



Digital Advertising Handbook

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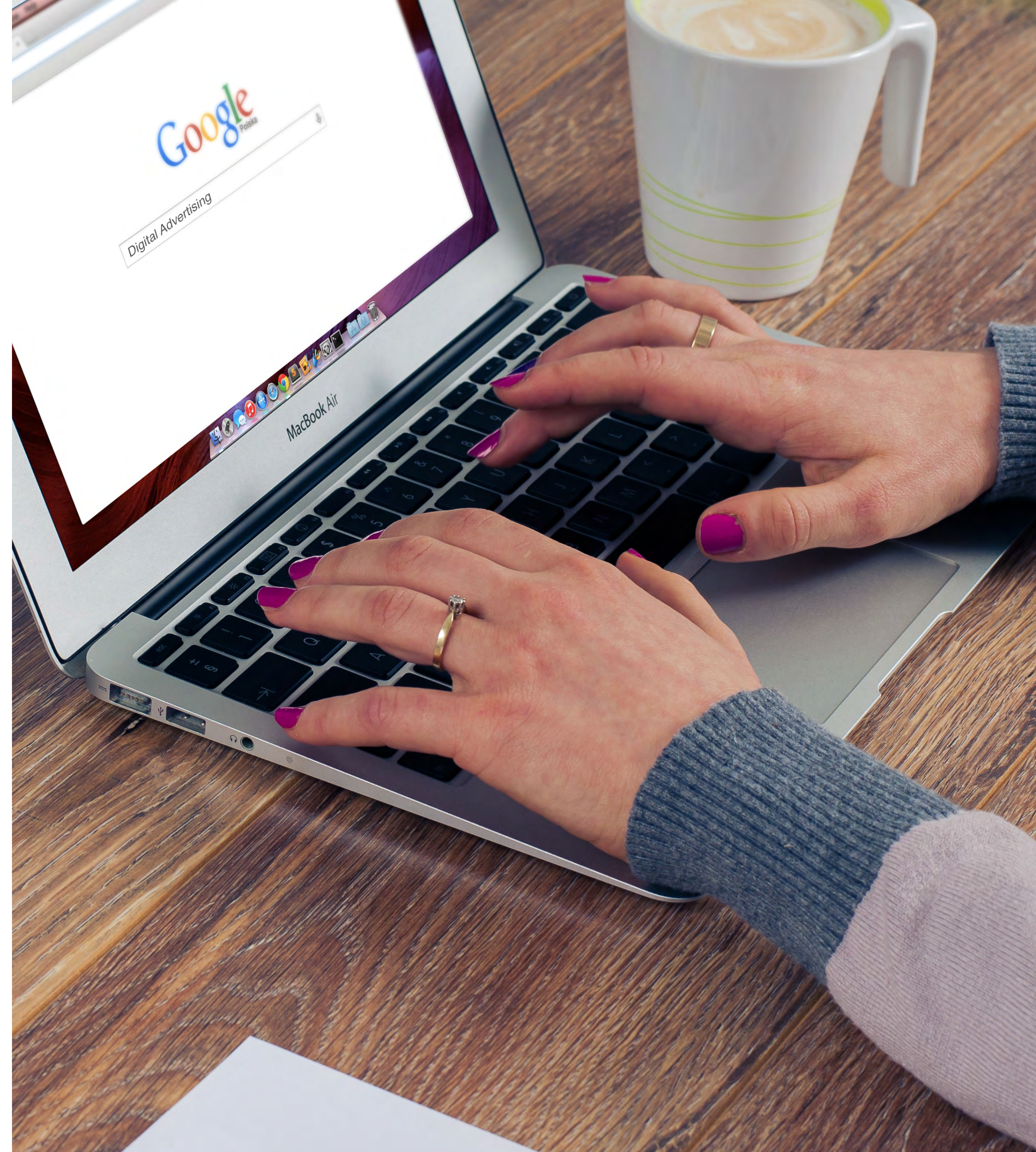
Where to Begin?

So you're thinking about starting a digital advertising campaign? Great! The digital marketing world is an ocean, and employing digital ads as a part of your marketing toolkit can help your brand grow from being an anchovy to something a lot more formidable (we'd say a Great White, but they're scary, and we don't want to suggest that your brand is scary) that doesn't wind up as a garnish atop a Caesar Salad in some overpriced Italian restaurant.

