Drive Sales with Google Shopping Campaigns

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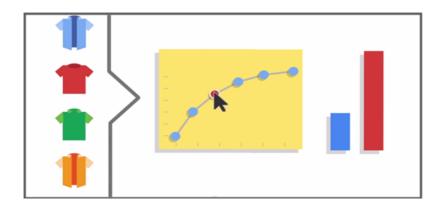
www.GoDatafeed.com



www.OperationROI.com



Google Shopping Update: Are You Ready?



As the Summer winds down, the migration from Google Product Listing Ads to Google Shopping Campaigns is upon us. The timing of this migration, right before the holiday season, also makes it very important that you review your campaigns to take advantage of its new features, including Product Groups and Custom Labels.

The beauty of Google Shopping Campaigns is the ability to segment your products into <u>Product Groups</u>, and if needed, down to the product level. This allows you to have different bidding strategies for your product groups. If you have thousands of products, having all of your products in one single product group probably doesn't make much sense, as your product offerings probably vary by price, margin, category, etc.

This guide will cover Google Shopping Campaigns' newest features as well as the most common categorization and bidding strategies.

GoDataFeed has already switched to the Google's new feed specifications, so retailers using its data feed management software are already transitioning to the new format.

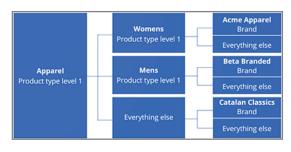
Google Shopping Campaign Feed Tips

The changes you implement will require that you plan the structure out before the initial launch of your new Google Shopping campaigns. Google advises that you setup your campaigns the way you would your online storefront. The proper use of your new Product Groups and Custom Labels are also extremely important, so it's best to spend time planning out the structure.

Product Groups These ad groups are based on any attributes you choose: Brand, Item ID, Custom label, Product type, or Google Product Category – you can then break these out into their own product groups.

Custom Labels Let you further target and segment your product groups within your data feed (see example).

Feed Freshness Make sure to keep your data feed (pricing, inventory) up-to-date and accurate to avoid getting your feeds disapproved.



Product Titles/Description/Images Use consumer-friendly titles and descriptions that have relevant keywords and avoid keyword-stuffing (limit: 150 characters for titles; 5,000 for descriptions). Always use high quality images.

Custom label	Definition / Objective	Possible custom label values
0	Seasonal	Spring-summerFall-winter
1	Promotions	Flash saleClearanceCo-marketing deal
2	Selling rate	BestsellerLow seller
3	Margins	High marginLow margin
4	Release year	· 2013 · 2014

Categories For best results we recommend using Google's Product Taxonomy; this attribute only accepts one value, so use the most relevant one for your product group.

New Attributes

That merchants can now use include manufacturer or merchant-defined bundles (i.e. camera body with lens, sold for one price); apparel attributes (gender, age, color, size, etc...) and a simplified Availability status.

Top 5 Bidding Strategies for Google Shopping Campaigns

After you've properly formatted and optimized your data feed, you can review your historical analytics data to set bids for the new structure of your shopping campaigns.

There are five basic bidding strategies for managing Google Shopping Campaigns. Before you launch, it's best to review your products and think about how best to categorize your products for bidding purposes. Don't forget to take advantage of the <u>Custom Labels</u>, which will give you the ability to add your own segmentation choices to your feed.

(1) Category/Brand Bidding:

One of the most common practices when starting out working with Product



Groups is segmentation by category or brand. Since "brand" is an attribute in the Google feed and is available with the product groups selection, this may be a good place to start.

Google also provides basic categories for segmentation, so this also may be the best place to start breaking apart your campaigns. Whichever you choose, you can always segment further within each Product Group.

For an apparel merchant, we chose Apparel as the top-level category, then we broke it down by brand, then down to the product level. We then set up the product groups so the brands that typically sold better, had higher bids than some of the less popular brands.

(2) Performance Bidding:

Bidding by performance is also a common strategy when working with Google Shopping Campaigns. One of the nifty features of the new shopping campaigns is "<u>Campaign Priority Setting</u>" which allows you to have multiple campaigns advertising the same products. Since by default the priority is set to "Low" for all campaigns, the ability to give certain campaigns a higher priority allows you to be able to promote certain products.

The example to the right, the main categories are all set to "Medium" priority.

The "Top Performers" group, which is set to "High" priority, focuses on products that have continually sold well and had a solid ROI.

