# Holiday Season Best Practices Guide for Retailers

Strategies, Tactics and Products You Can Use to Win Customers this Season



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## Time to get in the holiday spirit

The holiday season is an important time of year for both consumers and retailers. For consumers, it's their chance to find the best deals on gifts for family and friends, and maybe even pick up something for themselves. For retailers like you, it's the largest sales period of the year.

Last year was the biggest online retail holiday season ever, and from the looks of it, many of the trends from last year will only continue:

### 1. Savvy shoppers continued to start their research early.

Interest in Black Friday began a few weeks early, starting November 10.<sup>1</sup> With sales and discounts becoming available online earlier, the time period for shoppers' research and purchases also became more spread out and continued through January.

## 2. Mobile continued to build momentum last year.

Shoppers were more informed and more purposeful than ever before. With expectations of seamless browsing and frictionless purchase experiences, they're making valuable decisions—such as what to buy and where to buy from—prior to visiting stores. 3. Mobile conversions increased during the season, up to 20% on Black Friday and 50% on Cyber Monday compared with earlier in November.<sup>3</sup> Not only were people using mobile to do more research, but they were also more ready to buy directly on their smartphones.

With all this momentum, the 2017 holiday season looks primed to be another big opportunity for retailers. In this guide, we'll cover best practices and tips to help you prepare and make the most of it.

More than half of shopping-related searches happened on mobile in Q4, 2016.<sup>2</sup>



## 'Tis the season to prepare early

Right now is the best time to make sure you're fully prepared to hit the ground running when the holiday season starts. Get your campaigns primed and ready before the holiday season begins so you can spend more time making adjustments during the peak season.

#### Organize and finalize your campaign budgets

- Are you working with multiple budgets from different merchandising teams, such as one budget for seasonal sales and one for your core products? Try splitting them up between two campaigns to have more flexibility in setting daily maximums.
- Using multiple campaigns will allow you to use different bidding strategies. For example, your core campaign, which is focused on a high return on ad spend (ROAS), can stay on a bidding strategy such as <u>Target ROAS</u> as you optimize for seasonal campaign traffic with a manual bidding strategy like max cost-per-click.

#### Map out your promotional calendar

• Finalize your holiday calendar to ensure your promotions are aligned and scheduled to deliver smoothly. Think about how your holiday calendar looks when you layer on your digital promotions to capitalize on peak retail days during the season:

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
19 NOVEMBER	20	20	21	22 Thanksgiving	23 Black Friday	24 Small Business Saturday
26	27 Cyber Monday	28	29	30	1 DECEMBER	2
3	4	5	6	7	8	9
10	<b>11</b> Green Monday	12 Hanukkah Begins	13	14	15	<b>16</b> Free Shipping Day
17	18	19	20	21	22 2-Day Shipping Cutoff	23
<b>24</b> Christmas Eve	25 Christmas Day	26 Clearance Sales Begins	27	28	29	30
31	1 JANUARY New Years Day	2	3	4	5	6

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#### KEY DATES

Make sure to plan budgets around these key dates. You don't want to be budget-capped during peak days and stop showing your products to shoppers browsing later in the day.



- See when shoppers have the most interest in products and when they're likely to visit your site based on shopping behaviors during the last holiday season. Look up historical shopping search interest with <u>Google Trends</u> and the <u>Shopping Insights tool</u>.
- Don't forget to plan for global holidays if you offer international shipping. With features like <u>multiple language support</u> for Google Shopping, you can easily promote for sales during international holidays, such as Diwali, Boxing Day, and Christmas.

The NRF reports that **onethird of shoppers** said that all of their holiday weekend purchases were driven **specifically by promotions** (+11.4% YoY).<sup>4</sup>

### Looking ahead: 2018 global holiday calendar

JANUARY	FEBRUARY	MARCH	APRIL
1: New Year's Day (Global)	4: Super Bowl (US) 9–14: Carnival (BR) 14: Valentine's Day (Global) 16: Chinese New Year (TW, HK)	<ul> <li>11: Mothers Day (UK)</li> <li>14: White Day (JP, TW)</li> <li>Back to School (AR, CL)</li> <li>30: Passover (Global)</li> </ul>	1 –14: Passover (Global) 2: Earth Day (US), Easter (Global), Golden Week (JP)
MAY	JUNE	JULY	AUGUST
5: Cinco de Mayo (US, MX), Mother's Day (Global) 15–JUNE 14: Ramadan (Global) 16–17: Hot Sale (AR, MX), Cyber Day (AR, MX)	Father's Day (Global)	1: Canada Day (CA) 4: Independence Day (US) Back to School: (CO, MX)	Back to School (US)
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
Back to School (UK) 9–11: Rosh Hashanah (Global)	9: Thanksgiving (CA) 31: Halloween (Global)	<ul> <li>11: Singles Day (TW, HK)</li> <li>16–19: El Buen Fin (MX)</li> <li>21: Click Frenzy (AU)</li> <li>22: Thanksgiving (AU)</li> <li>23: Black Friday (Global)</li> </ul>	1: Cyber Monday (Global) 2–10: Hanukkah (Global) 24: Christmas Eve (Global) 25: Christmas Day (Global) 26: Boxing Day (Global)