Of course, if you're just getting started with digital advertising, it probably feels like you're at sea level and looking up at the summit of Mount Everest—that's to say, it can be very intimidating. This handbook is here to help you get a feel for tactics, terms, and tips that you'll want to familiarize yourself with to help get you started on your climb and to help you generate some early wins with your ads.

There are three main sections of this handbook:

- Digital advertising glossary that covers important terms you need to know regarding attributes, channels, metrics, and tactics
- Breakdown of the most popular digital advertising channels, what they're used for, and who has success with them
- How to get started with search and display advertising



Digital Advertising Glossary

CHANNELS AND METRICS

Digital Advertising Glossary

CHANNELS AND METRICS

Advertising Channels & Tactics

We'll get into these in greater detail soon, but here's a quick primer on the major digital advertising channels and tactics:



Display Marketing

Digital advertising which involves visual creatives; traditionally banner ads, video, graphics, and social media marketing are often considered display tactics



Feed Retargeting

The use of technology to target users who have previously viewed a product with that same product on other sites



Mobile Marketing

Mobile marketing makes use of beacons and other technologies that can geo-locate users and serve them targeted ads based upon their location



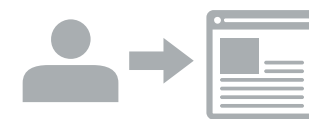
Product Listing Ads

Search ads that display products based upon a user's search query



Programmatic Buying

The use of software to purchase digital advertising



Remarketing

Targeting users who have previously visited your site via the use of cookies and customized ad creative



Rich Marketing

Interactive creative that encourages users to engage with the advertisement



Social Media Marketing

Social media advertising can include display ads on Facebook, Instagram, Twitter, Pinterest, LinkedIn, or SnapChat

Key Advertising Metrics

These metrics are the among the most frequent performance indicators used to evaluate the efficacy of digital advertising campaigns.



Click

The metric recorded when a user clicks an ad and lands on that brand's web property



Click-through Rate (CTR)

The ratio of clicks to impressions, expressed as a percentage



Conversion

The successful completion of the goal of the advertiser, as defined by the advertiser at the creation of the campaign



Conversion Rate (CR)

The ratio of volume of clicks and conversions, expressed as a percentage



Cost

The amount spent by an advertiser



Cost per Acquisition/Lead (CPA or CPL)

The spend required to generate a conversion, sale, or lead

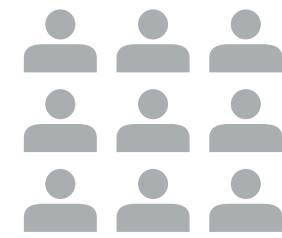


Cost per Click (CPC)

Often used interchangeably with 'PPC', CPC is actually a reported metric, not a model. Costs per click often increase where inventory is limited, either due to an increase in competition or a lack of interest

Key Advertising Metrics

continued



Cost Per Mille (CPM)

The cost associated with 1,000 impressions made by an ad. This number generally increases significantly as an audience decreases in size



Impression

The appearance of an ad, with or without a click



Pay per Click (PPC)

The standard advertising model where advertisers pay only when their ads are clicked on



Quality/Relevance Score

The ranking given to an ad by ad platforms which expresses the relevance of the ad to the landing page that it is associated with



Return on Ad Spend (ROAS)

The gross revenue generated by an ad campaign divided by the ad spend. This metric is traditionally preferred over ROI among digital advertisers



Return on Investment (ROI)

Formulaically, this is the net revenue (revenue minus spend) divided by the ad spend for a given account

Advertising Models

TYPE	WHAT IT MEANS	HOW IT WORKS	BENEFITS	POTENTIAL CONCERNS
CPA	Cost per Action Cost per Acquisition Cost per Lead Cost per Purchase	Advertisers are charged each time a pre-defined action occurs	Advertisers like this model since it offers the highest quality and return on investment	Advertisers, not publishers, control pricing
CPC	Cost per Click	Advertisers are charged for each click on their ads	Advertisers like this model because it's traditional, and generally well-understood	Click Fraud
CPM	Cost per Mille (Thousand Impressions)	Advertisers are charged for each thousand impressions made by their ads	This is beneficial for advertisers who are looking to drive more brand awareness	No checks to achieve optimal balance between volume of impressions and quality impressions
FLAT RATE	Fixed Price	Advertisers pay up front as agreed upon	Allows advertisers and publishers to budget for a flat spend/revenue source	Does not present frequent concerns for either advertisers or publishers
HYBRID	Generally a Fixed Price combines with a CPA or CPC model	Advertisers pay a flat rate up front and pay based upon model thereafter	Allows publishers to budget for a flat rate and advertisers to pay for better-than-expected performance	All of the Above

