

Digital Guru

# Smarter with Search

# The human mind has always had questions



# Back then, this is how they asked questions that mattered

"I am from Wilmington, North Carolina, and my daddy owns the second oldest lighthouse in the country. Where can I sell it?"

Do camels have to be licensed in India?

Telephone question during the water shortage.

"Can you tell me how much water I use ? "

Are Plato, Aristotle and Socrates one and the same person ?

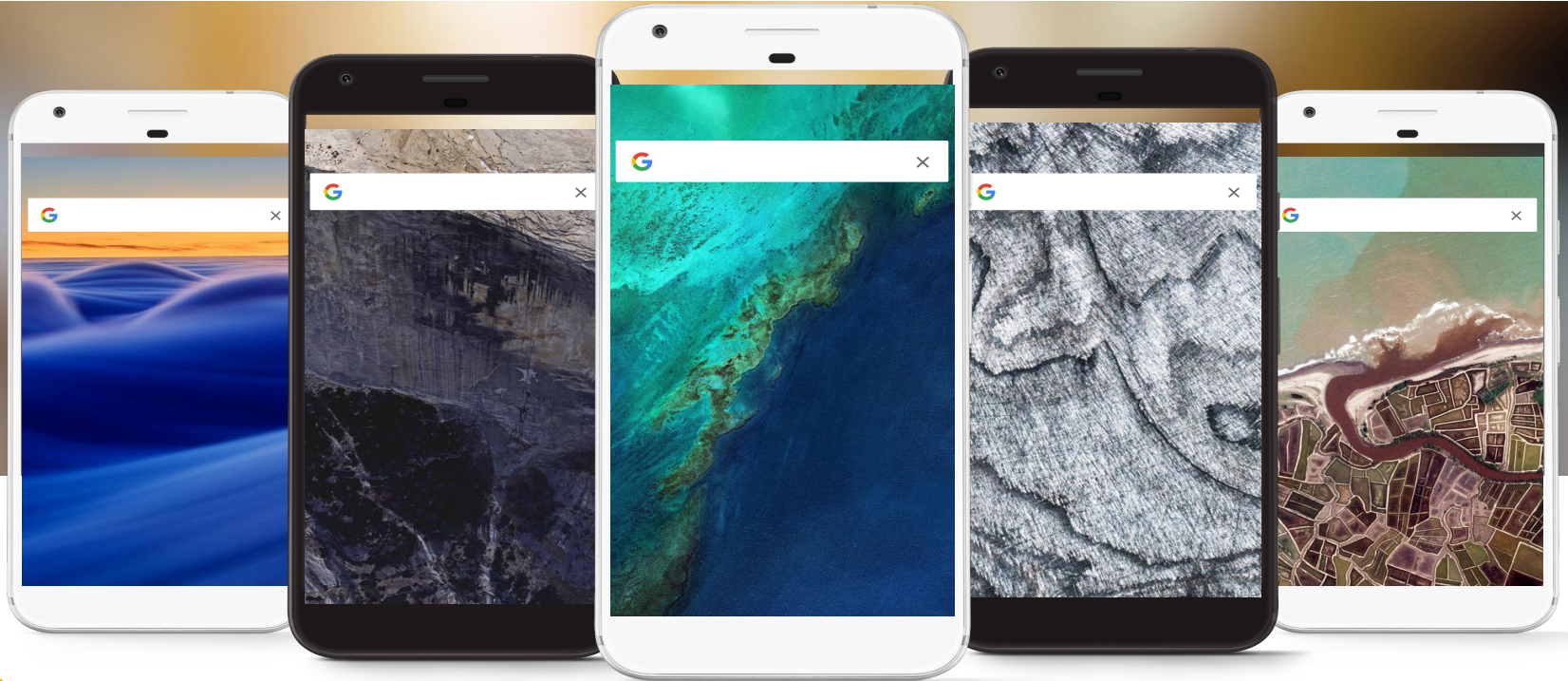
Is this the place where all the questions I can't get answers to?

# Then things changed





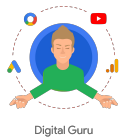
And changed some more





...  
searches  
each day

-----  
... new!

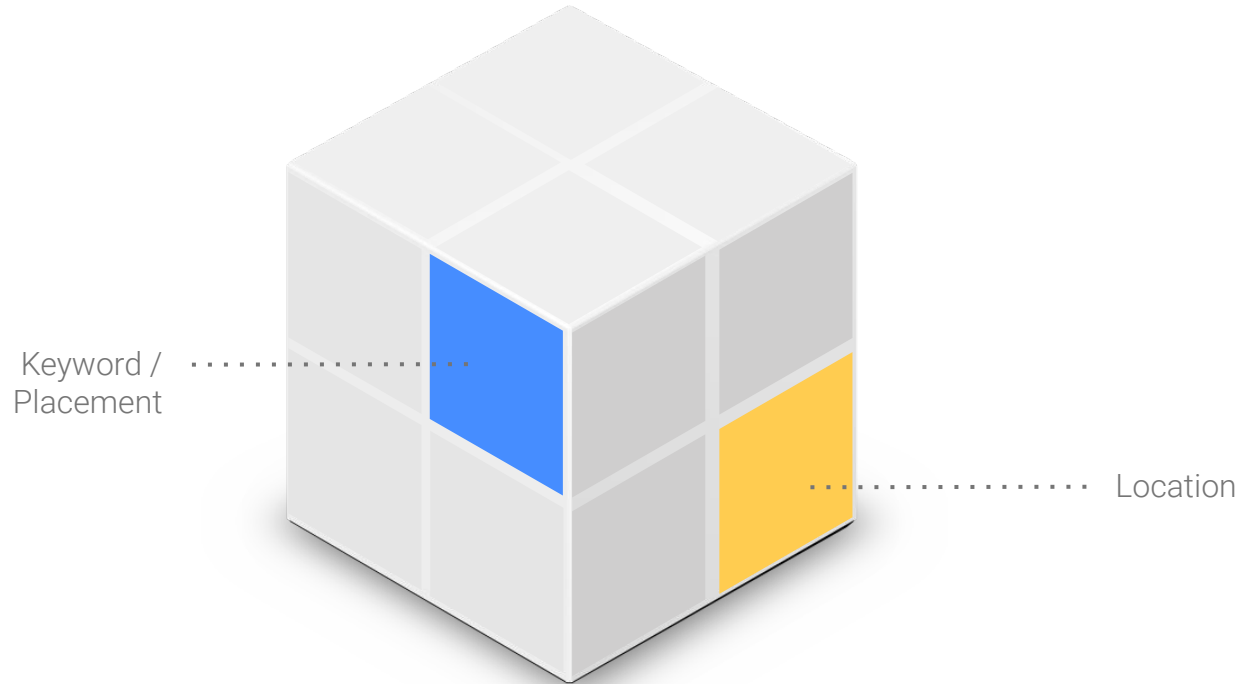


Source: <http://www.internetlivestats.com/google-search-statistics/>



3.5B  
searches  
each day  
-----  
15% new!

