Shape Up Your Shopping Campaigns

Winning Sales on the Digital Shelf

AdWords Best Practices Series

Google

Introduction

Consumers today don't think twice about living in a multi-screen world. They just grab the screen that happens to be in front of them when they're at home, in the office or on the go.

These constantly-connected moments are a great new opportunity for retailers. To take advantage of this evolving "digital shelf," retailers must do three things:

- **Be there.** Have a strong presence on the digital shelf at all times
- **Be relevant.** Engage shoppers with the right details at the right moments
- **Be optimized.** Make it easy for people to shop and buy

In this whitepaper, we'll show how Shopping campaigns can help you do all three. In all, we'll offer best practices that can help you win over today's constantly connected shoppers.

A checklist for Shopping campaigns

In case you only have time to skim a few bullets today, here is a summary of the best practices we cover in this paper. Search engine marketers should consider these points to get the most out of their Shopping campaigns.

Create High-Quality Product Feeds and Keep Them Fresh

- ☐ Use relevant titles, descriptions and images to improve CTR but don't keyword stuff.
  WHY? When key information comes first in well-designed titles and quality images, your CTR is likely to go up. Forced keyword repetition can also hurt your placement.

- ☐ Keep your feed accurate and up-to-date.
  WHY? Inaccurate or incomplete feeds will be disapproved by Google because they create a bad experience for users. That means your ads won't show.

Structure Your Shopping Campaigns as You Would a Storefront

- ☐ Focus on product lines, profit margins and best sellers.
  WHY? It will help you budget and bid effectively for your top products.

- ☐ Promote seasonal items with a separate campaign.
  WHY? You can be more agile in promoting temporary promotions.

- ☐ Use multiple campaigns and campaign priorities to promote your flash sales.
  WHY? You can support and prioritize time-sensitive sales campaigns without restructuring your entire core campaign.

Bid Based on Your Goals and Your Competition

- ☐ Use benchmark and impression share data to set your best bids.
  WHY? Some impressions are more valuable than others, so make sure your bids match the value of each.

- ☐ Bid and budget more when you anticipate peak seasons or shifts in demand.
  WHY? This will keep your bids competitive at periods of high traffic and opportunity.

Make it Easy for Mobile Shoppers

- ☐ Simplify shopping and checkout.
  WHY? Mobile users have smaller screens and shorter usage periods.

- ☐ Don't forget about mobile tracking.
  WHY? Shoppers use many devices each day, and mobile can play a big role in conversions.

- ☐ Bid higher for shopping queries close to your store.
  WHY? People who do shopping searches near your store are more likely to convert there.

Now let's look at all these steps in more detail.

❶ Create High-Quality Feeds and Keep Them Fresh

The digital shelf is a lot like the shelves you browse at any grocery store. The shopper has many choices, and presentation matters. You need to present your offerings with clear titles and accurate, up-to date information.

One key to winning at the digital shelf is to understand how you want to promote your inventory. Set yourself up for success with a well-maintained feed.

Key Takeaways

- Use relevant titles and quality images to increase CTR
- Keep your feed accurate and up-to-date

Use Relevant Titles and Quality Images to Increase CTR

Title, description and image are the "big three" to focus on when planning your ads. Price aside, these three items have the most influence on whether or not a shopper clicks your ad.

Put the essential and relevant data right at the top.
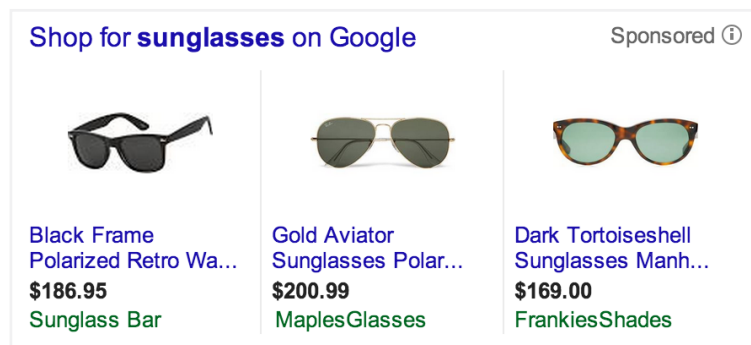
Here are some tips for writing better titles and descriptions:

Match your titles and descriptions to the search queries on which your ad appears. If the user searches for "sunglasses," make sure those words appear in the title. That kind of relevance gives customers the best possible experience and raises your chances of being matched to those queries in the future.

