



Lead Generation 101:  
**Cost Per Click (CPC)**

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# Cost Per Click (CPC)

When a website struggles to gain a high search ranking for certain keywords or key phrases, CPC might be the most effective strategy for gaining new leads. CPC involves creating a simple call to action website that can convert consumers into a lead or sales, as they search for a product.

## *Be Found*

Cost Per Click, or CPC, is used in online advertising. CPC defines the revenue a publisher will receive each time a user clicks an advertisement link from their site. For example, Google – when a visitor clicks one of the ads, the user is directed to the advertiser’s website. Each link is recorded by a tracking system and Google is paid a predetermined amount based on the cost per click.



In this White Paper, part of the Lead Generation 101 series, we provide an overview of Cost Per Click; a valuable element in lead generation, especially in a market that may be saturated and organic placement is more difficult to achieve.

## First Things First

To start a CPC campaign you must first acquire a Google, or Yahoo/Bing marketing account. This will allow you to create ads that will be visible to Internet users as they search for specific targeted keywords and key phrases. Once your account is setup, you will be able to pick the keywords and key phrases you want to target and then you can bid for the top spot for those words and phrase.

Let's say your company sells cat food, but you're having a hard time getting a high ranking for the keywords you're targeting, such as "cat food," "kittens," "pet food," or even "cats." Creating a CPC campaign will allow your website to come up whenever people search for those specific words. You only pay when someone clicks on your ad and visits your website, hence the name Cost Per Click.

Like any advertising campaign, there is risk associated with it; CPC lacks conversion – usually due to landing pages that are not optimized to convert the traffic generated by the campaign. Also, many lead generators spend too much on their bids to get the top spot for keywords and don't convert what they expect. What advertisers need to pay close attention to when using a CPC campaign is their Cost Per Lead (CPL).

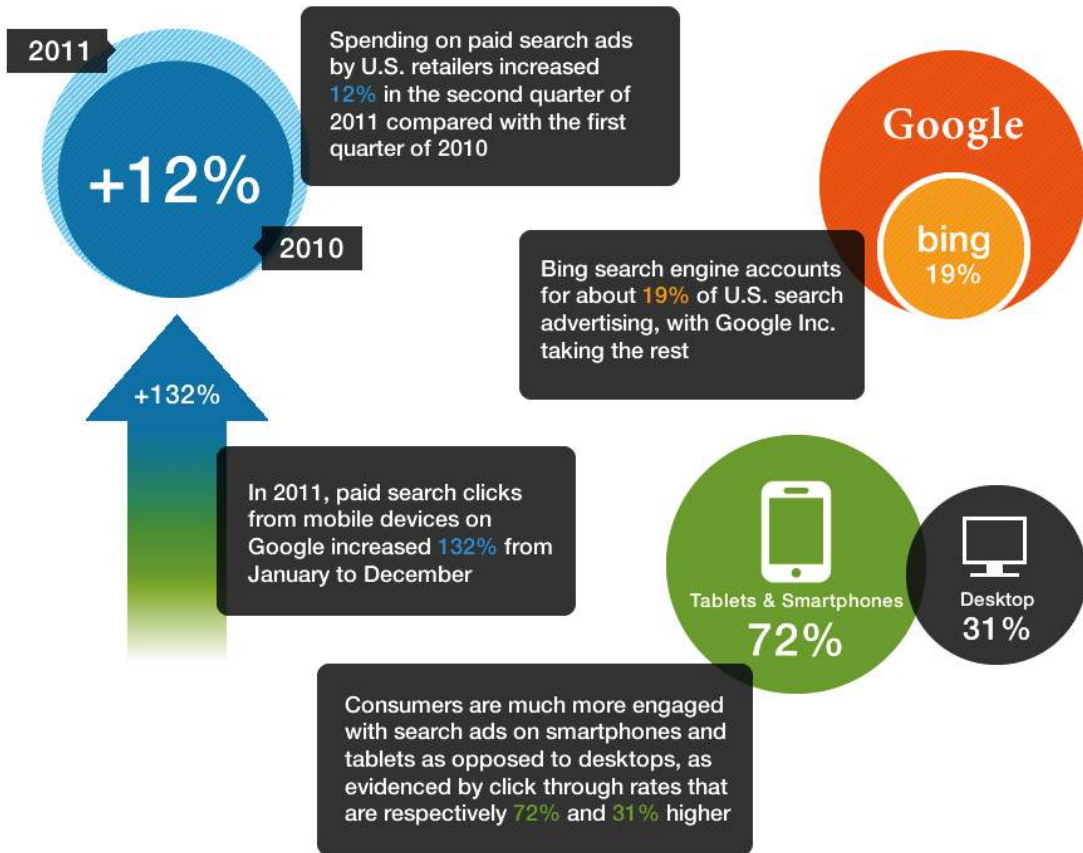
## Measure Cost Per Lead

Let's say you're paying \$2.00 per click, and it takes 10 clicks to convert a lead; your cost per lead is \$20. Depending on the lead type, which might not be a bad CPL, but if it takes 20 or 30 clicks to convert a lead, you're paying \$60 for each lead. Unless you're selling gold bullion en masse, that high cost is going to hurt your business. Make sure to set daily spending caps so you do not risk large expense with small gains.

To succeed using CPC, you need forms that contain clear calls to action. You can create your forms yourself or hire a professional programmer for between \$250 and \$500 to create them for you. If you already know a great deal about SEO, then the cost of running CPC lead generations campaigns may not make financial sense for you.

CPC is a great way to augment your existing volume of leads and in some cases it can even help you with SEO. It is not a bad idea if you are promoting a particular site via SEO to also do some CPC to kick it off. Scale back once your SEO results start to improve; you should not rely on CPC as your primary lead generation method.

*Tip: Consider outsourcing. Many CPC experts will charge you a percentage of your monthly bill.*



\* Search ads on smart mobile devices also have lower costs-per-click than desktop ads

## About ClickPoint Software

ClickPoint Software is a lead distribution and lead management company dedicated to decreasing costs and increasing ROI for our customers. Our easy-to-use, easy-to-implement software gives sales and marketing teams the tools they need to distribute, track and manage leads in real-time, helping to increase conversion rates. Unlike other lead management software, ClickPoint offers a complete solution that can stand alone or integrate with existing systems.

ClickPoint Software products help our clients – from the Fortune 500 to small and mid-size businesses – increase efficiency and decrease cost so they can improve ROI in as little as 90 days, so they can focus on profits, not process.

## Want to learn more?

The Team at ClickPoint Software has created this series, Lead Generation 101, to provide marketing and sales professionals more detailed information on the best practices for generating more leads. Download the entire series at [www.clickpointsoftware.com](http://www.clickpointsoftware.com)

Schedule a LIVE Demo of our software solutions and receive a Lead Generation ROI Report at no cost.