

Next up>>> **WHY GOOGLE SHOPPING DOESN'T WORK FOR MANY RETAILERS**



A 30mins Presentation



Liam Patterson
CEO

Bidnamic

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#TFNsummit

thefashionnetwork.co.uk

An aerial photograph of a city, likely London, showing a dense grid of buildings and streets. The image is overlaid with a semi-transparent teal gradient that is darker on the left and lighter on the right. Several teal-colored geometric shapes, including lines and rectangles, are scattered across the image, some appearing as if they are floating or falling. The word "Bidnamic" is written in a large, white, sans-serif font, centered horizontally and partially overlaid by the teal gradient.

Bidnamic

Why Google Shopping doesn't work for many retailers

Liam Patterson
Founder & CEO



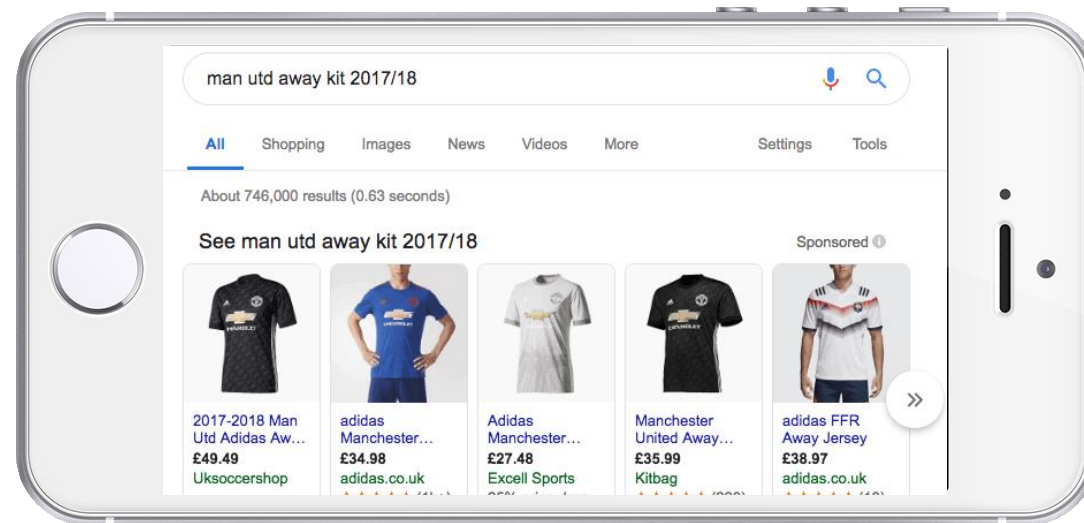
— About You

Show of hands?

Q: Who is actively running Google Shopping ?

27% of SHOPPERS
TURN TO GOOGLE TO FIND
WHAT THEY WANT TO BUY

every search is auctioned for sale
in real time
retailers inventory competing
to show in limited Ad spots



TWO KEY FACTORS DETERMINE SUCCESS



Relevance. Google goal is to return the most relevant product match to the shoppers' query, to maximise the chance of them clicking.



Cost Per Click. How much the retailer is willing to pay Google if the shopper clicks on the product ad.

Opportunity?

63k searches per second
3.8M searches per minute

Critical for retailers to win the
auction to ensure they reach
shoppers actively looking to
buy what they sell

A CHANNEL ALL RETAILS NEED TO BE FOCUSED ON

Google Shopping

63%

of **all** Google search ad clicks

Google Shopping

87%

of **all** Non-Brand search ad clicks

Challenges as Three disciplines need to work together



Product Range
search volume



Search Google or type a URL

Product Range Price Competitive

See Felisa Blue Velvet Chair



Felisa Square
Design Blue...
£570.00
Woodpecker Int...
By Google



Interiors by
Premier | Felis...
£519.00
Willow Bay Ho...
By Google



Felisa Blue
Velvet Fabric...
£519.00
Choice Furniture
Special offer
By Google

See felisa blue velvet chair



Interiors by
Premier | Felis...
£519.00
Willow Bay Ho...
By Google



Felisa Square
Design Blue...
£515.00
Woodpecker Int...
By Google

adidas Women's Solar Boost

★★★★★ 3,311 reviews

Details

Reviews

Shops



Shop now

Sponsored ⓘ

Cream ▾

5½ ▾

£100.00 · wiggle.co.uk · By Kelkoo

£81.90 · Jogging-Point.co.uk · By Google

£94.60 · Amazon.co.uk · By Google

£81.90 · Jogging-Point · By Shopello

£81.90 · Jogging Point UK · By RedBrain

→ Compare prices

E-commerce Store

Average Order value

Your AOV
£10

Competition: only can bid as much
and be profitable

Focus

•

• Deep Product Range

• Product Merchandising

•

• Up Sell & Cross Selling

•



Conversion Rate Impacted by Site Speed (Outdoor Retailer)

Site Speed	Conv Rate	ROAS
7 sec	1.50%	6.1
6 sec	1.76%	7.2
5 sec	2.02%	8.2
4 sec	2.28%	9.3
3 sec	2.55%	10.4

41% loss of revenue from 3-7 seconds site speed at same cost

Google Shopping Ads Success Metrics

Cost per Order

< £5

Fails: What about product margin?
Fails: What about Order Value?
Fails: What about customer repeat rate?

