

# white paper

## 4 Steps to Better Keyword Grouping

*Strategies for More Effective & Profitable Keyword Segmentation*



**WordStream**

© 2009, WordStream, Inc. All rights reserved. WordStream technologies are protected by pending US patents.

---

## 4 Steps to Better Keyword Grouping

### *Strategies for More Effective & Profitable Keyword Segmentation*

#### Introduction

If you only have time for one change to improve the overall performance and value of both your pay-per-click marketing and search engine optimization efforts, turn your attention to keyword grouping.

Far from a single, isolated process, keyword grouping represents a paradigm shift for search marketing. Better keyword grouping and organization can transform every aspect of your search campaigns, resulting in greater efficiency, more conversions and higher profits.

Effectively grouping and organizing your keywords improves your PPC and SEO strategies by enabling you to create:

- More **relevant, Quality Score-friendly** ad groups, text ads and landing pages
- A **prioritized** flow of web content, based on customer interest, to drive traffic and conversions
- An **organized, navigable** information architecture favorable to users and search engines

When you segment your keywords, PPC campaigns are more successful and cost-effective from end to end, and organic SEO initiatives provide even more targeted traffic.

The benefits of keyword grouping are clear, but it can be tricky in practice. In this white paper, we'll lead you through four basic steps to more successful keyword grouping and introduce WordStream, a unique keyword management solution that simplifies and streamlines the keyword grouping process.

Let's get started!

#### Step 1: Create top-level keyword groups

The first step—going from a scattered sea of keywords to a few main groups—can be the hardest. If you've done proper keyword research, you've aggregated many keywords from sources both public (keyword suggestion tools) and private (Web analytics and log files). Now what?

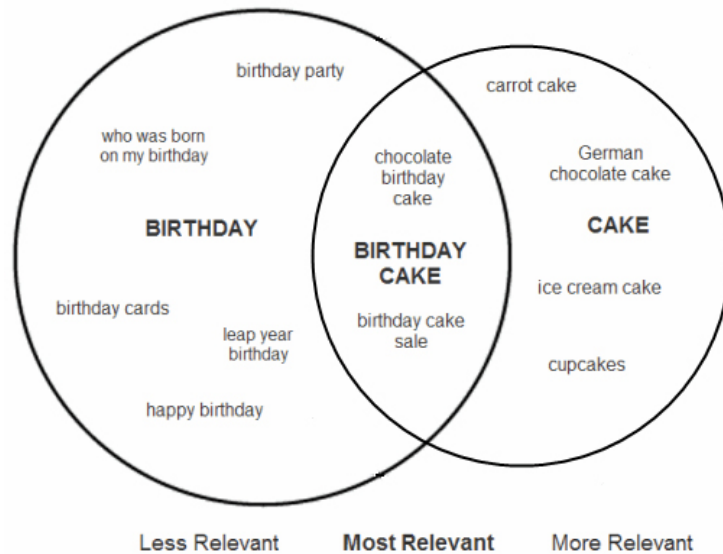
When you're unsure where to begin, look to your own customers and visitors. This data can be found in your *keyword analytics*. Create groups around those keywords that are currently driving the most traffic and conversions first. This will help you prioritize actions as you move forward.



**What makes a good top-level keyword group?** First of all, a top-level group should be broad—the idea is to build a *hierarchy*, or *taxonomy*, with large, general groups that branch into smaller, more specific subgroups.

A strong top-level keyword group is usually one term, often a noun, and should be *differentiating* for your business. These terms generally represent your broader business *offerings*, be they products (like “shoes” or “vitamins”) or services (such as “plumbing”).

For example, say you own a bakery and one of your top-performing keywords is “birthday cake.” The below figure illustrates the overlap between “birthday” keywords and “cake” keywords. Which term is more differentiating? Which is more likely to be the offering?



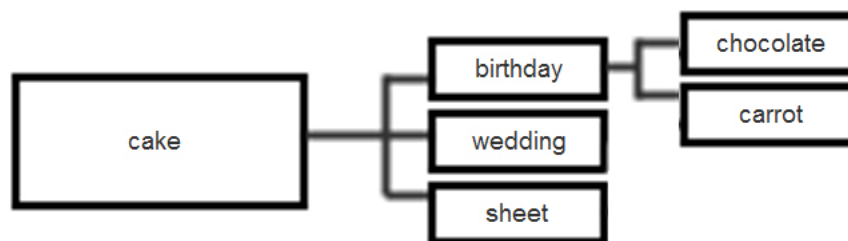
The answer is “cake”—there could be many different queries that include the word “birthday” but are not particularly relevant to a bakery’s offerings, but queries that contain “cake” are very likely to be relevant. “Cake,” as one of your offerings, is a good candidate for a top-level keyword group.