Advertising Terms



Account

The entirety of a brand's advertising assets; could also be used to refer to a particular channel account (e.g "Our AdWords account drove \$35.6k in revenue last week")



Ad

The advertisement itself; in search campaigns this is text-based, in display campaigns it may combine text and video, photos, or interactive media



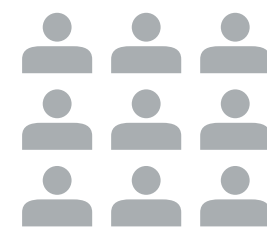
Ad Group/Set

An organizational unit used in advertising to group like keywords or creatives and ads. Ad groups/sets are sub-units of campaigns. In search campaigns, ad groups contain both ads and keywords; in display campaigns, they contain both ads and audiences. Budgets may also be set at this level on some networks



Attribution

The fast-growing practice of determining which touches during the conversion process are most responsible for a conversion



Audience

The group of users eligible to be served an ad; these are set at the campaign level in Google and the Ad Set level in most display/social networks



Banner Ad

A standard display ad



Campaign

An organizational unit used in advertising to group like ad groups/sets. Depending upon the network, campaigns may be mapped to certain budgets, goals, or audiences. When used as a UTM tag, the product, slogan, or promotion responsible for driving an advertising click

Advertising Terms

continued



Channel

Also known as network, this refers to a particular platform that a brand advertises on (e.g. AdWords, Facebook)



Keyword

Query used in search advertising to trigger the serving of a particular ad



Medium

The marketing medium of an advertising click (e.g. cpc, banner, email)



Source

The referrer of a click from advertising (e.g. google, newsletter)



Tracking Tag

Also called “pixels” (primarily by Facebook), tracking tags are pieces of HTML code installed on a website for the purpose of tracking ad performance



UTM (Urchin Tracking Module) tag

A tracking marker appended to a URL that is recognized by Google Analytics as a dimension



Digital Advertising Channels

SEARCH, DISPLAY, SOCIAL, PROGRAMMATIC, MOBILE,
LOCAL, PARTNER, NATIVE, AND FEED MARKETING

A Brief History of Digital Advertising

Google introduced AdWords with 350 advertisers in 2000. They weren't the first web network to offer advertising inventory to advertisers (that would be banner ads which appeared six years earlier on HotWired, a precursor to today's Wired Magazine), and AdWords wasn't even Google's first advertising platform, with Premium Sponsorships launching just two months prior.

But AdWords was the network that would change the game, because it had a feature that no other digital advertising channel had thought to add to that point: self-service. By the time AdWords launched, banner ads were already ubiquitous, but none of them could be managed by the advertiser, and the ability to serve ads to users based upon their search interests rather than simply what site they were on created a demand for similar abilities across other channels.

As it would turn out, those channels didn't quite exist yet. While Google spent a significant amount of time and resources revamping their Display Network targeting, the next systemic change wasn't to come from Google, it was from arguably their two biggest competitors.

