

# Using Google Demographic Data to Optimize Your PPC Account by @GrpTwentySeven

Recently, when Search Engine Journal asked me to predict what will happen in paid search in 2018, I pointed to audience targeting.

Here's an excerpt:

*Next year, I predict that Google will put more resources into audience targeting methods – especially on the Search Network – while, at the same time, advertisers will become increasingly sophisticated users of existing AdWords targeting options...*

*Advertisers will become more skilled at targeting their preferred audiences by ... means such as demographic targeting. Most advertisers are well versed in location and device adjustments, but few of us are as well versed in the demographic targeting that was introduced in 2016.*

Later, I was gratified to see I wasn't the only one predicting a move in this direction.

Many other PPC experts also picked up the theme of audience targeting and how it may develop in the coming year.



A couple weeks ago, I was discussing this point with a client. And the client wanted to know exactly *what* data Google collects – and *how* it collects it.

These are good questions!

Let's review how Google collects its data. Then I'll give some examples of how you can better optimize your PPC accounts.

# The Data That Google Collects

Google collects three kinds of data:

1. Things you do.
2. Things you create.
3. Things that make you "you."

## 1. Things You Do

This could include things such as:

- Things you search for
- Websites you visit
- Videos you watch
- Ads you click on or tap
- Your location
- Device information
- IP address and cookie data.

Almost any time you use Google's services, Google collects data about how you're using them.

## 2. Things You Create

This could include:

- Emails you send and receive via Gmail.
- Contacts you add.
- Calendar events.
- Photos and videos you upload.
- Docs, Sheets, and Slides on Google Drive.

In other words, Google collects data about the things you do whenever you're signed into your Google account.

But does this mean that when you're *not* signed into your account, your demographic data will show up as "Unknown" in AdWords?

Not necessarily.

AdWords uses the demographic category "Unknown" when it doesn't know or *can't infer* the user's demographics.

As Google describes it:

#### ***How Google determines demographic information***

*When people are signed in from their Google Account, we may use demographics derived from their settings or activity on Google properties, depending on their account status.... In addition, some sites might provide us with demographic information that people share on certain websites, such as social networking sites.*

*For people who aren't signed in to their Google Account, we sometimes infer their demographic information based on their activity from Google properties or the Display Network.*

So even if you aren't signed in, Google may make educated guesses about your gender, age, location, etc.

### **3. Things That Make You "You"**

This could include your:

- Name.
- Email address and password.
- Birthday.
- Gender.
- Phone number.
- Country.

When you sign up for a Google account, you're required to

enter this kind of demographic information.

However, you can question how accurate it is.

After all, did *you* use your actual birth date when you created your Gmail account?

It's always a good idea to keep these potential data inaccuracies (i.e., demographic inferences and demographic deceptions!) in mind.

You can never count on your data being 100 percent accurate.

But at the same time, these inaccuracies need not derail your paid search efforts.

## **Optimization Opportunities Within Demographic Data**

As stated above, Google tracks what you do on Google properties, including clicking on ads.

Thus, when you log into your clients' AdWords accounts, you'll see the results of this data tracking.

For example, one of our B2B client accounts had the following year-to-date data for one ad group:



What can we do with this data?

Take a closer look at the 65+ segment. It converted zero times YTD for 2017, after having spent \$472.26.

This "wasted" ad spend may seem small in relative terms, but consider that this could be one ad group out of several hundred.

It can add up!

Therefore, we might consider assigning the 65+ segment a negative bid adjustment.

Here's another example:



This data comes from another client account.

The 18-24 segment hadn't converted in 2017 when this screenshot was taken in December.

Again, we might want to assign this segment a lower bid.

The "Unknown" segment is worth looking at, too. It isn't performing well compared to some of the other segments.

The client has spent almost \$5,000 year to date, with a conversion rate of only 0.91 percent.

So what do we do with that?

I would suggest treating the "Unknown" group as you would any other segment. You look at performance and adjust accordingly.

So, in this case, I would consider adjusting bids down a little and monitoring closely to see if the performance changes.

Here's one more example:



Here, males clicked 3,502 times with a conversion rate of 0.79 percent.

In contrast, females clicked only 541 times with a conversion rate of 0.46 percent.

And Unknowns clicked 2,574 times with a conversion rate of 0.23 percent.

Thus, you might want to adjust bids up for males and down for females and unknowns.

In all of these examples, I prefer to take the cautious approach of adjusting segment bids instead of excluding them entirely.

This caution is partially driven by the large number of “unknowns” and possible data inaccuracies as described above.

Things can always change in ways you can’t predict.

Therefore, it’s safer to make bid adjustments, monitor, and adjust rather than exclude segments entirely.

## **Some Additional Optimization Tips**

In addition to making bid adjustments based on demographic data, you can take two more approaches to optimize your paid search accounts.

### **1. Segment into Separate Ad Groups**

You can split ad groups into smaller groups and then create dedicated ads and landing pages for each group.

This will allow you to fine-tune your bids and potentially personalize your messaging!

This kind of approach, however, can quickly get cumbersome and clunky. Don’t rely too heavily on it.

Nonetheless, it can be worth the effort in some cases.

### **2. Talk to Your Clients**

Your most valuable resource in interpreting your data is your clients.

If you check Google Analytics and still can’t explain what

you're seeing, your clients can probably make a good guess.

Indeed, in some cases, your client might give you a good reason to take actions that aren't suggested by the data at all.

Data doesn't always give you the full story.

## Use Your Data Wisely

Almost certainly, audience demographics and data will continue to be a hot topic in 2018.

It's important to understand how Google collects this data, and some of the possible issues with it.

By doing so, you'll be better prepared to optimize your PPC accounts – no matter what the future brings.

**More AdWords Resources Here:**

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### ***Image Credits***

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