Start with straightforward titles and descriptions, then let your search terms report guide changes. Get rid of what doesn't work and refine what does. For example, a title reading "Loafers Size 13" can be switched to "Size 13 Loafers" if you discover that most shoppers search for size ahead of shoe type.

Use keyword-rich titles but don't stuff. Keyword stuffing is any attempt to raise relevance by repeating keywords needlessly. Forced repetition can harm your placement rather than improve it.

Watch out for truncation. The number of characters in your Product Listing Ad will depend on the ad unit being shown (usually between 50-70 characters). Leave yourself a safety buffer by using less than 50 characters in your titles.

Match your feed text to your site. Users are happier when the text on your landing page is a close match to the ad they clicked. If your ad reads "Acme 300B digital camera," make sure that the phrase is on the landing page.

When it comes to images, many of the same ideas apply: keep them simple, clear and relevant to the user's search.

Here are two good image examples:

A user who searched for a camera or sneakers is seeing exactly what they're looking for.

Now here are two less effective images:

These images are too cluttered and complicated. Neither one is likely to make a user feel like clicking.

Make sure your images show the product clearly at high resolution: at least 800x800 pixels. Try testing different product angles and backgrounds to see what gets the best results.

Another important factor that leads to a strong ad is your **Unique Product Identifier.** It's a very important aspect of a quality feed, so be sure that yours are present and correct.

TIP: If there's a big difference in how users are searching and your site's product information, adjust the product text. Use the language that your customers tend to use when they search for the product.

TIP: Don't use promotions, watermarks, packages, text or multiple products in your images. They clutter the image and draw attention away from the actual product. They will also get your ads disapproved.

Keep Your Feed Accurate and Up-To-Date

Up-to-date product feeds with keyword-rich descriptions will entice users and keep your ads showing at the right moments, while inaccurate feeds can lead to product or account disapprovals. Check your feed summary and data quality in Google Merchant Center for these common pitfalls:

- Your website URL isn't verified
- Required attributes missing
- Unknown "Google product category" values
- Mismatched data between data feed and your website (usually price or availability)
- Non-working destination URLs (ex. 404 errors)

All prices and product availability **must** match what's on your website. The best way to ensure this is to update your feed whenever you update your site. As a result, product feeds should be updated at least every 30 days.

Once you've populated your data feed, you can later create groups that make sense for your business. That makes bidding and budgeting easier for all the products in your campaigns.

For categories that **aren't** already in your existing taxonomy, use custom labels. They help you group products that share a theme—like bestsellers, seasonal products, promotions or profit margins—so you can manage and bid on them appropriately. You should assign a specific definition for each of the five custom labels and specify the possible values for each. Then, you use these custom labels consistently across the products in your data feed, assigning appropriate values to each product according to your own definition.

Here are examples of custom labels:

Custom label	Definition / Objective	Possible custom label values
0	Seasonal	• Spring-summer • Fall-winter
1	Promotions	• Flash sale • Clearance • Co-marketing deal
2	Selling rate	• Bestseller • Low seller
3	Margins	• High margin • Low margin
4	Release year	• 2013 • 2014

USE CASE EXAMPLE: Store A has a back-to-school sale on backpacks, notebooks and crayons. Using the "Seasonal" custom label, the store can tag all three items as "Back to School" so they can be managed together.

❷ Structure Your Shopping Campaigns as You Would a Storefront

The front window of any store on Main Street is prime real estate, and shopkeepers naturally treat it that way. They feature the products that are popular, seasonal, eye-catching and earn them the most.

Try to manage your online inventory the same way. Give the star treatment to your star products: make sure they're front and center on your "shelf" and give them special attention and care.