# Digital marketing then: Two main signals

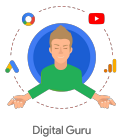




# Digital marketing now: Millions of signals



# Digital marketing now: Millions of signals

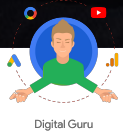


Effective digital campaigns are powered by consumer insights

Consumer Data



Machine Learning



# Same search queries, different messages based on signals

best rates on hotels



Expedia.com hotels - 20% off on all hotels for expedia members



**Ad** [www.expedia.com/Hotels](http://www.expedia.com/Hotels)

**Expedia's** Price Guarantee!

best rates on hotels



Low Cost Hotels in Barcelona - Compare Hotels & Save - Expedia.com



**Ad** [www.expedia.com/Hotels](http://www.expedia.com/Hotels)

Over 300,000 Hotels w/ Great Prices!

best rates on hotels

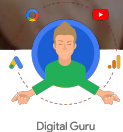


Expedia Hotels - Get Exclusive Expedia Deals



**Ad** [www.expedia.com/Hotels](http://www.expedia.com/Hotels)

Book with the #1 Website in Travel.



# In 2018, we want to explore organized automation

We want to use machine learning to help you free up time and focus on what computers can't do while bidding smarter

1

Ad formats — [creative excellence!](#)  
What is best way to make my ad stand out?

2

Audiences — [building a 360° View!](#)  
How do I identify and prioritise the most relevant audiences?

3

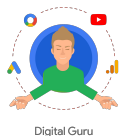
Always-On — [maximizing opportunity!](#)  
How can I reach potential customers in all the moments that matter?

4

Automation — [building for the future!](#)  
How can I spend more time thinking strategically while also bidding smarter?

5

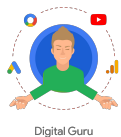
Attribution — [X-device, non-last-click, actionable insights!](#)  
How do I give each interaction due credit?



# In 2018, we want to explore organized automation

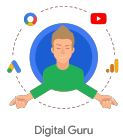
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# A good creative does 3 things

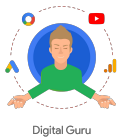
- 1.1 Appeals to different people ➡ 3+ Text Ads
- 1.2 Is most relevant ➡ Optimized Ad Rotation
- 1.3 Improves visibility and draws attention ➡ 3+ Ad Extensions





# A good creative does 3 things

- 1.1 Appeals to different people ➡ **3+ Text Ads**
- 1.2 Is most relevant ➡ **Optimized Ad Rotation**
- 1.3 Improves visibility and draws attention ➡ **3+ Ad Extensions**



# The consumer journey is more complex than ever

The average consumer consults **10+** sources before making a purchase

**90% of consumers** switch between screens to complete a task

Consumers are **2X** more likely to be influenced by targeted digital ads

Customers want information that is relevant to the moment, based on...



