

PLA Optimization Guide

July, 2012



Agenda

- Optimizing Your Data
- PLA Campaign Structure
- Product Targets: mapping products to bids
- Optimizing campaign structure
- Bid Management Strategy
- Tracking and Honing performance
- Summary & Additional Resources



Navigating Merchant Center

Sign in to your Merchant Center account to access important information via the left-hand-side navigation bar:

- Dashboard: View the number of active products and check for Disapproved products.
- **Data Feeds:** Be sure to submit all your inventory, and check for items that didn't process in the status section for your data feed. Click 'x out of x items inserted' to view any potential processing errors.
- Products: Search for individual products or filter by the status to see any inactive products
- Data Quality: View any errors and optimization suggestions to ensure all your items are eligible to display
- Performance: Sort by attribute, date range and more to view click data
- Settings: Link your AdWords account(s), add additional Users for Merchant Center and more when you expand the 'Settings' tab



Understanding Item & Feed Errors *

Some data quality issues, feed and item errors that impact PLA delivery and performance:

- Image Issues: Broken Image URLs, Errors on Image URLs, or Image URLs that are not accessible by the Google Crawler will result in those items not displaying for PLA
 - Check if this is an issue in the 'Data Quality' section in your Merchant Center account
- Unique Identifier Coverage
 - Check if this is an issue in the 'Data Quality' section in your Merchant Center account
- Feed Processing Errors can occur as a result of missing required, unrecognized or invalid attributes.
 - On the 'Data Feeds' tab, click on the status line for the feed to view errors if 100% of the items in that feed did not process.
- * Note that this is not comprehensive of all potential errors & data quality issues. Visit your Merchant Center account often and view our Help Center article on errors for a more thorough picture.



Data Quality Best Practices

- Submit your full inventory, with fresh and accurate data in your feeds
- Make sure that your data is high quality
 - Submit high quality images, at least 250 x 250 pixels, 400 x 400 pixels are recommended
 - Include all required attributes in your data feed. Visit our feed specification to understand what is required and recommended for your products.
 - Visit the Data Quality tab in your Merchant Center account for data errors and optimization suggestions
- Product Titles and Description best practices
 - Use the "title" and "description" attributes for each product to mirror product information on your website
 - Titles have limited real-estate and may be truncated after a certain number of characters - include important information upfront
 - Avoid using up limited title characters with your brand name



Summary: Feed Review & Merchant Center Checklist

- Is your AdWords account linked with your Merchant Center account in the 'Settings > AdWords' section of Merchant Center?
- Are there any Data Quality issues that need to be resolved on the 'Data Quality' tab?
- Are there any processing errors on the Feed Status Summary?
- Are you submitting all the required and recommended attributes according to the feed specification?
- Which AdWords attributes will need to be added to the feed?
 (AdWords_Labels, AdWords_Grouping, AdWords_Redirect)



PLA Campaign Structure

- Create a separate campaign for your PLAs.
 - This ensures that you can establish different settings and budgets for your PLAs, and track PLA performance metrics.
- Key questions to ask when envisioning your ideal PLA campaign structure:
 - Are there groups of products within your data feed that you'd like to bid differently on? This will dictate how your product targets are broken out.
 - Would you like to mention promotions for specific groups of products? An Ad Group per product target allows for a unique promotion per product target.
 - Is the main goal of your PLA Campaign profitable traffic or sales? This
 dictates whether you should use CPC or CPA bidding (CPA is US only)
- Set up an All Products target (with a bid lower than the other targets) as a catch-all for your entire inventory.
 - Note (US Only): All merchants who promote their entire product inventory before August 15th will receive a 10% monthly credit on PLA spend through December 2012. Setting up an All Products target is an easy way to ensure that you qualify for this.

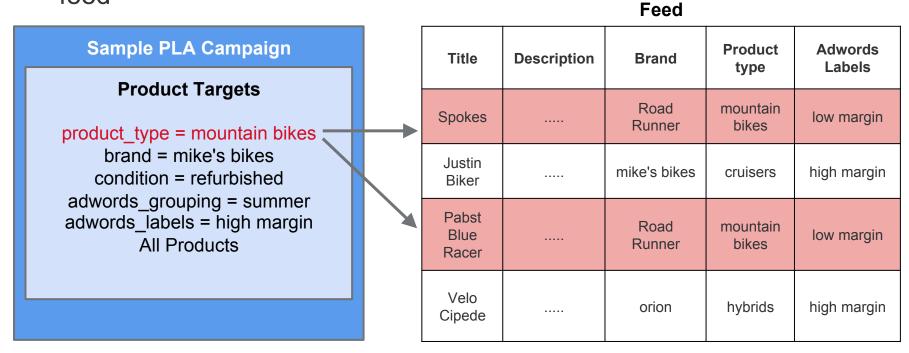


Let's walk through an example...

