

Search Engine Marketing jargon buster

Actual cost per click (CPC) – Your actual cost-per-click (actual CPC) is the final amount you're charged for a click on your advert. You're often charged less - sometimes much less - than your maximum cost-per-click (max. CPC) bid.

E.g. "I'm willing to bid as high as \$1.75 for my wedding photos ad, but luckily my actual CPC is only \$1.60."

Advert (Ad) – A sponsored result that appears on a search engine results page (SERP). Ads are usually a few lines of text, and may include additional elements like a street address, reviews and phone numbers.

Ad rank – A value that's used to determine an ad's position in search results. Ad rank is calculated using your bid amount, the quality score (including expected clickthrough rate, ad relevance, and landing page experience), and the expected impact of extensions and other ad formats.

E.g. "Improving my advert's relevance and increasing my bid helped me improve my ad rank."

Average ad position – The position or placement of your ad on the search engine results page (SERP). Search engines typically denote the highest position as 'Position 1'. If your ad appears half the time in Position 1 and half the time in Position 2, your average ad position would be 1.5.

E.g. "My average ad position for my pet photos ad improved from 7 to 3—I'm thrilled!"

Clickthrough rate (CTR) – The number of times people click an item in comparison to the number of times people see that item. For example, if your ad received 100 impressions and 3 clicks, your CTR is 3%. CTR can be used to gauge how well your keywords and ads are performing. While there are no specific guidelines, you should always be working toward improving CTR.

E.g. "I improved my CTR quite a bit when I added pricing info to my wedding photos ad - that clearly made more people want to click through."

Conversion rate – The ratio of conversions to visits, often used to measure digital performance. For example, if you have received 200 clicks and 5 conversions, your conversion rate is 2.5%.

E.g. "I improved my conversion rate by including the words 'free consultation' - a lot more people sign up now."

Cost-per-click (CPC) – The amount of money required to produce a single click on a digital advertisement.

E.g. "I pay a much higher cost per click on my wedding photos ad because there is more competition in that field."

Cost-per-conversion/Cost-per-acquisition (CPA) – The amount of money spent on advertising divided by the number of conversions gained from those adverts.

Also refers to the pricing model where an advertiser pays for each specified acquisition - e.g. an impression, click, opt-in or sale.

Goals/conversions – The total number of tracked, successful actions that website visitors complete.

E.g. "Once I started tracking conversions on my guest house website, I could see how many visitors registered for a room online and subscribed to my newsletter."

Impression – A measure of the number of times an ad is shown - it doesn't necessarily mean someone clicked on it.

E.g. "I'm getting a lot of impressions on my baby photos ad, but not many people are clicking - I may need to rewrite it."

Keyword – A word or a phrase typed into a search engine, which businesses can target as part of their advertising campaigns.

Landing page – The first page that a person sees when they reach your website - not necessarily the home page.

E.g. "I'm adding a coupon to my landing page so that my website visitors will be encouraged to buy."

Maximum bid/Maximum CPC – The highest amount that you are willing to pay for one click on your ad.

E.g. "I'll bid as high as \$2.25, but that's my maximum bid - I'm not made of money!"

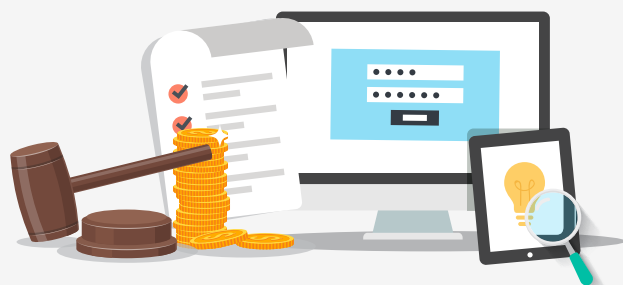
Organic listings – Results from a search engine query that are not paid adverts.

E.g. "I'm planning to hire a search engine optimization expert to help me improve my spot in organic listings someday, but for now investing in the paid listings has been a big success."

Pay-per-click (PPC) – An advertising model where advertisers pay when people click on their advert.

E.g. "I love the PPC model—I only pay when someone clicks on my ad!"

Quality score – A variable, measured from 1 to 10, which is used to determine the order in which ads are listed on a SERP. Improving your quality score, by making your ads more relevant to the keywords you're bidding on, can help you achieve better ad positions and lower prices for clicks.



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Query/search term – The word or phrase that a person types into a search engine in order to find what they're looking for.

E.g. "When people use the search term 'hairdresser' they might be looking for tips on how to do it themselves or a service to do it for them."

Search engine marketing (SEM) – A form of advertising that allows you to bid for your advertisement to show alongside search results for keywords.

E.g. "SEO is a long process, but using SEM helped me get a lot more website traffic really quickly."

Search engine results page (SERP) – A list of results appearing in a search engine in response to a person's search query. SERPs contain organic results as well as ads.

E.g. "My goal is to be on the SERP page when anyone searches for 'wedding photographer Cardiff'."