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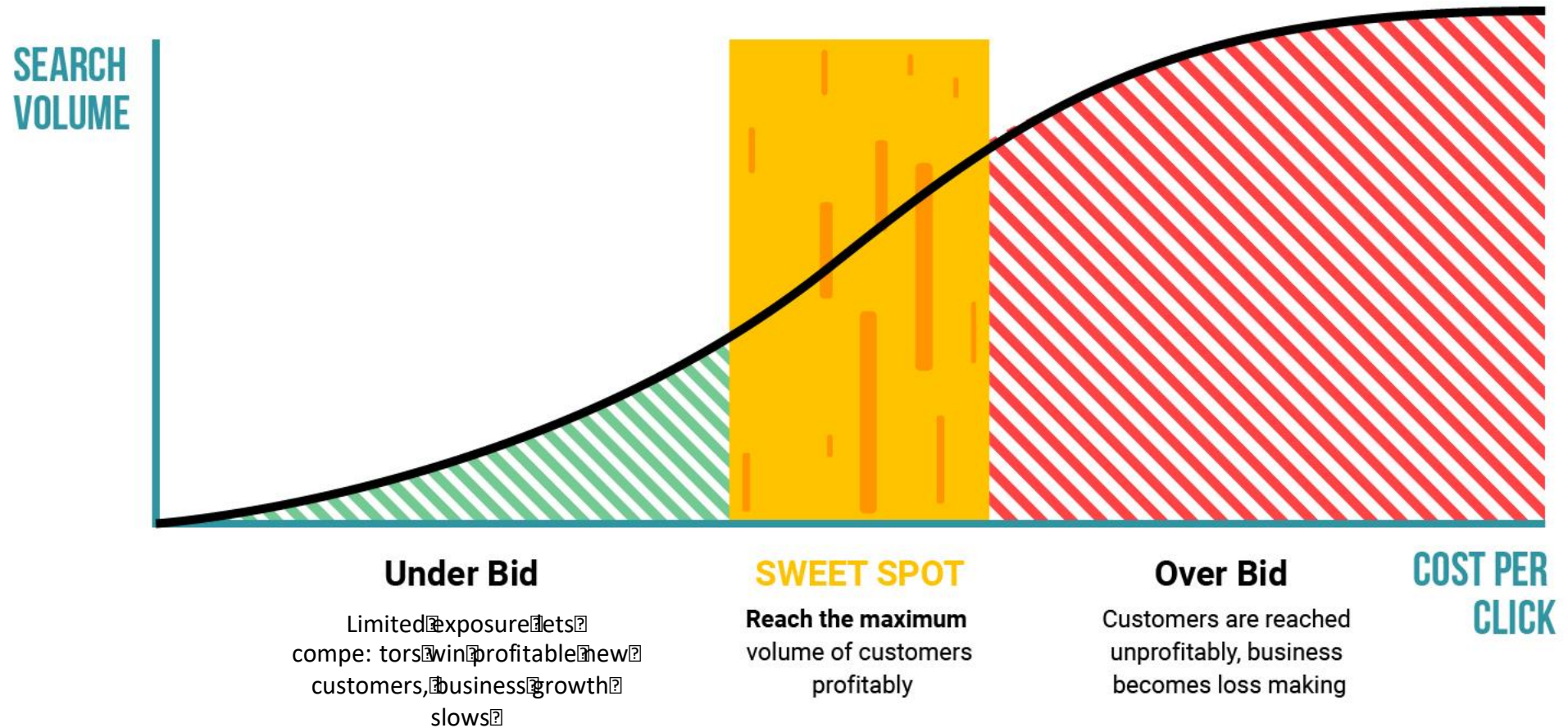
Return on Ad Spend

4x





Fails: What about product margin?
Fails: What about customer repeat rate?

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Google Shopping Ads



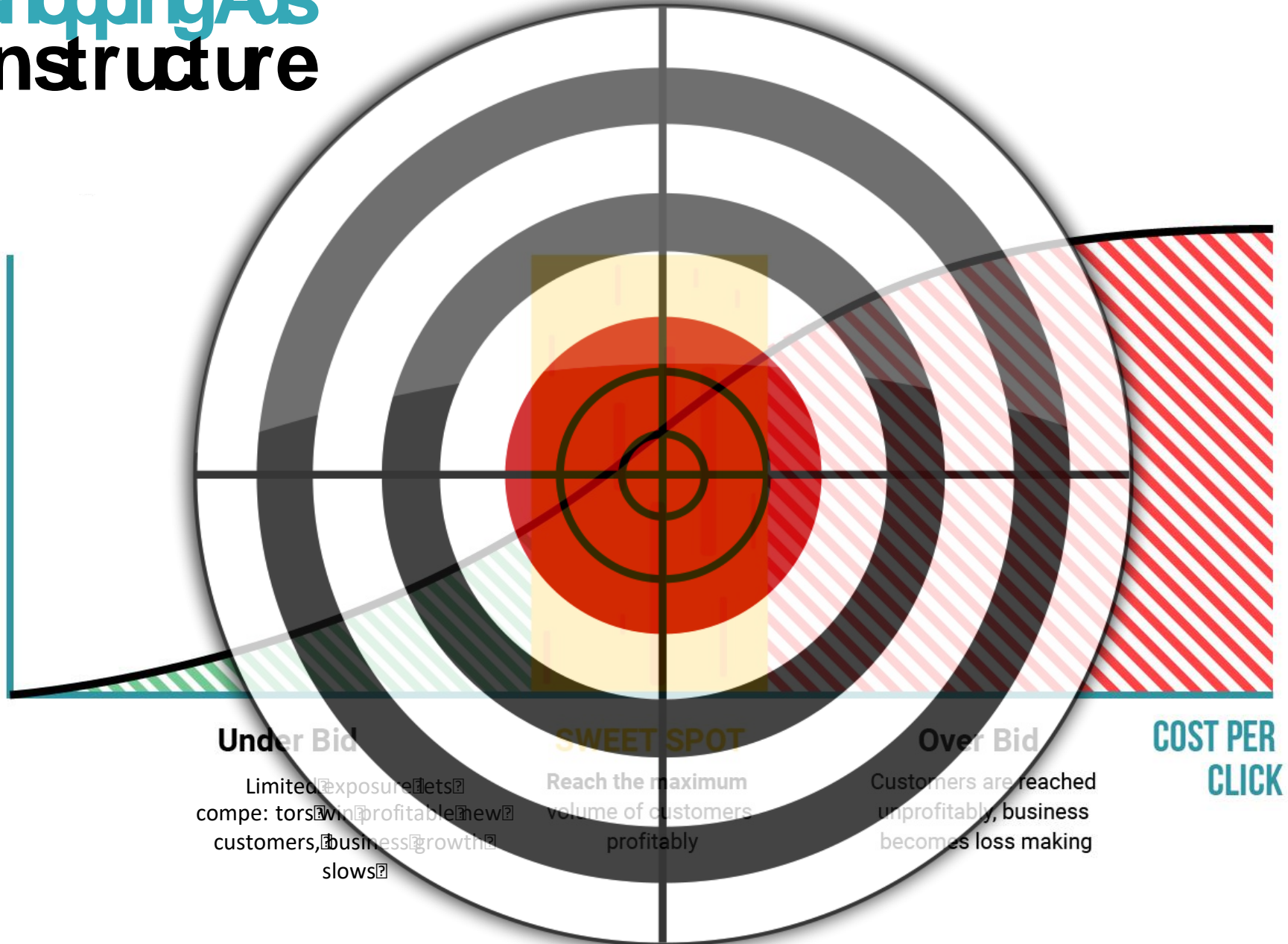
Google Shopping Ads Campaign structure

<input type="checkbox"/>  Product group 	Max. CPC	Impr.	Clicks	Cost
<input type="checkbox"/>  All products	£0.25 	2,952,188	28,982	£4,217.41
<div><div>All products</div><div><div>Products</div><div><div>52,365</div><div>51,235</div><div>51,235</div><div>51,235</div></div><div><div>Submitted</div><div>Approved</div><div>Active</div><div>Ready to serve</div></div></div></div>				
Products submitted: 52,365				

52K+ unique products
“All products” single cost per click

Google Shopping Ads Campaign structure

SEARCH
VOLUME



COST PER
CLICK

Google Shopping Ads Campaign structure

Google recommends to **group products** around **similar attributes** and **apply a cost per click**