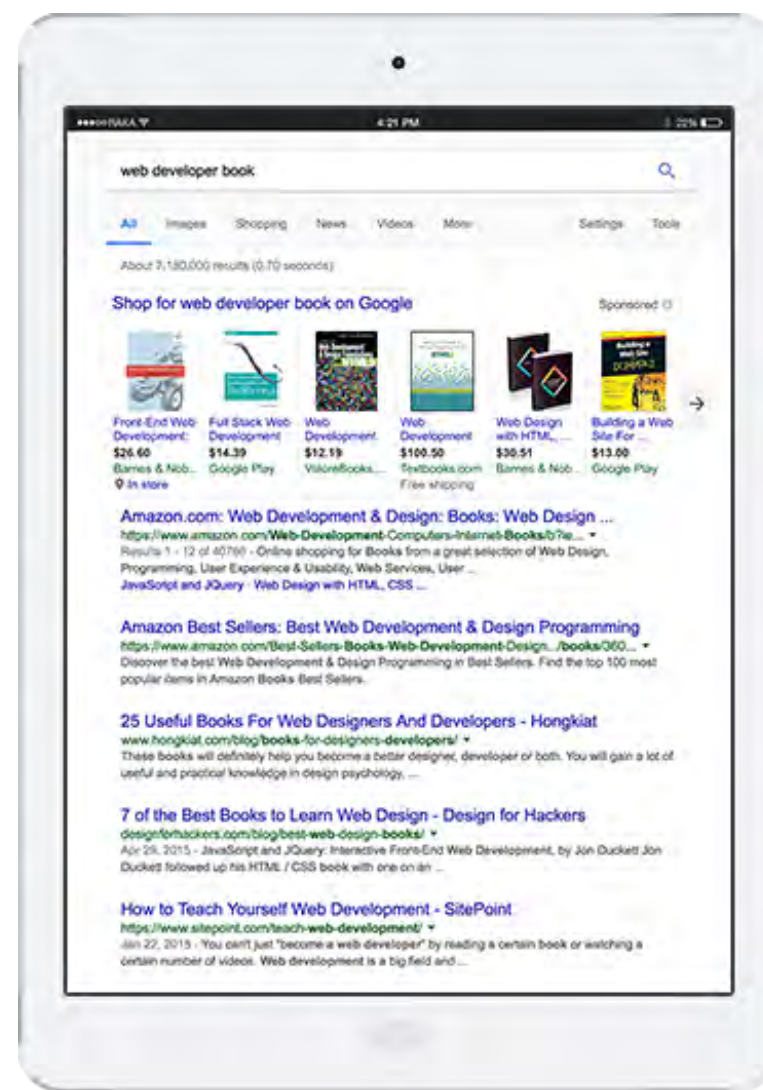
Facebook first introduced social advertising in 2005 (when it was still restricted to users with a .edu email) as a way to promote JPMorgan/Chase credit cards, and it was at that point little more than an in-app (before there were apps as we know them) display channel. Two years later, Facebook Ads opened to advertisers, and in a move that represented the dawn of a new era and a signal change for how internet users would behave forever, Apple released the iPhone, and mobile advertising begun. It's been fast and furious from there.

In 2008, Google answered the competition by rolling out pre-roll video inventory in YouTube. In 2009, True introduced native advertising. In 2010, Twitter entered the game with Promoted Tweets. Giving into demand by marketers to automate some of their ad buying, programmatic advertising began to take hold in 2012, and Pinterest launched ads in 2014, Instagram followed in 2015, as did Snapchat.

