Keyword basics

The keywords you choose are used to target your ads to potential customers. By creating a highly relevant keyword list, you can show your ads to only the most interested users, helping to improve performance and maintain low costs.

How keywords work

Your keywords are the words or phrases your customers would use when searching for your product or service. Keywords allow you to target your ads to your desired audience.

For example, if your business sells cameras online, you can use “buy digital camera” as a keyword in your AdWords campaign. When a Google user enters “buy digital camera” in a Google search, your ad could appear next to the search results. In addition, your ad can appear on sites and products in the Google Network that relate to your keyword.

By creating a highly relevant keyword list, you can show your ads to only the most interested users. This will improve the performance of your ads and help you to maintain low cost-per-clicks (CPCs). Learn how to create and edit keywords.

Keyword quality

It's essential that your keywords are relevant and high-quality. Overly general keywords will make it difficult to reach potential customers, and your advertising will probably be less profitable.

Here are the top three tips to help you improve your keyword quality:

1. **Choose your keywords carefully.** Make sure they're specific and directly relate to the theme of your ad and the page you are directing your customers to. Keywords of two or three words tend to work most effectively.

2. **Include relevant variations** of your best keywords, including singular and plural versions. If applicable, consider using colloquial terms, synonyms, and product or serial numbers.

3. **Be specific.** Keywords that are too broad or general will not reach users as effectively as keywords that are highly targeted.

See more keyword tips

Keyword bidding

Keywords also help determine how much you pay. Each of your keywords will have a CPC
bid amount. These bids specify the maximum amount you're willing to pay each time someone clicks your ad. This is called the maximum cost-per-click (Max. CPC).

Consider using **automatic bidding**[^1], recommended for those who are just beginning to use AdWords. You set a target 30-day budget, and AdWords will set your bids for you, aiming to bring you the most clicks possible within that budget. Or, if you want more control over your keyword bids, you can choose **manual bidding**[^2] where you set each bid yourself.

When setting your maximum CPC bids, consider the **value of a click**. How much is it worth to you to have someone visit your website? If high, then you might want to set a higher bid. In general, a higher CPC bid can allow your ad to show at a higher position on the page. However, your maximum CPC is just one of the factors affecting ad position.[^3] Learn more

If you want to set your own bids, try these tools in your account to gauge what bid amount will help you reach your goals:

1. **Use the Traffic Estimator**[^4] to get an idea of what the competitive CPC bids are for your keywords. You'll see the estimated average ranking of your ad based on the bid amounts you enter.
2. **Use the first page bid estimates**[^5] to see approximately how much you'd have to bid on a keyword (depending on its Quality Score) to have it trigger ads on the first page of search results.

### Negative keywords

There's another type of keyword that works in a different way. Negative keywords help make sure that your ad doesn't show for searches that include that term. They work in unison with your normal keywords to target your ads just to the audience you want. For example, add "free" as a negative keyword if you want to make sure your ad isn't shown to people looking for a free product. Negative keywords contain a dash in front of the keyword like `-free`.

Next: **Creating successful keywords**

[^1]: Learn more about AdWords ads in our Help Center.

[^2]: Learn more about AdWords ads in our Help Center.

[^3]: Learn more about AdWords ads in our Help Center.

[^4]: Learn more about AdWords ads in our Help Center.

[^5]: Learn more about AdWords ads in our Help Center.