUSINESS
OFFERS RESONATE

Tools: LeadPages, Unbounce, WordPress...

What will your ideal prospects actually DO on your site?

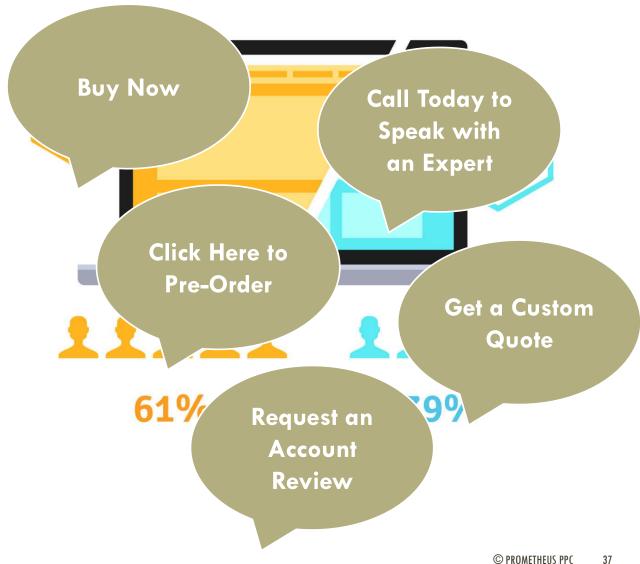
Create Landing Page Split Tests



Tools: LeadPages, Unbounce, WordPress...

What will your ideal prospects actually DO on your site?

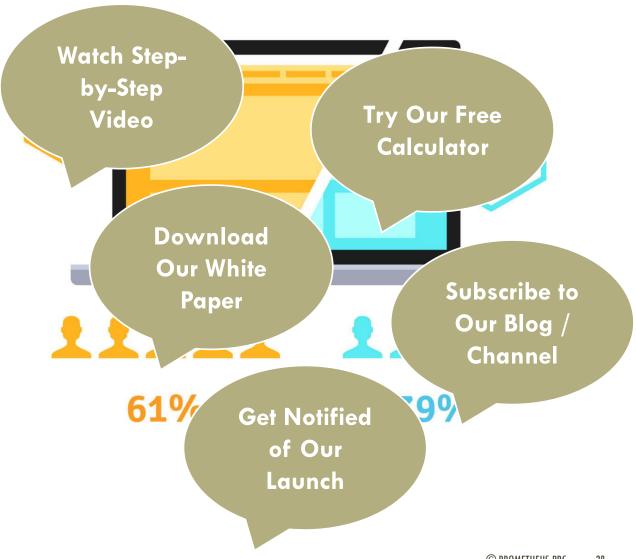
For **Bottom** of Sales Funnel Prospects:



Tools: LeadPages, Unbounce, WordPress...

What will your ideal prospects actually DO on your site?

For <u>Top</u> of Sales Funnel Prospects:



How to test website conversion paths:



Publish 2-3 web page variants to run in each ad group



Change high-impact page elements together

Banner area (top of page)

Images

Trust builders

Calls to Action



Test the most meaningful offers

Sale

Opt-in

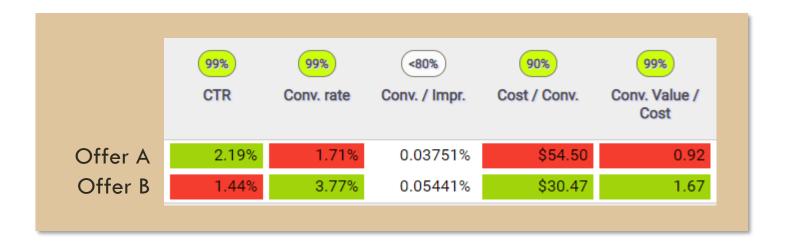
Consult...



Measure the results

Tools: Adalysis, Google Ads, A/B testing calculators

Wait for statistical significance!



What if you don't yet have anything to offer?

Offer a "Fake Sale"!

IMPORTANT:

DON'T disappoint your visitors

DO get their contact info!

Hello! You caught us before we're ready.

We're working hard to put the finishing touches on "X". Things are going well, and it should be ready to help you with "Y" very soon. If you'd like us to send you a reminder when it's ready, please enter your email below.

Your Email

Let Me Know

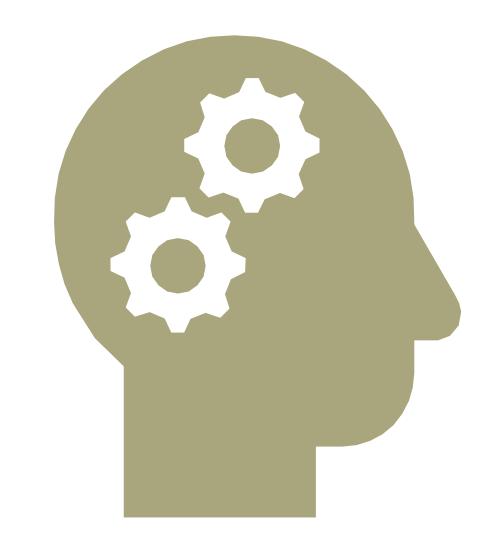
And please accept the special gift below as a "thank you"!

If your initial offers don't convert enough visitors, then what?

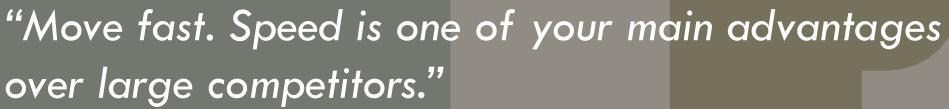
- A) Switch to better offers (use what you just learned)
- B) Change the product/service

KEY QUESTION:

How can you best differentiate your business in a crowded market?



