



CASE STUDY

IT Cosmetics drives 188% lift in online sales from new customers with Smart Shopping campaigns

Embracing technology to reach a wider audience

[IT Cosmetics](#) has been offering makeup and skincare products developed by plastic surgeons since 2008. The brand and its agency partner, [Add3](#), have used Standard Shopping campaigns since 2014 to connect with customers online. Four years later, the brand rolled out its first Smart Shopping campaign to strengthen its online presence with machine learning.

Once Smart Shopping campaigns allowed for more customized creative, the brand became interested in diving back into machine learning. IT Cosmetics was also excited to participate in the beta for adding a new customer acquisition goal because connecting with and recruiting first-time shoppers had become one of the brand's main objectives. So, at the start of the year in 2020, the brand began optimizing a portion of its Smart Shopping campaigns to drive recruitment of its best-selling products toward new customer acquisition.



IT Cosmetics

Jersey City, NJ, USA

<https://www.itcosmetics.com/>

188%

increase in online sales with new customers*

152%

increase in overall online sales*

75%

increase in new customer acquisition*

65%

increase in ROAS*

Testing new campaigns and optimizing for customer acquisition

To meet its return on ad spend (ROAS) goal, the brand had traditionally prioritized reconnecting with past customers. But after noticing that first-time shoppers who bought a best-selling product often repurchased, resulting in higher lifetime value (LTV), the brand began to focus on reaching new beauty consumers.

IT Cosmetics set up two Smart Shopping campaigns in Q1 2020. One campaign used the new customer acquisition goal, which allowed the brand to set a higher conversion value for new customers (set by averaging the lifetime value for all IT Cosmetics shoppers) and was optimized to find new customers. While this campaign promoted its top-selling products that were likely to catch new customers' attention, its regular Smart Shopping campaign sought to maximize online sales across a wider inventory. IT Cosmetics then worked with Add3 to set up a series of pre/post analyses to assess performance.

Engaging new beauty lovers with machine learning

After two months of testing, the brand compared its Smart Shopping campaign that optimized toward both ROAS and a new customer lifetime value goal to its baseline Smart Shopping campaign from a previous two-month period. IT Cosmetics saw that its Smart Shopping campaign with the new customer acquisition goal drove more new customers by 75% while increasing ROAS by 65% period-over-period (POP). It also boosted overall online sales by 152% and sales from new customers by 188% POP.

Impressed by the results, the brand plans to increase its budget for Smart Shopping campaigns, with a focus on expanding the new customer acquisition goal to other Smart Shopping campaigns with additional product inventory.

“We were intrigued by Smart Shopping campaigns’ ability to optimize toward online sales and attract new qualified customers.”

—Ashley Royalty,
Strategic Account Lead, Add3

“Our Smart Shopping campaign with the new customer acquisition goal helped us connect with more first-time customers without sacrificing ROAS. To build on our success, we plan to scale our automated campaigns.”

—Patricia Garcia Harduf,
Senior Manager Digital Marketing,
IT Cosmetics

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