Google Ads ends monthly campaign budget test

Google has ended its short-lived test of monthly ad budgets, it appears. Advertisers that had access are now being notified, according to a screenshot of the notice that Gianpaolo Lorusso of AdWorld Experience tweeted on Wednesday.

Advertisers were told, “Monthly budgeting will no longer be available as of April 2020. Your campaign budgets will automatically switch to daily then, or you can update to daily budgets anytime before April.”

Source: Gianpaolo Lorusso, AdWorld Experience
The test began in September 2019, Lorusso said. As of this month, monthly budgets will be converted to daily budgets.

For those that had access to the beta, advertisers could set a monthly campaign budget, but Google would still use its average daily spend calculation to try to manage pacing. In the example above, $1,000 per month budget would have an average daily budget of $32.89.

Daily budgets. A reminder of how daily campaign budgets are handled. Your campaign may spend up to twice the average daily budget on a given day, but Google Ads won’t charge more than the “monthly charging limit” which is the average number of days in a month (30.4) multiplied by your average daily budget.”

The idea is to account for daily fluctuations in traffic. Advertisers are credited for any overdelivery charges at the end of the month. Just keep in mind, if you do pause your campaigns before the month ends (as many advertisers may do

during the coronavirus crisis), you won't be credited for any days that exceeded the average daily budget. It only applies to full-month campaigns. Additionally, if you change your daily budgets during the month, Google will treat overdelivery based on the *average* daily budget settings throughout the month.

Why we care. It seemed like this would be a good fit for some fixed-budget advertisers. Clearly it didn't take off. Lorusso also told us, "I have seen monthly budget campaigns stop completely when you suddenly lower the monthly spend limit." That's not ideal.

Download Search Engine Land's Periodic Tables of PPC and accompanying report on budgeting, structure, campaign types, ad formats, ad copy, bidding and targeting mechanisms.

About The Author

Ginny Marvin is Third Door Media's Editor-in-Chief, running the day to day editorial operations across all publications and overseeing paid media coverage. Ginny Marvin writes about paid digital advertising and analytics news and trends for Search Engine Land, Marketing Land and MarTech Today. With more than 15 years of marketing experience, Ginny has held both in-house and agency management positions. She can be found on Twitter as @ginnymarvin.
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