Amazing Ad Checker:
How to Find Your Best Ads FAST!

By John Crosbie

Amazing Ad Checker

Welcome to the **Amazing Ad Checker**!

In banner campaigns, we often test several ads, then discard the crappy ones.

But how can we tell if an ad is really crappy… or just sorta crappy?

Well, lots of Internet marketers eye-ball the data… use some old rules of thumb… and pretty much guess.

That's one technique, but not one I recommend for you, my friend. **You** can do way better than that. And, if you do this for a living, you can't afford to guess.

Making data-based decisions about whether some value is **really** different from another value is the perfect job for **statistics**.

Ahhhhhh… mathy, statty stuff… run away, run away…

Come back here you wimp.

I'll keep this super simple.

Forget your math-class nightmares. Stat— ah, the S thingy is really pretty easy.

If you're still terrified, then **jump ahead to Page 6** where I show you the simple steps to decide if an ad is really a winner or a loser.

But, if you're sorta interested in seeing how the ad checker works—a quick look under the hood—keep reading.

OK, all those mathphobes are gone. Let's check out some cool statty stuff.

Cool Stats for (soon-to-be-rich) Internet Marketers

Click Thru Rate (CTR) = Clicks / Impressions * 100

So, if you had 1,000 impressions and 10 clicks…

CTR = 10 / 1000 * 100 = 1%.

But, we only showed that ad 1,000 times. We didn't show it to everybody in the world. So, the CTR we calculated with our small sample is only a rough approximation of the **REAL CTR**—the CTR we'd get if we showed the ad to everybody.

For our ad, the **REAL CTR** could be as low as 0.5%... and as high as 1.5%.

So, every time we run a campaign, we get an estimated CTR, and there's a margin of error (MOE) within which the **REAL CTR** could fall.

And with more impressions, we get a smaller MOE.

For example, with 1,000 impressions, the MOE is 0.5%.

But with 1,000,000 impressions, the MOE is 0.05%.

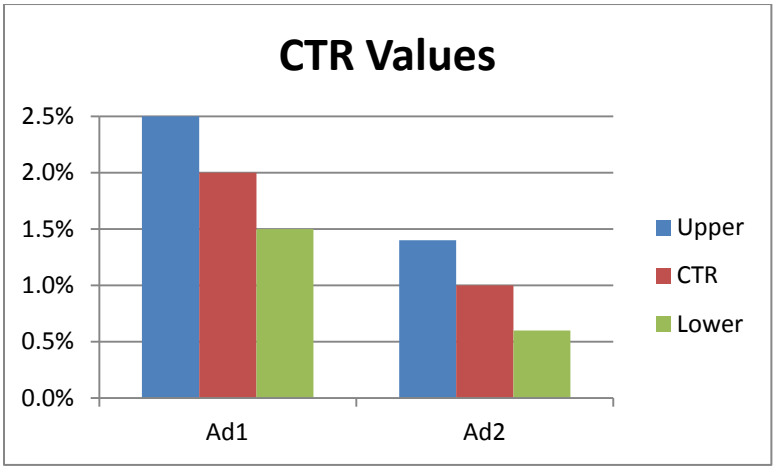
I'm only making up these MOEs for this example, but you get the idea. More imps = smaller MOE.

Now, what exactly is the MOE?

We're 95% confident that the **REAL CTR** will not exceed our sample CTR + the MOE. And we're 95% confident that the **REAL CTR** will not be less than our sample CTR minus the MOE.

You've seen this sort of thing many times with Gallup polls when they talk about a 3% sampling error. We're just using this analysis with CTR.

OK, let's see if you get the important points. Here's a quick test.



Imagine you have 2 ads.

Ad1 has a CTR of 2% and an MOE of 0.5%.

Ad2 has a CTR of 1% and an MOE of 0.4%.

Are you 95% confident that Ad1 has a higher CTR than Ad2?

[Insert Jeopardy music here]

Let's do the calculations.

Ad1:

95% confidence upper value = CTR + MOE = 2% + 0.5% = 2.5%
95% confidence lower value = CTR — MOE = 2% — 0.5% = 1.5%

Ad2:

95% Confidence upper value = CTR + MOE = 1% + 0.4% = 1.4%
95% Confidence lower value = CTR — MOE = 1% — 0.4% = 0.6%

So, we're **95% confident that Ad1's REAL CTR is not lower than 1.5%.**

And we're **95% confident that Ad2's REAL CTR is not higher than 1.4%.**

So, we're **95% confident that Ad1's REAL CTR is HIGHER than Ad2's REAL CTR** (you can see this on the graph—no overlap between lower1 and upper2).

So, we're 95% confident that Ad1 has a higher CTR than Ad2.

Pretty cool, huh?

Don’t get hung up on the math. Focus on the important concepts

- Our CTR value has a margin of error
- If we add the MOE to our CTR we get the upper level
- If we subtract the MOE from our CTR we get the lower level
- If the lower level of adX is higher than the upper level of AdY, AdX is significantly better—no guessing, just simple stats

That’s all we do to find the best CTRs.

Easy!

And it’s even easier with the Amazing Ad Checker, because our Excell program does all the calculations. We just enter the imps and clicks for each ad, and the program shows us automatically if each ad has a significantly lower CTR than the winner.

Now you know this stuff, you can impress people at parties with your new-fangled mathiness.

OK, let’s check out…

How to Use the Amazing Ad Checker

Ad	Imps	Clicks	CTR
ad01	2942	11	0.374%
ad02	3110	3	0.096%
ad03	2415	6	0.248%
ad04	3111	2	0.064%
ad05	3058	4	0.131%
ad06	3073	5	0.163%

In this example we have six ads. For each ad, we entered the ad name and the impression and clicks, and the program calculated CTR.

In this example, Ad01 has the best CTR—It's the winner.

Always enter the winner as the first ad, because the program checks all the others against the winner.

Here's the rest of the output.

Ad	Imps	Clicks	CTR	MOE	Lo CTR	Hi CTR	Diff
ad01	2942	11	0.374%	0.144%	0.230%	0.518%	
ad02	3110	3	0.096%	0.071%	0.025%	0.168%	1
ad03	2415	6	0.248%	0.130%	0.119%	0.378%	0
ad04	3111	2	0.064%	0.058%	0.006%	0.123%	1
ad05	3058	4	0.131%	0.084%	0.047%	0.215%	1
ad06	3073	5	0.163%	0.093%	0.070%	0.256%	0

The program calculates the last 5 columns automatically—**Don't touch them!**

If you read through the mathy stuff, you know all about the MOE and the Lo and Hi CTR values. So, go ahead and feel smug and superior. You deserve it.

The important column is **Diff**. It shows whether each ad has a significantly lower CTR than the winner.

Ad02 has a 1 in the Diff column, so it has a significantly lower CTR than the winner. (You mathy folks can see this from the Lo and Hi columns).

Ad03 has a 0 in the Diff column, so it does not have a significantly lower CTR than the winner.

If you increase the imps, you'll see that it's easier to find a significant difference (and you mathy champs know why).

So, there you have it. Just open the Excel program, enter your imps and clicks, and, in a few minutes, you'll know—with 95% confidence—which ads are crappy.

I hope you use this tool… and prosper.

All the best

John