Hello and welcome to Video #5. We are going to be talking about adding fully automated customized formatting Part 1. So, if you need to automatically highlight information, a really neat Excel feature called conditional formatting becomes very, very handy. I’ll show you how it all works in just a minute. But first, I want to talk about it briefly.

Using the same set of data in the previous video where we selected it and then of course, it turned yellow after we sorted it, we are going to use that same data and I'm going to show you how to apply automatic customized formatting to it. And I'm going to show you why we need to do that, how it works, I'm going to give you some real life examples of why you're going to be using conditional formatting. So that way, it kind of jogs in your mind of real life situations that you can utilize this for.

Before we get started, I want to say that what we’ll attempt to do now is to make the names on Column A turn into yellow (or whatever color that you wish) when it matches the name right across in Column B.

Let's first take a look at the Mac version and then I’ll go over to my PC Excel version and we’ll actually go and do it in action. We are going to utilize Sheet 3. So, make sure you click this down here so that you are in the right section and it should say Conditional Formatting up at the top. So, going back to my presentation and looking at the Mac user interface, you want to go ahead and highlight the names John Smith to Jane Smith just like we did earlier but in this case, it will be under the Conditional Formatting section. So, highlight that there. And then what we want to do is under the Home Tab, go to Conditional Formatting. When you click on that, you're going to see the following. You're going to see Highlight Cell Rules. You put your mouse over that and then of course, you're going to find the Equal To. Now, I'm going to explain in a little more detail why we are doing this. Now, on the Mac version, this is going to pop up. What you're trying to do is you're trying to say, from the list on the left-hand side, when you click on let's say for example, Debbie McArthur, from the list on the left-hand side, how many names on the left-hand side are going to be showing up on the right-hand side? If you want to make it into a real life situation, the left-hand side could be something like New Customers and then the right-hand side could be Old Customers or Backend Customers or Consistent Loyal Customers that continually buy from you. So, you're trying to figure out, out of the list on the left-hand side, how many of those are actually on List B? The reason why we select this and we select B4 in this case, Debbie McArthur, is because it’s the first one on the list. By selecting the first item on the list, Excel will copy the condition to the rest of the names of that column. So, you select this, you click this, it will automatically do it for the rest in this column here. If you notice at the top here, when you do this, Excel is automatically going to enter these little dollar signs into the mix. It’s an important step to remove the $ signs in between the letter. So, you're going to see something like $B$4 to =B4. So, you want to change that to B4. The $ sign is basically a lock and it’s locking it to that particular column. So by removing the lock, we’re able to scan the whole column, so we can actually scan from what we select to the whole column on the right-hand side. Otherwise, it’s going to just lock to B4 and that’s it. We don’t want that.

So, like I said, Excel will apply the formula only to Debbie McArthur and not the rest of the names on the right-hand column. It will make more sense when I actually show it to you in action. We need all the names to turn yellow if the name on Column A matches the name on Column B. See what I'm saying here? And that’s why we made it turn yellow is because we wanted to progress you to this point where you can actually utilize this information, use conditional formatting, and check to see whether column A has names on it on column B. So, we’re basically cross-referencing to make sure that is the case. In other words, the $ signs mean ‘do not use the same condition to the names below’. It just locks it to that one cell, if that makes sense. I’ll show it to you in more detail so just bear with me for just a second, okay. While removing the $ sign means ‘apply the same condition to the rest of the names below’.

You can also change the specific format that you want from the format with the dropdown list right here. You can actually change the color to custom format and things like that. By default, it would be light red fill with dark text so, light red fill with dark red text. And that’s by default so if you want it turn green or turn red, let's say for example that you want to mark people red because they didn’t pay or green because they paid, you can do that as well. So, that’s why conditional formatting comes in handy because we can actually do so much more. This is what we see with conditional custom formatting. This just allows you to change the font, the color, and the look and the design. So, that way, you can actually color coordinate everything. Now, that I have shown it to you via the Mac version, I am going to show it to you via the PC version and I'm going to walk you through step-by-step and everything like that. We are pulling up the workbook here. We are going to be on Sheet 3 so if you want to pause this video and go ahead and pull that out, so that you can follow along, go ahead and do that right now.

As you can see here, let's say for example that Column A is our new customers and then Column B is something like our master list of old customers. What we’re trying to figure out is out of the list A, how many of these are on list B? If we are successful, then we will be able to highlight all of these. These will all automatically highlight. For the sake of a test, let's just make sure that we do maybe Zac Smith. And the reason why I'm doing this is because currently, there are 4 names over here and there are 4 names over here. So, let's say that Zac Smith is a new customer but we want to figure out, besides Zac Smith, who is not a new customer? So, obviously, we know in this case, we know it to be this but if you have a huge list, you're not really going to know that, right? So, we want to make sure that in this case, that we sort it from A to Z like we did earlier. We want to make sure that this cell here is equivalent to this cell here. Because once we have applied the conditional formatting, it will apply it to the rest of this here. But in order for this to work, you have to make sure that these are selected here. So, we’re going to select all of the names so however big your list is, you want to select the names themselves here. You want to click on Conditional Formatting, Highlight Cell Rules, click on Equal To, and then we want to say =B4. So, in this case, when we select Debbie McArthur, we can see that it has turned red. The reason why it’s not applied to all of the cells is because Excel right now has added the $ signs. As we stated earlier, that the $ signs lock it to that particular row. If we remove the $ signs and we just put B4, we see that it has automatically applied that conditional formatting formula to all of the names on the list B. So, now we can see that Debbie McArthur, Jane Smith, and John Smith are old customers because it’s comparative over here. And we could see that Zac Smith is a new customer. So, another thing that you could do is this – let's say for example that we change it from the light red fill and we can click on Custom Format and we can change it to, let's say, green. Maybe green means that they are old customers and that the ones the ones that are not green are new customers (that have never bought from you before). Or you could even do this with a list. Let's say for example, your list A and list B and you want to figure out who on your list A is on your list B. So, great for customer list, great for email list, great for many, many different situations. You could literally apply this to just about anything in relation to your business as far as comparing different lists.

Now that you understand how to do this and how easy it is to do, we can move onto the next video.