#### **Highlight your promotions**

- Set up promotions to match your planned calendar using <u>Merchant Promotions</u> to highlight offers. Your sale information like price and availability will automatically update when using the <u>sale\_price and sale\_price\_effective</u> data feed attributes.
- Q Create your promotional campaigns with seasonal keywords ahead of time but keep them paused. If you plan on creating holiday-specific ad text and ad extensions, pausing them will allow you to have more time to focus on adjusting settings without a deadline.

#### Set up a robust measurement framework

• Research and find out how your customers shop across channels. Use advanced KPIs, <u>cross-device performance</u>, and <u>store visits</u> to optimize your bidding strategy.

<u>Bensons for Beds</u> measured store visit conversions data in AdWords to prove the value of search in driving in-store foot traffic. According to Benson for Beds' head of e-commerce, Steve Webster, "Store Visits gave us the tools to accurately prove how much footfall we were sending into stores each week."

#### Prepare for an influx of mobile shoppers

 Engage on-the-go shoppers by adding mobile-relevant extensions to your ad—such as <u>location, call</u>, <u>price</u>, or <u>app extensions</u>—to showcase your business's information in detail. Extensions will help shoppers find the details they need directly from your ad.

#### Make sure products are all approved to show on Google

For **every second of delay** in mobile page load, conversions can fall by **up to 20%**.<sup>5</sup>

 Keeping your data fresh and accurate is key in having your products show up to shoppers throughout the holiday season. Merchant Center is your place to maintain your product data and maximize opportunity to show in results. Use <u>diagnostics reports</u> to remedy product disapprovals and check the <u>Opportunities</u> tab for improvements to drive even more clicks.

<u>Trendyol.com</u>, a fashion ecommerce website in Turkey, used feed rules and custom labels to make it easier to optimize products with an internal fast delivery signal. Flexibility to structure campaigns by this label resulted in a **1.5X increase in ROAS** and an **8% conversion rate increase**.

🕑 VIDEO | 🍆 SHOPPING | 🔍 SEARCH

#### Expand your product assortment

 Gain insight into demand for popular products that you don't already stock with the <u>assortment</u> <u>report</u>, and talk to your merchandising team about adding them to your catalog.

#### Manage your keyword portfolio

Google

 Q Know what your customers are searching for. Hunt for missing keywords by running <u>search terms</u> report for the same time period last year, and then filter for conversions > 0 and cross reference these against your current keyword list.

Dashboard	Assortment Report						Country: Unit	ed States
Diagnostics	The Ausonment Report Howays are the read product production or Cougle herr you're not advertising. Popularity is based on data from the last 4 days. Learn more Use the search to the view level product fidered Codyle product collegories.							
API Diagnostics					Mut	cal Toys		*
Feeds	$Rank \ge \pi$	Image	Brand	Title	Description	Category	Benchmark Prices	
Products Promotions	1		Fisher Price	Fisher-Price Superstar Step 'N Play Plano	Fun music and dancing lights will reward your little one with every step on the keys. This fun play plano starts out as a musical activity center featuring plentymore >	Toys & Games > Toys > Musical Toys > Toy Instruments	Target Walmart eBay Kohl's Bed Bath & Be.	79.99 95.00 119.79 119.99
Assortment	2	*	VTech	Viech Kidbeats Learning Drum Get	Get ready for letters, numbers and rock in roll with the kiddeats drum set from vitch. This exciting, educational kids' drum set has 4 ways to play, each with tomore »	Toys & Cames > Toys > Musical Toys > Toy Instruments	Jet.com Target Kmart Toys R Us Kohl's	19.40 19.99 19.90 24.99 24.99
	э	Ţ	Winfun	Little Virtuoso Baby Grand Dance Hall Plano	Live the dream of being a real-life concert planist when you buy the Utile Virtuoso Symphonic Grand Plane. This classic kids' grand plane features 37 while and bmore »	Toys & Games > Toys > Musical Toys > Toy Instruments	ellay - targetst Target Zukit Walmart neplanetoys.com	40.00 49.99 49.99 50.00 73.99
	4	-	Schoenhut	Schoenhut Fancy 30058 30-Key Black Childrens/Kots Beginner Baby Grand Plano	Extremely durable and sturdy, and yet sophisticates in appearance. With 30 fail-sized keys, this plane is a great way to introduce your child to basic keyboard skmore >	Toys & Cames > Toys > Musical Toys > Toy Instruments	Target eBay Oversteck.com Toys R Us Kohl's	100.00 104.99 141.90 148.99 158.99

- » Consider creating broad match versions of promising keywords if you don't have them yet. Start
  - with using your high-performing exact match keywords and creating broad and phrase match types to increase your reach.



