Increasing offer coverage by activating Low Volume SKUs



Low Volume SKU Implementation Deck June 2022

Agenda

01 What are Low Volume SKU's

O2 Prerequisites for Low Volume SKU Solution

O3 FAQ's

What are Low Volume SKU's?

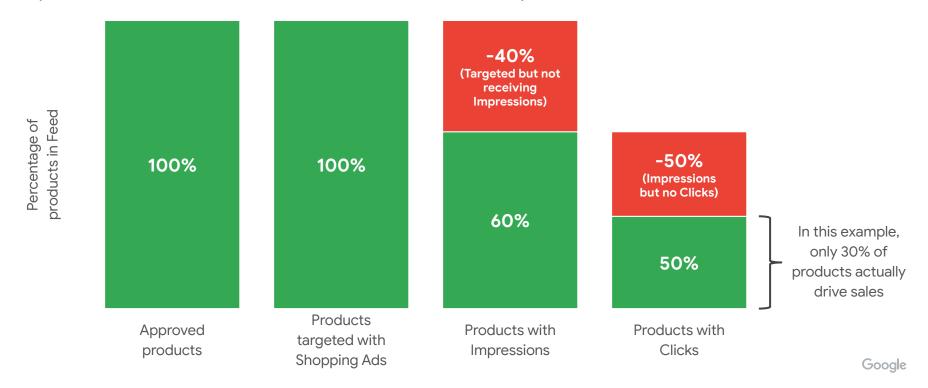
0.



If your online shop was a physical store, would you keep products in the back?

Today, advertisers see many products with low volume

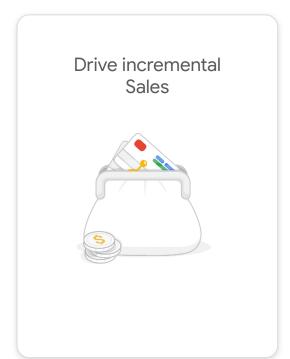
Budget restrictions and low performance lead to a big number of products with no or very low impressions/clicks which leads to low transactions for these products



Many reasons to push all products to your digital storefront

Increase Visibility in Shopping Ads auctions





PMax Campaigns help to kickstart your products

Maximum inventory across all Google Properties

PMax uses Google Search, Search Partners, Display Network, YouTube and Gmail to connect your products with customers







Maximum Conversion Value Bidding

Maximize your revenue within a given budget using all available auction-time signals

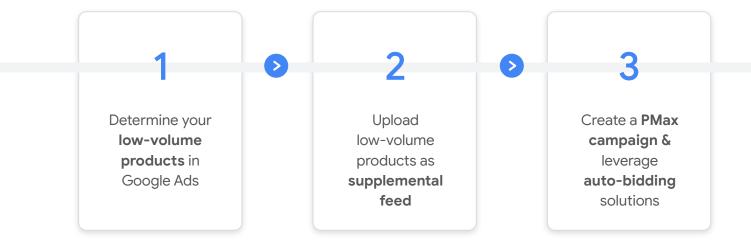


Lean & easy setup with full automation

One campaign with one ad group and only one ad – that's all you need!



How to activate these products?



01

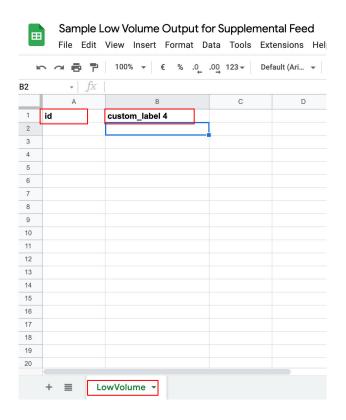
How to implement the solution

03

Prerequisites for Low Volume SKU Solution

- Merchant Center sub-account is compatible with supplemental feeds
 - MCAs only support Content API Supplemental Feeds which unfortunately aren't currently supported by this solution
- A custom label (0, 1, 2, 3 or 4) is free for use
 - The supplemental feed will need this to overwrite values
- It is recommended to test the script for your account, especially with expected Low Volume SKU count >1M
 - Google Sheets has limitations with respect to the number of cells in use
 - Scripts can time out when fetching large volumes of data