Once you create your first top-level keyword group, other promising top-level groups may present themselves. Other broad categories of baked goods are a good bet, such as “pie” and “cookies.” These offering categories will correspond to your *campaigns* in Google AdWords (or other PPC platform). Similarly, they may serve as bucket pages on your website, so that visitors can easily find what they are looking for by landing on a category page and navigating down to their specific need.

## Step 2: Create smaller, more specific subgroups

After you have some top-level groups in place, the next step is to *segment* them down into more targeted subgroups. Second-level groups usually contain a *modifier*—a term that further specifies the offering your top-level group represents. Accordingly, second-level groups are often types, brands or other salient detail.

Second-level groups under the “cake” keyword group might include occasions and flavors or kinds of cake. Note that “wedding,” for example, is not an adjective, but in the context of the keyword “wedding cake,” it modifies the term “cake,” telling you what kind of cake it is. The figure below shows a branch of a keyword group “tree.”




The most optimized, search-friendly websites create third- and even fourth-level keyword subgroups, ensuring ad groups, ads, and landing pages that are maximally specific and targeted to a range of queries. Each subgroup should reveal another *layer of intent*—the query is the searcher’s way of telling you what they’re looking for, and longer queries tend to demonstrate the most intent to purchase.

The deepest level of intent, corresponding to the smallest subgroup, will often include an *orientational* term, or one that suggests the orientation of the searcher’s interest toward the offering in question. Orientational terms include *transactional*, *investigative*, and *instructional* terms.

Orientation	Examples	Action/Goal
Transactional	“buy,” “pricing,” “sale”	Make purchase
Investigative	“reviews,” “compare”	Inform purchase
Instructional	“how to,” “tutorial”	Find resource

Transactional terms indicate that the searcher is late in the buying cycle. Investigative terms can also reveal high purchasing intent. Searchers that use instructional terms are frequently looking for learning resources like white papers or books—these too may be opportunities for sales or other conversions. Optimizing your web content for these orientational keywords is an excellent way to bring highly qualified visitors to your site—in other words, visitors that are more likely to convert.

 **How big should a keyword group be?** There is no hard and fast rule that dictates the number of keywords per group. Relevancy is more important than size—the keywords in a group should share a high degree of meaning. While there is no set number, it’s rare that keyword groups larger than 100 keywords are closely related, for most accounts. Similarly, search marketers rarely need to segment groups smaller than five keywords to maintain relevancy.

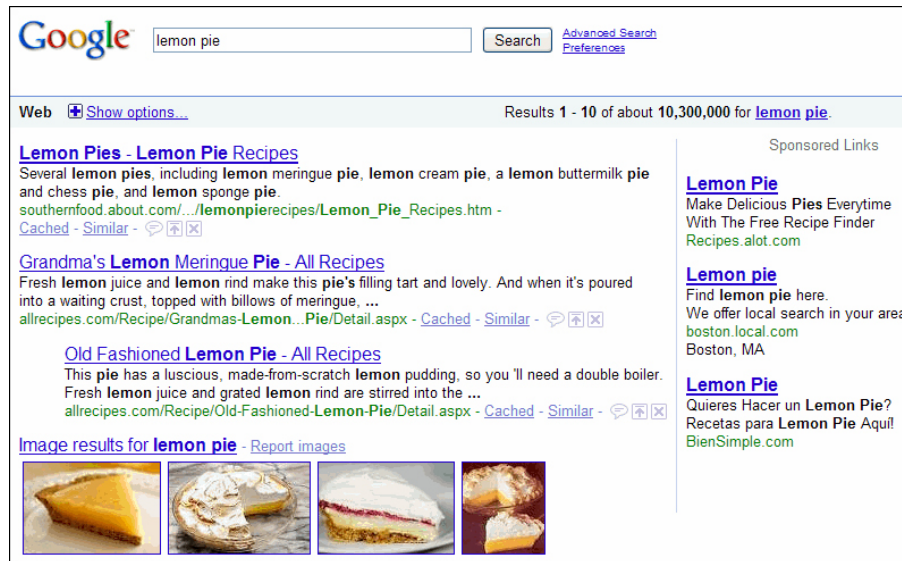
### Step 3: Optimize your keyword groups

Now that your basic hierarchy is established, you can address some smaller variables that may affect the performance of your search marketing campaigns.

