

## Search Audiences Playbook





# WHAT Introduction to Search Audiences

## The power of Audience targeting on Search

Search Audience targeting combines your own first party data with Google insights on consumer behaviour to enable you to hone in on the right consumer at scale and in a cost efficient manner. Creating audience lists from both first party and Google data maximises your ability to engage with high potential users by helping you cast a wider net. Audience characteristics can include prior site behavior/membership, demographics, similarity to existing user base, offline behavior and more.



# Audience is changing how advertisers think about Search targeting

Traditionally, targeting and bidding on Google Search has been all about the keyword or user intent. While the search query is still at the core of this, layering audience targeting opens up new opportunities:



#### 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

## The Google Search Audiences product suite



## **Customer Match**

Use your offline/CRM data to target customers. Reach your customers across devices when they want to hear from you and deliver the right message to build relationships and drive action. Customer Match allows you to bring offline data online or reach the online customers that are most valuable for you with unprecedented accuracy.



## Remarketing Lists for Search Ads (RLSA)

Reach and prioritise past site visitors (from the last 540 days) with RLSA. To implement RLSA, you must place an AdWords Remarketing or Google Analytics tag on your site.



#### Similar Audiences for Search

Reach new customers with similar recent search behavior to users on your remarketing lists. This is the first Search Audience product to expand beyond current customers and help advertisers reach new, potentially valuable users.



\*Users in your RLSA seed list will automatically be excluded from your Similar Audiences List

## Demographics for Search Ads (DFSA)

Demographics for search ads, or DFSA, is a product that utilises both declared and inferred data to determine users' age and gender, allowing you to modify bids based on demographic criteria and/ or restrict your target audience. DFSA is an effective and simple optimisation lever for bidding or creative customisation. It has these primary use cases:

#### Enhance Performance

#### Personalise Ads

Optimise bids by bidding up or down to prioritise the types of traffic that perform for your business Customise ad copy and landing pages for the products a specific demographic is most likely to be interested in

Let's say you're a clothing retailer, and the majority of your customers are millennials – DFSA can help you to reach this audience more effectively. For example, you might increase your bids for users ages 18 to 34 to drive more visits and sales from this valuable group of consumers.

#### Search Audiences product requirements

Most advertisers (<u>Adwords Policy permitting</u>) can run a Search Audience campaign. Which products you can leverage will depend on your own data availability, as well as your campaign objectives.

## First party data-based ad solutions

**Customer Match (CM):** Pull customer email addresses from your CRM system and segment audiences based on your campaign goals or your existing CRM strategy.

**Remarketing Lists for Search Ads (RLSA):** Use website tags to determine whether a user has already visited your site, and how far along they made it through the conversion process.

## Google data-based ad solutions

Similar Audiences for Search Ads (SAS): Use your first party audience lists to find additional "similar users". Use larger Similar Audience lists to ensure scale, but also consider creating new remarketing lists to create new source data for Similar Audiences to analyse and act upon.

**Demographics for Search Ads (DFSA):** No special requirements. Use as reporting insight or to adjust bidding based on performance. 

# WHY Success Stories

A number of UK advertisers across a wide range of verticals are already seeing the benefits of Google's Search Audience products. Tradepoint, the trade-only arm of B&Q, began by using Customer Match to ensure optimal coverage of their existing customer base, and Remarketing Lists for Search Ads to upweight bids for users who had already engaged with their website. From this solid foundation, they then used Similar Audiences and Demographics for Search Ads to target new prospects with a high probability of conversion. This layered approach contributed to an increase in the brand's web sales conversion rate of 52%, leading to a 191% increase in return on investment compared to an equivalent period before they began using Search Audiences (read full story). For iconic fashion designer Roland Mouret, one of the main attractions of Customer Match is the ability to bring elements of personalised in-store customer service to the online experience. By uploading email lists from their CRM system, the brand was able to target loyal customers with an exclusive invitation to a preview sale. Cost-per-click for this campaign was 56% lower than the average of Roland Mouret's other UK campaigns, with an 87% improvement in cost-per-action (read full story).