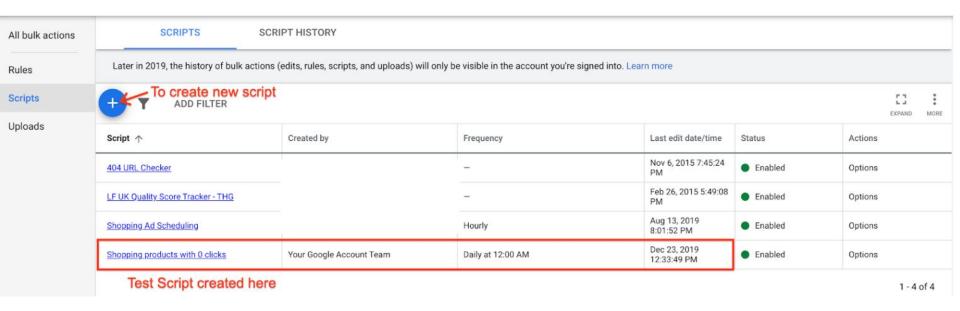
Step 1: Create New Supplemental Feed using Google Sheets



- Create a new Sheet.
- Ensure you have the following values for these cells:
 - A1 = id, B1 = custom_label_0-4
- Ensure the tab is named 'LowVolume'.

- This Sheet will now act as your Supplemental Feed.
- The custom label should match what's in the script.
- The headers should be exactly as above

Step 2: Creating New Script in Google Ads



In Google Ads UI, go to: Tools&Settings > Bulk Actions > Scripts. Click on the '+' icon to create a new script.

Step 3: Paste the Script and update variables

```
13 // Define which custom label nr [0-4] will be used.
Code.as*
                          14 // IMPORTANT: Ensure this label is free and only used for this solution.
                          15 // This number should match the custom label nr in the second column of the spreadsheet above.
                          16 var CUSTOM LABEL NR = '4';
                                                               Change to custom label that should be used
                          18 // Create a new Google spreadsheet.
                          19 // Add these values to A1 and B1 respectively:
                          20 // A1 = 'id', B1 = 'custom label 4' - the nr of the custom label should match the above.
                          21 // Name this working sheet 'LowVolume'.
                                                                                                                                                     Change to supplement
                          22 // Copy the link of the new sheet and paste it below
                          23 var SPREADSHEET URL = 'https://docs.google.com/spreadsheets/d/1BB2sZ0o0Re9 F6grGByDC FHMfRg9tv2sPyo3lnkv k';
                          25 // Set the value for the label for newly flagged low volume products.
                          26 var LABEL LOW = 'low clicks last 30D';
                          28 // Set the value for the label for low volume products that have ramped up.
                          29 var LABEL RAMPED UP = 'product ramped up';
                          31 // Set the nr. of clicks with which should be considered ramped up.
                          32 // It needs to be a string to be added as part of the query statement.
                          33 var THRESHOLD = '1';
                          34
                          35 // The following filter will detect low volume products, using the threshold above.
                          36 // You can add other metrics to filter on, for ex. adding AND metrics.impressions < 100.
                          37 // Optionally you can filter on a merchant, e.g. adding AND MerchantId = 1234. Optional
                          38 var FILTER NO CLICKS = 'metrics.clicks < ' + THRESHOLD;
                          40 // The following filter will identify products that have already ramped up.
                          41 // As a condition, it must have the previously added label and for ex. clicks >50.
                          42 // To add further conditions use the AND clause, e.g. AND Conversions > 10.
                          43 var FILTER RAMPED UP = 'metrics.clicks > ' + THRESHOLD + ' AND segments.product custom attribute' + CUSTOM LABEL NR + ' = "' + LABEL LOW +
                           45 // To filter campaign names, add for ex. AND campaign.name LIKE "%FR FR%".
                          46 // Set the filter to true to include it.

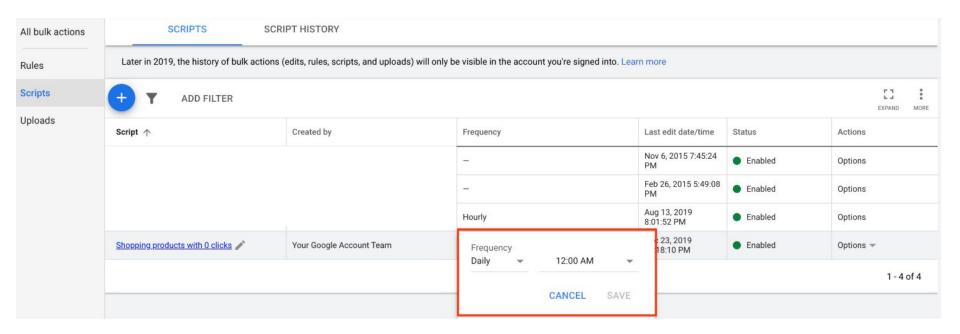
    Optional: set to false if not using.

                           47 var USE CAMPAIGN FILTER = false;
```