Intent



Time



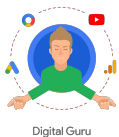
Device



Location

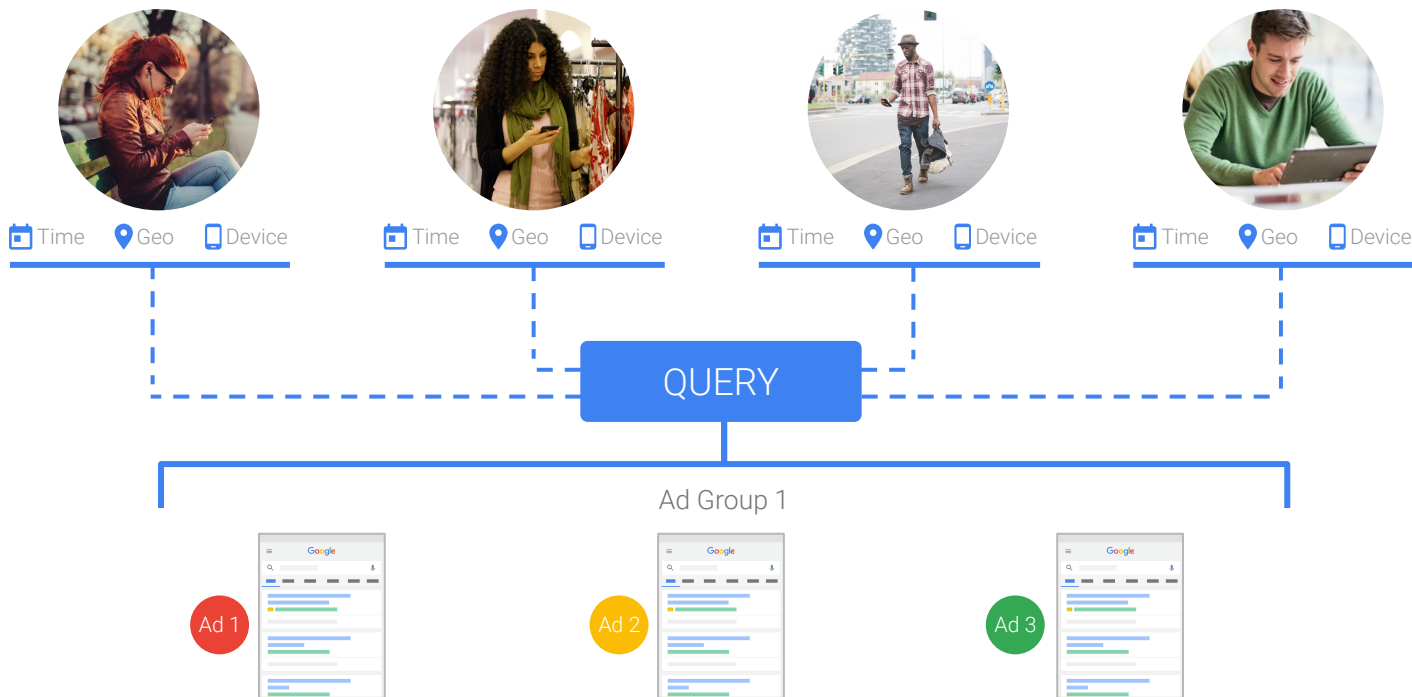


Interest

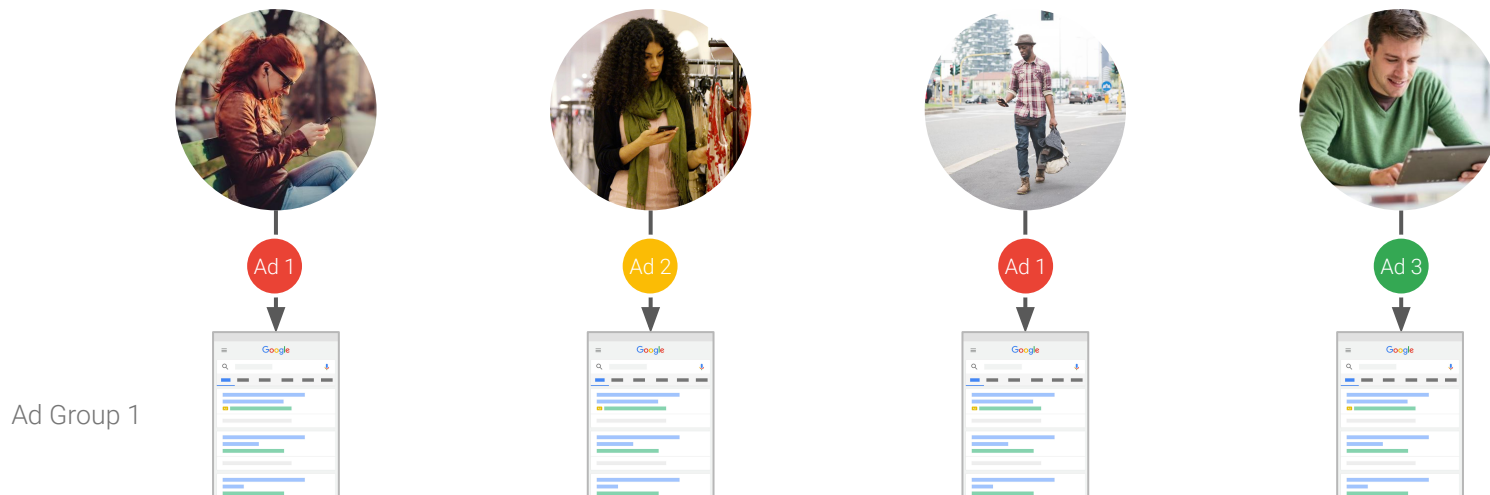


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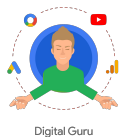
# People come across different ads in different contexts



# It's important to show the right message to the right person



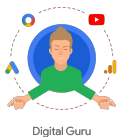
Ad groups with **3 or more** high-quality ads may receive up to **15% more clicks or conversions\*** vs. ad groups with only 1 or 2 ads.



\*Source: Google Internal Data  
When you rotate your ads to optimize for clicks or conversions. This will vary by client, business type, among other factors, and Google cannot guarantee this or any uplift.

# Best practices for unique and engaging ad creatives

- ✓ Craft messaging that focuses on target audience's **needs and benefits**
- ✓ **Avoid generic language**, tie your ad copy to your keywords
- ✓ **Give people answers**, don't ask them obvious 'Searching for...?' questions. Include prices, discounts, locations, delivery benefits, etc.
- ✓ Use {Keyword: Insertion} and/or Ad Customizers.
- ✓ Create a **sense of urgency** (not a false one) and add a **call to action**.
- ✓ Leverage the full character limit, consider Title Case, 'Tip:', 'Official Site'.
- ✓ **Test, iterate, experiment, optimize** and **break the rules!**

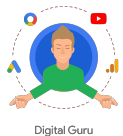


# A good creative does 3 things

1.1 Appeals to different people ➡ 3+ Text Ads

1.2 Is most relevant ➡ **Optimized Ad Rotation**

1.3 Improves visibility and draws attention ➡ 3+ Ad Extensions



# Show your most relevant ad, and results will follow

Ad rotation

☒ Optimize: Prefer best performing ads

☐ Do not optimize: Rotate ads indefinitely

☐ Optimize for conversions (Not supported)

☐ Rotate evenly (Not supported)

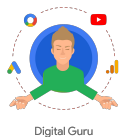
Show ads that are expected to get more clicks or conversions. Recommended for most advertisers.

^

CANCEL

SAVE

- ✓ Improve quality score and CTR
- ✓ Accrue increased conversions
- ✓ Simplify campaign management





MYTH



“Optimized rotation will not give my ads a fair chance to compete / test”

FACT



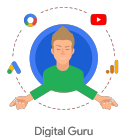
Optimized rotation settings continually test and learn from every ad on an ongoing basis. The system learns from new ads as data comes in, and will automatically choose the ad most likely to perform best for each individual search query.

# A good creative does 3 things

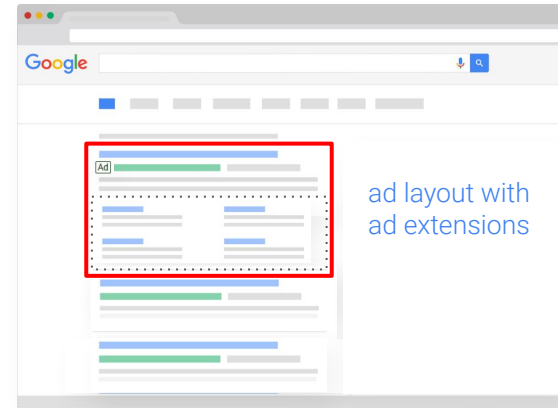
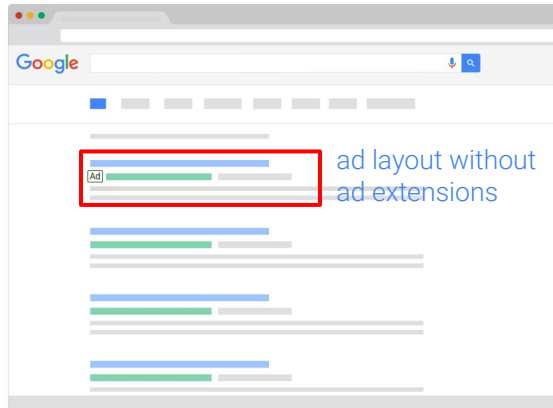
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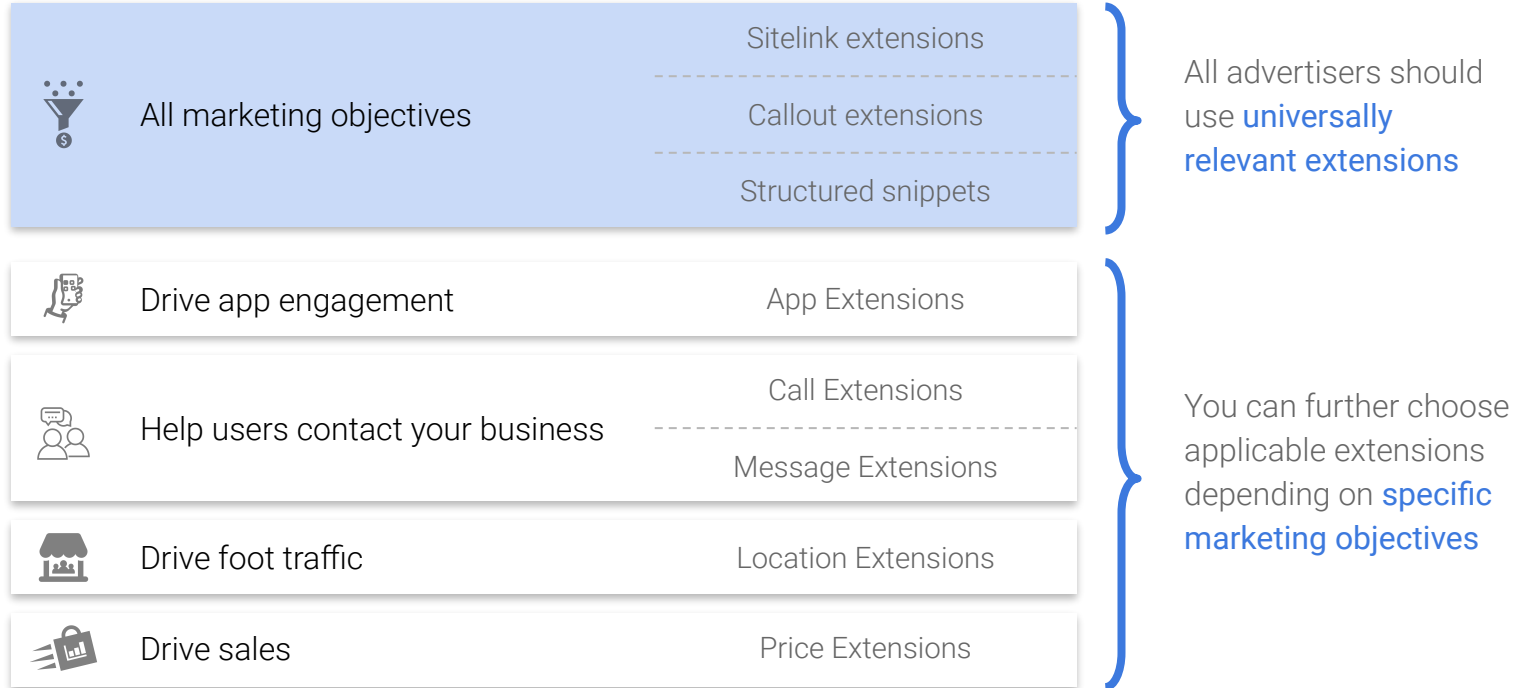