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How can you best differentiate
your business in a crowded
market?



- Sam Altman, President of Y Combinator and Co-Chairman of OpenAl



Step 1:

Find out who your online competition really is

Tool: Google Ads Auction Insights Report

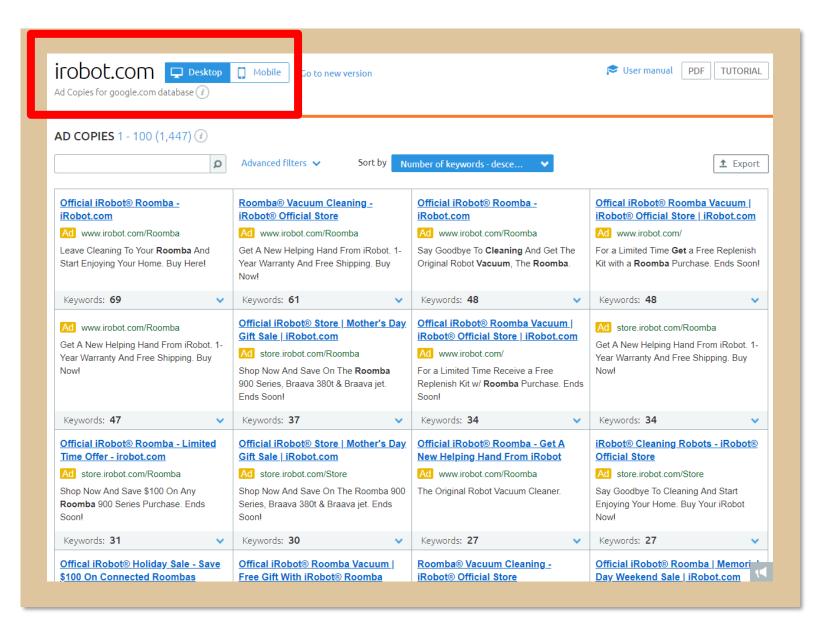
Display URL domain	Impression share	Avg. position	Overlap rate	Outranking share
amazon.com	64.00%	1.7	79.30%	28.23%
You	45.01%	1.8	-	_
moringasave.com	13.46%	3.0	21.25%	42.59%
health.zone	< 10%	2.6	3.25%	44.60%
zijainternational.com	< 10%	2.7	10.89%	44.17%
puritan.com	< 10%	3.0	10.64%	43.61%
netfind.com	< 10%	2.8	6.18%	44.43%
facty.com	< 10%	2.6	7.22%	43.87%

Step 2a:

Find out what they're offering

Tool: SEMRush

Great competitive research data for both SEO and PPC

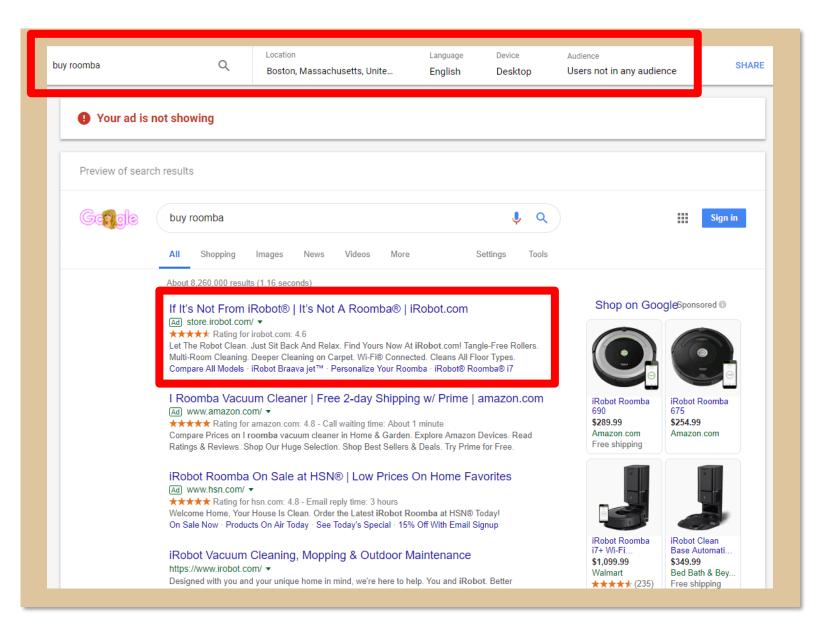


Step 2b:

Find out what they're offering

Tool: Google Ads Ad Preview & Diagnosis Tool

Better than regular Google search – can specify location, device, language and audience



If your offer sounds just like your competitor's, then what?

Focus on one meaningful differentiating feature / benefit / audience

- Your offer can be identical in every way but one!
- Better to speak directly to one niche than to speak generally to everyone

BEST GOOGLE ADS 1ST STEPS FOR STARTUPS

BEST GOOGLE ADS 1ST STEPS FOR STARTUPS



Sign up for a Google Ads account (\$100 free credit)

#1 Learn your online prospect volume

#2 Learn what prospects actually search for



Create quick landing page, Launch initial Search campaigns #3 Learn which marketing messages engage

#4 Learn which business offers resonate

#5 Learn how to stand out from competitors

BEST GOOGLE ADS 1ST STEPS FOR STARTUPS



Put your best foot forward, then test variations

One best offer + one best audience + one best landing page + one best Google Ads campaign



Allow sufficient investment for meaningful conclusions

Nominally: 1-3 months and \$500-\$2,000 / month depending on scope

TOP GOOGLE ADS TOOLS & RESOURCES FOR STARTUPS

www.prometheusppc.com/mit-2019

Find links to tools & resources, and download presentations (available tomorrow)

Watch presentations again on video (coming soon)

andrew@prometheusppc.com

