Feeding The Beast
The Secret Sauce for In-House Teams
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→ +40 active advertisers across Europe and the US
→ All we do is eCommerce
→ Further specialized in Shopping Ads & feed management
How many are **in-house**?
The Issue

- We are getting less and less data
- The data we get is less reliable
- What this does to the algorithms
We are getting less and less data

- Client-side tracking has proven less reliable
- Browser updates for privacy = less data
- Mobile devices don’t run all scripts
  ... and Ad blockers take a few percentage points as well.
Algorithms

- Spend on bad products
- Bottom funnel with high ROAS
- Can't foresee seasonality
- Dormant products
- Skew to existing customers
How many in-house teams here are measured only on ROAS within Google Ads?
What if we could feed the algorithms with better data that match our goals?

→ What it means to feed better data to the algorithm

→ What this means for our role as PPC managers
What feeding **better data** means

**as much data as possible**
Serverside tracking, Enhanced Conversions, etc.

**data that equals our goals**
Top funnel conversions, profit-data, returns, etc.
Easier said than done

- **Getting** the data is difficult
- Lack of **competencies**
- You don’t think of it as “**optimizing**”
What we used to think of as “optimizing”

“Manual”
Ad testing or bidding

Managing all **keyword** variations

Building **granular** account structures
Instead we need to shift gears and steer the ship from the captain’s seat instead of the engine room.
The best cases go beyond the old ways

- **"Manual"** Provide basic data
- Provide custom data
- Set **account structures** to support the new data
Solutions
We can all be friends

→ More data = better algorithms

→ Better data = better algorithms

→ The Basics in tracking today

→ Use-cases:
  ○ Long Customer Journeys
  ○ Multiple Channels
  ○ Differentiated margins
  ○ Google ≠ Your Only Channel
  ○ Focus on New Customers

→ The magic is in combining use-cases
Get the Basics In Place First

Real Serverside Tracking
- Must be *Real*
- Analytics must equal 99% of your backend data
- Don’t go crazy for the 1%

Enhanced Conversions
**Simple**
- Quick update to your tracking code and press enable

Make Up for Lost Cookies
- How many sessions have you lost?
- Set a relatively lower ROAS target

... don’t forget to optimize your cookie consent.
Use Cases

### Long Customer Journey
**Method:** Micro Conversions
- ✓ Track actions on your website that constitutes a relevant user experience

### Multiple Channels
**Method:** Tracking blended ROAS
- ✓ Change channel ROAS based on your blended ROAS

### Differentiated margins
**Method:** Track Profit Data
- ✓ Get the exact profit from each transaction and push high margin products harder

### Google ≠ Top Channel
**Method:** Custom product scores
- ✓ Tell Google to prioritize some products over others using backend data.

### New Customers Focus
**Method:** Micro Conversions
- ✓ Track actions on your website that constitutes a relevant user experience
Long Customer Journey
... or high AOV

Little data to work with
And the data you do get tends to be more bottom funnel focused, so you undervalue initial touchpoints that put your brand in front of consumers.

Algorithms are less efficient
Meaning getting optimal performances is based on old school techniques.
**Actions**

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**Track Micro Conversions**

What equals a qualified visit?
- Add to Cart?
- Searched for a product? Browsed?
- Used the Chat function?

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**Assign Value**

Find what the micro conversion value is
- This take some tweaking
- Most don’t get it right the first time

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**Tweak Smart Bidding**

- Keep revenue/ROAS as a metric
- Continue measuring ROAS
- Understand this *should* mean your spend gets shifted around

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Multiple Channels

Nothing you see is the actual truth
Knowing that what any individual marketing channel reports isn’t real is step one.

