

Figure 7-8: The Traffic Estimator helps determine the best CPC bid for your Ad Group's keywords.

HOW PRICING WORKS

1. Maximum cost-per-click = the most you'd pay for a click [?]
2. Higher maximum cost-per-click and clickthrough rates = higher position and more clicks [?]
3. AdWords Discounter automatically reduces your average cost-per-click to be just 1 cent more than the minimum necessary to stay ranked above the next lower ad. No more need to monitor and revise your prices [?]

Choose currency and maximum cost-per-click

USD \$

Traffic Estimator					
Keyword	Clicks / Day	Average Cost-Per-Click	Cost / Day	Average Position	
"cd purchase"	0.4	\$0.26	\$0.11	3.6	suggest keywords / delete
"download music"	160.0	\$0.38	\$59.55	3.8	suggest keywords / delete
"music streaming"	2.2	\$0.18	\$0.39	1.7	suggest keywords / delete
"online music"	32.0	\$0.28	\$8.76	2.5	suggest keywords / delete
Overall	194.6	\$0.36	\$68.80	3.5	

[Change Keywords](#)



When setting your Ad Group's maximum cost-per-click (CPC), ignore Google's initial suggestion that appears in the bid-entry box. Nobody knows where those preposterous default suggestions come from; I believe Google pulls them in from *The Twilight Zone*. Play with different CPC amounts and observe what they do to your estimated ad placement and your estimated daily expense. Acquiring the number one position for your keywords might seem too expensive, and knocking your CPC in half could keep you in the second or third spot while getting your daily expenses under control. Fiddle with the CPC amount until you find the estimated sweet spot for your budget and visibility needs.

The lesson here is that arbitrarily setting a low daily budget while testing, purely in the interest of saving money, merely prolongs the test. There's no way to avoid purchasing the clicks necessary to sustain the campaign until it reaches a decent number of impressions. The faster you correct failed tests, the sooner you get to a profitable campaign. The fastest track to positive ROI is a willingness to make the daily expenditures necessary to test quickly.