**Plurals and Derivations:** Plurals and derivations (for example, “baking” is a derivation of “bake”) should be included in the parent group; do not create a separate group or a subgroup. WordStream automatically includes and sorts these terms.

**Misspellings:** There’s no need to create groups for common misspellings or even to include these in your keyword groups. Google and the other leading search engines are smart enough to recognize misspellings and redirect the searcher.

**Synonyms and Variations:** On the other hand, it’s a good idea to create separate groups for synonyms, due to the way search engines calculate Quality Score. Although “pie” and “tart” are very similar keywords, Google will judge an ad that includes the word “pie” for the search query “lemon pie” more relevant than one that advertises “tarts.” In addition, the words on a results page that exactly match the query are highlighted in boldface (as shown below) and will resonate more deeply with searchers. Writing separate copy targeted toward “pie” queries and “tart” queries improves both Quality Score and click-through rate (CTR).



**Duplicate Keywords:** You may encounter keywords that fit into more than one group. For example, if you have top-level keyword groups for “cookies” and “bars,” where do you put the keyword “bar cookies”? You have several options, all of which AdWords supports:

- Put the keyword in the more differentiating group. In this case you may decide that “cookies” is more differentiating than “bar,” and that you can write more compelling ad text for your cookies group than your bar group. However, this often comes down to a judgment call.
- Put the keyword in both groups. You may choose to test which group the ad performs better in.
- Create a separate group for the keyword. Here you might have three top-level groups, one for “cookies,” one for “bars,” and one for “bar cookies.”

## Step 4: Iterate and reiterate

Like all search marketing processes, keyword grouping and organization should be ongoing. As your business matures, it’s crucial to grow and improve your keyword research and your PPC campaigns. If you only complete the above steps once, your results will certainly stagnate; most likely, they’ll degrade.

Successful search marketers not only add to their keyword lists on a regular basis, they frequently revisit and refine their keyword groupings and organization. Expanding a certain branch of your business, for example, will require the creation of more keyword groups and corresponding web content. You also need to remain attentive to changes in your industry and competing businesses. Continuous research keeps you on top of market and keyword trends.

Unfortunately, these are difficult tasks. As a search marketer, you’re busy, and your time is valuable.



## **How do I monitor keyword performance, identify new keyword opportunities, and refactor those opportunities into my existing paid and organic campaigns?**

WordStream was built specifically to answer this question. It's an integrated online platform designed to lead users through every key step in the search marketing process, from initial keyword research to PPC campaign creation, with a focus on the benefits of strong keyword grouping and organization. WordStream includes tools to help you:

- Discover and analyze your best, most relevant keywords
- Aggregate keywords from multiple sources for a private, proprietary and ever-growing keyword taxonomy
- Efficiently group and sort keywords by relevance for maximally effective ad groups and web content
- Scrub groups of negative keywords to increase CTR and Quality Score
- Write targeted, compelling PPC ads and landing pages and manage bids and other campaign settings

By simplifying these otherwise complex and tedious manual processes, WordStream boosts your team's productivity. By increasing relevance, WordStream boosts the value of your PPC campaigns as well as your site's information architecture and organic rankings. It all adds up to better results in less time and at a lower cost, optimizing your return on investment.

### About WordStream, Inc.

WordStream is a provider of innovative, integrated keyword management solutions that simplify complex search marketing processes. Our patented software provides search marketers with a private, scalable online workbench for efficiently and continuously conducting PPC and SEO tasks including keyword research and negative keyword discovery; search query analytics; keyword grouping and organization; search marketing workflow and prioritization; and relevant ad copy and Web content creation.

WordStream believes that organizing, prioritizing, coordinating and executing PPC and SEO efforts around a comprehensive, well-researched and up-to-date taxonomy is the key to achieving search marketing success. The benefits of using WordStream solutions include increased productivity and greater relevance, enhancing the value of both paid and natural search marketing efforts. For more information about WordStream keyword management solutions and to sign up for a free trial, visit <http://www.wordstream.com>.