

Diamond Flight One – YouTube Case Study Extension

October 11, 2021

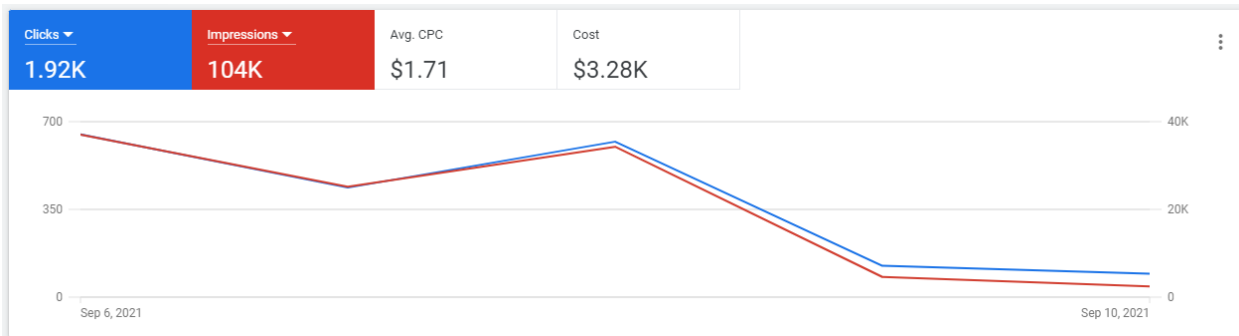
This is the first update after the YouTube case study, and basically acts as a continuation of our work by following the Profit Singularity course. Like you, I'm learning as I go along in this course, and I hope these updates help you in your own campaigns and ideas.

Now that the first few modules are up, I am more closely following Keegan and Chris Reader's teachings. For instance, I've moved our website and landing pages from Convertri (\$97/month) to GroovePages (free). Free is always good!

The only difference I found is that GroovePages is not as advanced. However, this is no barrier. With Convertri, you create your header and footer separately, then add them to as many pages as you want. Editing the header or footer in one spot changes across all pages.

However, this is minor because you only set up your website ONCE, so it is no big deal. Plus, you can't argue with FREE as long as everything works, and it does.

So, how is our original Diabetes campaign going? It is steady, however, ad costs are creeping up. For September 6th to 10th, average CPC was \$1.23 USD, which is decent but not fantastic, and total costs were \$2,296 (remember, the costs are in CDN dollars, so I convert at 30% to USD):



Also, I stopped running the ads on the weekends, because sales were slowest on those days, though Google had no problem spending our money!

Sales and stats for the same period:

Visits	Conversions	Conversion Rate	Commissions	Voided Commissions	Net Commissions	EPC
1,411	22	1.56%	\$2,420.00		\$2,420.00	\$1.72

- Visits: 1,411
- Conversions: 22
- Conversion Rate: 1.56%
- Commissions: 2,420.00
- Earnings Per Click: \$1.72

During that same 5-day period, I made 22 sales, for a total of \$2,420.00, giving us a profit of \$124 ... so, just squeaking by on a profit.