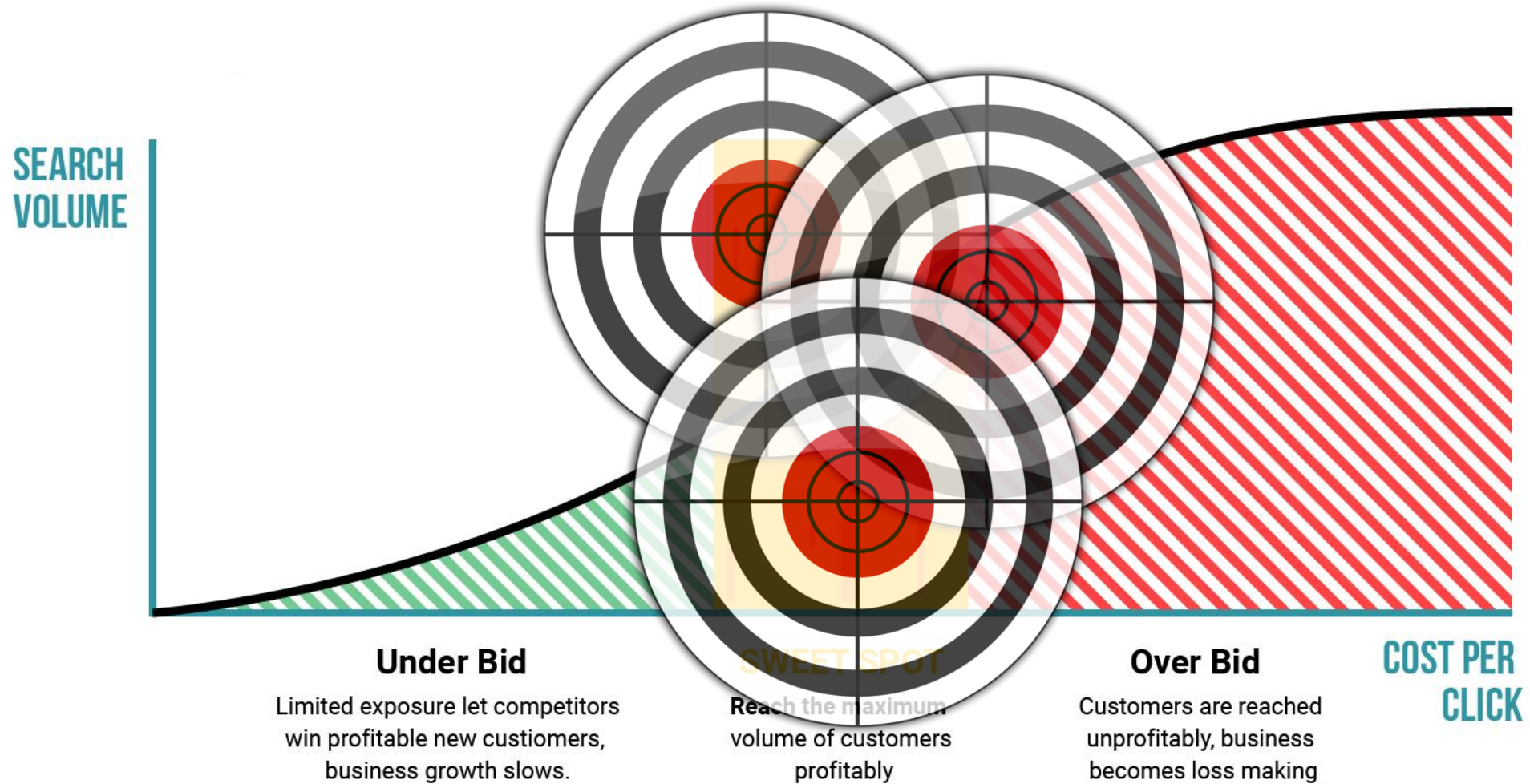
We **apply bids** in **groups**, so **how should we group products**

- **Brand**
- **Product Type**
- **Product Margin**
- **Price**
- **Best Sellers**
- **Stock levels**
- **Seasonal products**

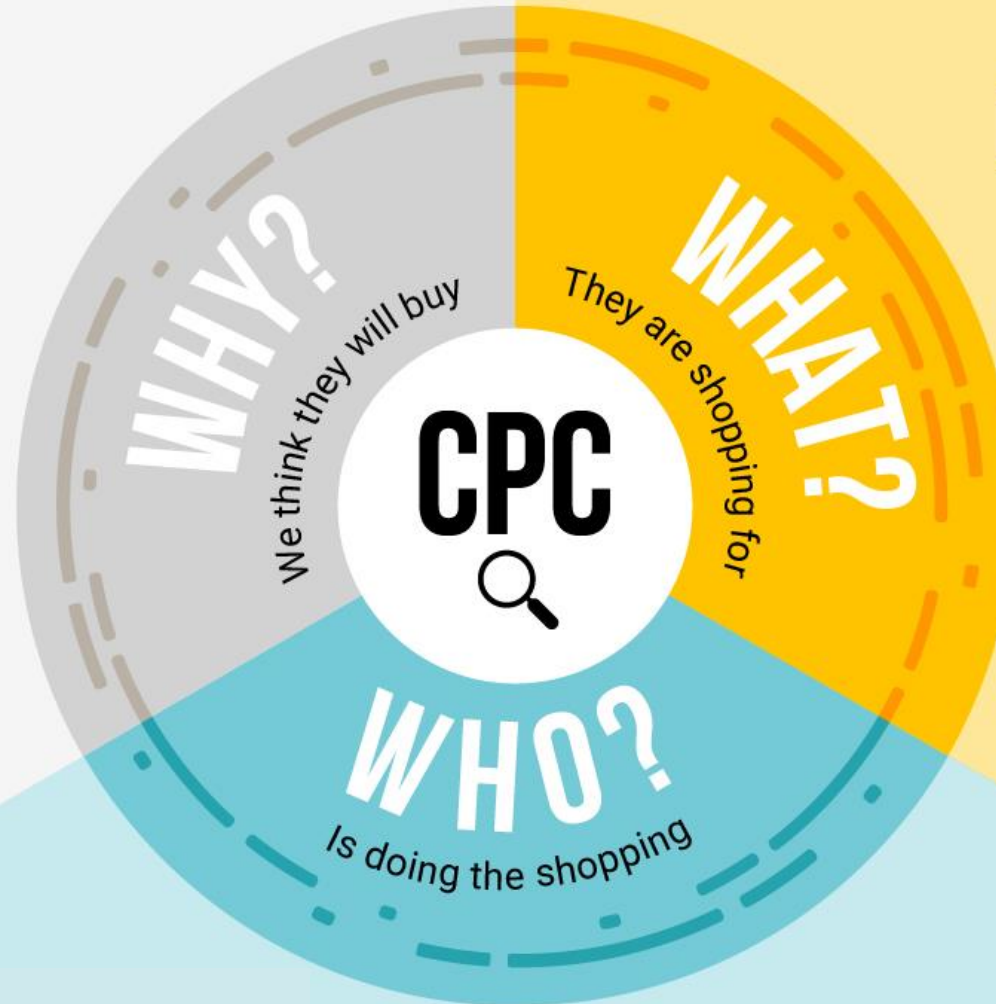
Focus:

Use **Custom Labels** to **add values** to **enable product groupings** relevant to **your company**