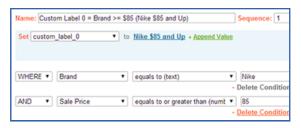
	◆Ad group
	Total - all ad groups
•	Top Performers
•	Poor Performers
•	Main Cat - Wellies
•	Main Cat - Umbrellas
•	Main Cat - Thongs & Flip-Flops
•	Main Cat - Therapeutic Gloves
•	Main Cat - Socks
•	Main Cat - Snow Boots

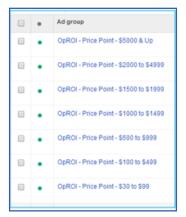
(3) Price-Point Bidding:

Another common strategy for segmenting your products is by price-point. For many websites, the product offerings prices can vary greatly from \$10 to \$2000. For this reason, bidding tactics on the \$10 products should vary greatly from the \$2000 products when trying to maintain performance goals.

Google does not provide any way to segment by price, so you must take advantage of the custom labels and break your products into price buckets that make sense for your offerings.

The example above for a jewelry website from Operation ROI, we chose to segment into price buckets and then bid accordingly. The \$30-\$99 bucket has a max. CPC of \$0.90, while the \$5000 & Up group's max. CPC is set to \$8.00. This bidding strategy allows us to maintain the necessary ROI goals set forth by the client for each of the price buckets.





GoDataFeed makes it easy to setup custom labels based on price point within your data feed.

For instance, the example at left sets a custom_label_0 field in Google Shopping to Nike \$85 and Up; this enables you to create a bid structure for a particular brand that has a selling point higher than \$85.

(4) Margin Bidding:

Another strategy similar to segmenting by price is segmenting by margin. The strategy is almost identical to bidding by price, but the Ad Groups or Product Groups are based on margin percentage and not price. The difficulty in setting up this method is you will need to know the margins for every product you offer. You will need to set up Custom Labels to properly segment.

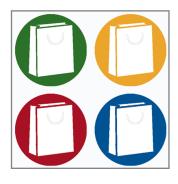
The example to the right, the client had margins from 10% to 70%. We used the clients various margins, and setup Ad Groups based on the potential revenue made when

٠	Ad group	Status ?
•	\$251 & Up	Eligible
•	\$101 - \$250	Eligible
•	\$51 - \$100	Eligible
•	\$21 - \$50	Eligible
н	Under \$20	Paused

the individual products sold. As you will see, the lowest margin group was not performing, so it was paused.

(5) Seasonality Bidding:

This bidding strategy seems to get over looked by many of our clients, but can actually make a huge difference to ROI goals if you understand your products seasonality. We have a client who sells products like wet suits, ski gear, winter apparel, and other outdoor related products.



In this case it is very important to understand what times of the year their products sell best. While the setup of these campaigns is similar to category bidding, it is important to segment the products by season.

During the winter months we can focus on ski gear and winter apparel, and when the summer months roll around, we can focus on the wet suits and water skis. One important reason to segment in this manner, as opposed to removing the seasonal

products, is that during the off-months we can still show the products, however we can decrease the bids significantly to keep the overall ROI in check. Our skiing merchant loves this as he gets a handful of ski sales every summer for his clients who travel to the southern hemisphere for skiing in the Summer months and the ROI is huge!

Strategy Recap:

While all of these strategies will work well if implemented and monitored, it is important to figure out a solid selling strategy prior to launching Google Shopping Campaigns. It is also important to understand Custom Labels, Campaign Priority and how to structure your campaigns. Also, make sure your data feed quality is excellent and includes accurate categorization, up-to-date pricing, as all of these components will help make your campaigns more successful.

Google Shopping Campaign Checklist:

 $\hfill\square$ Use consumer-friendly titles, descriptions and images to increase click-through-rates

- $\hfill\square$ Keep feeds fresh and accurate to ensure the best user experience
- □ Structure your campaigns as you would your storefront
- □ Focus campaigns on product lines, profit margins and best-sellers
- □ Promote seasonal campaigns separately

Need help with your Google Shopping Campaigns? The feed experts at GoDataFeed and OperationROI are available to guide you through the process from data feed management to help structuring your campaigns.

GoDataFeed Your Products. Everywhere.

GoDataFeed empowers online retailers to increase sales and visibility of their ecommerce store by syndicating their products to a choice of 100+ comparison shopping engines and marketplaces including Amazon, Google Shopping, Nextag, Shopzilla and more.

Automatically list your products, optimize your listings and analyze results to increase profits and reduce costs.

- Trusted by thousands of retailers 10,000 feeds and 10 million products handled daily
- 100+ channels including comparison shopping sites, marketplaces, affiliate networks & more
- An unmatched suite of actionable analytics to keep your products profitable

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OperationROI is a multi-channel Internet marketing management group. We leverage various marketing channels to help e-commerce websites improve exposure and conversions through the of use of comparison shopping engines, shopping marketplaces, paid search, affiliate marketing, and other tactics.

We're results-obsessed and committed to one primary goal, increase the return on our client's advertising investment.

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