# Improve ad visibility to gain more and better qualified traffic



- ✓ Improve CTR\* by 10-15%
- ✓ Acquire more qualified leads
- ✓ Spend lesser per additional click

# Choose extensions based on your marketing objectives



# Best Practice Summary for Ad Formats



Use 3+ text ads



Optimize ad rotation



Add 3+ ad extensions

# Upcoming Changes !



# Ad Suggestions

Automatically created ad text based on your account and landing page information

1

Existing ad copy, ad extensions, keywords and landing page information analyzed

2

Google Ads surfaces ad suggestions based on ML and human review

3

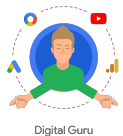
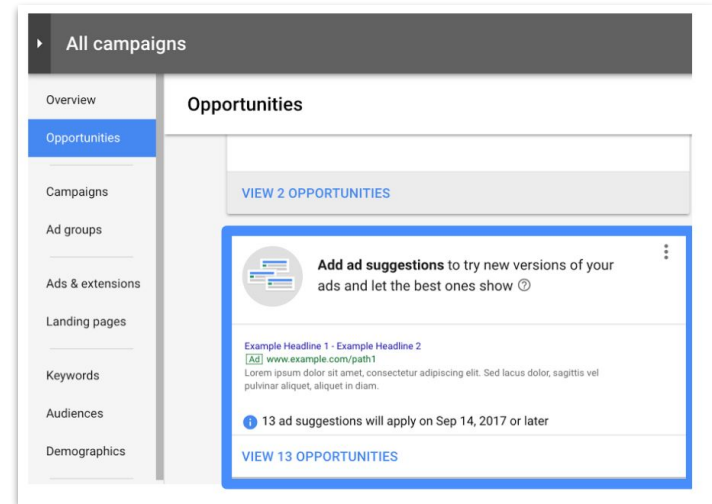
You receive an alert

4

14 days to review suggestions

5

Voila! New ads are applied to ad groups and go live





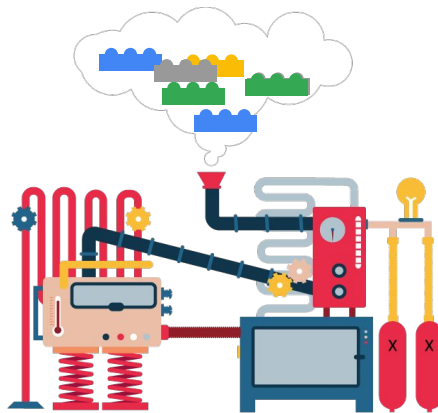
# Responsive Search Ads

Use Machine Learning to assemble advertiser messages into the best performing ads

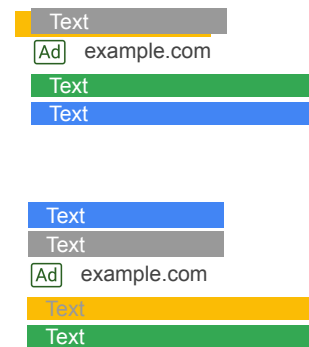


Assets in Google Ads Account

Headlines (3 min, 15 max)  
Descriptions (2 min, 4 max)



Applying Google  
machine learning models



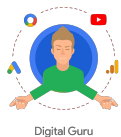
Serve relevant creatives to  
users with little effort

Up to 3 headlines and 2  
description lines

# In 2018, we want to explore organized automation

We want to use machine learning to help you free up time and focus on what computers can't do while bidding smarter

- 1 Ad formats — creative excellence!
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# In an increasingly digital world, you can find relevant audiences by merging your data and Google's data



## **Your Data (existing users)**

Customer Match (CM)  
Remarketing Lists for Search Ads (RLSA)



## **Google Data (new users)**

Similar Audiences (SAS)  
In-market Audiences (IMSA)

+



Intent (based on search queries)