- Mike's Bike Store is a merchant who sells bicycles and related accessories
- They currently submit a feed through their Merchant Center account and want to set up a high-performing PLA campaign
- They have varying profit margins on their products: some brands are more expensive, some of their bikes are refurbished
- Their products have some seasonality for example, they want to make sure they aggressively promote their summer bikes in the summer



- Use product targets to bid differently on groups of products
- Product targets map to items with exactly matching attributes in the feed





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Sample PLA Campaign **Product Adwords Description Title Brand** Labels type **Product Targets** Road mountain Spokes low margin Runner bikes product_type = mountain bikes brand = mike's bikes Justin high margin mike's bikes cruisers condition = refurbished Biker adwords_grouping = summer Pabst adwords labels = high-margin Road mountain Blue low margin **All Products** Runner bikes Racer Velo hybrids high margin orion Cipede



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- Product targets map to items with exactly matching attributes in the feed

Sample PLA Campaign

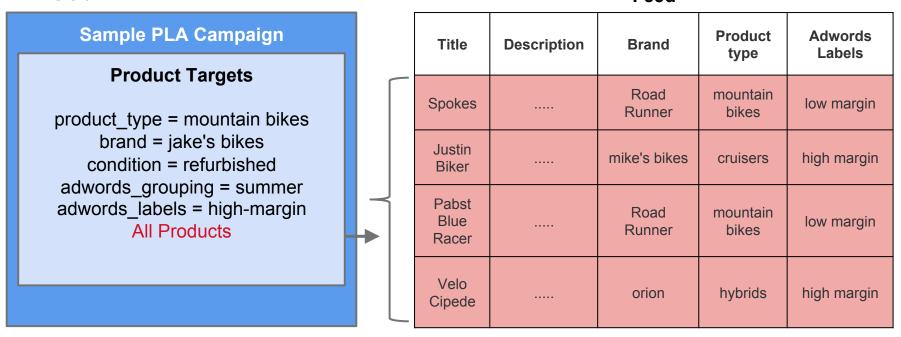
Product Targets

product_type = mountain bikes brand = mike's bikes condition = refurbished adwords_grouping = summer adwords_labels = high margin All Products

1					
	Title	Description	Brand	Product type	Adwords Labels
	Spokes		Road Runner	mountain bikes	low margin
	Justin Biker		mike's bikes	cruisers	high margin
	Pabst Blue Racer		Road Runner	mountain bikes	low margin
L .	Velo Cipede		orion	hybrids	high margin



- Use product targets to bid differently on groups of products
- Product targets map to items with exactly matching attributes in the feed



Best practice: add an All Products target to ensure that all your products are covered. Bid with the lowest price you're willing to pay for a click on any product. If a product matches more than one product target, it will run in the product target with the highest bid.



Assign a bid to each product target in AdWords.

Sample Ad Groups

Mountain Bikes
Mike's Bikes
Refurbished bikes
Summer bikes
High Margin
All Products

Sample PLA Campaign

Product Targets

product_type = mountain bikes brand = mike's bikes condition = refurbished adwords_grouping = summer adwords_labels = high margin All Products

Max CPC Bids

\$1.00 \$2.00 \$0.75 \$2.25 \$2.50 \$0.50

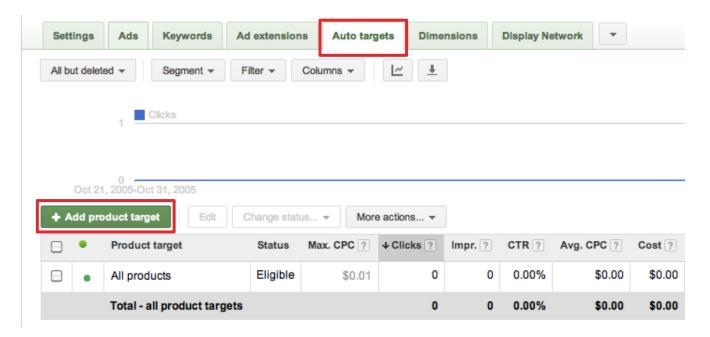
Leverage information in your feed like product type, brand, or condition to set up these groups or set up groups with custom attributes like adwords_labels

^{*} Use the "adwords_grouping" attribute instead of adwords_labels if you're using the CPA% bidding method.