Google Shopping Ads Campaign structure



Google Shopping Ads Campaign structure



Conversion Rate
How many clicks to get a sale



Product Margin
Margin of the product

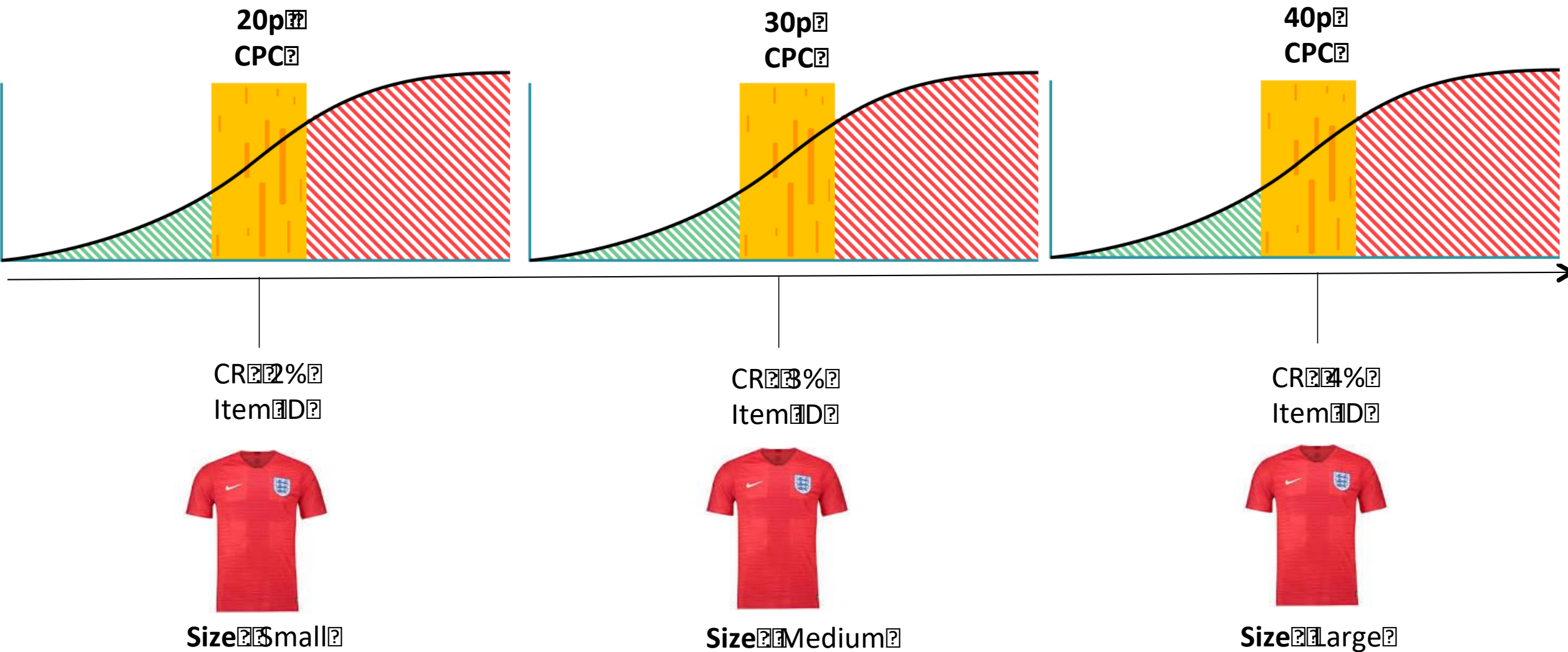


Average Order value