Virgin Experience Days used Remarketing Lists for Search Ads in conjunction with Dynamic Search Ads to maximise orders and revenue. To achieve this, they focused on lists of high conversion potential new and returning site visitors, while using DSA to expand their search coverage. The combination of RLSA and DSA proved successful, with conversion rates 230% higher and ROI 89% higher than observed in DSA campaigns that were not utilising RLSA (read full story).

Similar Audiences also helped Marketing VF, a lead generation agency that operates sites such as Expert Market, to expand their pool of high quality leads. After uploading their first-party remarketing lists into AdWords, Similar Audience targeting in conjunction with the brand's existing demographic and locationbased bid adjustments, helped to boost return on ad spend by 55% compared to baseline performance (<u>read full story</u>).



## HOW Implementation and Bidding

#### Create your first Search Audience list

#### Most online advertisers start with RLSA lists

Users on these lists are, by definition, familiar with your website (they have been there before) and are far more likely to convert than the typical user searching for your keywords.

An All Site Visitors list is generally the best place to start, whether you're using the Google Analytics or AdWords Remarketing tag, offering a strong performance signal while also maximising reach. Reach is important at the start of your roll-out, because you want to maximise the scale of your data and be able to segment effectively within it later; as a result it's also important to maximise the timeframe of your data to gain a longer view of your users, using a 540-day remarketing list.

## Some things to consider...

If many of your customers have not visited your site before, (which is common if you primarily do business in the "real world") try to increase user coverage with Customer Match.

*If you already have an audience strategy on Display,* expand it by using complementary lists on Search to mirror your strategy and try to tie them together.

If you are looking for greater efficiency and higher conversion volume, increase bids for high-performing Audience list targeted campaigns. Additionally, expand keyword breadth for audience targeted campaigns, and invest in creative customisation using IF Functions.

### Maximise Search Audience products

## Get the most out of your Customer Match lists

- 1. Create Customer Match lists with a substantial number of users.
- 2. Utilise higher bids for Customer Match than RLSA. To test Customer March, start bids at 1.1x RLSA. Google internal data shows that using Customer Match in combination with RLSA increases audience clicks by 20%.
- 3. Upload CRM segments that are important to your business, such as:
  - Upsell/cross sell help customers find complementary products based on previous purchases.
  - · Target purchasers from past sales periods.
  - Drive loyalty through increased engagement with premium customers.

## Get the most out of your RLSA lists

- 1 Make sure a remarketing tag is on every page of your site (desktop and mobile) to build a comprehensive *All Visitors* list.
- 2 Share the All Visitors list across every AdWords account and layer across every Campaign or Ad Group. \*If you manage multiple accounts that need to use the same remarketing tags, or target the same remarketing lists, you can use the Admin tab in your manager account to share those lists with across accounts that you manage Building audiences based around website engagement will allow you to assign higher values and bid more for high priority users rather than just using a blanket bid across the master list.
- 3 Build audiences around your website engagement in order to assign higher values and bid more for high priority users rather than using a blanket bid across the master list.
- 4 You can now implement audiences either at an Ad Group level or at Campaign level. Implementing Audiences across a whole campaign allows you to reduce the likelihood of accidental gaps in your Audience coverage and ensures your AdWords activity runs with a more consistent strategy. Furthermore, for lower volume campaigns or audiences, aggregating your data at campaign level will result in a greater traffic volume for analysis, leading to better bidding decisions and performance analysis.

## Get the most out of your Similar Audiences for Search (SAS) lists

1 Establish which are your most valuable RLSA lists in order to bring more users of a similar type to your site. Generally lower funnel lists (converters, basket viewers, etc.) will perform better.