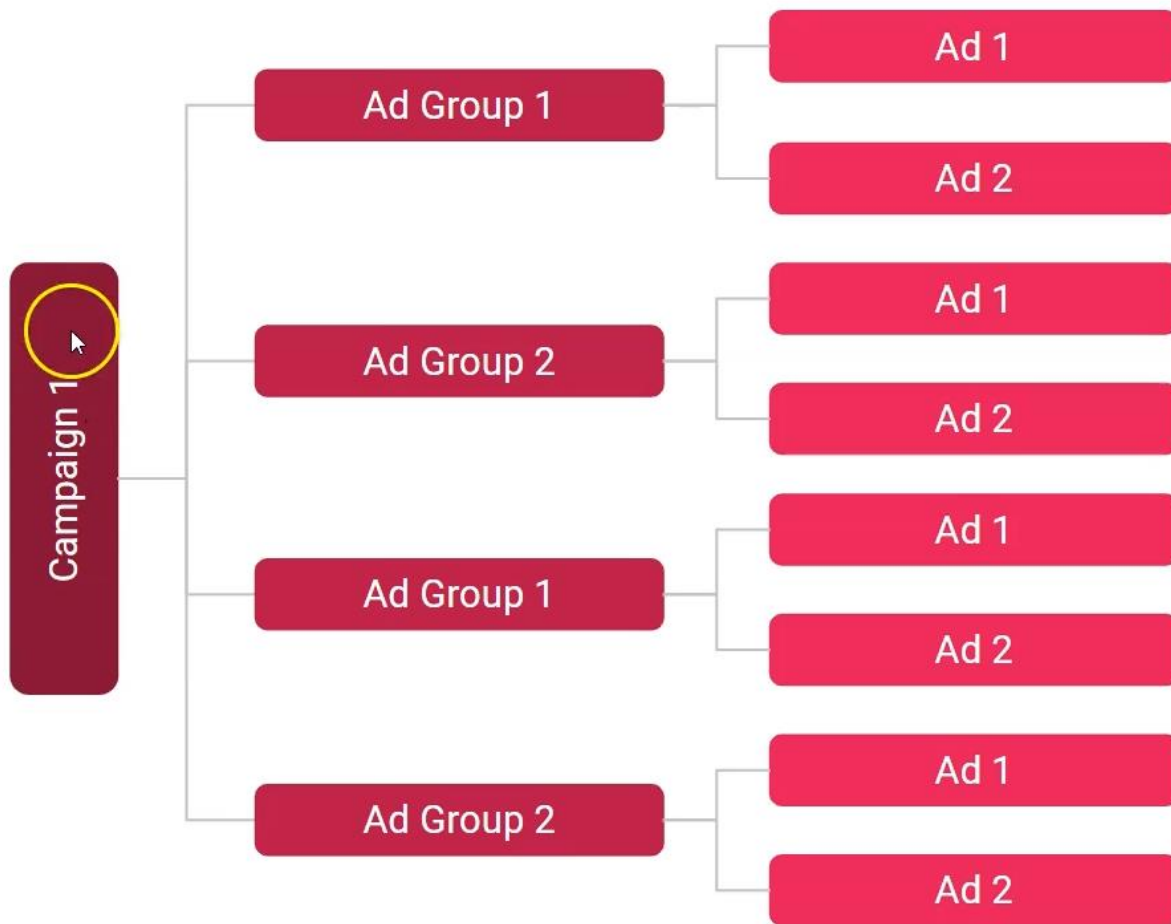
Note the conversion rate of 1.56%. That means, for every 100 visitors from my landing page to the actual offer, I made 1.56 sales. It's not bad, but it's something that can definitely be improved upon as well.

Admittedly, I didn't spend as much time on this campaign as I should have, simply because I was busy with webinars and gathering the other bonuses, among other work.

\$124 for the week is certainly not life changing, but it's better than a loss! However, I definitely had to do SOMETHING to get the sales up. In mid-September, the course had not yet been released, so I had no concrete guidance on how to scale, though I had ideas on how to optimize.

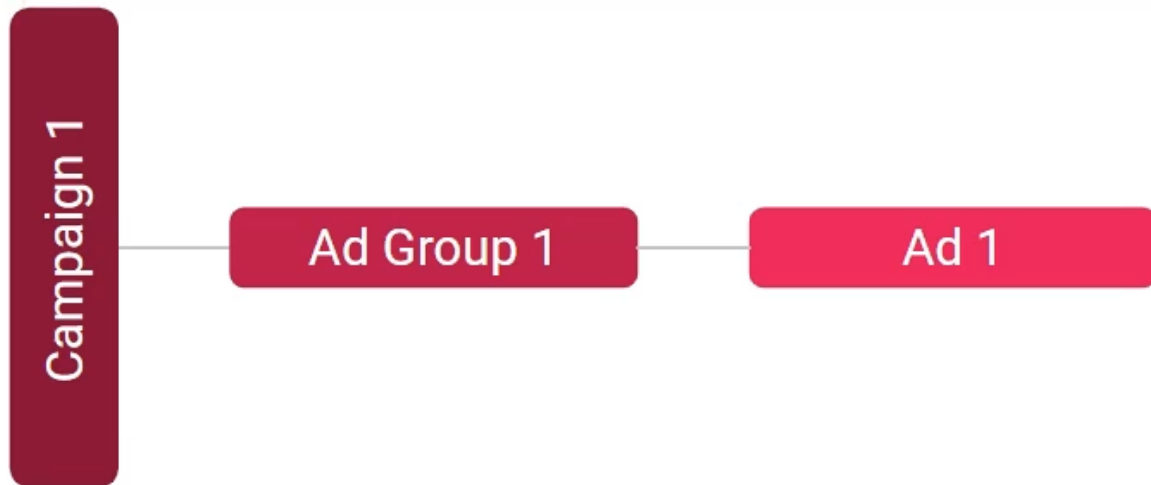
As of writing this (October 11th), Module 4 has just been released, which is the one I've really been waiting for, as this discusses scaling and growth. Watching the first video, I now have a much clearer picture of how to scale and grow.

