

Episode 10: Can Amazon's CPM Ad Program Rival AdSense?

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Hey everybody. What's up? Welcome to episode number 10 of my podcast, where I'm going to be talking about Amazon's CPM ad program, which some people are saying can rival AdSense, in terms of earnings.

Now, I emphasize some, because I'm not one of those people that believes that. At least not for my sites, I should say. I've actually tried this program out on two different occasions, and when I compare the earnings to AdSense ... was not even close. And I tried this out on my hair site only, not my 2create site, because I don't really feel that the ads for Amazon are really relevant to 2create, so I knew it wasn't going to perform well. But since I do pretty well with the affiliate program on my hair site, I thought I'd try the ad program out, just to see how it works. No contest at all.

But I wanted to do this podcast, because as I was doing research for the show, I was checking around some different forums, and there were a handful of people saying they were earning more from the Amazon program than they were from AdSense. So, not only can you use this in addition to AdSense, but if you've not been able to get into the AdSense program or your account has been disabled, then this could be another option, because people are always asking me to give them alternatives to AdSense, and this could be another one, especially if you have a website that talks about a lot of products that can be found on <u>amazon.com</u>.

Now one thing I've noticed over the past six months or so, since this program has been out, I haven't seen a lot of talk or discussion about this on the internet. And I don't know if that's because people don't know about it? Maybe they're just not earning enough from it to mention? Or maybe it's because they have not rolled it out to everyone yet. I know they started with their top-earning affiliates, and then they are slowly rolling it out.

So, if you don't see if it when go to <u>amazon.com/associates</u> and login ... if you don't see Amazon CPM as a tab, then it hasn't rolled out to you yet. And that's the other thing I should mention. You have to be an Amazon associate to use this program. So that's your first step. Go to <u>amazon.com/associates</u>, sign up, and then you should see the program, hopefully. If not, be patient, because it's coming.

So, setting up the program is really easy. It reminds you a lot of AdSense. You simply choose the ad size, grab your code, paste it into your site, and you're ready to go.

But there's one big difference, and that is you set your own price. That's the first difference. The second difference is you're earning for impressions and not clicks, like you are with AdSense.

AdSense actually does have some CPM ads, which stands for cost per impression. But most of AdSense ads, as you know, are CPC, cost per click. With cost per impression, you're earning for displays, not clicks. So, if you set your price to \$5, that means for every 1,000 ad views, you're going to earn roughly \$5.

Now, you might think, "OK, my site doesn't have that much traffic.

It would take me forever to get a thousand impressions. But keep in mind, you can add multiple units to your pages. So, if you have two units on one page and three units on another page, you can get to that one thousand impressions a lot quicker. So don't be discouraged if you have a very, very low traffic site. If you have happen some advertisers that are a good fit, you can still make some good money with this program.

Now since I told you you can set your own price, you may be tempted to say, "Well, I'll just set my price to \$30, so I earn \$30 for every 1,000 impressions, right? Easy enough.

Wrong. If you set your price too high, especially if you don't have a lot of traffic, or if your site is not relevant to a lot of advertisers in the database, then you're not going to have any ads that are going to be displayed and you're obviously not going to make much money.

But if you set it too low, then you're going to minimize your earnings. So you really want to find that sweet spot to where it's high enough so you can make some money, but low enough to still attract some advertisers.

And that's a number you can just play with. For example, if you're looking at your reports, Amazon will show you a fill percentage. It might say 25%. That tells you that 25% of the time they're able to find a matching ad. So the other 75% of the time, there are no ads to be shown.

But here's the good news. If you have AdSense or some other ad program, you can use what they call pass-back ad codes, so you can paste the code from that other ad program into your account, and Amazon will show ads from that other program if they don't have any ads to show. So that way you're not missing out on additional advertising revenue if Amazon can't find a relevant ad. So if you're seeing a very low fill percentage, it might mean that you need to lower your CPM price.

So let's talk about setting that price. Amazon recommends that you

use your existing CPM for this ad spot. Now if you are in AdSense, you can go to your reports, and you'll look for a report titled RPM in your performance reports. And that is the same thing as your CPM. So you can use that same number to start with for Amazon when you're setting your price.

