



Pay Per Click – CRO:

Optimizing for PPC conversion rates

A common conversion rate optimization (CRO) methodology involves three steps:

- **Step 1: Investigation.** Collecting data, analyzing past results, generating insights, etc.
- **Step 2: Design.** Crafting hypotheses, prioritizing actions, etc.
- **Step 3: Implementation.** Using tools like Google Ads' Experiment feature, AB Tasty, etc.

CRO is mainly about A/B testing, but most tests focus only on landing pages. While important, improving conversion rates involves more than just landing pages. I've discussed A/B testing challenges before, but data collection often gets stuck on just landing pages.

To avoid this, here are the factors influencing your PPC campaigns' conversion rate and how to improve them.

Tracking conversions effectively

It may seem obvious, but you can't improve conversion rates without tracking them. More importantly, you must use the right tools to evaluate conversions.

For example, suppose your Meta Ads campaign leads to a landing page that isn't accessible anywhere else on your website. Let's also assume that you leverage retargeting audiences a lot, and, as a result, most people convert within a one-day view-through window.

In this scenario, your data tells you your audience converts using another page. Focusing CRO on your Meta Ads-dedicated landing page does not make sense, right?



Make sure to understand where and how conversions relate to your customer journey. That way, you can avoid misconceptions and truly work on impactful CRO tests.

Measurement tools and ‘triangulation’

Here’s another example. Let’s say that you’re working for an ecommerce store that uses GA4 to track purchases. It’s handy because it deduplicates purchase events, so you know which channel “scored the final goal.” As a result, your CRO plan will focus on GA4-level purchases.

In this common scenario, Meta Ads may appear ineffective because they target higher in the funnel compared to search. You might think Meta Ads traffic is low quality, but from a CRO perspective, we can find several solutions:

- Focus on retargeting audiences (since it’s closer to the purchase event). The downside is that we’re only gaming the attribution system here, so it’s probably too short-sighted.
- Review the target KPI (initially those GA4 purchases) so it matches Meta Ads’ intent. It’s certainly a better solution, but it fails to picture all touchpoints and could lead to lower-quality traffic because you don’t use a signal as strong as purchases (if you’ve ever run lead gen campaigns, you know that all leads are not made equal. Same thing here).
- Use both Meta Ads’ attribution tool and GA4 to understand how this channel impacts conversion rates. This method shows both the “last click” channel and the overall impact of Meta Ads. Using additional attribution tools improves accuracy, a method known as “triangulation.”

This overview isn’t complete, so check out the articles below for more details.



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However, keep in mind that these advanced measurement strategies may not be suitable for quick CRO improvements and could be excessive for now.

- Search incrementality: How paid and organic work together for better performance
- 7 paid media reporting tips when tracking is messy

Take measurement tools and attribution models into account when collecting data. This will help map CRO opportunities and manage expectations so that each channel's results are properly segmented and analyzed.

Audiences, intent and external factors

Here is an example from one of my agency's clients (focusing on education) for Google Ads campaigns' conversion rates:

- Competitor: 2.8%
- Generic: 6.1%
- Brand: 27.8%

As you can see, conversion rates vary greatly depending on the audience. Similar to measurement tools, this means that targeting is a critical CRO component in and of itself. Let's break that down.

(Auto) bidding and setup

Note: I'm focusing on auto-bidding since it powers the vast majority of ad campaigns. However, the overall thought process remains true for manual bidding, too.

Feeding ad networks' algorithms with the proper conversion will make a world of difference to your targeted audience and, ultimately, your conversion rate. This is why you need to regularly audit:



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- **Conversions:** They need to reflect your CRO goal.
- **Monthly/weekly conversion volumes:** They need to meet algorithms' minimums (see Google Ads' tROAS guidelines or Meta Ads' guidelines).
- **Conversion latency to meet algorithms' needs:** Based on experience, you don't want to exceed four weeks between ad clicks and actual conversions, but it can vary depending on volumes and industries.

If your historical data meets the above criteria, then you play with a decent budget. However, if that's not the case, you want to review the budget as part of your CRO mapping. Sometimes, improving conversion rates simply means increasing the budget to better feed algorithms.

Auto bidding is not magic. Make sure it's set up for success (and yes, that does include budget). That setup should be a top priority in your CRO opportunities map.

Audience segmentation

When mapping out CRO efforts, you should segment your goals by funnel stages and integrate them with traffic acquisition tests.

Let's say you want to improve the purchase rate. Unfortunately, there's a massive out-of-home (OOH) awareness campaign happening at the same time. The result is that you will most certainly see a dip in conversion rates since more top-of-funnel visitors will pop up on your website.

Is that a bad thing? No. You simply need to better integrate that CRO map with other teams' tests.

Conversely, smaller brands that "only" run Google Ads paid search and have small SEO traffic (which mostly originates from branded queries) can probably ignore segmenting audiences altogether.



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In any case, take external factors into account. There are the usual sales, Q4 madness, summer holiday and back-to-school periods to consider, as well as political or global events.

Audiences vary in their conversion rates. Group them and adjust your KPIs and measurement methods accordingly. If audience patterns change (e.g., due to seasonality), reassess to better understand your CRO results.