Value of products sold

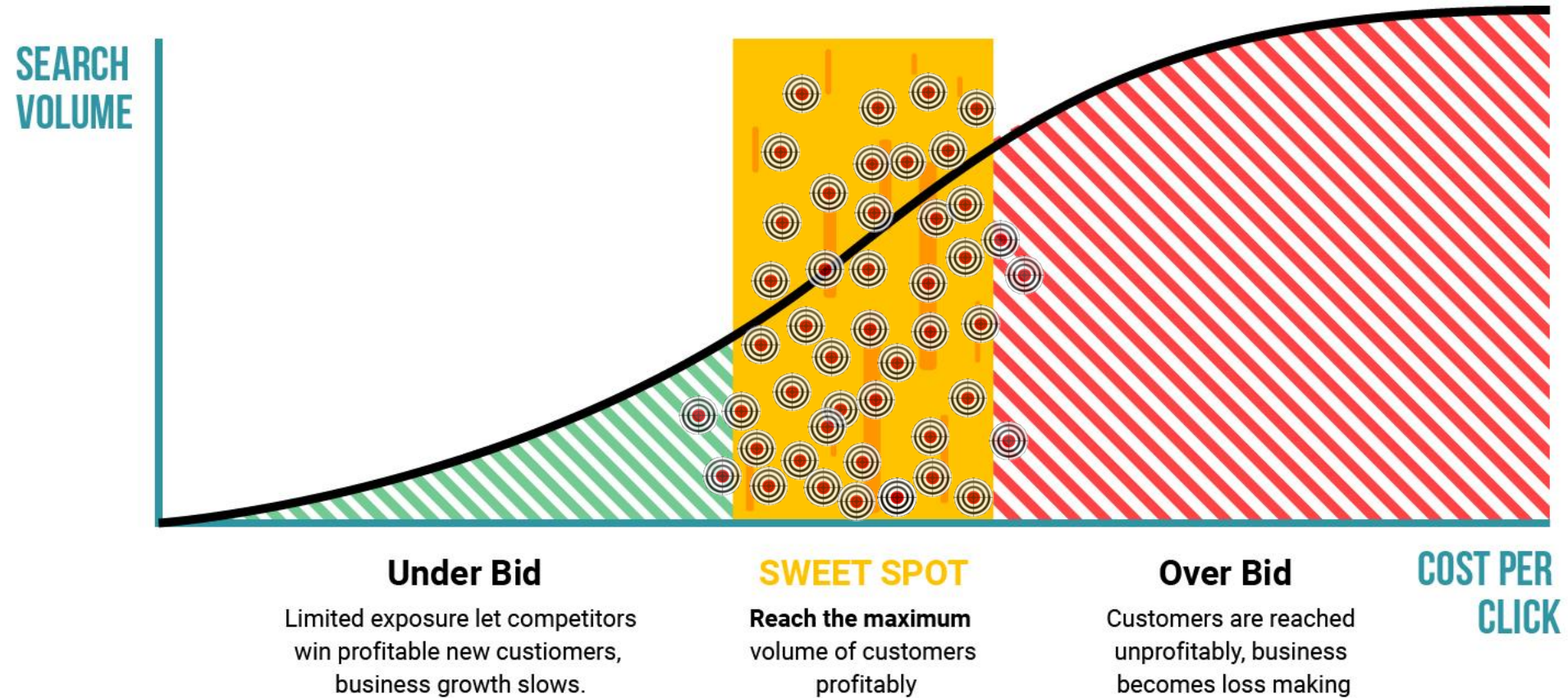


Customer Life Time Value
Frequency & value of repeat purchases

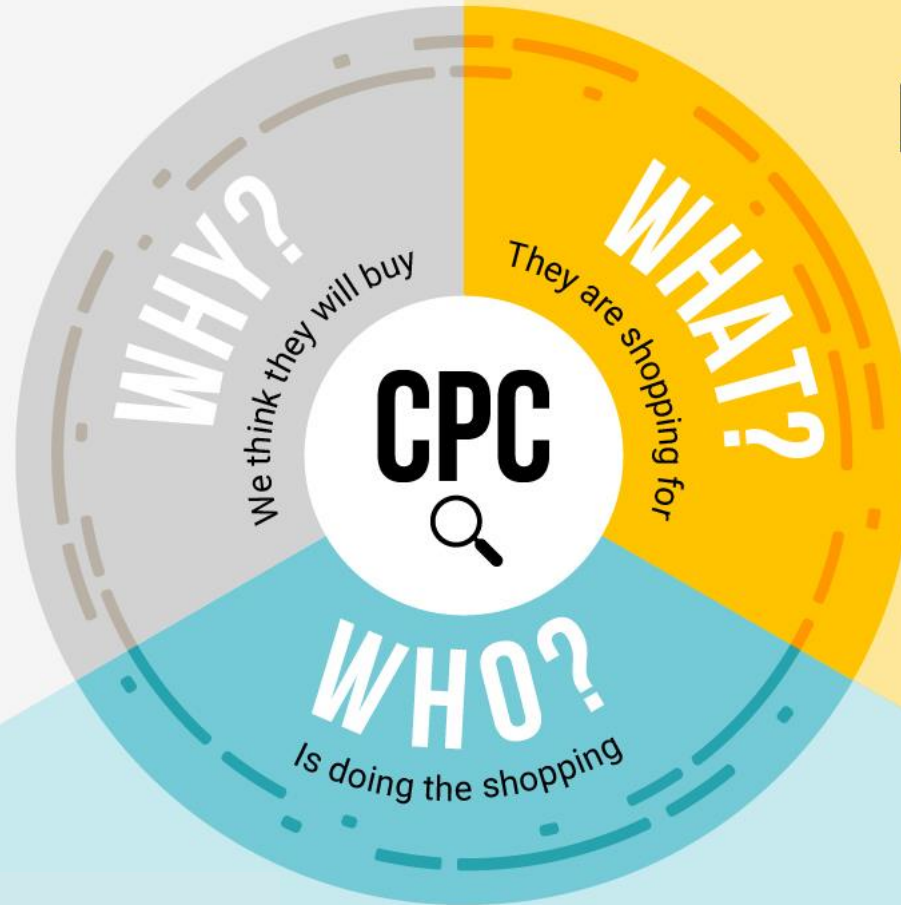
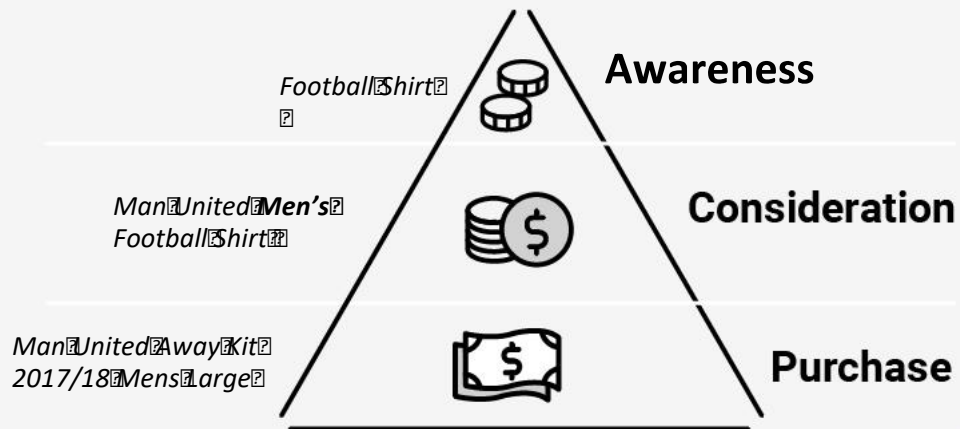
Google Shopping Ads Campaign structure