- 2 At a later stage, you might also create additional remarketing lists, specifically designed to capture users visiting specific pages of your site in order to generate more specific segmentation. Typically you would do this to create a list containing "semantically similar" content, providing a concentrated signal which can then be analysed and used to find additional prospects. An example might be for a retailer to create a remarketing list with the rule "url contains: laptops". This would create a list full of laptop viewers, allowing Google to create a list of new people who have similar characteristics to those who have recently searched for laptops on your site.
- 3 Once you've selected the SAS lists to target, the following steps are recommended:
  - Start with SAS lower funnel lists (for example, a *Similar to All Converters* list) and apply to all ad groups.
  - Choose the top 3-5 SAS lists from your shared library based on their list size, while ensuring some variance in the type of rule being used (for example, *Similar to All Visitors, Similar to Converters, Similar to Product Viewers*). You can then add these lists to all campaigns.
  - Set audience as Bid Only; apply as 0% bid multiplier. SAS works with text, DSA and Shopping Campaigns.
- 4 Allow SAS to run for 1-2 weeks (or until there is sufficient data). Analyse performance results and optimise bids accordingly.

**Tip**: You can request pre-implementation recommendations from your Google rep.

## Get the most out of the Demographics for Search Ads (DFSA)

- DFSA is now layered across every search campaign by default for reporting purposes.
- Open your demographics tab to view existing performance of your age and gender segments, and use them to adjust performance with bid modifiers.
- Bid up to prioritise demographics which perform better than your campaign average, and bid down to deprioritise demographics which are performing below expectations. This will allow you to gently push traffic to higher-performing areas.
- Consider changing creatives for different demographics if it makes sense. For example, fashion retailers may sell separate products for different genders, while insurers might offer insurance products by age range.

## Expand with additional Audience lists

Current State	Try expanding to
Running All Site Visitors on campaign	Additional RLSA list types like All Converters or Shopping Cart Abandoners
Running across all RLSA list types	Customer Match in order to engage customers who may not have visited your site
Running both RLSA and Customer Match campaigns	Expand to Similar Audiences to create a more powerful acquisition strategy

## Bidding on Audience lists

If you're familiar with bid adjustments from other areas of AdWords (mobile bid adjustment, geo bid adjustment, daypart bid adjustment, etc.), you may be accustomed to setting a small, modest bid adjustment.

With Audience lists, the signal is so strong that it is typically the boldest bid adjustment used in AdWords accounts.

If you're bidding manually for your audiences, review your performance regularly and ensure that you're not undervaluing your audience performance. There are limited "rules of thumb" for how much to bid for each list or type of list, but you should aim to bid to maximise performance across all your lists by adjusting bids based on performance against your campaign's overall targets.

## Best Practice: Combine Audience lists and Smart Bidding

Improve performance	Save time
Fully leverage the power of 'audience + intent'	Target CPA and Target ROAS automatically use audience signals, removing the need to
Bidding to the correct value of audience helps you to	manually optimise audience bid modifiers
optimise high and low performing audience segments and therefore drive more conversions within existing CPA/ROAS goals	eCPC also helps to automate audience bid modifiers but requires further manual optimisation to avoid underbidding.

## How Smart Bidding works with Audience lists

Target CPA	Uses historical audience performance to automatically inform bidding for audience lists	Audience bid modifiers which are manually set are not used for bidding, though can be used to help prioritise which audience list is served
Target ROAS	Like Target CPA, historical audience performance and "expected ROAS" is used to automatically inform bidding for audience lists	- audience list is served if a user is on multiple lists (for example, a higher bid modifier means we will prioritise your preferred list, but not use the bid modifier in the auction itself).
	Enhanced CPC uses aud	ience in its bidding

#### Enhanced CPC

decisions (along with other signals such as location, time, browser and more), but will also continue to respect your existing bid modifiers.

#### Good to know on Audience signals + Smart Bidding:

Target CPA and Target ROAS use the historical list performance of multiple lists on which a user is present, and performance by time-on-list (usually, recent new members of a list convert better) to determine the likelihood of a conversion and subsequent bid value. This usefully avoids the need for you to break audience lists up into smaller durations, as you might for manual bidding.

#### Smart Bidding best practices for Audience

- 1. Higher volume audience lists drive greater impact.
- 2. Adding 10+ audience lists is not detrimental to performance but over-segmentation can make reporting complex and stymie the insights our bidder can derive from performance.
- 3. Overlapping audiences (for example, having users on more than one list) is acceptable and can even add useful signals.
- 4. AdWords takes into account the combination of list memberships, whether the person belongs to multiple audience lists or not. For example, AdWords may discern that a person that belongs to *List A* and *List B* performs better than a person that belongs to *List A* only.