## Attract eager window shoppers

Start showcasing your brand across channels to build awareness as shoppers start thinking about holiday gift ideas for their family and friends.

#### Influence shoppers early in their journey with Showcase Shopping ads

• Last year, more than half of holiday shoppers said they were open to purchasing from new retailers. Help be a key source of inspiration to shoppers who are just starting their shopping journey. For instance, when a shopper expands a <u>Showcase Shopping ad</u>, searches for that merchant's brand terms nearly double.<sup>6</sup>



#### Find the right high-value customer audiences

- Shoppers turn to YouTube for in-depth reviews during the holidays like giftguide videos or consumer electronics. Use this opportunity to show your brand on content related to what you're selling by selecting specific audiences based on intent-rich signals from YouTube, search, and Maps.
  - » Let's say your brand is looking to reach shoppers interested in basketball-related gifts. You can focus on using <u>affinity audiences</u>, which finds viewers based on all types of relevant signals, such as searches for the latest player stats or highlight reels on YouTube.

#### Look for new customers

 Finding valuable new customers can help you grow your core audience heading into 2018. Use existing insights on your current customers to determine what makes them unique and find new customers similar to them. Show ads to similar audiences who share characteristics with people in your existing remarketing lists.

**68%** of consumer electronics smartphone shoppers **turn to YouTube** for ideas about **what to buy.**<sup>7</sup>

<u>Rokenbok</u>, a company that creates building sets and remote control machines for children, used promoted YouTube videos to grab families' attentions by showcasing their elaborate systems. In just three years, YouTube has become the #1 source of traffic to the Rokenbok website.

# \* \*

# Be top of mind throughout the holidays

Highlight what makes your brand stand out and encourage shoppers to explore what you have to offer.

#### **Connect with interested potential customers**

• • • + = Be there when a shopper is narrowing down product considerations. Intent to buy is a strong in-market audiences signal to use when reaching shoppers on display and YouTube who are looking to buy something similar to what you offer.

#### Are you keeping up with the competition?

• Q Avoid missing your biggest opportunities. Regularly check in on your average position and overlap rate compared with advertisers who participated in the same auctions as you, particularly on your most important campaigns. Check in on your performance with <u>auction insights</u>.

#### See how well you're showing up to shoppers

• The left-most ad on mobile Shopping results get up to 3X more engagement from shoppers. Consider prioritizing key products for the top position to connect with shoppers ahead of your competitors. New <u>reporting</u> with click share and absolute top impression share identify if you're showing up prominently to shoppers.

#### Make a positive mobile impression

• Reach even more shoppers through mobile. Account for cross-device influence and compare mobile CPAs to desktop CPAs. If mobile is performing better, think about adjusting your bids to reach even more mobile shoppers.

#### Use online videos to extend your storefront

• • Reach shoppers as they're browsing product reviews and looking for recommendations. Make your video ads interactive to connect viewers directly to your products and provide information that brings them closer to making a purchase. Get started with <u>TrueView for Shopping</u>.



Leading "prestige cosmetics" retailer <u>Sephora</u> received an **80% lift in brand consideration** with a series of how-to videos and tutorials demonstrating the best applications of Sephora's cosmetics as TrueView pre-rolls.



## Drive online sales

Re-engage your most valuable customers

#### Reconnect with your past site visitors

• Show customized search ads to people who have previously visited your site. If those people are more valuable to you, make sure your bids reflect that increased value. You can also apply the audiences you create to your display and YouTube campaigns.

#### Re-engage your high-value customer base

• There's no time better than holiday to remind your customers of your brand when they're about to make a purchase. Build a plan to connect with your existing loyal customers who are looking to buy from brands they trust.

• Your data is the best insight into who these customer are. <u>Customer Match</u> lets you upload a data file of email addresses your customers have given to you, and when those users are signed in to their Google account, they'll see your ads across Google Search, Shopping, YouTube, and Gmail. Here are some ideas for lists to get you started:

- Reactivate dormant users, such as seasonal or recently inactive customers.
- Upsell to high-value customers who are part of your loyalty program.
- » Highlight deals to existing newsletter subscribers.