Key Takeaways

- Focus on product lines, profit margins and best sellers
- Promote seasonal items with a separate campaign
- Use multiple campaigns and campaign priorities to promote your flash sales

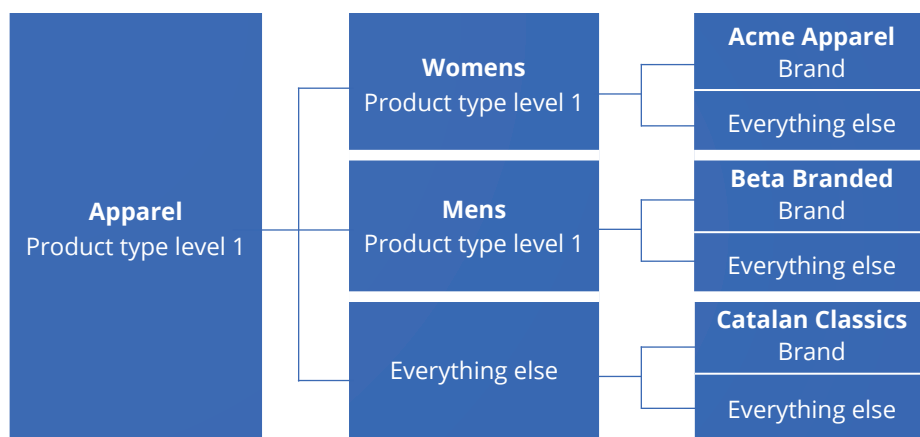### Focus on Product Lines, Profit Margins and Best Sellers

When setting up product groups, set them up to reflect product lines, profit margins and best sellers. It will help you set better budgets and bids for your top products.

We recommend focusing on high margin or best selling items. Your website taxonomy often already maps to margin or top sellers, so use that as a guide when you create product groups. Grouping similar items together keeps your campaign easier to manage. Look at traffic across product groups to make sure that most of your traffic isn't coming from a single product group. If it is, consider subdividing that product group further for better control.

As trends emerge in your performance, use custom labels to group high value and high volume items that span across multiple categories or product lines (those that aren't already aligned with your site's taxonomy).

Subdivide your inventory where it makes sense (see the help center for a full list of the product attributes you can use in your campaign). Organize and break out product groups as you would merchandise in your store or catalog, always keeping margins and volume in mind.

EXAMPLE: Store B is a clothing retailer. The store puts high-volume products like tops, dresses and pants into their own product groups. Each group is then subdivided further: tops, for instance, are subdivided into blouses and graphic Ts.

		Acme Apparel Brand
Apparel Product type level 1	Womens Product type level 1	Everything else
	Mens Product type level 1	Beta Branded Brand
		Everything else
	Everything else	Catalan Classics Brand
		Everything else

CASE STUDY: Farfetch is a London-based fashion retailer that brings together hundreds of independent designer boutiques. They use Shopping campaigns to optimize at the product and category levels with the least amount of management time. Farfetch started by creating product groups for their top 25 brands. From there, they used performance data to adapt to the competition, optimize their campaign structure and bid smarter. Result: Farfetch improved their conversion rates by 13% and decreased their cost per acquisition (CPA) by 20%.

Promote Seasonal Items With a Separate Campaign

Set up separate campaigns for seasonal items like beach umbrellas, Halloween costumes or snow shovels. Separate campaigns allow you to better manage both your seasonal budgets and your promotional messages. For instance, a summer campaign with swimsuits and sandals could be enabled in March and then paused in late July as the shopping season ends.

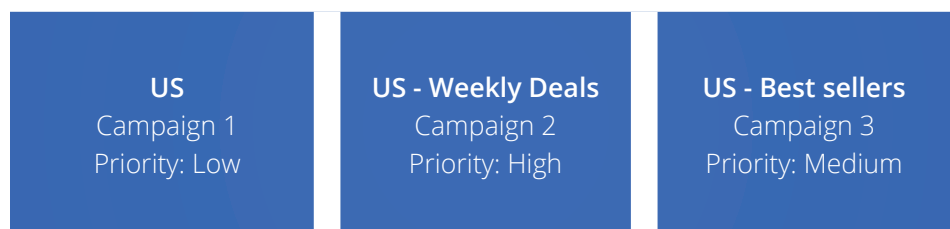## Use Multiple Campaigns and Campaign Priorities to Promote Your Flash Sales

Campaign priorities are a good way to support time-sensitive sales without having to restructure your entire campaign.

For example: If you're running a flash sale, a new campaign will let you budget and manage those items separately. When you have multiple campaigns advertising the same product, use the campaign priority setting to determine which campaign will be used when ads for these products show, regardless of bid. As an example, this can be useful when you're running a flash sale and want your ads to serve as part of the flash sale campaign.