Google Shopping Ads Campaign structure



Google Shopping Ads Purchase intent



Conversion Rate
How many clicks to get a sale



Product Margin
Margin of the product



Average Order value
Value of products sold

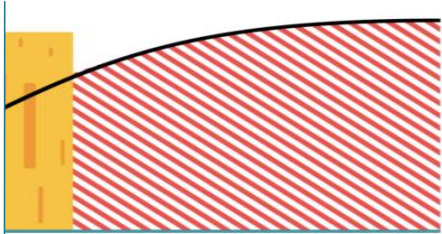




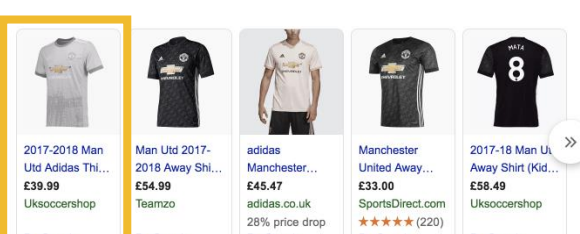


Customer Life Time Value
Frequency & value of repeat purchases

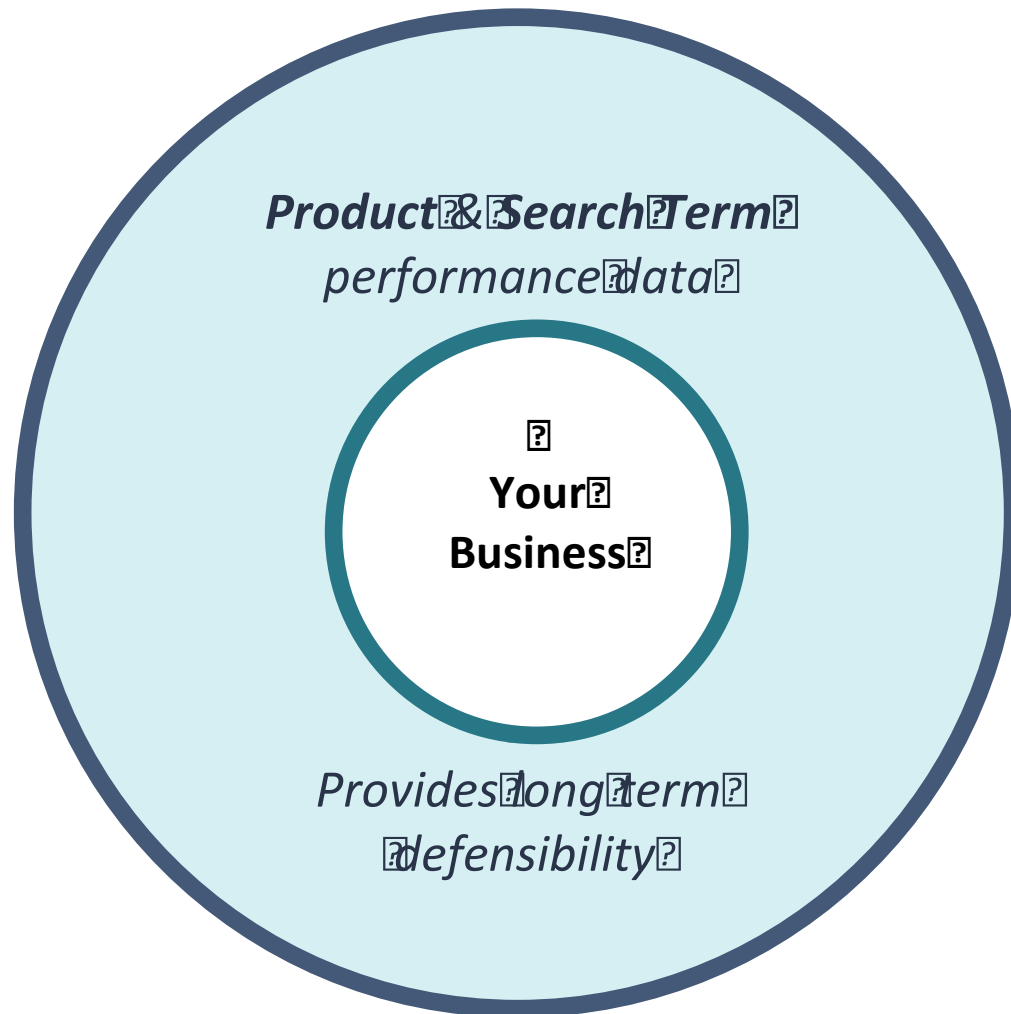
Google Shopping Ads Purchase intent

<u>Query</u>	<u>Traffic Volume</u>	<u>Avg. CPC</u> <small>Rel. to Avg.</small>	<u>CR</u> <small>Rel. to Avg.</small>	<u>CTR</u> <small>Rel. to Avg.</small>	<u>ROAS</u> <small>Rel. to Avg.</small>
Awareness <i>cheap football shirts</i> <i>psg kit</i> <i>arsenal jacket</i> <i>scotland rugby shirt</i>	54%?	£0.23 10%	2.94% (18%)	0.78% (41%)	697% (25%)
Consideration <i>man utd away kit 2017 18</i> <i>real madrid third kit</i> <i>bayern munich goalkeeper kit</i> <i>dukla prague away kit</i>	42%?	£0.20 (6%)	4.01% 12%	2.54% 92%	1,116% 20%
Purchase <i>arsenal 17 18 casual performance black zip hoody</i> <i>paris saint germain home stadium shorts 2017 18 kids</i> <i>lfc mens black woven training shorts 17 18</i> <i>manchester united goalkeeper kit age 5 6</i>	4%	£0.18 (16%)	5.24% 47%	7.8% 490%	1,743% 87%

Google Shopping Ads Purchase intent

<u>1 SKU</u> 2017-2018 Man Utd Adidas Away Football Shirt	<u>Bid Price</u>	<u>PLA Posi; on</u>	<u>CR</u>	<u>ROAS</u>	<u>Goal</u>
Awareness Football Shirt			0.78%	697%	Win Less
Consideration Man United Men's Football Shirt			2.54%	1,116%	Maintain
Purchase Man United Away Kit 2017/18 Mens Large			3.49%	1,743%	Win More

Google Shopping Ads Data Unfair advantage

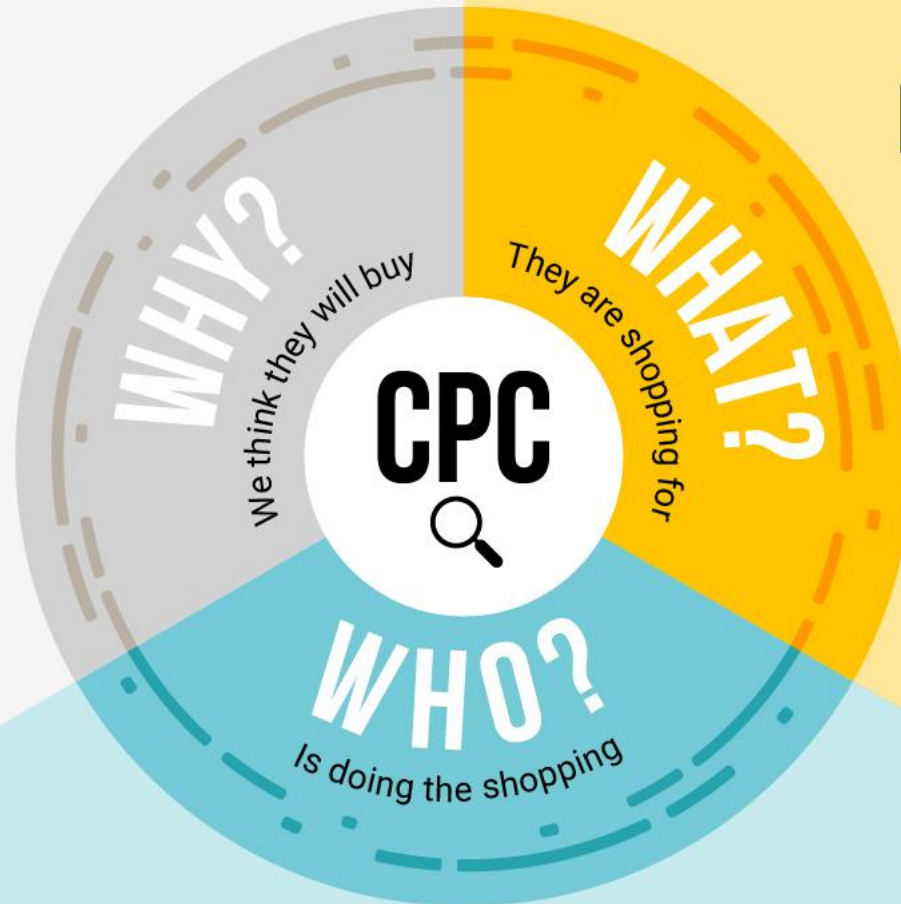
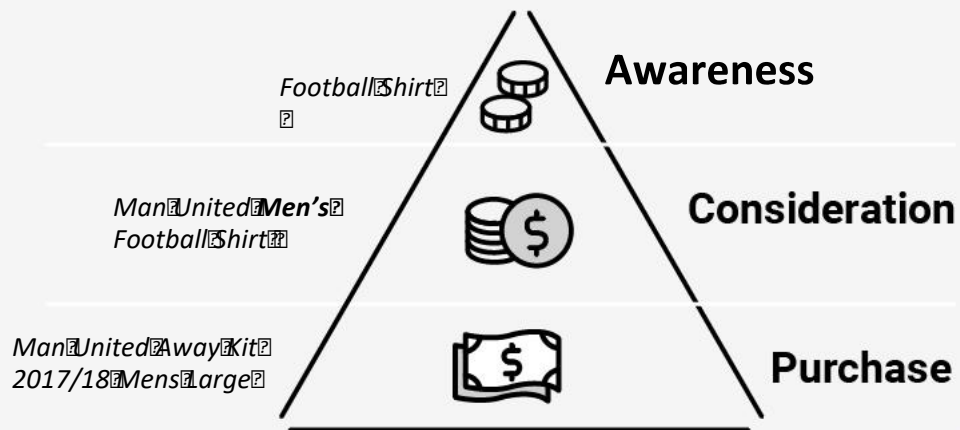