Paste this script into the code section.

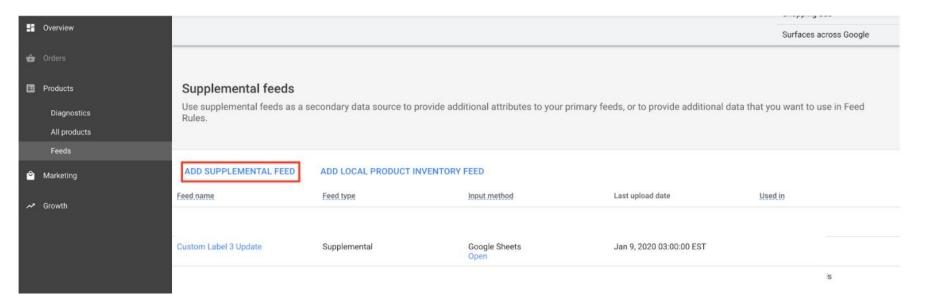
You will need to authorize the first time you run the script for any account. Click Save and Run (or preview)

Step 4: Set frequency of Data Refresh



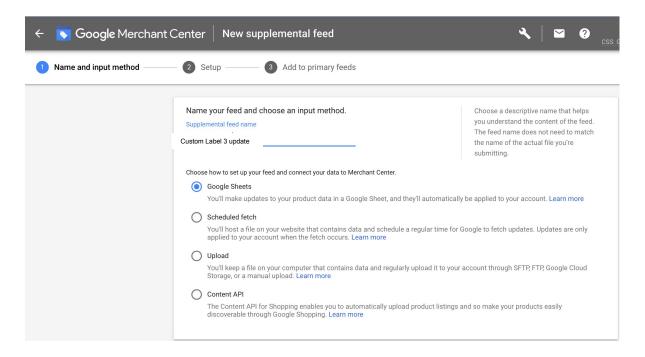
Go back to **Bulk Actions > Scripts** and edit the frequency of the script run

Step 5: Creating New Supplemental Feeds



Navigate to the Feeds Section of the Merchant Center account. Click on Add Supplemental Feed

Step 6: Select Format as Google Sheets



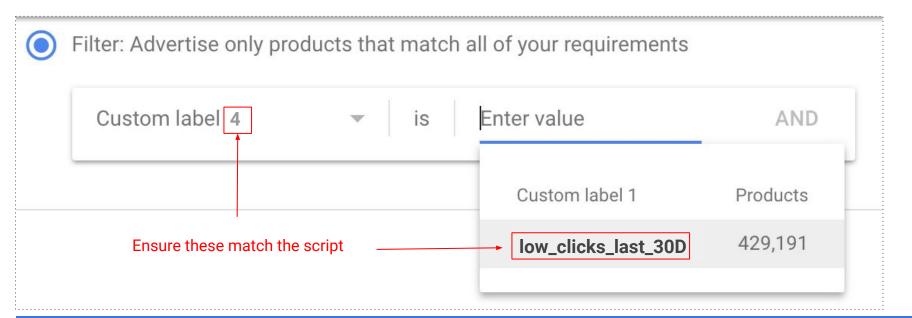
Name the Supplemental Feed and Select Google Sheets as the input format

Step 7: Schedule refresh of feed to align with Script refresh



Select the time of feed refresh. The latest list of values in the Google Sheet will be fetched.