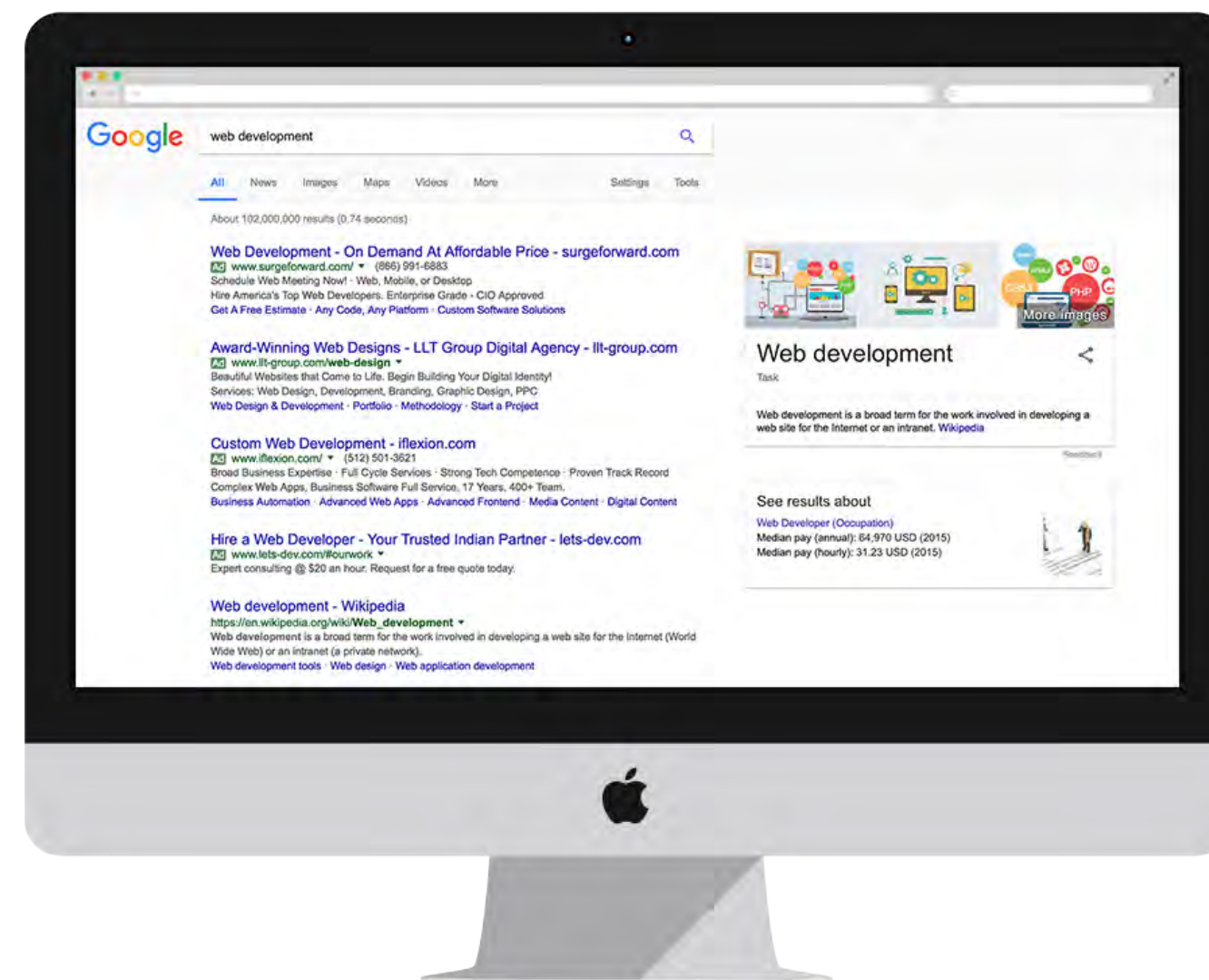
Search Advertising

Traditionally, search advertising is referred to (incorrectly) as “PPC”, “CPC” or “paid advertising” (all advertising is paid, after all!). Our traditional conventions for search advertising are quickly changing, however, as both Google and Bing have introduced a number of extensions that make search ads look less and less traditional. In the past few years alone, extensions for phone calls, SMS text

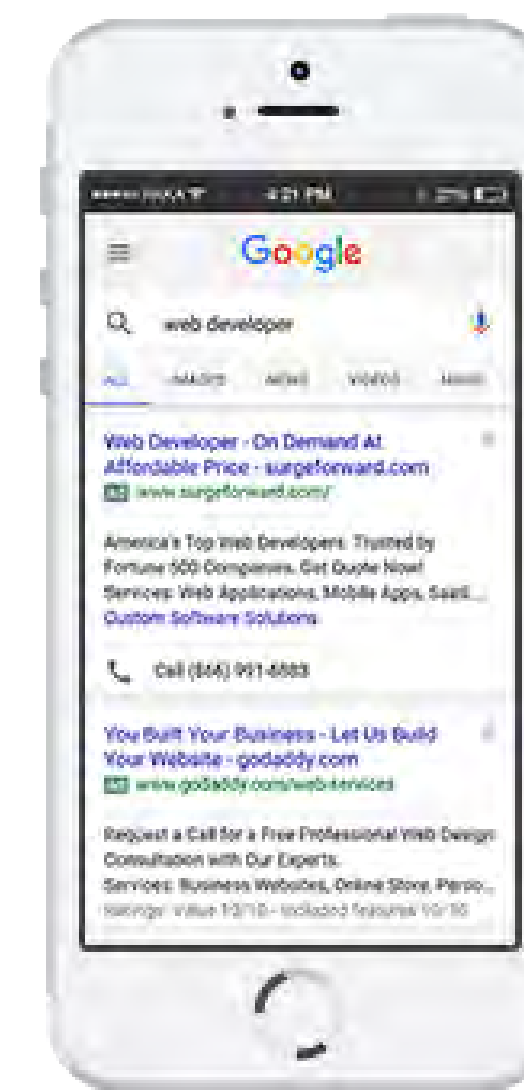
messages, and maps have become prevalent, in addition to more traditional extensions such as sitelinks and callouts. Product listing ads, too, allow users to shop right on the search results page, and remarketing campaigns have allowed brands to re-target users that are already familiar with their brand and website, increasing click-through and conversion rates.