Context

# Resulting in three key benefits



**Variable bidding** : Bid up or down based on expected or known Audience value or priority



**Keyword expansion** : Run on a broader set of keywords based on additional Audience relevancy signal



**Creative customisation** : Maximise ad relevancy by customising language or offers by audience type

Main use case

... and real time business impact through reduced CPA

-44%

RLSA



-57%

Customer Match

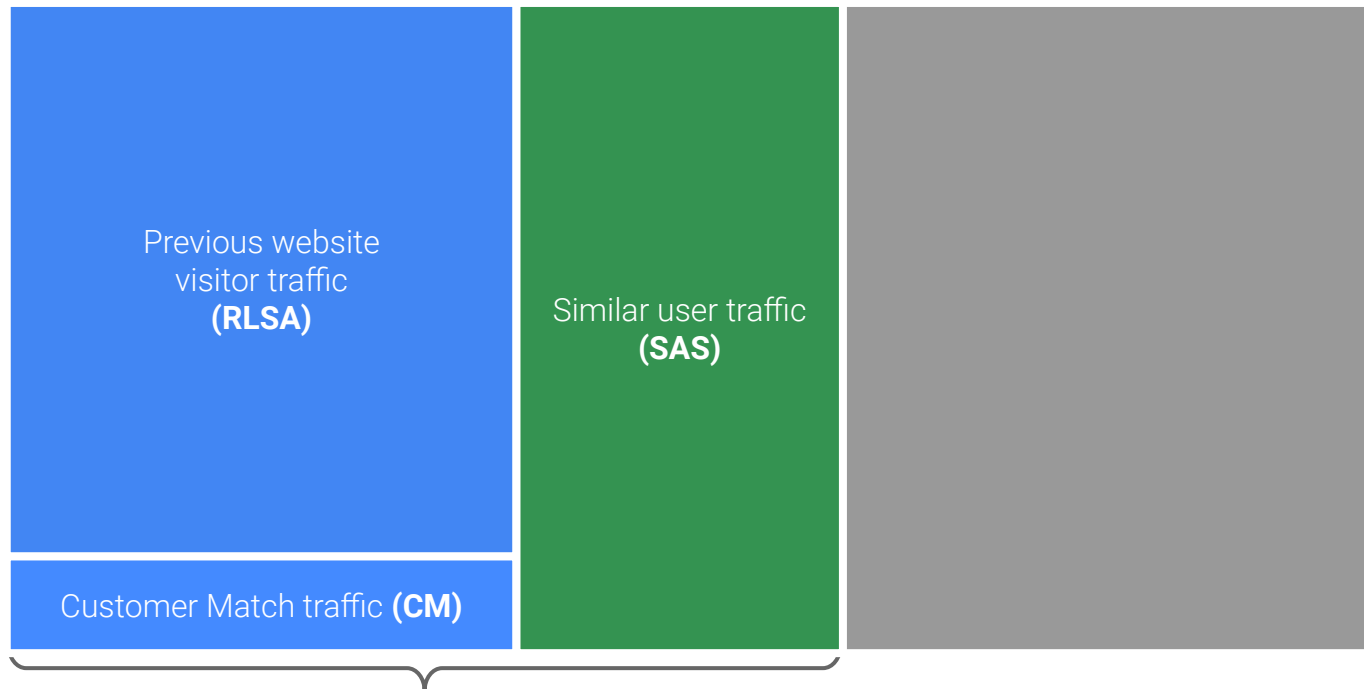


-29%

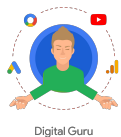
Similar Audiences



# Good audience coverage looks like this



**Audience list share benchmark:**  
30-60% (varies by vertical)



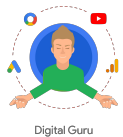
But too often, our accounts still look like this...

RLSA

RLSA Share 9%

Similar Audiences 0%

Customer Match 0%





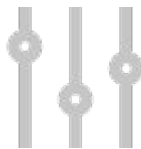
# Why? Common reasons for small lists and low audience share are...



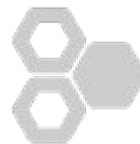
Largest  
available  
lists not  
applied



540d  
“all visitors”  
lists not yet  
created



Similar  
Audiences  
are not  
(fully) used



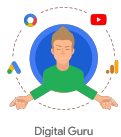
Gaps in  
ad group or  
campaign  
adoption



Target & Bid  
setup is  
limiting  
coverage

# Audience list share can reach 60% in some verticals

Industry	Industry leaders
Retail	60%
Travel	60%
Media & Classifieds	48%
Technology	38%
Automotive	32%
Government & Education	32%
Finance	30%
Consumer Packaged Goods	22%

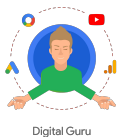


# Leverage audience lists by bidding for better performance

Audience Product	Recommended Bid
RLSA	+80%
Customer Match	+130%
Similar Audiences	+40%

RLSA Visitor segment	Recommended Bid
Homepage	+40%
Category page	+60%
Product page	+80%
Cart abandoners	+120%
Converters	+160%

Note: Indicative guidance for manual bidding only; best results at scale can be achieved with auto-bidding which does not require any manual analysis & settings.



# Best Practice Summary for Audience



Keep lists large:  
Avoid over-segmentation

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Apply to all campaigns:  
Maximize coverage on key list

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Use “Bid only / Observation”:  
Implement and optimise at scale

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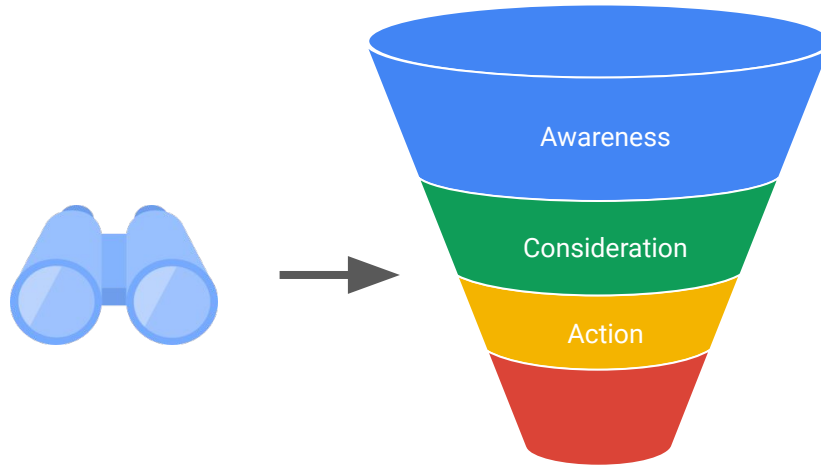
Use Aggressive bids or Smart Bidding:  
Drive performance improvements

# Upcoming Changes !



# In-market for Search Ads

Reach and acquire users whose search query and online activity show they are actively looking to buy certain products or services in the near future.

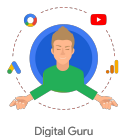


- Best suited to performance advertisers looking to reach new customers without sacrificing CPA
- Open beta. Try it in our Google Ads account.

