

# Seo vs. ppc: knowing which is right for your website

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When it comes to boosting traffic to your website, you have two basic options: (PPC) advertising or (SEO).

You can pay for traffic using the PPC advertising programs provided by , Yahoo Search Marketing and others. They enable you to display ads in the sponsored results section of each search engine's results page. Then, you pay a fee -- based on how competitive your chosen keyword is -- whenever a viewer clicks through from your ad to .

Alternatively, you can build traffic for free by achieving high rankings in the natural search results -- the listings displayed next to the sponsored results. You will need to follow SEO best practices to try to get your site displayed on these pages more prominently and more often. It may take time to reach the top of the natural results, but the free, targeted traffic will probably prove to be well worth the investment.

But which approach is better? It depends on your needs and budget. If you want more traffic fast and are willing to pay for it, then PPC might be right for you. But if you're operating on a shoestring budget, it may make more sense to invest time in chasing high search rankings through SEO.

Here are three questions to consider when deciding whether SEO or PPC is best for your business:

1. How large is your website advertising budget?

In choosing between SEO and PPC, you first need to decide what size advertising budget your business can support. You can set your daily

spending limit as low as you'd like, but it can be a good idea to start with a minimum of \$5 to \$10 a day.

If you have no money to commit to advertising, you'll need to stick with free SEO methods. But if you have even a little capital to invest in PPC advertising, consider giving it a try because it offers a number of benefits, including:

- **Faster testing.** Websites should focus on achieving conversion, whether it's selling products, signing up email newsletter subscribers or some other action. That means actively testing website variables to improve conversion rates. These tests, however, require traffic to generate data, so you might want to purchase traffic through PPC advertising to get faster results.
- **Protection from SEO algorithm updates.** One major weakness of SEO is that algorithms change from time to time. When that happens, sites that have been optimized in one way can lose rankings -- and profits -- practically overnight. But when you pay for traffic, you're assured a steady stream of visitors, no matter what changes Google and the other search engines make.

PPC has a learning curve, though. Start with small, highly targeted campaigns and tie your PPC campaign to your account. It can tell you which conversions are from PPC visitors and whether your ROI is positive or negative.

## 2. How high are the average CPCs in your industry?

In addition to setting your overall advertising budget, take a look at what other people in your industry are paying for ads.

PPC platforms typically allow users to bid what they're willing to pay for a single keyword click -- a fee that's referred to as "cost-per-click" (CPC). For instance, if you want to reach people searching for the keyword phrase "car insurance online," you could use the within the free Google External Keyword Research Tool and see that the average CPC for the phrase is \$2.76.

But average CPCs can run much higher -- \$28.55, for example, for the phrase "auto insurance." Those prices make it more difficult for new advertisers to turn a profit from PPC traffic. In such cases, SEO might be a better choice.

## 3. How competitive are the SERPs in your niche?

You also will want to determine how competitive the search engine results pages (SERPs) are for your target keywords. To do this, enter your keywords into the Google External Keyword Research Tool, which will tell you the estimated competition level, as well as the number of advertisers bidding on your keywords and the average CPCs.

In the most competitive industries, you may find that results pages for your target keywords are dominated by authority websites. They can be nearly impossible to displace without a significant investment of time and money. In such cases, it may ultimately make more sense to pay for traffic via PPC promotions.

But it isn't always necessary to make an "either-or" choice. When combined, PPC and SEO can be quite powerful. Ask yourself these three questions and determine the optimal mix of PPC and SEO for your website.