Product Listing Ads



Desktop Search Ads



Mobile Search Ad

Display Advertising & Rich Media

We've come a long way from this ad, which appeared on HotWired.com in 1994 and linked to an AT&T campaign that was meant to do nothing more than direct users to a global museum library:



While the delivery networks and targeting have become significantly better refined, the principle is still the same: stunning creative and a strong, brief message work in tandem to increase brand awareness and drive traffic to the site. The difference is that now, so much display media is also rich (or interactive) media, which is particularly well-suited to the touchscreen interfaces that have become so widespread.



Social Advertising

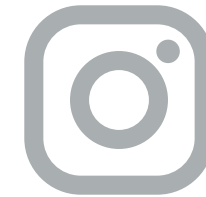
While social advertising still falls under the umbrella of display advertising, it's really taken on a life of its own in the past few years. Facebook launched video, carousel, and Canvas ads to capitalize on the growth of mobile traffic; Instagram has expanded its ad inventory and Snapchat has given users the ability to personalize their photos and videos in a constantly rotating number of ways. Social ads will

continue to evolve as channels compete with one another and as new technologies develop. Where social advertising differs from standard display is in its ability to target audiences at a much more micro level, incorporating things like household income, purchasing habits, active time on network, product/brand affinity, political or religious leanings, and other attributes into defining audiences.



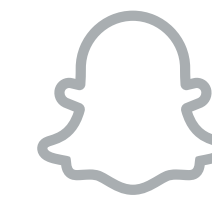
Facebook

Display Ads
Carousel Ads
Canvas Ads
Lead Ads
Video Ads
Promoted Posts



Instagram

Display Ads
Gif Ads
Carousel Ads
Video Ads



Snapchat

Filters
Geo-tagging



Pinterest

Sponsored Pins
Promoted Pins



LinkedIn

Display Ads
Text Ads



Twitter

Promoted Tweets
Promoted Accounts
Promoted Trends

Programmatic Buying

Programmatic buying isn't a channel as much as it is a tactic to help optimize the buying and selling of digital media; programmatic arose out of the need for brands to automate their media buying process to save on labor, and by definition is the algorithmic buying and selling of advertising inventory in real time. Because the process is completely algorithmic and happens in real time, programmatic campaigns over time evolve to serve ads to only the most relevant audiences, which generally leads to improvements in campaign effectiveness.