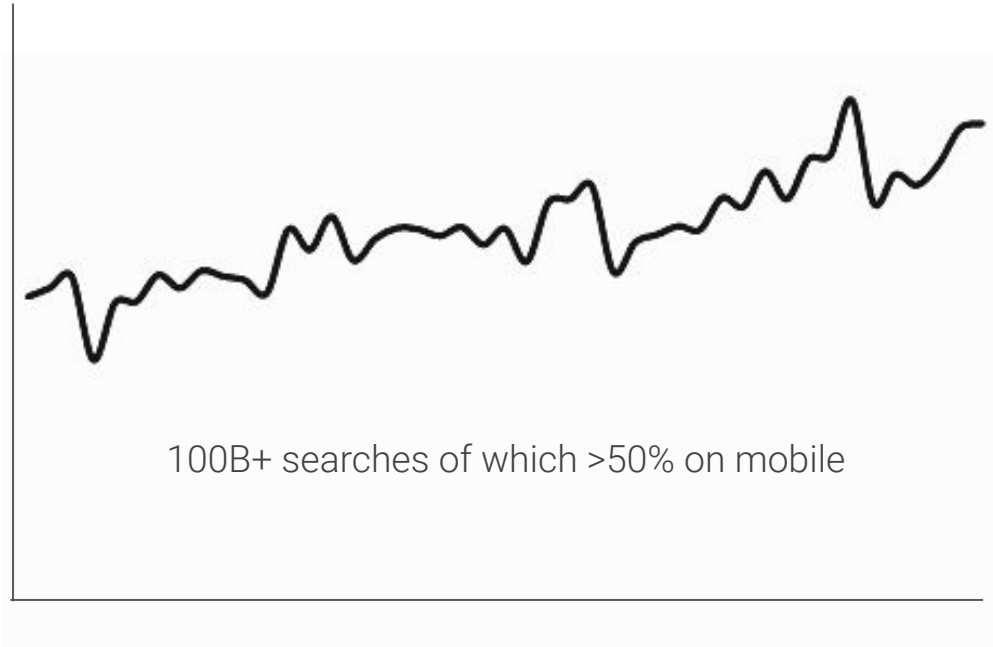
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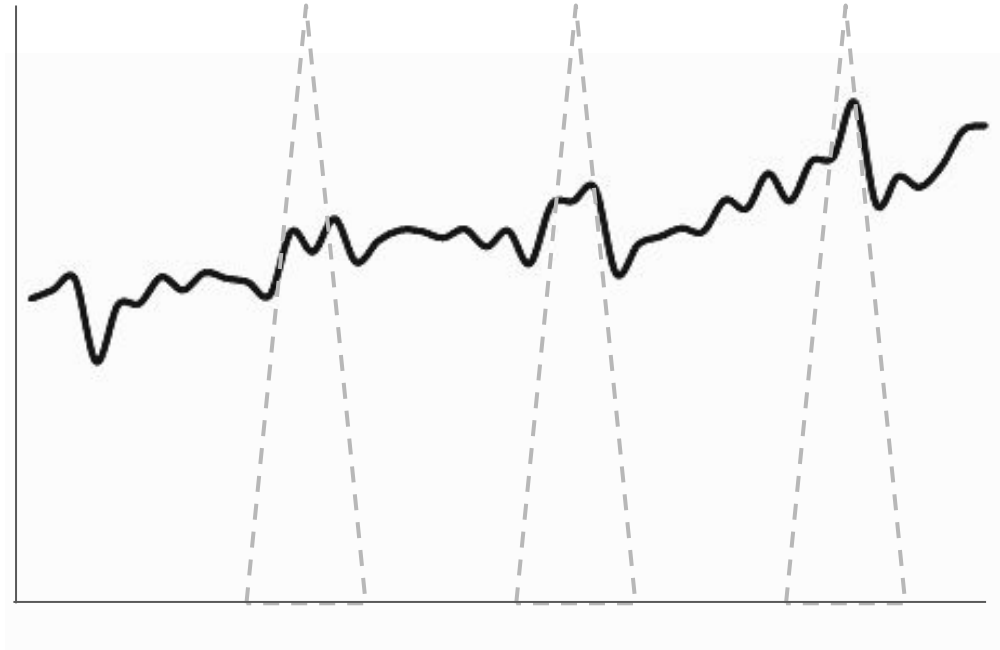


# People are always searching for you online

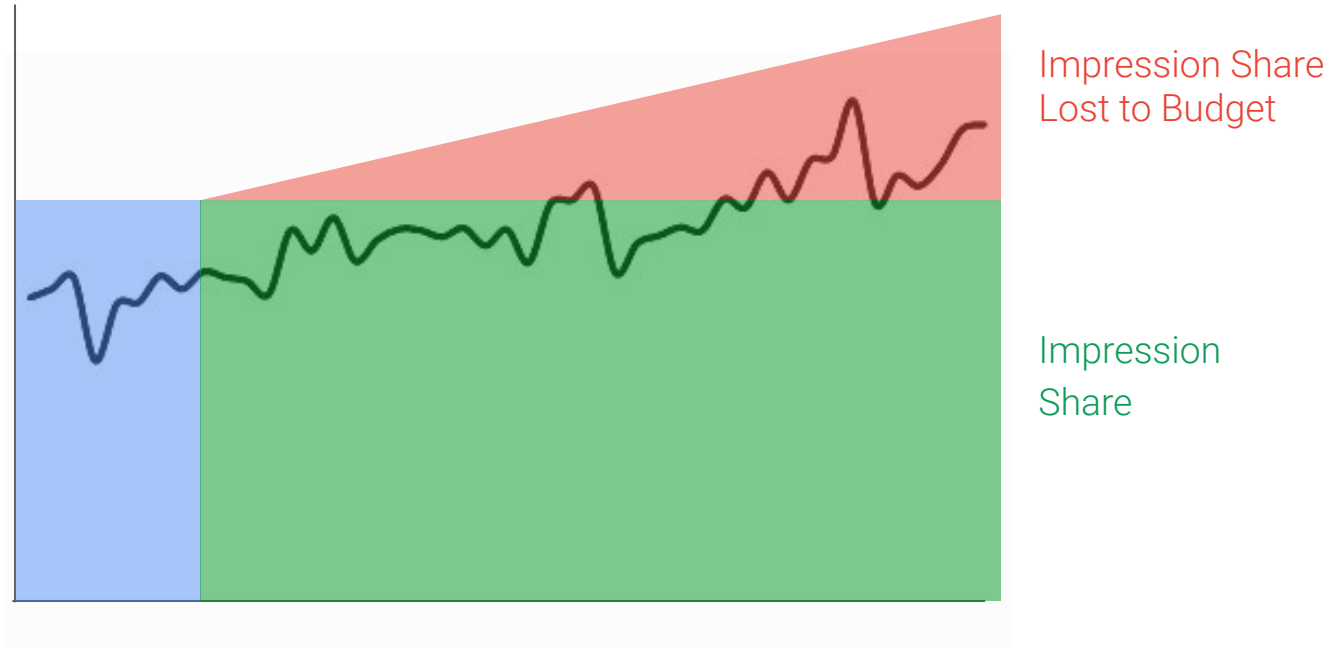




You reach out proactively at certain times in the year



# Your always-on presence must be budgeted

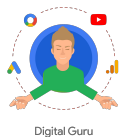


# Always minimise Impression Share lost to Budget

	Campaign = Profitable	Campaign = Not Profitable	
Manual bidding	Increase Budget	Pursue alternative bid strategy	Implement "Max. Conversions" or "Max. Clicks" Bid Strategies
Smart bidding	Increase Budget	Set alternative goals	Reduce tCPA / Increase tROAS
	Drive more volume at similar efficiencies	Drive better efficiencies at given budgets	

Go beyond short-term optimisation!

Highlight profitability more accurately through advanced measurement & attribution: e.g. DDA and LTV modelling



# Best Practice Summary for being Always On



Campaigns should never be budget constrained:  
Either fix structure or budget.

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Manage by bid, not by budget.

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Focus on maximizing opportunity and profits,  
not only minimizing costs.

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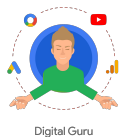


Use Smart Bidding to get the most out  
of a given budget.

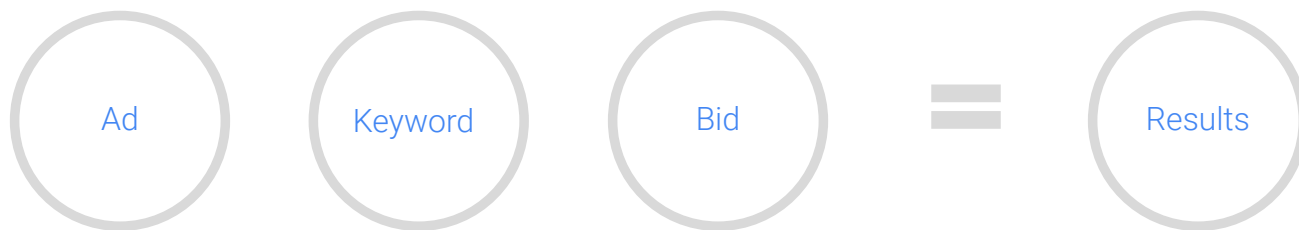
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# Back to Basics: What is Search Ad at its core?