Now, if you don't have AdSense or if you don't use any other ad program that can give you a CPM number, just start out at a dollar and see what percentage of times they can fill that ad spot. And if you see it's being filled a lot and your earnings are kind of coming in pretty quickly, then maybe you can raise that a little bit. But if you set it to like \$3 and you see no ads coming in, then it probably means it's too high, so you're going to have to lower it.

So once you've selected your ad size and you've put in your passback ad code, then you simply grab the code that they give you, paste it into your site, just like you would for AdSense, and then the ads should start showing within, I would say, the first couple of hours.

When this program first rolled out, it took like half a day or a full day, but they've gotten a lot faster, and the reports are coming up quicker too. It used to take about 24 hours for them to show your earnings. Now it's a few hours before you start to see some reports coming in, so that's good.

Now here's one big thing I did not like about this program, and it's huge, especially in 2015 with everybody using mobile devices to browse the web. Their ads are not responsive. So I pulled up my hair site on my phone, and I saw the ad at the top and it was cut off by about 60%. It looked very, very unprofessional, which is kind of surprising to me.

You know, as I said, in this day and age, 2015 with so many people browsing the net with their phones, you've got to have mobileresponsive ads and mobile-responsive sites. That's why I'm always saying you've got to have a mobile-responsive Wordpress theme, because yes — people are using their phones to browse the web. For my hair site, 50% of the users come via mobile device, so it's very important for me that my site looks good on a mobile phone. So that was a very, very big turn-off to me. So even if I was earning more money, I would still probably not use this program just for that reason.

But as I said earlier, it's kind of a moot point for me, because I earn way more with the affiliate program and way more with AdSense, so I'm just going to continue using AdSense in that spot and continue promoting their products through contextual links through the affiliate program like I have been for the past 17 years. And when I say 17 years, I mean with Amazon. My hair site is only 4 1/2 years old, but I've been with Amazon since '98.

And actually I had a record year for Amazon in 2014, primarily because my hair site had a record traffic year. So obviously when you have more traffic, you tend to make more money. So for me, contextual ads, when you're making recommendations within your content, tend to work much better for me than advertising in general. But AdSense still works well on that site, simply because they have a lot of advertisers, so the earning potential is much greater than Amazon.

But that's exactly why you have to test and see what's going to work with your site. People are always asking me to recommend different ad programs, or they want me to say, "Well, if I have 10,000 visitors a day, how much can I expect to earn with AdSense or Amazon or whatever. You will never know unless you test it yourself. Some of you guys may implement this and make a ton of money, and I was hardly able to make anything because of the nature of my site. So you have to put those ads on your site and see what's going to work for you. There's no way for anybody to estimate what you're going to make.

So as I said, I haven't really seen a lot of people talking about this program. So if you've tried it, I would love it if you come by <u>2createawebsite.com/podcast10</u> and leave a comment on the show notes and let me know if you've tried it or if you plan to try it, and I'd like to hear what people are doing with the program. I want to

hear about your results, because I think it would be great if people are finding another alternative to AdSense, because I know that sometimes people feel that there are no alternatives to AdSense, and I really do think it depends on the site.

And the other thing you have to remember too, which I talked about in my AdSense podcast, (which was, I believe, podcast number 3), these ad networks do not have the high-dollar advertisers that AdSense has. AdSense tends to pull in the big dogs, because Google has so much traffic, so the more traffic a network has, the more advertisers are going to be drawn to it. The more advertisers, that means there's more competition for ads that drives the cost of the ad up, and that gives people like you and me a chance to earn more.

That's why programs like Kontera, Chitika, or some of these other programs that you might consider to be rivals to AdSense ... that's why a lot of times they don't earn you as much, is because they don't have those big-dollar advertisers, so the people who use it pay less for the ads, which means there less money for all of us to earn.

Now, Amazon has the traffic, it's just that this whole network advertising program is new to them. So that's why I've always been a big fan of AdSense, especially for my 2create site. The nature of the site draws in really high advertisers, and so I do pretty well per click, and I haven't been able to match that with private advertising or other forms of advertising.

But as I said earlier, for this Amazon program, if you have a site that's geared more toward retail products, you may discover this is a home run for you. So give it a try and let me know if it works.

This has been a short podcast, you guys. I didn't really have a lot to say but wanted to mention it, because I know a lot of people aren't aware of this program. So you might want to check it out.

And don't forget, if you want to sign up for any of my online courses, you can go to <u>2createawebsite.com/courses</u> to check them

out, and I will talk to you guys later. Thanks for listening!