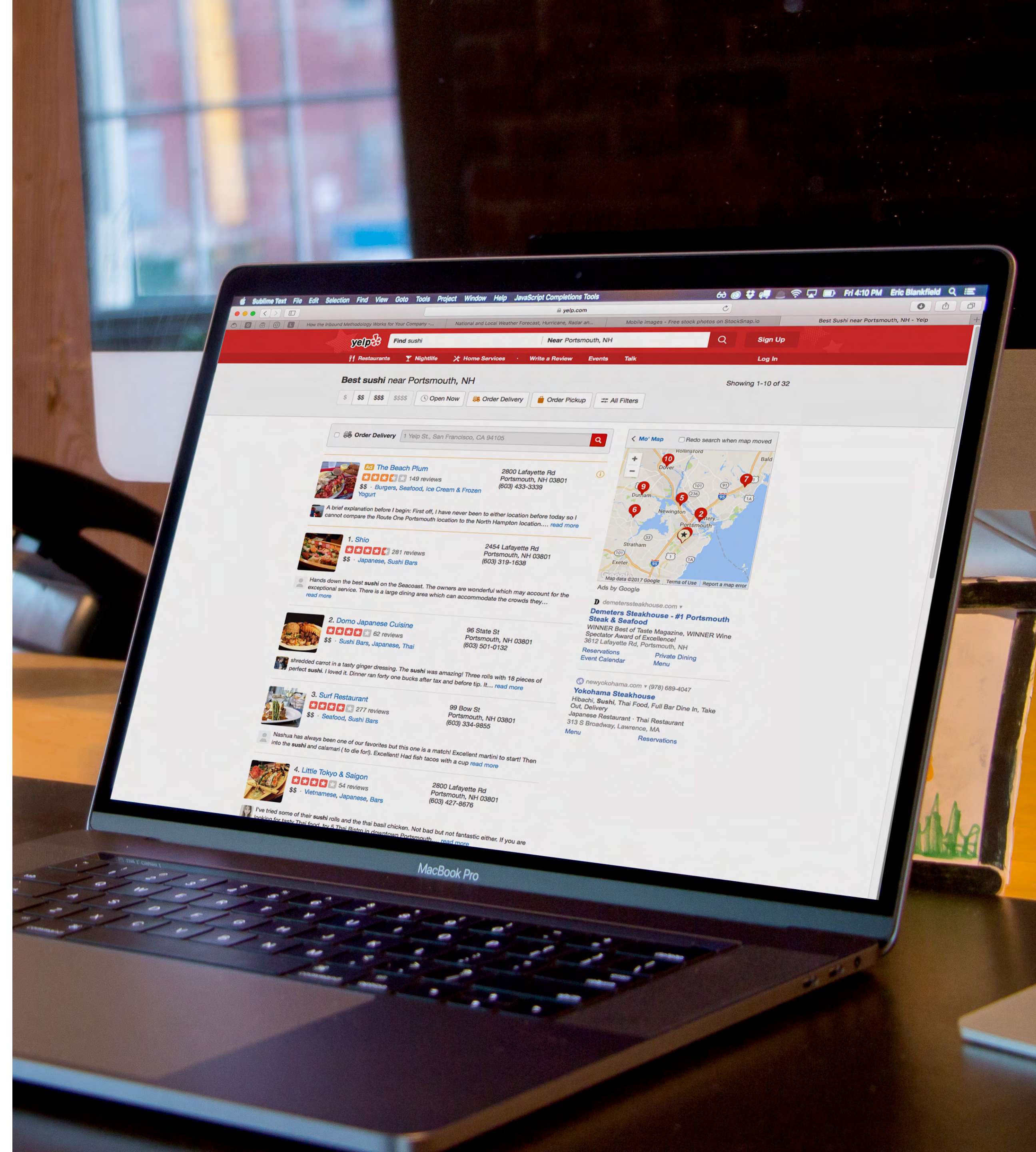
Mobile Advertising

Sure, mobile advertising could mean serving search or display ads to users on their phones. But in this case, we're talking about serving ads to users based on where their mobile device is at a given time (which is hopefully where they are as well). Technology that targets users based upon their current location allows brands to serve ads to users who may be leaving the store of their competitor, might be near a store when a sale is ongoing, or may be traveling nearby.

A more sophisticated form of this tactic is beacon-based marketing, which allows stores to place sensors (beacons) throughout their stores to target ads to users based upon the department that they're actually in, although this has not yet caught on as it requires users to constantly be checking their phones while shopping, which is a user behavior that hasn't been widely learned or adopted yet.

Directory Advertising

You know about directory advertising, because every time you check out a local restaurant on Yelp or research a hotel for your next vacation on TripAdvisor, the first thing (and usually things) that you see is a sponsored review. Advertising with directories has multiple benefits in addition to the sponsored reviews. Advertisers who partner with directories traditionally see more positive reviews show up on their pages, can select which images to feature on their pages and will often have added abilities to respond to reviewers both on- and off-page.





Local Advertising

If you think that mobile advertising and local advertising are the same things, you wouldn't be alone. While mobile ads depend upon the user and the device, local marketing relies on establishing partnerships with local sites, chambers of commerce, or media outlets to secure featured positions on their sites (these may not necessarily be inventory-based positions; they could be links or featured articles, etc.). While these spots may not be as valuable as they once were, they still represent opportunities to get significant exposure among a local audience, the value of which shouldn't be discounted.

Product Feed Advertising

While standard retargeting allows brands to promote themselves to users who are already familiar with their site, name, and maybe products or services; product feed remarketing allows brands to promote their products to users who have already seen them. This not only increases product familiarity, it also increases the likelihood that users will make a purchase that they may otherwise have stopped considering.



Native Advertising

Native is simply inventory bought on articles hosted by other publishers. Anytime you've read an article on time.com or any other similar site that's had links to other content in or following the body copy, you've seen native advertising. In an ideal world, the headline of the promoted content would bear a close relevance to the article itself, but this isn't always the case.

IoT Marketing

As our homes, offices and lives become increasingly connected, the Internet of Things will start to play a larger and larger part in how we're advertised to. Have a connected thermostat and need to keep turning the heat up? It won't be long before you see an ad for furnace repair. Use your Amazon Echo to order dog food regularly? You'll be seeing ads for groomers before long. Did your FitBit notice a significant decrease in movement over the past month? You're due for an ad for local gyms.



