

# How we reduced cost per conversion in AdWords by 39% in three months (while increasing total revenue at the same time!)

*For e-commerce websites, cost per conversion and revenue are of the greatest importance. We cut cost per conversion by 39% and improved revenue by 71% within the first three months of optimization.*

LONDONTHEATREDIRECT.COM

## The Client

Established in 1999, London Theatre Direct is one of the leading websites offering theatre tickets in the UK. LTD works directly with all the major theatre groups in London and with individual theatres as well. During its 16 years on the market, it has sold more than one milion theatre tickets.

## The Brief

London Theatre Direct had been running in-house search advertising campaigns with Google AdWords for years. PPC in search had been one of their most important marketing channels but in 2Q 2014 the cost per conversion got to the point where AdWords proved to be less and less profitable.

This was the moment when LTD and RobertNemec.com started to cooperate. We obtained access to the reasonably well-optimized AdWords account with no less than one hundred campaigns and thousands of keywords. Many good things had apparently been done before we took over the account, but there was still large room for improvement.

## Our Solution

We started with a **comprehensive PPC audit**. During this essential work we checked approximately one hundred items (various types of AdWords settings on the account, campaign and ad group levels), getting a very important set of information for future optimization. Every item in the list received a priority level and more detailed commentary, if needed, for us to know precisely what to do.

With this material in hand, the AdWords search campaign optimization could begin. **The most important thing to do in this phase was to continually change the bids on the ad group and keyword level** according to data on cost per conversion and ad position. Especially the **keyword level bid adjustments** had a very positive effect on costs.

Other things to work on were as follows:

- adding new keywords to ad groups,
- using different keyword matches,
- turning off underperforming, costly keywords,
- regularly checking keyword reports and transferring some of the keywords to negative lists,
- creating new sitelinks.

We analyzed data **on a daily basis** and optimized campaigns accordingly.

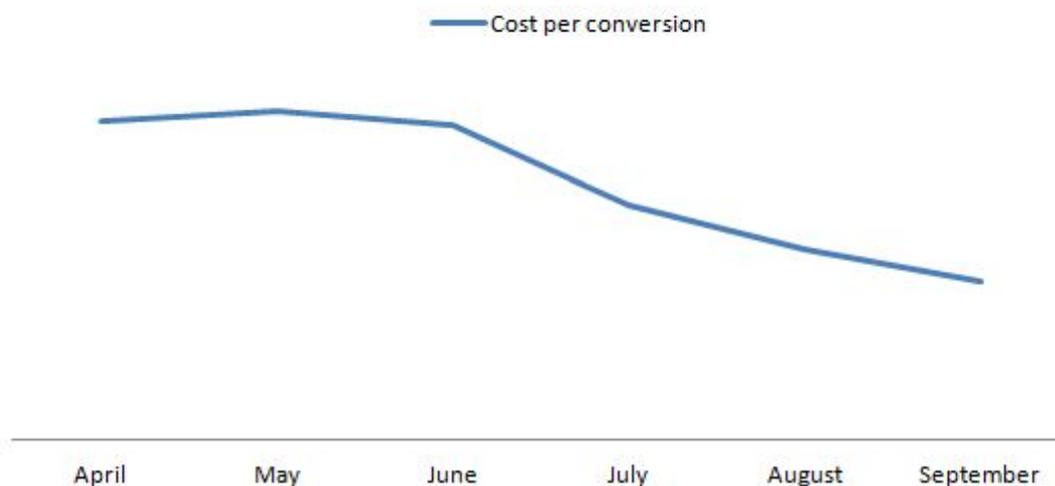
Regularity of analysis and adjustments is really important for any successful PPC campaign and with a growing number of keywords, ads and ad groups **day-to-day care is an absolute necessity**.

We also **created new text ads** to test them against one another with the intention **of increasing click-through-rate**. Another important benefit of creating new text ads was an **increase in quality score**: if an ad is closely related to a keyword that triggers that ad (and to the content of a landing page), the quality score rises and cost-per-click tends to go down.

## The Results

Account optimization started in **June 2014**. When we compare 2Q and 3Q 2014, **cost per conversion was reduced by 39%**.

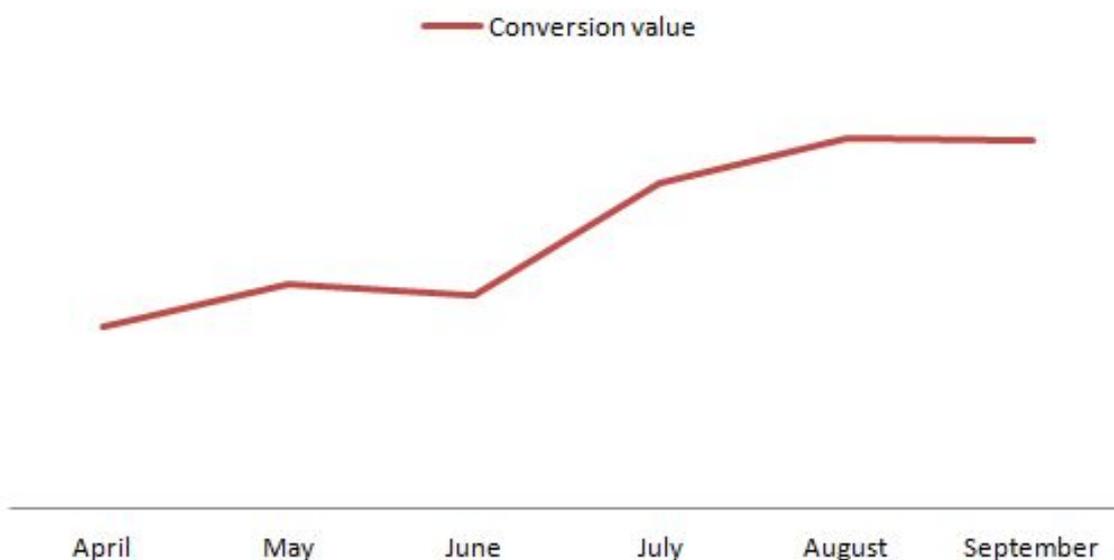
### Cost per conversion from April to September 2014



*The graph shows a rapid improvement in the cost per conversion (i.e. the money our client paid for persuading one person to buy from their site) after we took over the account in June 2014.*

The total value of conversions from AdWords increased by 71% in the same time period.

## Conversion value from April to September 2014



*The graph shows a rapid increase in the total value of conversions (i.e. total sales) after our agency took over the account in June 2014.*

People's shopping behaviour during a year differs. This can definitely be one of the reasons for growth in revenue in 3Q 2014. However, PPC optimization contributed to the positive numbers as well: when we compared 3Q 2013 and 3Q 2014, we could see a **year-to-year increase of 31%** in PPC revenue.

## Future cooperation

After the initial three months period, the cooperation between the agency and the client continued with further manual optimization, running tests in mobile advertising, enlarging the geographical scope of the advertising. In the near future, we plan on running automated scripts in Google AdWords.

## Summary

- We've taken over an in-house but well-maintained and large AdWords account and made it much more profitable in just three months – sales from AdWords increased by 71% in three months and by 31% in a year-to-year comparison while cost per one conversion went down by 39%.
- The results were achieved through a combination of years of experience in Paid Search campaigns and day-to-day care of the account.
- It was made clear that the Czech agency can improve the results of campaigns in the English language that target the UK market.

This case study serves as a good example of successful optimization of an AdWords account that has been running for a long time: even after years, settings can be found that need a PPC manager's attention. With **continuous optimization** and care, virtually every campaign can achieve to better results.