The only truth is your bottom line
Finding an alternative is step two.
Blended ROAS

- 9x ROAS in Google Ads
- 6x ROAS in Facebook Ads
- 30x* ROAS on Email Marketing
- 15x ROAS on Organic Search
- 3x ROAS in TikTok Ads
Actions

Stop Calculating Break Even ROAS
Setting a break even ROAS indicates that:
- The data you see is accurate
- No other channel plays a part in the journey

Use Blended ROAS
- Set ROAS targets based on blended ROAS
- Don’t make too big moves initially

Everything becomes relative
- Allocate budget to channels
- Increase / decrease ROAS targets
- Invest in new / underdeveloped channels
  ... depending on your Blended ROAS trends
Differentiated margins
Which means any attempt to create "margin-based" campaigns is a waste of time.

30–55% don’t buy what they click

Did someone add a high margin private label product? Got free shipping? etc.

No accounting for cart data
Actions

Send Profit Data to Google Ads
Two ways:
- Build in a data-layer in GTM
- Use a software (like ProfitMetrics.io)

Find the appropriate POAS level
- Some categories might decrease in revenue — are you ready for it?
- Make sure everyone is on board

Maximize your profits
- Find the POAS level to maximize profits
- ... while balancing new customers
- Excellent strategy for private label
Google ≠ Your Only Channel

**Always pushing “old” bestsellers**
- Google favors products in Shopping that are proven to work.
- Results in pushing old bestsellers

**Don’t wait for the algorithm to learn**
You have backend data saying a new product is outperforming existing products — push it in front of the queue.
A **custom product score** means giving your products a score based on backend data.
Custom Product Scores

- Conversion Rate
- New Customer %
- Online to Offline %
- Internal Search
- Relevant to you!
- New product
- On Sale
- Weekday & Time Of Day
- Desire to push
- Profitability
- Returns Rate
- Bestseller
- In Stock Soon to stock?
- Time-Decay
- In Stock
- Returns
- SKU
Use Case: Fashion

New products constantly

Whatever is on sale + new + popular converts best

Waiting for algorithms to learn isn’t feasible
Custom Product Scores

01 Identify factors
… from the other slide

02 Test your factors
You need an impact

03 Apply custom labels
Get the data into Google Ads

04 Verify performance
Google Reports // Custom Labels

05 Implement structure
First then do you implement the new structure…
The Campaign Split

Technical breakdown

**High Priority**
Products identified as high performing will **show first**

**Medium Priority**
If a search term doesn’t match a product in High, then a Medium Priority product will **show next**

**Low Priority**
Not always necessary. Like to run as fallback with low bid, no exclusion.
New Customer Focus

Algorithms favor existing customers
Any ROAS-focused algorithm will focus on existing customers over new customers as they simply convert better.

Increasing ROAS targets exacerbates this
Need better ROAS? Increase the targets, and Smart bidding might focus more on remarketing.
Let’s not leave it up to chance...
Actions

Simple

Set New Customer Values

Two ways:
- Value Rules (account-wide)
- Directly in Performance Max (Only in campaign)

Find the appropriate POAS level

- Some categories might decrease in revenue — are you ready for it?
- Make sure everyone is on board

Maximize your profits

- Find the right POAS level to maximize profits
- ... while balancing new customers
- Especially a good strategy for private label
Combining these is where the magic happens.
Takeaway

We can all be friends

→ Is ROAS the wrong metric for everyone?
→ The cases we see work the best for
Is ROAS wrong?

Absolutely not
We run huge accounts on ROAS — especially when there is a direct link between click and transaction.

But when ROAS isn’t the best KPI?
Then we have scaled accounts beyond the immediate limitations of ROAS with these tactics.
Cases for going past ROAS

- large retail stores
- long customer journeys
- big existing customer base
Download presentation at:
savvyrevenue.com/presentation-smx/

Join our live Q&A
October the 12th at 15.00 (CET)

To register send an email to:
smx@savvyrevenue.com
Scaling Paid Search for B2C eCommerce stores across Europe

With automation, local know-how and best-in-class PPC we take over when others peak.