Keegan's campaign structure is like this (screenshot from video):

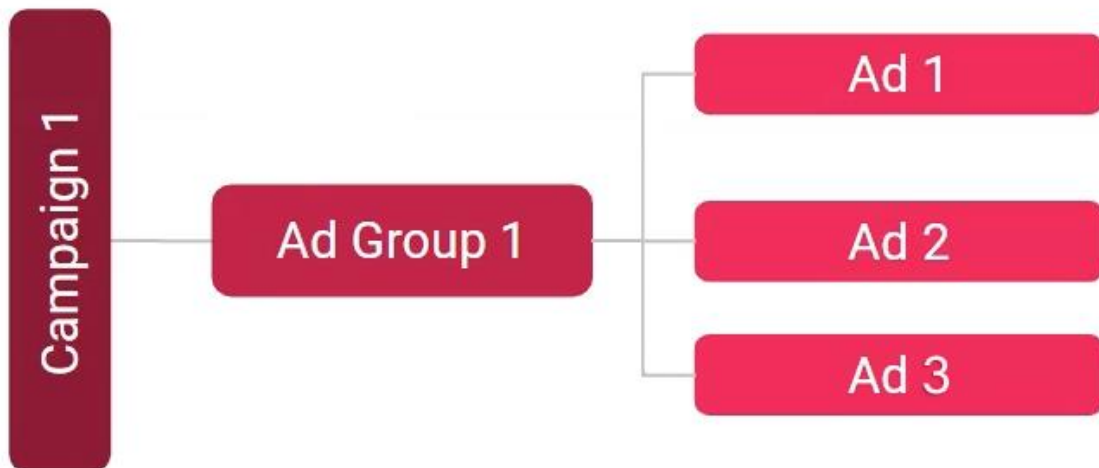


That is, per product, he has ONE campaign, and within each he has an ad group, and within each ad group he has one or two ads. Each ad group only targets ONE audience.

This was originally mine, which is a 1-1-1 campaign:

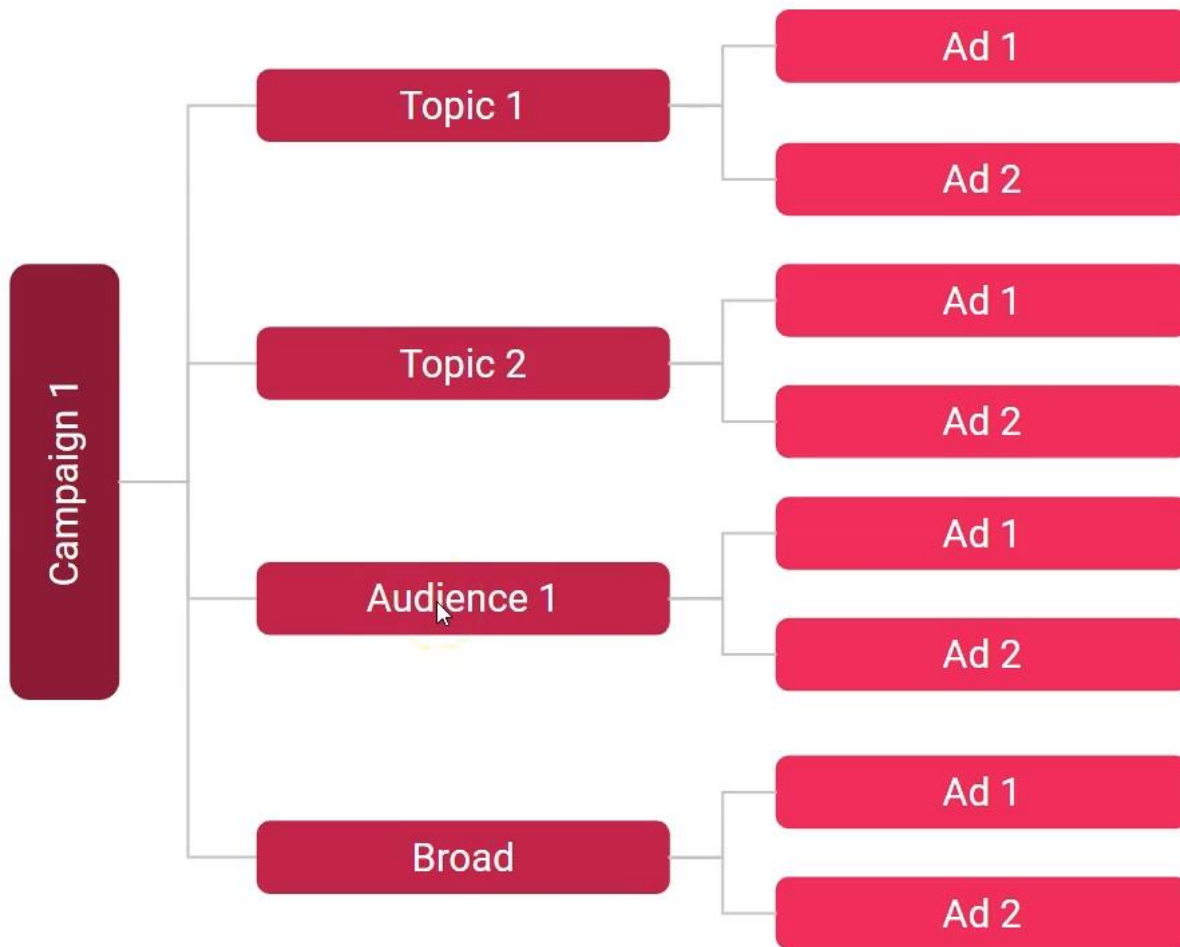


Actually, I start out with a 1-1-3 campaign, like this:



And then after a few days I turn off the two worst performing ads and keep the best ad, making it 1-1-1. The important point to note is that I was only targeting the audience topic "blood sugar".

Then, to scale up and grow, as Keegan shows in module 4, you do this:



Topic 1, Topic 2, Audience 1 and Broad are all different ad groups. Topic 1 would be “blood sugar”, Topic 2 something else similar, Audience 1 could be targeted keywords, etc, and Broad is no targeting.

However, watching further, what Keegan does is begin with a topic and have Google build up the data on who is purchasing my product.

I went too fast, and began Broad targeting only a week later (September 5-11). Now, this doesn't mean the campaign is completely ruined, but it did hurt the profitability:

It's a bit hard to read the numbers, but during that week the campaign was slightly unprofitable. Here are the numbers:

<input type="checkbox"/> ● Broad ALL55+	Paused	CA\$95.00	13.00	CA\$243.86	0	1,790	1.73%	CA\$1.77	CA\$3,170.18
<input type="checkbox"/> ● Diabetes ALL55+	Eligible	CA\$110.00	4.00	CA\$200.74	1	470	3.91%	CA\$1.71	CA\$802.97

Broad ad group:

Conversions: 13
Cost/conversion: \$170.70
Clicks: 1,790
CTR: 1.73%
Avg. CPC: \$1.24
Cost: \$2,219.07

Target "Blood Sugar" Ad group:

Conversions: 4
Cost/conversion: \$140.05
Clicks: 470
CTR: 3.91%
Avg. CPC: \$1.19
Cost: \$562.08

The costs per conversion seems high, but remember, this is the data I'm feeding into Google. It shows 17 conversions, when in fact I got 22 conversions that week:

From MaxWeb:

Visits	Conversions	Conversion Rate	Commissions ▼	Vc
1,411	22	1.56%	\$2,420.00	

The discrepancy, of course, is due to 5 of those sales being from Apple iOS devices, which blocks tracking.