#### Help customers continue their purchase

• Encourage customers to pick up where they left off by showing the products they've already browsed along with similar products they might be interested in. <u>Tailor your ads to customers</u> based on products they viewed on your website.

#### Use automation to your advantage

• En Having a robust display strategy is essential for driving brand awareness. Last year, more than 50% of holiday shoppers said they were open to purchasing from new retailers.<sup>8</sup> Meet these curious shoppers by showing ads in most formats across the Google Display Network using a <u>Smart display campaign</u>. Smart display campaigns combine automated bidding, automated targeting, and automated ad creation to help reach more shoppers at all stages of the buying cycle.

#### Streamline your bidding efforts

- Simplify campaign management so you can spend more time focusing on promotional strategy. We recommend using a <u>Smart Bidding strategy</u> on your low-priority campaigns and products that are expected to keep a consistent ROI throughout the holiday season.
  - » To **drive the most sales value within your budget**, use <u>Target Return on Ad Spend</u> (Target ROAS) across your Shopping and search campaigns to optimize each product bid at the query level to meet your ROAS goal
  - » To drive maximum total conversions, use the <u>Maximize Conversions</u> bidding strategy for search and <u>enhanced</u> <u>cost-per-click bidding</u> (ECPC) strategy for Shopping ads. Maximize conversions sets bids to help you get the most conversions while spending your budget.

## Get shoppers into stores

More and more shoppers are using their mobile phones as a guide to local stores. Develop a strategy to bridge the gap from online browsing to in-store purchases.

#### Capture the attention of people nearby

• Q Increase your prominence for shoppers who are nearby. Use <u>location bid</u> <u>adjustments</u> to prioritize showing your brand for searches that happen near your store.

#### Make it easy for shoppers to find you

• Q Help guide shoppers to your stores. Make your address, phone number, and other store details the first thing local shoppers see with <u>location</u> <u>extensions</u>.

#### Showcase what you're offering in stores

Google

- Leverage your in-store inventory to encourage more foot traffic during peak offline shopping times, such as weekends and after-holiday shipping cutoffs. Promote your inventory using <u>local inventory ads</u> on Google Shopping. Retailers like <u>Best Buy</u> have used local inventory ads to help drive **more than 1M store visits** during the holiday season.
- O Utilize location extensions with TrueView ads to make it easier for people who watch your videos to connect with you in your physical store. When you enable location extensions, they'll automatically display a link with information about the nearest store location next to your video ad to make it easier for the viewer to take action offline.

<u>Sprint</u> used an omnichannel measurement approach to gauge the impact of its digital advertising beyond online sales. After the brand increased its paid search budget, **digital sales experienced a 20% lift** while **in-store sales increased 32%**.

*UK-based retailer <u>Matalan</u> adopted an omnichannel strategy to reflect its customers' evolving shopping behaviors. Measuring store visits revealed that* **every £1 spent advertising online returned a total of £46 in sales**, inspiring the brand to rethink its future advertising strategies.

64% of smartphone shoppers turn to mobile search for **ideas about** what to buy before heading into stores.<sup>9</sup>







# Parting words before the start of the season

#### Establish a crisis response plan

- Find the right points of contact and on-call alerts to use in AdWords and Merchant Center settings.
- Set up automated rules in AdWords to monitor low conversion rates and alert you of any potential landing page or website issues.

#### Monitor your budget or burn rate to properly pace for the holidays

- The holiday season is a marathon, not a sprint. Actively measure your "burn rate" (dollars spent to date divided by the budget allocated to date) to see if you're over-pacing. If your budget is limited, view your campaign performance and prioritize ad or product groups to see what's spending the most.
- Set adequate budgets with plenty of room to capture strong demand throughout the holidays and even into the postholiday season.

#### Monitor your disapprovals and suspensions

• Make sure unexpected disapprovals don't throttle your customer reach. Set aside time each day to monitor your disapprovals by using the diagnostics reports in Merchant Center and the <u>new AdWords experience</u>,

#### Keep the lights on after the holiday season

- Even though the holiday season has ended, <u>shoppers don't stop buying</u>. Continue to advertise using promotion
  extensions in your shopping campaigns and text ads, and increase bidding on clearance keywords with your key
  sales products.
- Use historical data to analyze your January traffic and identify key days.
  - » Think about non-holiday season queries. Post-holidays, winter is in full swing. Do you sell cold weather gear that will continue to sell regardless of the holidays?
  - » Check your inventory to see if things that sold out over the holidays are back in stock. If so, are they still marked as out of stock in your feed? This is a good time to try to do an inventory check to ensure you are covering your products correctly.
- Find more best practices to unlock holiday shopping success in our Help Center.

#### Sources

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