# What if we automate ads and keyword coverage?



# 15% of queries are brand new every day. Dynamic Search Ads (DSA) allow you to capture new users in these moments

1

Specify pages of your website, daily budget, and ad template



{Dynamically generated headline}

Enter Description line 1

Enter Description line 2

Enter Display URL

2

User types a query

budget hotel in new york city

3

If no exact keyword is eligible, we find the page that best matches the query on your website



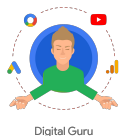
4

We dynamically generate an ad headline and destination URL

Budget Hotel in NYC

[www.example.com](http://www.example.com)

Hip, Stylish & Low Budget Friendly  
Convenient Location Book Online Now





# Dynamic Search Ads have three main benefits



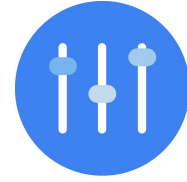
## Reach and Performance

Generates incremental clicks with positive or similar ROI and perform exceptionally well with auto bidding.



## Efficiency and Time Saving

No need to pause / create ads based on available inventory on the website, seasonality or demand.

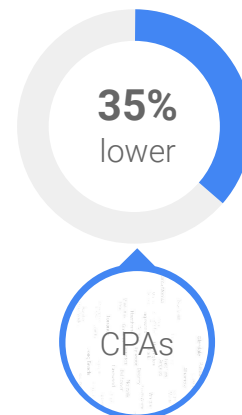
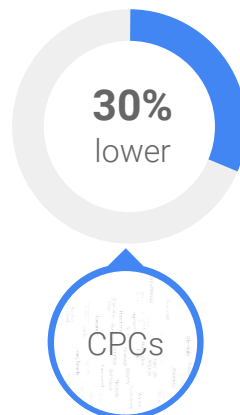
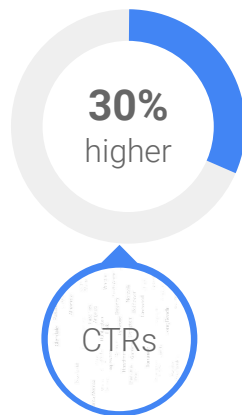
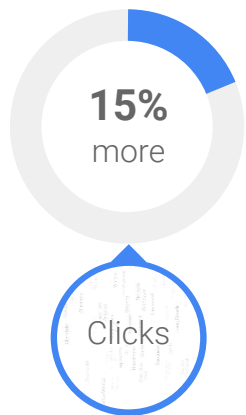


## Transparency and Control

Get full transparency via the Search Query Report and control through bids at the auto target level and exclusions for irrelevant traffic

# DSA can generate up to 86% incremental traffic

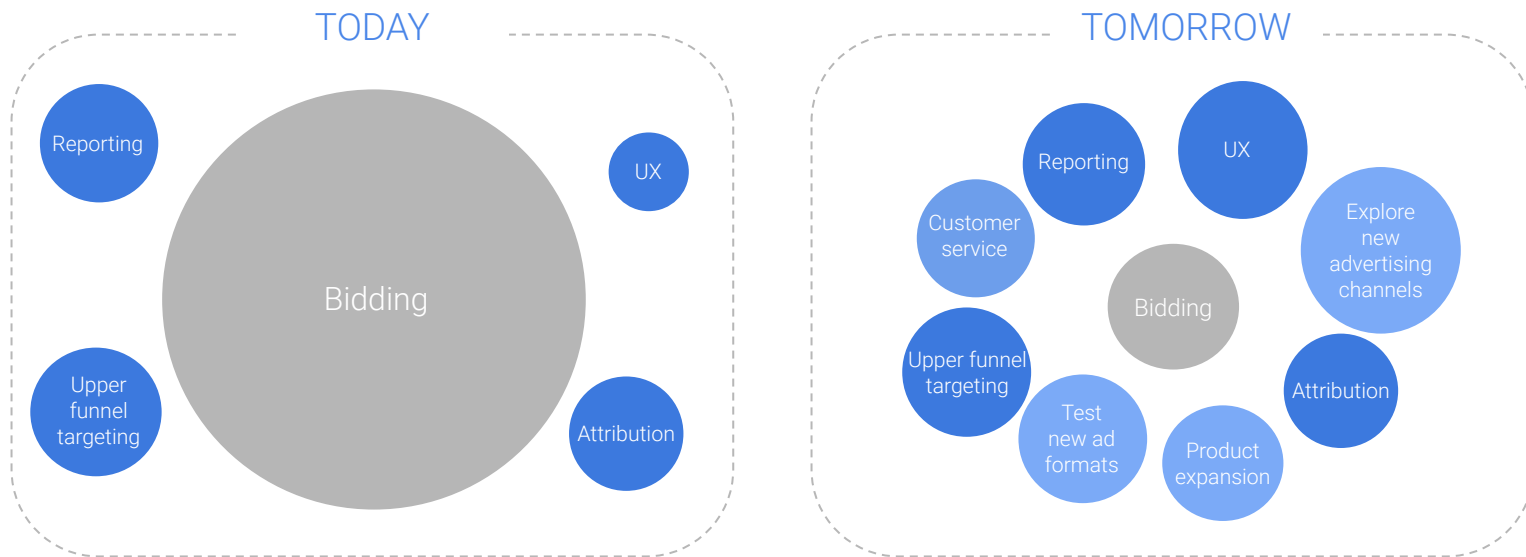
Versus keyword performance for the median advertiser [GUIDANCE ONLY]



# What if we automate bids?



# Bidding smarter frees up your time to think strategically

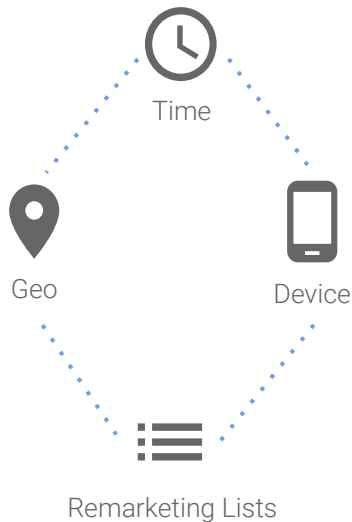


# Bid intelligently with unique features available only with Auto Bidding

User-specific bids  
through auction-time bidding



Combination  
of signals



Exclusive  
signals



OS



Browser



Language



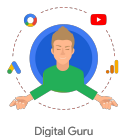
Search Query



Ad Format







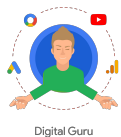
Search Partners



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# Align better with your clients' goals through Auto Bidding

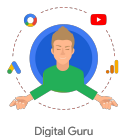
	Campaign Goal	Recommended Strategy
No conversion tracking	 VISIBILITY	Target Outranking Share Target Search Page Location
	 WEBSITE CLICK	Maximize Clicks
Basic	 CONVERSIONS / SALES	Maximise Conversions eCPC
Advanced		tCPA
Excellence	 REVENUE	tROAS