Product Targets: Implementation Steps

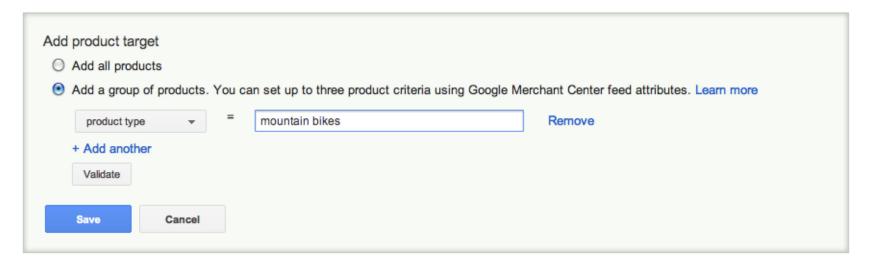
- 1. Select the PLA Campaign where you want to create your product targets.
- 2. Click on the **Auto targets** tab.
- 3. Click Add Product Target.





Product Targets: Implementation Steps

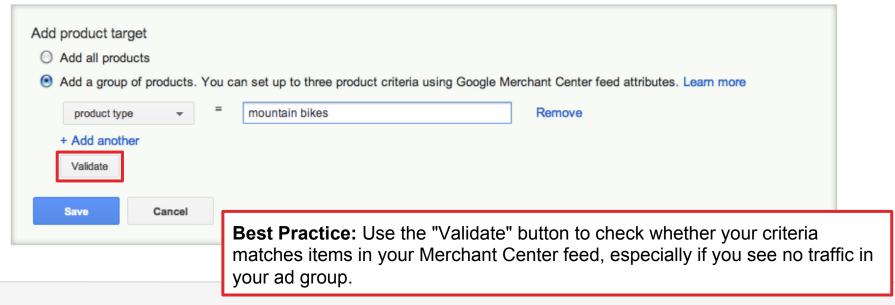
- 4. Select the ad group where you'd like to create the ad.
- 5. Select "Add all products" to create an All Products target. Select "Add a group of products" to target a subset of your products.
- 6. If you're adding a group of products, select up to three product attributes and enter their values. These must exactly match values in your feed.
- 7. Click Save.





Product Targets: Implementation Steps

- 4. Select the ad group where you'd like to create the ad.
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- 6. If you're adding a group of products, select up to three product attributes and enter their values. These must exactly match values in your feed.
- 7. Click Save.

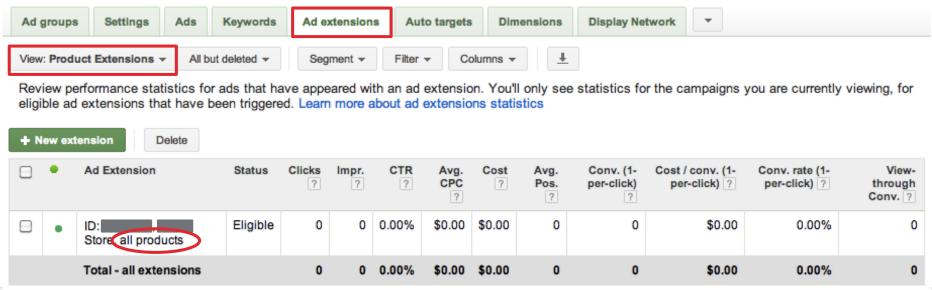




PLA Campaign Structure: Best Practices

- Create each product target in its own ad group to gain maximum visibility into search queries triggering each product target
- Make sure that you're not accidentally filtering products at the campaign level with Product Filters
- For PLA Campaigns, we recommend using Product Targets over Product Filters

In your PLA campaign, check that your product extension says "all products", not "filtered products" (Ad Extensions tab --> View: Product Extensions)





Bid Management Strategy

Setting up specific product targets gives you the ability to set bids for particular products and product segments.

- Start with a bid comparable to your existing keywords targeted Ad Groups, then adjust based on performance
- Use bids to influence Google's decisions to show products, by associating higher bids to your best performing products
- Set a bid lower than that of all your other product targets for the 'All Products' target. This allows you to gain incremental traffic for long tail products at a low price, and ensure 100% PLA Coverage.



