

Click Fraud: What Can You Do About It?

by Mary E. Archer

Unfortunately, fraud is a reality in any industry. Businesses are vulnerable to fraud; whether online, in the market place, in the boardroom, or on Wall Street. One type of online fraud, *search engine click fraud*, has become a real concern to those businesses spending thousands of dollars every month on sponsored pay-per-click ads.

What is Click Fraud?

Click fraud is the practice of clicking on a text advertisement served by a search engine for the sole purpose of forcing the advertiser to pay for the click. Since advertisers pay for each click received, these fraudulent clicks, if not measured and controlled, can cost advertisers big bucks.

Click fraud is not a new phenomenon. It has been happening since the original implementation of the cost-per click (CPC) pricing model. It's no surprise that click fraud has been increasing in frequency and impact as more advertisers launch CPC campaigns and as the overall cost of online advertising (both search and non-search related) continues to rise.

This year, the amount of exposure click fraud has received has increased dramatically as a result of climbing CPC advertising costs and increased online competition.

What Can You Do About It?

There are several things you or your SEM consultant can do to detect and/or prevent click fraud.

These include:

- Continually collect and analyze data from your website's server logs and your pay-per-click campaign
- Look for a repetition of IP addresses
- Monitor user session information and note the amount of time users are spending on your website, what pages they visit, how long they stay, at what point they leave, and whether they completed your call-to-action or not
- Look carefully at user cookie information
- Note the network to which an IP address belongs
- Pay attention to what browsers and search engines visitors are using
- Track the search terms used and the time of the search
- Note the time of the click(s)
- Note a large or irregular number of clicks from the same geographic area

- Watch out for a change in the amount of traffic seen for certain keywords, particularly a rapid increase
- Be wary of doubling or tripling of clickthroughs without any bid changes or rank changes (or, possibly, a corresponding increase in business)
- **Manage your PPC campaigns diligently**
- **Set appropriate daily budget limits**
- Change out ads from time to time
- Target several relevant keyword terms, not just a few
- Monitor your bids on a daily or hourly basis depending on volume
- Review your PPC campaign reports weekly or even daily if warranted
- **Don't put all your eggs in one basket.** Use PPC as a supplement to a holistic search engine marketing campaign that includes search engine optimization, link population/reputation building and search engine promotion.

Armed with statistics, Google, Overture and other PPC Engines are likely to take your reports of suspected click fraud seriously.

Click fraud should be a concern to any business using the cost-per-click model. **Click fraud can be managed. With proper measurements in place, pay-per-click can be an extremely cost-effective method of increasing leads and sales.**

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