# Finally, evaluate your smart bid strategies with Drafts & Experiments, following these simple rules

PLAN	Conversion discrepancy	3P Tracking vs. Google Ads Tracking [MCC / AWCT; GA goals; Offline Conv. Import] discrepancy < 30%
	Conversion Volume	60 per month minimum, more suggested (as traffic will be split) - <i>bidding specific</i>
	Search Lost IS (budget)	If > 0%, budgets need to be increased prior to test launch
	Conversion Time Lag	90%+ conversions should come through within 7 days - <i>bidding specific</i>
	Path Length	Most conversions should have max 2, 3 interactions
EXPERIMENT	Timing	<ul style="list-style-type: none"><li>- Allow time for the bidders (either Google Ads or 3P) to ramp up - <i>bidding specific</i></li><li>- Let the Experiment run for at least 6 weeks</li></ul>
MEASURE	Look at the right data	<ul style="list-style-type: none"><li>- Disregard the learning period - <i>bidding specific</i></li><li>- Account for the conversion delay to let clickers convert</li></ul>

Note: In addition, we highly recommend that at least one RLSA and one SAS list is applied to the campaign



# Best Practice Summary for Automation



Capture new users in the right moments by automating ads & keyword coverage through Dynamic Search Ads

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Choose an automated bidding strategy, preferably Smart Bidding, that aligns with your goals

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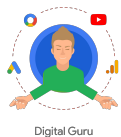
Test and evaluate the success of your smart bid strategies with Drafts & Experiments



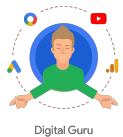
# In 2018, we want to explore organized automation

We want to use machine learning to help you free up time and focus on what computers can't do while bidding smarter

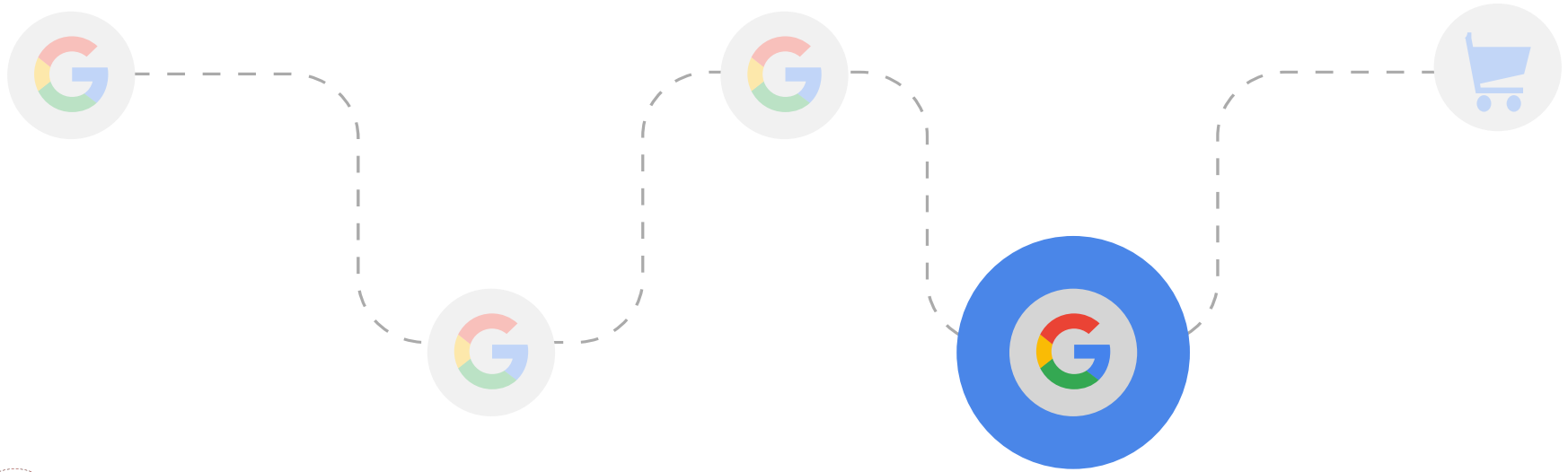
- 1 Ad formats — creative excellence!
- 2 Audiences — building a 360° View!
- 3 Always-On — maximizing opportunity!
- 4 Automation — building for the future!
- 5 Attribution — X-device, non-last-click, actionable insights!



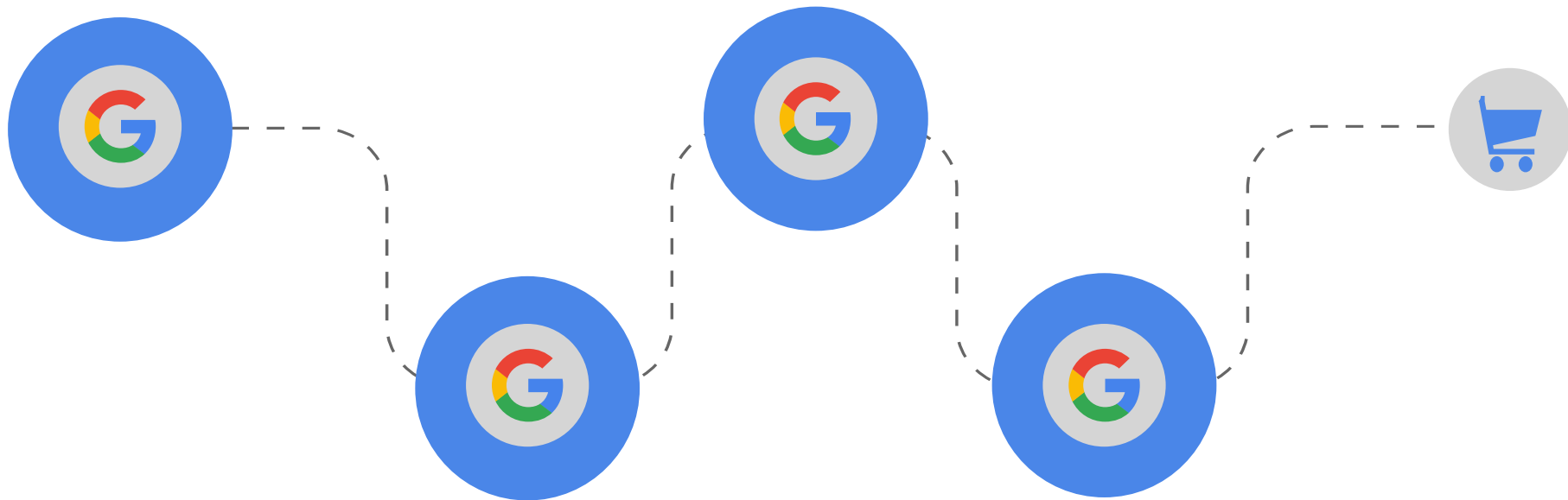
Conversions happen over multiple clicks,  
multiple devices and are not linear



Traditionally given the full credit  
of the conversion to the last ad click



As paths grow this is an increasingly limited view of the actual value ads drive - most importantly, ignoring generics and mobile



More details about Attribution in



**Performance Blue Belt**



Digital Guru

# Questions?