Google Shopping Ads Data Unfair advantage

Impression Share by Purchase Intent (Sports Retailer USA)

	Awareness	Consideration	Purchase
Client	46%	80%	83%
Amazon.com	40%	53%	33%
eBay	35%	34%	26%
Soccer.com	34%	61%	37%
adidas	21%	40%	29%
Nike	21%	26%	< 10%

Google Shopping Ads overview



Conversion Rate
How many clicks to get a sale



Product Margin
Margin of the product



Average Order value
Value of products sold



Customer Life Time Value
Frequency & value of repeat purchases



Geographic



Device

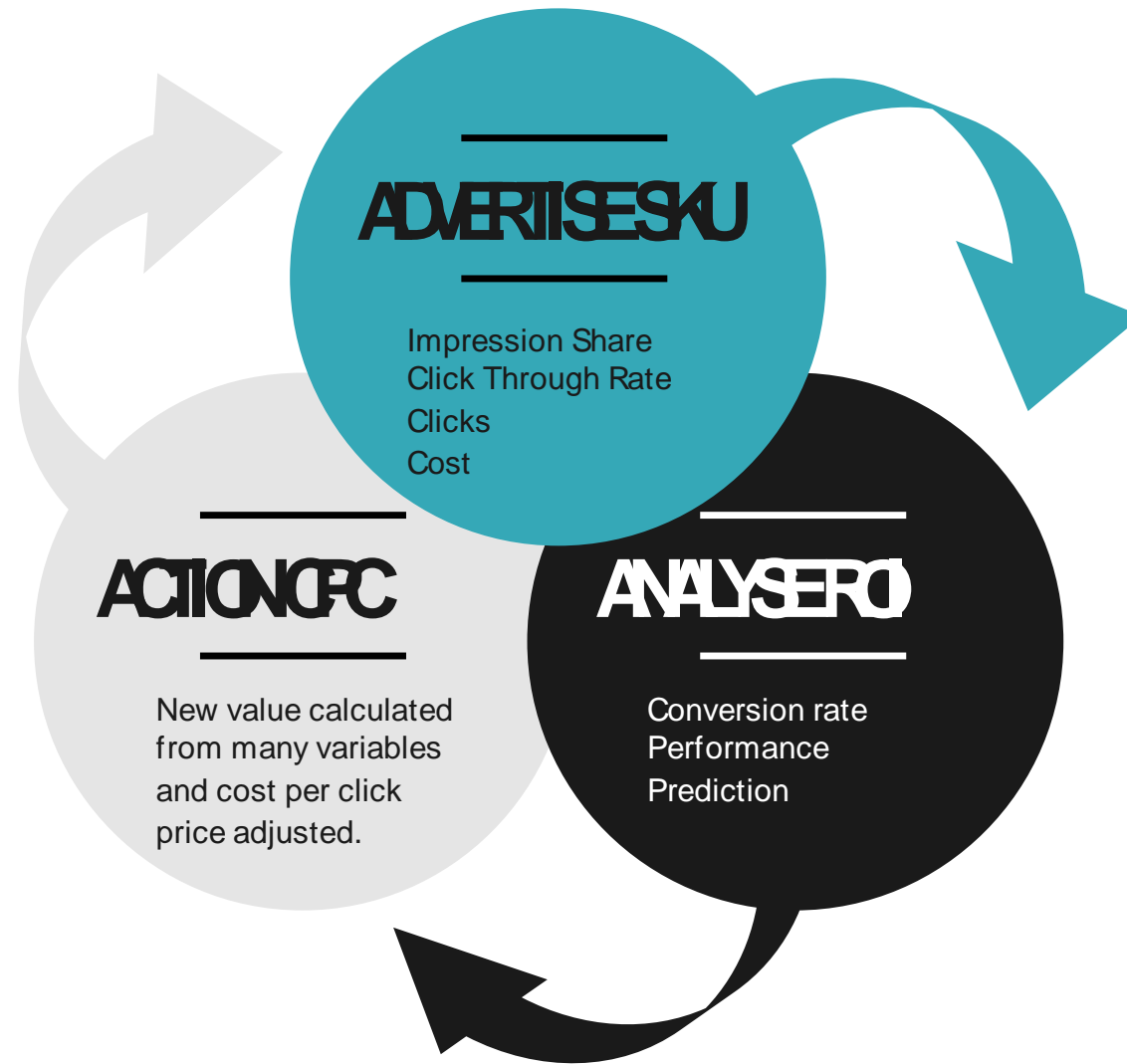


Dayparting

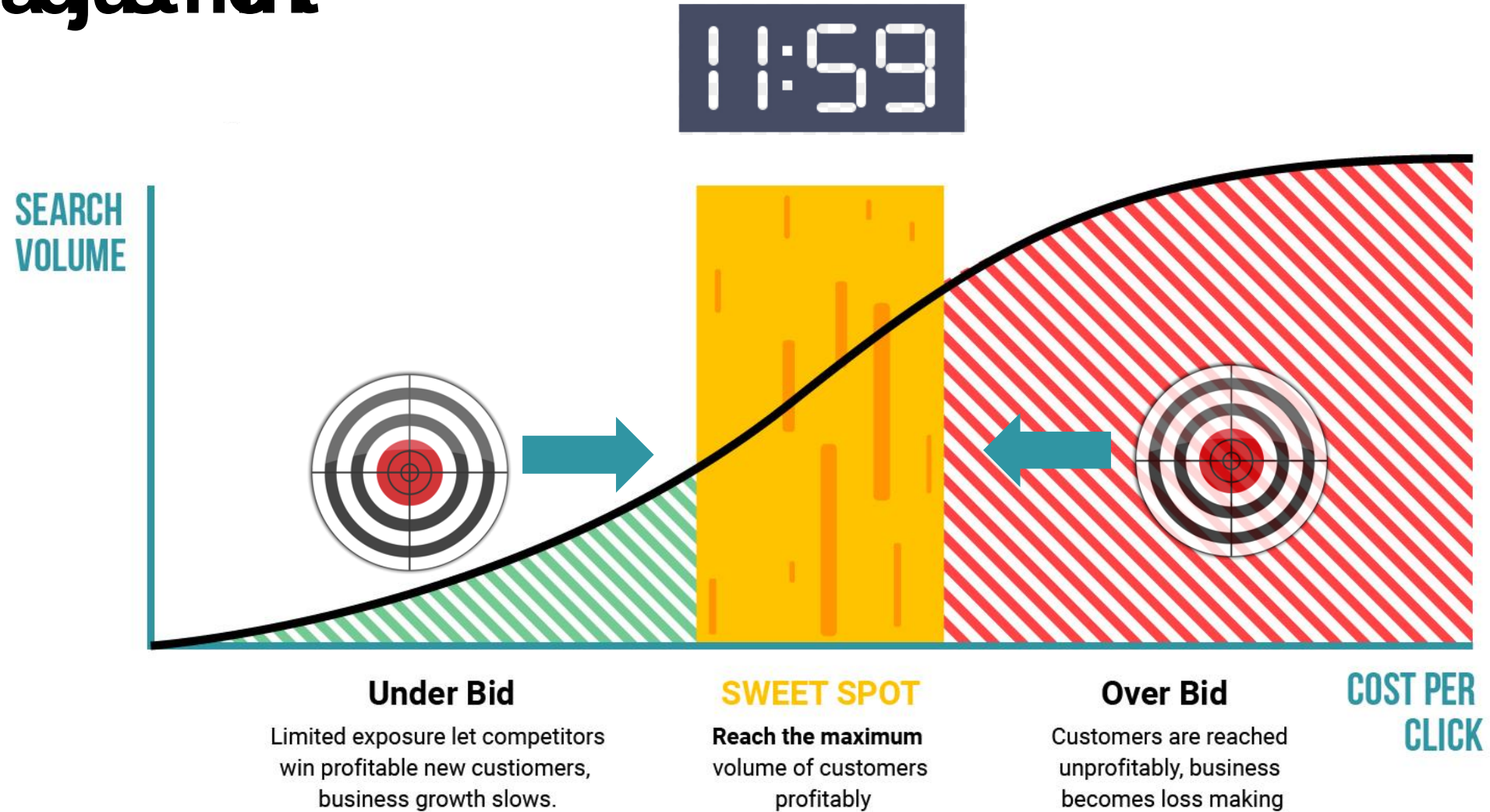


Demographics/RLSA

Google Shopping Ads bid adjustment



Google Shopping Ads bid adjustment



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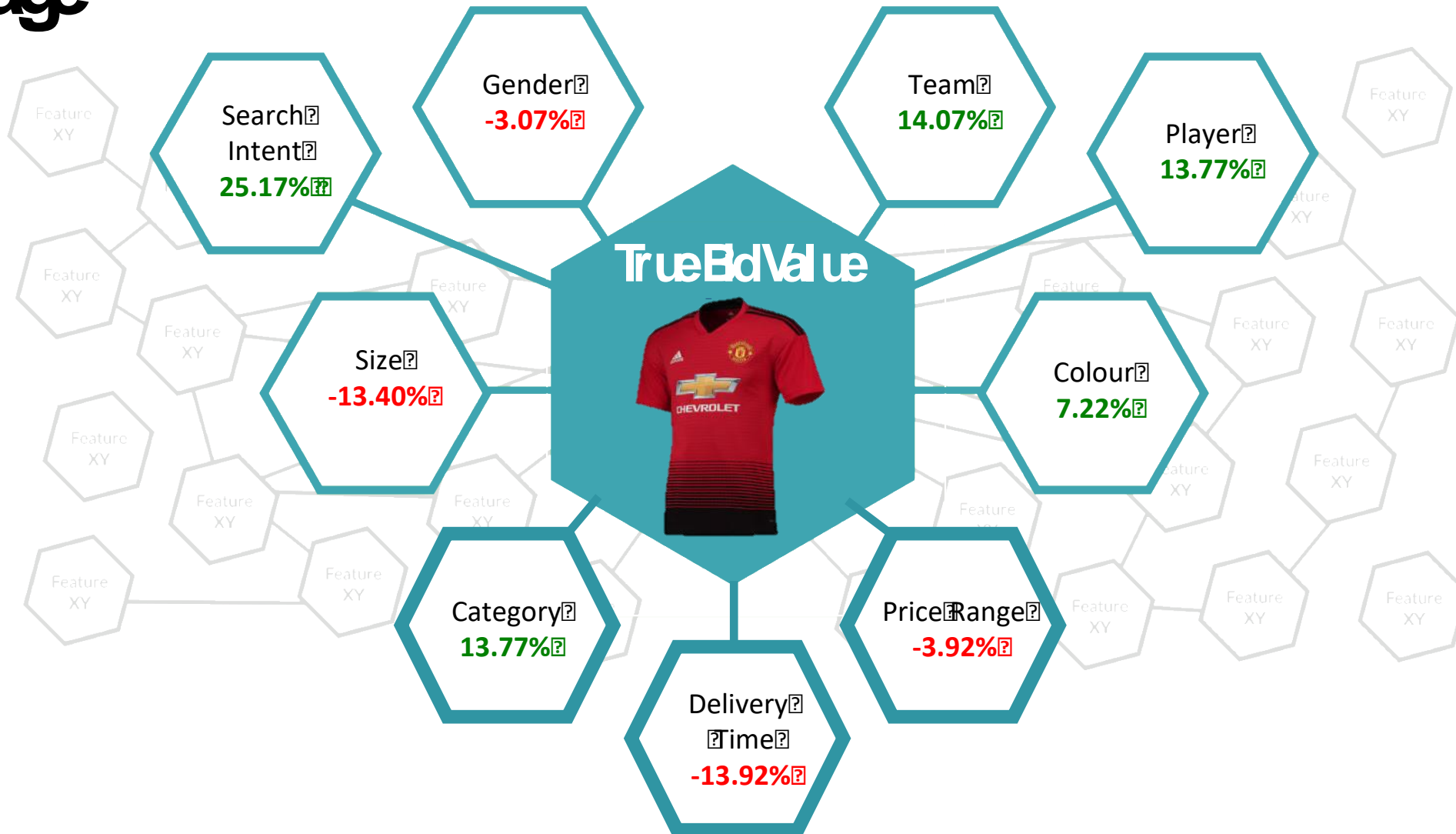
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Google Shopping Ads

Sparse data

Impr.	Clicks	Cost	Cost / all conv.	Avg. CPC	Benchmark max. CPC	Click share	Search impr. share	↓ Conv. value / cost	Conv. value
419	4	£0.47	£0.47	£0.12	£0.42	—	—	134.96	63.43

data has surpassed what
a human can analyze and
manage



Proven results, 50+ retailers from scale up to high street brands

excell-sports

Sporting goods retailer
est. 1930 with eight high
street shops selling
world's leading brands

75% revenue increase

42% Reduced cost of sale

[View Full Case Study](#)



Discover products from the
coolest emerging brands
artists and designers

157% revenue increase

30% Reduced cost of sale

[View Full Case Study](#)



Online men's fashion
store stocking over 60
designer brands

115% revenue increase

26% Reduced cost of sale

[View Full Case Study](#)



Leading online supplier
of light bulbs, lamps
and tubes

31% revenue increase

53% Reduced cost of sale

[View Full Case Study](#)