Step 8: Creating New Campaign with only Low Volume SKUs



Create a new Low Volume SKU campaign. Use **inventory filter** to target the required label. The script will have respectively labeled low volume products, or removed ramped up products.

Three-Step Approach

Identify Low Volume SKUs

Create a self refreshing Google sheet with the latest list.



Label offers

Use self refreshing sheet as a Supplemental Feed to label these items as Low Volume SKUs.



Target offers

Use the Low Volume SKU label in Google Ads interface, and leverage auto-bidding solutions.

01

02

os FAQ's

Benefits of this approach

Surface a broader range of your inventory to high-intent shoppers across Google networks

Increase the number of auctions you enter and win, driving incremental clicks and sales

You may find yourself reaching new customers that you previously had missed out on with a larger range of SKUs entering Shopping auctions

Why are these products not showing already?

Slots to serve Shopping ads to users are limited

Due to depth of inventory some products may not get an opportunity to surface as much as others

Over time, as other products develop a click history, it can become even harder for these products to make their way into the auction

Splitting these products out on their own gives them a chance to surface

PMax campaigns ensure items surface across a broader selection of inventory and to the right clients to drive sales for you

Won't these products perform poorly?

Past tests showed that these products perform very well when activated in a Performance Max campaigns (PMax):

- > PMax allows your products access to a large array of inventory
- > PMax uses Machine Learning to surface:
 - the right product
 - o to the right user
 - o at the right time
 - o to drive maximum conversion value for your budget
- > PMax can also optimize towards driving sales at a chosen ROAS target for added control (not recommended for Low/No Volume items)

Does this work with tROAS as well?

We recommend to use PMax for specific reasons:

- tROAS is set too high, thus the algorithm is deprioritizing certain products to meet the goal
- The allocated budget is insufficient

Performance Max Campaigns

Doesn't need a ROAS goal

Doesn't need previous conversions

Is budget aware and will spread it across the day

Regular Shopping campaign using tROAS

Needs a ROAS goal that is significantly lower than in the rest of the campaigns

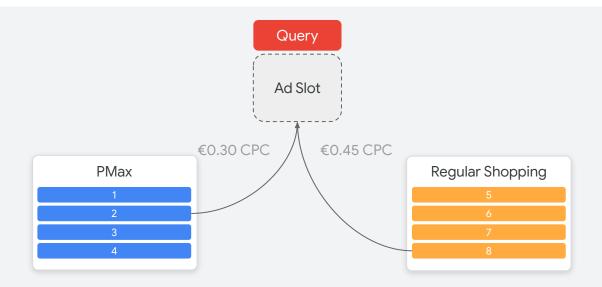
Campaign needs to meet a conversion threshold. You need to run Max. Clicks first for up to 2 weeks (depending on volume)

Budget can be depleted so that you don't run ads at the end of the day

Will PMax not cannibalize my other Shopping campaigns?

- PMax is trumping regular Shopping Campaigns only when the same products are in both campaigns. This <u>will not</u> be the case.
- The product we will allocate to PMax won't have any traffic to begin with.

Both campaigns could go for the same search queries, but with different products:



What do we do with products once they start serving and generating sales?

Products will resurface

Some products are now generating sales regularly

Re-integrate into campaign

These products can be re-integrated back into existing Shopping setup

Or leverage a new campaign

Alternatively, create a new campaign for "ramp-up SKUs" to build a click history before sending it back into your campaign structure

Key Takeaways

01

Focus on offers with 0 clicks, ensuring good offer hygiene for best results

02

Isolate and label offers via an available custom label

03

Target offers preferably
via a PMax, leveraging
machine learning
capabilities



Thank you!