TIP: *Add promotional text for special sales. You'll help consumers see the benefits of purchasing from your store at the moment when they're deciding where to shop.*

| US
Campaign 1
Priority: Low | US - Weekly Deals
Campaign 2
Priority: High | US - Best sellers
Campaign 3
Priority: Medium |

❸ Bid Based on Your Goals and Your Competition

OK: you've got your own inventory in order. Now it's time to think about how your content, bids and budget stack up against your goals and the competition.

Key Takeaways

- Use benchmark and impression share data to set your best bids
- Bid and budget more when you anticipate peak seasons or shifts in demand

Use Benchmark and Impression Share Data to Set Your Best Bids

Some products' impressions are more valuable than others. The best way to drive incremental sales at the highest profit is to be sure your bids match the value of each product's impressions. Set bids that increase your volume and that are in line with your goals.

Competitive landscape data is a good place to start. Try these tools in your Shopping campaign:

- The Google bid simulator will show you what your results might have been in the past week if you'd set higher or lower bids.
- **Benchmark CTR and Benchmark Max CPC** will show how your product groups stack against your competitors. If your CTRs and max CPCs are lagging behind the benchmarks, you'll know that you need to improve your data feeds so your ads are more relevant or adjust your bids so you'll be more competitive. The competitive performance data you see is aggregated and averaged, so all performance data is anonymous.
- **Impression share** will help you make sure your ads are reaching as many shoppers as possible. If your impression share is less than 100% and is earning a profit from the impressions you do get, you may want to increase your bids or optimize your data quality to earn more of those valuable impressions.

↑ Product group	Max. CPC ?	CTR ?	Impr. ?	Clicks ?	Avg. CPC ?	Cost ?	Benchmark CTR ?	Benchmark Max. CPC ?	Impression Share ?
▼ All products	--	0.50%	70,874	352	$0.68	$239.73	2.27%	$0.94	32.54%
▼ shoes	--	0.53%	36,553	192	$0.64	$123.78	2.41%	$1.05	29.29%
mens	$0.40	0.55%	2,708	15	$0.31	$4.63	3.12%	$0.75	43.50%
Everything else in 'shoes'	$0.40	0.52%	33,845	177	$0.67	$119.15	2.37%	$1.06	28.70%
Everything else in 'All products'	$0.40	0.47%	34,321	160	$0.72	$115.95	2.14%	$0.84	37.27%

Track against your competitors with benchmark max. CPC and CTR

Estimate your opportunity with a bid simulator

Impression share gives you insight into the potential query volume for a product group

CASE STUDY: Competitive metrics are a game-changer for ValuePetSupplies.com. The company, which sells over 8,000 pet products online, uses Shopping campaign impression share to diagnose the health of its product groups. For unhealthy product groups, the company also uses benchmark CTR and max CPC to see where they should adjust bids. "It takes the mystery out of bidding," says Nick Carter, ValuePetSupplies.com's director of marketing and sales. The advanced metrics helped the company increase its return on ad spend by an impressive 650%.

Once you've got all the numbers in hand, it's time to set better bids. The PLA auction is different from the text ad auction since you're bidding on products, not keywords. Since it's possible to have multiple products show in the same auction, active bid management is crucial for driving a high impression share and profitable returns.

In many instances, you want more sales from the product groups with the highest margins. So raise your goal cost per sale for those groups if that's what it takes to be competitive there. Also, don't take your best-selling merchandise for granted: watch the bids for those product groups and monitor their performance closely to keep them strong and profitable.

Bid and Budget More When You Anticipate Peak Seasons or Shifts in Demand

During seasons such as back-to-school or the holiday shopping season, consumers are more likely to convert. As conversion rates rise, you should adjust your bids upward to account for the increased value that your clicks now deliver. If your own bids remain the same as they were before, you're likely to find your clicks and income going down.

To maximize your profit, it's often a good idea to increase your bids during peak seasons or when you expect increases in demand overall. Many retailers ramp up bids right before the holidays, for instance, to maintain visibility on search engine results and capture more of that increased demand.

Going along with increased bids, you'll need to increase your budgets to allow for that increased volume.