Managing Bids Across Product Targets

The query "mountain bikes" is relevant to several products in the feed

 With the current PLA campaign structure, these products fall in multiple product targets (all products, product_type=mountain bikes and adwords_labels=high margin)

Feed

Title	Description	Brand	Product type	Adwords Labels
Spokes		Road Runner	mountain bikes	low margin
Justin Mountain Bike		mike's bikes	mountain bikes	high margin
Pabst Blue Racer		Road Runner	mountain bikes	low margin
Velo Cipede		orion	hybrids	high margin

Associated product target(s)	Associated bid
product_type=mountain bikes	\$1.00
All Products	\$0.50
product_type=mountain bikes	\$1.00
adwords_labels=high margin	\$2.50
All Products	\$0.50
product_type=mountain bikes	\$1.00
All Products	\$0.50



Managing Bids Across Product Targets

The query "mountain bikes" is relevant to several products in the feed

- With the current PLA campaign structure, these products fall in multiple product targets
- Since adwords_labels=high margin has the highest bid, this product & bid will run in the auction

Title	Description	Brand	Product type	Adwords Labels
Spokes		Road Runner	mountain bikes	low margin
Justin Mountain Bike		mike's bikes	mountain bikes	high margin
Pabst Blue Racer		Road Runner	mountain bikes	low margin
Velo Cipede		orion	hybrids	high margin

Associated product target(s)	Associated bid
product_type=mountain bikes	\$1.00
All Products	\$0.50
product_type=mountain bikes adwords_labels=high margin All Products	\$1.00 \$2.50 \$0.50
product_type=mountain bikes	\$1.00
All Products	\$0.50



Tracking Performance

Apart from viewing PLA performance at the campaign level in AdWords, you can track PLA performance at the product level or product target level.

Product-level tracking:

To set up tracking at the product level, use the *adwords_redirect* attribute in the feed to define product-specific tracking URLs.

Product target level tracking:

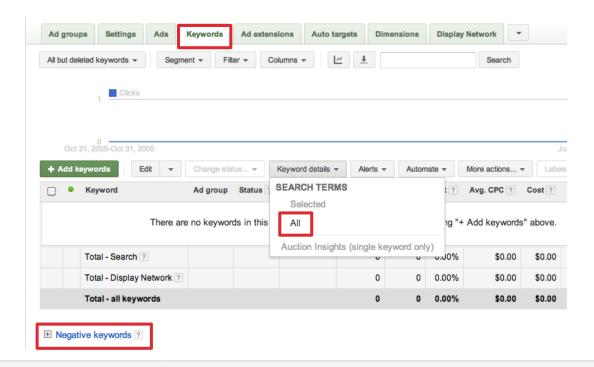
You can identify which Product Target generated a click by using the {adwords_producttargetid} valuetrack parameter in your adwords_redirect URLs in your Merchant Center Feeds.

View our <u>PLA Tracking Help Center article</u> for more detailed instructions on implementing tracking



Improving Query Relevance

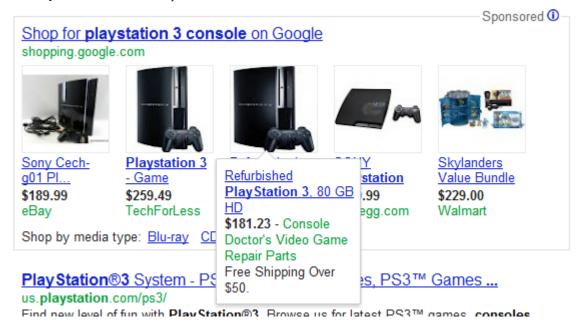
- Perform a search query report to identify the kinds of queries triggering your product targets, at the campaign or ad group level
- Set negative keywords to avoid your products showing for non performing queries, at the campaign or ad group level





Promotional Text

- Add useful promotional text for product categories to highlight your unique offerings
- Use specific promotional offerings ("50% off RoadRunner bikes", "Free bike helmet with \$100 purchase") rather than generic messages ("Best bike shop around!")
- Promotional text is set up at the Ad Group level





Summary: Top 5 Optimization Tips

- Full coverage: Set up an All Products target (with a low bid) as a safety net to ensure your entire inventory is eligible for PLAs.
- Strategic bidding: Use product targets to bid differently on different groups of products.
- Data quality: Maintain a high-quality feed by addressing errors and optimization suggestions in the Merchant Center Data Quality tab.
- Query relevance: Run search query reports and set up negative keywords to prevent your products from showing on irrelevant queries.
- Promotional text: Use promotional text to highlight unique offerings.