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Adding Value to AdWords Advertising

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This is a breaking story about Google AdWords based on several rumours, readings and conversations. There is a fair likelihood that some information here is erroneous. In an email, Google Advertising PR Michael Mayzel stated, "We are not providing comment." If correct the implications are huge and might provide Google advertisers critical protections they've been asking for.

Google is about to announce significant changes in the way it does business with its advertisers.

As owner of the most successful pay-per-click search business, AdWords, Google wants to continue its dominant role in the sector's accelerating growth phase. Revenues from contextual advertising account for over 90% of Google's annual income and are the bedrock their stock values are staked on.

Having read a growing number of articles and blog-posts describing poor experiences with AdWords over the past six months, Google has grown concerned about the publics' confidence in the AdWords/AdSense model. Reports of increasing click-fraud and decreasing ROIs have advertisers looking for other options and competitors are emerging from all directions.

Starting this week, Google appears to be taking steps to radically improve their relationship with their clients by offering advertisers more control over their AdWords campaigns.

While most of the world thought it was away skiing in Lake Tahoe, Google rented a large conference hall in San Francisco and treated 1800 of its sales staff to a day long seminar detailing changes to the AdWords advertising environment.

According to the [Silicone Valley Watcher blog](#) Google is about to give advertisers and SEMs who have achieved Google Advertising Professional certification a lot more control over their AdWords accounts. Sometime soon, Google is going to announce the release of an application-programming interface (API) that will allow advertisers or their third-party representatives control over the delivery, timing, geographic distribution and costs of AdWords advertising.

This move comes at a time when Google is facing increasingly stiff competition from well-known rivals Overture and Kanoodle and new arrivals, AOL and MSN. AskJeeves and Lycos also present growing challenges to Google's dominance of the PPC sector in North America while eSpotting continues to offer European alternatives.

Google is hoping that by offering advertisers a greater sense of control over the costs of campaigns and contextual delivery options, they will retain current advertisers and win back the loyalty of advertisers experimenting with competing systems. Allowing advertisers the ability to effect where and when an ad appears, gives them the ability (and responsibility) to limit the damage from click-fraud. If the number of click-throughs from a geographic area suddenly increases without a sudden increase in sales, the

advertiser can simply remove that geographic location from their campaign targets. One of the sub-rumours making the rounds says Google will allow advertisers to automate their interactions with the API.

Giving this level of control to advertisers will require a new set of reporting tools that should make it much easier to determine the micro-effectiveness of AdWords campaigns. After fears of click-fraud, advertisers noted a lack of account management and reporting as their biggest problem with the AdWords program. Better reporting tools that offer a strict accounting of monies spent and strong estimates of monies needed should alleviate many of those concerns.

Allowing advertisers to determine the size, scope and distribution of their campaigns could provide the tonic Google needs to successfully revamp its most successful offering. Not being known to do smart things in halves, there is an expectation Google will now set to work out kinks in its relationships with AdSense distribution partners.