

# THE HIDDEN COST OF BAD AD PLACEMENTS



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# Intro

**There is no more guesswork in advertising, but there are some new ugly surprises.**

Even when campaigns are set up properly by seasoned experts, ad copy is carefully written, and landing pages are well-built, there is still a very high probability of bad placements on the Google Display Network and YouTube that are draining your budgets with no potential for success -- every day.



# Wasted dollars

**It's extremely common for marketers (both on the agency and client sides) to focus on the wrong campaign data.**

Paying too close attention to “vanity metrics” as opposed to “success metrics” is often a key contributor to wasted ad dollars.

A couple examples of vanity metrics would be click-through-rate (CTR) and impressions, while success metrics would be things like conversion rate, cost per conversion, and ROAS. When it comes to both display and YouTube campaigns, it's easy to get caught up in vanity metrics.

For example, reporting to a client that their cold display campaign had a 5% CTR targeting a cold audience may seem like a win worth highlighting, but the real question should be “why is the CTR so high?”.

If conversion rates don't follow suit, then it's highly likely that there's a reason, outside of your awesome work, for the impressive CTR -- and it isn't good.

The positive side is that there is usually a relatively simple fix.



# How to run better campaigns and reduce churn

**Here are two real world examples of how poor ad placements for video ads on YouTube and cold display campaigns can waste tons of ad budget, and possibly cause you to churn clients in the process.**

## Wasted ad spend on the Google Display Network

**Your client launched another new product. The target demographic is female, age 35-45, who love to cook. You've perfected your campaign messaging and you're confident you'll get a great CTR if you place those ads on some of the most popular cooking and recipe websites.**

Your campaign is generating quite a bit of traffic, but you're not getting any conversions. What went wrong?

If you're like most, your audiences were created using a combination of demographic information as well as in-market and affinity audiences.

From a high-level, these things always appear to make sense and get advertisers excited about launching their campaigns. The targeting oftentimes seems too good to be true.



What you may have failed to realize is that no matter how great your targeting is, mobile apps and low quality ad-first websites (that have nothing to do with cooking) are chewing up the vast majority of your budget. The Google Display Network is enormous and includes millions of apps that they're more than happy to display your ads on.

After all, clicks equal revenue for Google, and mobile apps are a feeding ground for accidental clicks (and millions of dollars in cash).

## Wasted ad spend on YouTube

**You've built a great video campaign for your latest product. Your target customers are males, 25-45, with interests in camping and mountain biking. You build your campaign; Google Ads does its magic and aligns it with the best camping and trail-riding videos on YouTube. Your creative is outstanding and you know if you get the ads in front of your target customers, you'll drive high-quality traffic that should convert into sales.**

As the campaign begins to serve impressions, you realize that you've generated more clicks than you anticipated. Those clicks from YouTube took your prospects right where you wanted them—your landing page with exclusive offers for that target audience.

But your bounce rate is abysmal.

None of the clicks are converting and your average session duration is basically zero.



What did you do wrong?

In this example, nothing. You're right! Your ad creative is amazing. Your landing page is compelling. Your call-to-action is straight-forward, and your exclusive offer is a once-in-a-lifetime deal.

What you didn't account for, however, is all those clicks you're getting? They're actually generated by a kid... a child of your target customer... who used dad's tablet to watch cool trail-riding videos while dad worked. Every time your ad popped up and stalled video watching, the kid clicked at it repeatedly to close it, inadvertently devouring up your budget and leaving you with a bunch of vanity metrics (high CTR, lots of clicks, etc.), but no sales.

Scenarios like this can be especially prevalent if you're using YouTube ads for retargeting content. Your best prospects children are seeing your ads more than you'd care to know.



# What to do next

**There are two very specific things you need to look for in the event you find yourself generating lots of clicks and no conversions from YouTube ads (especially, retargeting ads).**

## 1. Make sure your ads are being served on the right devices

**First, identify which device type the majority of your most important conversions come from.**

It's very likely that a lot of your spend is being allocated to mobile devices on YouTube. If you find that the majority of your conversions across all channels come from desktop, then, at a minimum, you should apply a negative bid adjustment for mobile devices for your video campaigns.

In some extreme cases, you may want to remove mobile traffic entirely, in which case you should apply a -100% bid adjustment.

## 2. Bulk up your exclusions list

### YouTube campaigns

**The next step you'll want to take is to investigate the placements that your video(s) have been shown on.**

Once in the Placements report, you'll get a full list of all the YouTube channels that your ad(s) have been running on.





More than likely, you'll find several channels that should be excluded right away. Usually, these are channels related to kids. Many YouTube channels related to kids actually have the word "Kids" in the title, so it should be pretty easy to identify them.

Conduct a few quick Google searches for things like "list of kids YouTube channels" and you'll get a head start on your exclusions list.

Think of this exercise similarly to how you add negative keywords to your paid search campaigns. You start off with a healthy size list of things you know for sure you don't want, then you expand it over time by continuously negating irrelevant placements as you see them come in over time.

Pay extremely close attention to the Placements report as your campaigns run. It may take a while to get it cleaned up completely, but it will be more than worth the effort.

### **Display campaigns**

**Again, you'll want to look at the "Where ads showed" report under "Placements".**

Here is where you'll find all of the Google properties your ads were displayed on. Sort the "Clicks" column from most to least and you'll probably start to see a lot of activity from mobile apps (you can find that under the second column labeled "Type").

If you have indeed revealed that mobile app placements are the culprit to your underperforming campaigns, then start excluding them.



Under “Placements” find “Exclusions” and then select “App categories (141)”.

By excluding all app categories instead of individual apps, you can essentially eliminate placements on every app in the world. It would be virtually impossible to exclude each app one-by-one.

Accidental ad clicks are a massive problem for display and video campaigns. In 2021, accidental clicks are among the top reasons for performance issues. And while display ads and video ads are common places for this to happen, you can also encounter wasted ad spend across mobile apps, such as games, VPNs, and more.

All agency owners have experienced inheriting messy ad accounts from their clients’ former agency partner. Almost always, there appears to be immediate room for improvement, which is typically the catalyst for winning the clients business. Ultimately, letting them know that their campaigns are inefficient (re: wasting ad spend on junk clicks) is what helps move the needle for many agencies today.



# Protect your digital marketing ROI.