Best Channels by Industry

There are many channels and tactics that advertisers can include as part of their strategy, but how to choose the right ones for your brand is no easy task. This simple table should help you to better understand which channels work best for which industries:

Channel	Advocacy	Auto	B2B	Consumer Services	E-commerce	Education	Employment Services	Finance & Insurance	Health & Medical	Home Goods	Industrial Services	Legal	Real Estate	Technology	Travel & Hospitality
Search	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
Display		✓			✓			✓		✓				✓	✓
Social	✓	✓	✓	✓	✓			✓	✓	✓			✓	✓	✓
Programmatic					✓	✓	✓	✓		✓			✓	✓	
Mobile		✓		✓		✓	✓	✓	✓	✓		✓	✓		✓
Directory			✓	✓							✓	✓	✓		✓
Local	✓	✓		✓		✓		✓	✓		✓	✓	✓		✓
Feed					✓					✓					
Native						✓						✓			✓



Getting Started With Digital Advertising

WHERE TO START AND GETTING SET UP

Before We Get Started

When you're starting a new digital advertising campaign, excitement and enthusiasm can be very high and you probably want to get to launching your ads as quickly as possible, but this can be a dangerous approach; one of the biggest mistakes that digital advertisers can make is to not have a strategy in place before launching their ads. This not only can result in confusion and frustration, but also more notable issues such as reporting errors, overspending or under-serving, and possibly even more serious issues such as ad disapproval or account banishment. So think twice before you press the big red button.



A hand is pointing at a document that features several logos and icons, including a blue square, a green circle, a yellow square, and a red square. The background is a blurred image of a hand pointing at a document with various logos and icons.

Where To Start

Unless your brand already has a strong presence and/or following on social media, we always recommend that our clients get started in digital advertising by running search ads in Google AdWords for 30 days. At any given point, AdWords has around two-thirds of the search market cornered, which means that it's safe to expect that you'll be able to reach a large majority of your audience via search ads.

(We're getting ahead of ourselves here, but we generally recommend a four-phased approach to starting in digital advertising; if after these 30 days, things are going well, we recommend exploring expanding your AdWords campaigns and adding in

some display campaigns, be they Google display or foundational social advertising [think Facebook/Instagram or LinkedIn] as part of a second phase that would last 60 days. Phase three usually lasts 90 days would include a display ad expansion, and phase four generally runs for 180 days and may include the addition of more aggressive or sophisticated tactics, such as programmatic, mobile or feed-based marketing.)

There are a number of boxes that you'll need to check in order to get started in AdWords, and we'll outline them for you on the next slide.



GETTING STARTED IN ADWORDS

Account & Campaigns

To create an account, go to google.com/adwords and set up your account, keeping in mind that Time Zone and Currency can not be changed after creation. Be sure to add your billing information or else your campaign won't be able to go live. Create a Campaign (initially, this will happen by default, but after you've created your first campaign, you'll be able to add more by clicking the red "+ CAMPAIGN" button).

- Name your campaign
- Select your type - "Search Network Only" is generally best for your first campaign
- Choose whether or not you want to opt into search partners (sites like ask.com)
- Set your locations and languages
- Set your bid strategy - Enhanced CPC or Maximize Clicks are best if you don't think you'll have a lot of time to manually manage bids, but Manual CPC is the default
- Set your default bid and budget
- Choose any ad extensions that you may want to employ initially

GETTING STARTED IN ADWORDS

Ad Groups & Ads

Enter your landing page - this will help AdWords to recommend ad groups based upon recommended keywords

Name your ad group(s) and set your maximum bid - this will apply that bid to all keywords in the ad group unless keyword bids are set manually

Add your keywords, keeping in mind that keywords share key attributes (i.e. “dog collar” and “dog leash”) should be grouped together, and that keywords that do not (i.e. “dog collar” and “horse lead”) should not

Repeat this process as many times as necessary (you can add Ad Groups in the future by navigating to the “Ad Groups” tab and selecting the red “+AD GROUP” button)

Select your final URL and remember to tag it with the proper UTM parameters (you can use [Google’s URL builder](#) if needed to help with this) so that you can track all ad traffic properly in Google Analytics

Write your ads - remember that headlines are 30 characters each, and that descriptions are 70 characters. The best performing headlines are generally closer to 30 characters between the two lines, and the best performing descriptions make use of as many of the 70 characters as possible

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