



Search marketing agency uses Ad parameters feature in the Google AdWords API to double client's CTR and reduce cost per lead 71%



Who they are

- e-channel search
- Search marketing agency Australia

What they needed to do:

- Reduce cost per lead for travel client
- Increase clickthrough rates (CTRs)
- Improve client's return on investment

What they did:

Implemented Ad parameters, a feature exclusive to the Google AdWords API, to dynamically update prices in client's travel ads

What they accomplished:

- **Increased leads:** Doubled client's CTR and boosted inquiries on client's websites
- **Cut cost per lead:** Reduced cost per lead 71%, from AU\$35 to AU\$10
- **Increased advertising returns:** Dramatically improved ROI from AdWords campaigns

Getting there

Most travelers have two things in mind: where they want to go, and how much it's going to cost to get there. Frank Grasso, Founder and CEO of leading search marketing agency e-channel search, knows this well. Grasso and his team provide search-marketing services for one of Australia and New Zealand's best-known travel agency groups.



The client has consultants located in the client's physical shops who sell the flights and holidays, and they rely on online lead generation as an important marketing tool to drive sales. For years, e-channel has managed Google AdWords search marketing campaigns for its travel client's brands. The AdWords campaigns play a major role in the marketing mix, and are key to garnering inquiries about travel services or holidays on one of the travel company's websites.

On the right course

While the results from AdWords campaigns have been stellar, Grasso knew there was room for improvement. He set out to find a way to boost his client's return on investment (ROI) from campaigns, keeping in mind that travelers today are typically highly price-sensitive.

"We had previously conducted tests showing that price-point ads can boost results when using destination keywords," says Grasso. "We found that pricing is a powerful way to increase the relevancy and clickthrough rate of ads and ultimately drive better response rates. The key challenge, however, was finding a way to link the ads to live prices so that price points could be altered dynamically and updated accurately – and that ad history could be maintained."

With a constantly changing travel inventory, the client's prices change almost minute-by-minute, making it critical to update ads quickly as price values change.

Then Grasso learned about Ad parameters, a feature in the Google AdWords API. The Ad parameters feature enables insertion of up to two numeric parameters in AdWords ads – the numeric or currency parameters can be updated automatically at any time, as their values change. Ad parameters allow these updates while maintaining the ad and keyword history.

Smooth sailing

It was the breakthrough Grasso and his client had been looking for that would allow them to alter pricing within AdWords ads quickly. Once Google released Ad parameters, e-channel worked closely with the Google account team to implement the AdWords API feature and fine-tune its performance.

About the Google AdWords API

The Google AdWords API lets developers build applications that interact directly with the AdWords platform. With these applications, advertisers and third parties can more efficiently and creatively manage their large or complex AdWords accounts and campaigns.

For more information, visit
<http://code.google.com/apis/adwords/>

"Ad parameters has had a definite positive impact on our client's search advertising ROI," says Grasso. "In only two months working with Ad parameters, the client's CTR doubled and the CPL dropped 71%."

"In conjunction with our our proprietary technology, Dynamic Creative, Ad parameters were simple to deploy – and well worth the effort," Grasso says. "It is also very simple to use on an ongoing basis. We only have to update parameters rather than delete ads to make changes. Reporting is much cleaner, and we can easily gauge and review the impact of changes to ads."

e-channel search implemented Ad parameters across all of the client's brands. Once Ad parameters were up and running, e-channel was able to create targeted and relevant campaigns based on real-time pricing content. As a test of Ad parameters' effectiveness, Grasso and his team ran the ad parameter-enabled ads against a control group of what were previously the best performing ads.

The results were immediate, and impressive. After just two months, the first brand that went live with Ad parameters increased clickthrough rates (CTRs) and conversion rates across the board.

Lets take a look at an illustrative example. With Ad parameters, you can specify an ad like this:

[Cheap flights to London](#)
Save (param1:)%
Flights from (param2) available now

Dynamic numeric values for *param1* and *param2* are set at the keyword level via the AdParamService of the v2009 API.

On a certain day, if discounts available of flights starts at 20% on a price of \$600, these values for the relevant keywords can be set within the ad group, as follows:

Keyword	param1	param2
flights to London	\$600	20

A user searching for "flights to London" subsequently will see the following ad:

[Cheap flights to London](#)
Save 20%
Flights from \$600 available now!

Taking flight

Today, with Ad parameters and Dynamic Creative, Grasso and his team can update metrics such as price points dynamically. This enables e-channel to ensure that the content in ads is up-to-date, accurate and relevant to search queries. "With Ad parameters, we can produce more visually compelling and relevant creative content in ads that yields superior returns for our client," says Grasso.

e-channel notes that Ad parameters have proven to be a fast and effective tool for updating clients' campaigns. Without Ad parameters, it was difficult and costly to use price points in campaigns. "For the first time, the Ad parameters tool enables us to create targeted campaigns, updated based on the content on the client's website quickly," says Grasso. "The implementation of Ad parameters was relatively straightforward and has led to excellent returns for our client. We will definitely continue using it."