Don't forget that your Product Listing Ads (PLAs) can run alongside your text ads on search results pages. To get the most visibility on your most valuable impressions, run ads on both keywords and PLAs. For even better results, add the top-performing queries from your PLA search terms report to your paid search keyword campaigns.

TIP: Look at historical changes in conversion rates or site traffic to guide your seasonal bids. If conversion rates are typically 18% higher on Memorial Day weekend, you can adjust your bids accordingly to take advantage.

TIP: Consider uncapping the budgets for your best-performing campaigns. Why? Because you may be leaving incremental sales on the table in the hours after you reach your daily budget limit. If a product group is highly profitable, you'll very likely earn more by making sure it's available 24/7.

On-the-go shoppers are looking for your products day and night on their smartphones. So make sure your merchandise looks good on the smaller screens of the "mobile shelf."

The opportunity here is huge. 74% say they're more likely to return to a mobile-friendly site again in the future , while 52% say that a bad mobile experience makes them less likely to engage with a company.[1]

Key Takeaways

- Simplify shopping and checkout
- Don't forget about mobile tracking
- Bid higher for shopping queries close to your store

Simplify Shopping and Checkout

Users search and browse differently on mobile phones than on computers. The screens are smaller, and the usage takes place in shorter bursts. For both those reasons, it's vital to make details like price, shipping costs and images clear and easy to find.

TIP: *Avoid these common mobile commerce site mistakes:*

- *multiple domains*
- *pop-ups*
- *unplayable videos*
- *faulty redirects*
- *404 errors*

It's hard to thumb-type through lengthy forms with multiple steps on mobile. To increase your conversion rates, simplify the payment process as much as you can. Add services like Google Wallet Instant Buy that help customers check out quickly.

Be touch-friendly and use descriptive buttons. Don't make customers guess where a click will take them. Label your buttons clearly, then use "breadcrumbs" and clear category names (like "Step 2: Payment") to help them navigate.

Here are some examples of a good mobile experience:

homepage   product search   checkout
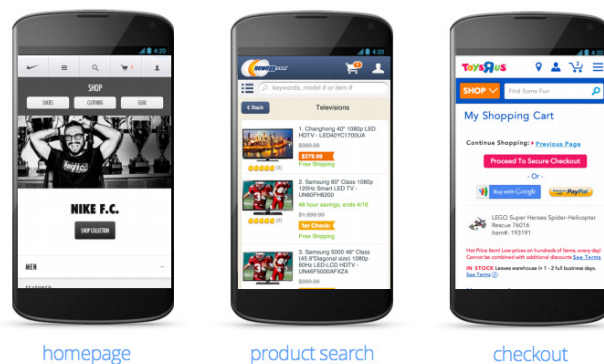
Note that the pages aren't overcrowded, the key data is clear, and the buttons are large and descriptive. Everything's working on these mobile shelves.

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[1] Google internal study, September 2012

Don't Forget About Mobile Tracking

The 'adwords redirect' attribute will make sure you can track mobile conversions.

Shoppers use multiple devices throughout the day. They may do research on a desktop at lunch, check prices on a mobile in the afternoon, and buy on a tablet at night. It's important to be there for the whole journey and measure the results. To do so:

- Specify your mobile URL with the 'adwords redirect' attribute, then monitor the performance of that traffic.
- View estimated total conversions to see how your Google search advertising is driving all conversions online, offline and across devices for your business. [3]

Bid Higher for Shopping Queries Close to Your Store

A mobile shopper searching for stores and products while she is near your store is more likely to convert with you. It's good business to make an extra effort to be there for her.

To do so, use location bid modifiers to bid higher for queries that occur near your stores. Then use location reports to fine-tune those bids by radius intervals, checking results for users who were one mile away, five miles away, and so on.

Conclusion

Your Shopping campaigns are your shop window, your front-door greeter and your lifeline to today's constantly-connected shoppers. Keep them top-notch and up-to-date, and consumers will respond with their attention and their dollars.

Remember to...

- **Be there** on the digital shelf at all times
- **Be relevant** by giving shoppers the right details at the right moments
- **Be optimized** for every screen size

Then measure the results, so that shoppers can tell you what they find most useful and compelling. Good luck on the digital shelf!

[2] Google internal study, January 2014

[3] Note: Estimated total conversions will only show for accounts that record about 50 conversions a day