

How Much Does A PPC Campaign Cost?

PPC campaigns can cost between £1 and £1m+ depending on the budget of the advertiser. Average monthly budgets are around £1,500. There are several things you should consider when working out your ppc campaign cost and budget.

- 1. What can you afford?
- 2. How expensive are the cost per clicks?
- 3. What is the return on your ad spend?
- 4. How busy do you want to be?
- 5. Who will manage your campaign?

Let's look at those individually.

What can you afford?

Even if your PPC campaign provided positive returns on investment on a £1m spend, you wouldn't leap in with that sort of budget, you will of course consider your cash flow.

Start with a budget that you are comfortable with. We'd recommend a minimum of £500 per month which will be enough to generate data, results and give you a feel for how profitable you campaign is. You can always increase your budget as the campaign generates new customers and cash-flow.

How expensive are the cost per clicks?

CPCs will help you determine your ppc budget. CPCs can range from pennies to clicks that cost in excess of £100 depending on the competitiveness of the keywords you are targeting. Check out your estimated cpcs before setting your budget.

What is the return on ad spend?

This is one of the most important things to consider when deciding how much to spend on a ppc campaign. If the campaign generates a positive Return On Investment (ROI) or Return On Ad Spend (ROAS) then you can scale your budget until the marginal increase in ad spend is equal to the marginal profit derived from it.

Effectively, you should have an unlimited budget as long as the campaign is profitable and satisfies the other points we've listed here.

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How busy do you want to be?

Often, your ppc spend will be determined by the volume of work you can cope with. There's little point spending out £1,000's if you cannot cope with the work it generates.

The flexibility allowed by PPC campaigns over other digital advertising means you can increase & decrease your budget depending on how much work you can cope with. You can even pause your campaign when you need to.

Who will manage your campaign?

You should also factor in <u>PPC company</u> costs. A pay per click agency may charge you a percentage of your ad budget as a fee or they may work on a fixed hourly rate.

What ever their fee structure you will need to allow for this cost within your overall budget.

If you decide to manage your PPC campaign yourself, then budget for the hours of time you will need to commit to maintaining & optimising your campaign.