So, in total, ad spend was \$2,781.15 USD, and commissions were \$2,420.00. Ouch. What went wrong?

It's because I started the new broad campaign way too early. Google didn't yet have enough data on who buys and who doesn't, so when I started BROAD the costs shot up but conversions went down (remember to convert the \$ by 30%):

NS	Clicks	CTR	Avg. CPC	Cost
0	1,790	1.73%	CA\$1.77	CA\$3,170.18
1	470	3.91%	CA\$1.71	CA\$802.97

The first column is broad, the second is targeting the topic blood sugar, which is the original.

Google basically took all the profitable traffic from my original campaign and threw it willy-nilly into broad. As you can see, the numbers are far worse for the top column, though average CPC is about the same.

What this means is that people were clicking my ads the same, but there were a lot more people clicking and a lot fewer people actually bought the product.

To try and correct this, I lowered the Target CPA for broad, basically turning down the tap. Think of Target CPA as the water tap, and your budget as the total water supply. By lowering your

TCPA, you effectively lower your bid, and the water (your budget) runs more slowly.

By doing that, traffic to the Broad ad group was cut off, but it also harmed the Blood Sugar ad group. This is the pattern of ad spend the days following after I lowered TCPA:



Grrr, it's almost like Google became drunk with the broad ad group, and so when I slowed it down it didn't want to spend on the original blood sugar ad group... it's like my profitable Blood Sugar ad group is broccoli (healthy but not delicious), and broad is candy (unhealthy, unprofitable, but delicious to Google!)

I ended up completely pausing broad and turning the tap up for the original Blood Sugar ad group. It took another week, but then everything went back to normal. These are the numbers for September 27 to October 1. Top column is Broad, now paused:

Clicks	CTR	Avg. CPC	Cost
0	—	—	CA\$0.00
1,334	3.20%	CA\$2.68	CA\$3,576.83

However, average CPC went way up, from \$1.23 at the beginning of September to \$1.88 USD at the end of September ... it's back into profit, though, making \$686 for the week, because my conversion rate did go up (as you recall from earlier screenshot, at the beginning of September it was 1.56%):

Visits	Conversions	Conversion Rate	Commissions ▼	V
1,513	29	1.92%	\$3,190.00	

Again, remember the exchange rate (about 30%), so ad costs are actually about \$2504 USD versus commissions of \$3, 190.

So, the lessons for the second half of September to today:

- **BE PATIENT**
- Only begin to scale with your second ad group after several weeks of data and confirmation that it is profitable
- When beginning a new ad group, go with a second topic if possible, not straight to BROAD
- Keep testing! Topics, ages groups, locations, gender, keywords, etc. What works, what doesn't?

As well, I didn't really have time to create new ad videos and test with them. Always be doing this, as this is one of the best ways to optimize your campaigns. Google is very good at optimizing your campaigns (that's part of the "automation" in this entire course), but remember that there are other things you can test.

For instance, for our campaign, which is on diabetes, the topic "blood sugar" is definitely what you should be targeting... in fact, there isn't really any other topic to target.

However, let's say you are selling a memory loss product. Again, for topics, there's pretty well only one topic: Alzheimer's Disease. However, you could try other topics, such as "Neurological Conditions" as a second ad group. There's a potential third one called "Puzzles & Brainteasers" in the Games topic... this may not seem to match upon first glance, but a lot of older people do puzzles as exercises for your brain. Maybe this topic will convert well. You don't know unless you test.

Future Plans:

This week, I will be starting a new campaign, while following the Module 4 videos to scale and optimize the current diabetes campaign. Because it is making a modest profit, I'll begin bumping up the budget, as shown in the last Module 4 video. However, with the Cost Per Click increasing, I'll have to investigate further to see why this is happening. Again, I haven't done enough testing, such as generating new ads to see which performs better.

P.S. If you have watched all the Module 4 videos, I'm just as excited as you to see Keegan's own case study on making \$300K in 14 days!