Example: For an online retailer, AdWords may bid up higher if the person is part of the Shopping Cart remarketing list and the Customer Match List of their loyal customers.

- 5. Since recency is taken into account for remarketing, you don't need to break down your remarketing lists by list duration. It is better to have a remarketing list of 540 days and let the system optimise bids based on when the user was added to the list.
- 6. "Bid Only" is recommended as a best practice though Target & Bid is fully compatible (see section iv. below for details).

**Tip:** Check out the Adwords Smart Bidding Playbook available on Think with Google UK for more information to get the most out of Smart Bidding and Audience targeting.

## "Bid only" vs "Target & Bid"

- Bid Only means you will still be able to show ads to all users searching for your keywords, but you can modify your bids via a "bid adjustment" for users on your list.
- Target and Bid means your ads will only be served to users on your targeted audience list.

For this reason, it is important to choose Bid Only if you wish to continue serving ads to users who are not present on your lists and avoid limiting the volume of your campaigns accidentally.



#### **Bid only**

#### Advantages

- Easy campaign management (no need to duplicate campaigns, keywords, extensions).
- · Allows for 0% Bid Modifier "risk-free" testing.
- Ability to customise creatives per audience with IF Functions.
- Can track audience performance using Valuetrack (targetid) or AdWords & Doubleclick.

#### Limitations

- · Inability to set different landing page per audience.
- Cannot set different ROI or CPA targets for different audiences
  when using Smart Bidding.
- Inability to set different budgets for different groups of users (for example, Acquisition vs. Retention).

#### Target + Bid

#### Advantages

- Create completely different Ads & landing pages per audience.
- · Allows Smart Bidders to set different targets per audience.
- Allows you to budget differently for different user groups.
- Unlocks sophisticated use cases in conjunction with "Bid Only" campaigns:
  - · Keyword expansion for top-of-funnel keywords
  - Unlocks Dynamic Search Ads + Audience for Keyword Mining

#### Limitations

- Challenging campaign management due to requirement to continually update duplicated campaigns.
- Breaks up your campaign volumes leading to more, smaller campaigns.
- · Large accounts may hit account criteria limits.

# 

# **HOW** Expansion and Optimisation

#### Building a Search Audience strategy

Improve performance by optimising for all audiences: the combination of all Audience data will give you the largest reach and impact.

Use Customer Match to find people who have converted for you before, and RLSA to target people who have interacted with you but are yet to convert. Then look to Similar Audiences to identify and classify the people who have yet to interact with you, leveraging Google's data. Demographics for Search Ads adds additional coverage beyond the other products, but can also overlap them in areas. Remember that a sliver of your traffic may still not be audience-targetable for now, so it's important to scale your existing data as far as possible.

People who've bought before	People who've yet to buy	People who've yet to interact		
Customer Match Traffic (CRM)	Remarketed Traffic	Similar User Data	Demo Data	No audience data yet
People who've bought before	People who've yet to buy	People who've yet to interact		
Segments based on user value	Segments based on user engagement	Segments based on semantic groupings	Demo Segments	No audience data yet

## Implementation example

High Street Fashion Retailer					
People who've bought before	People who've yet to buy	People who've yet to interact			
Customer Match Traffic (CRM)	Remarketed Traffic	Similar User Data	Demo Data		
In-store visitors High value Low value New customers Lapsed customers	Past converters Basket viewers Product viewers Category viewers Homepage viewers	Similar to "converters" Similar to "men" viewers Similar to "women" viewers Similar to "formal" viewers Similar to "shoes" viewers	All ages All genders		
+ Catch-all list	+ Catch-all list				

Use initial bid adjustments in accordance to your best estimate of value, and then adjust as you go. Avoiding having the same bids for any list is an important place to start because otherwise if a user is in multiple lists, we will serve one at random. Think through your lists in order and rank them from first to last, in order of expected performance. If you start at the bottom and apply higher bids to each list (even in 1% increments), you will gently prioritise your strategy from the start, but allow flexibility to change your prioritisation in future performance analyses and bid changes.

#### Best practices to maximise user reach

Why focus on maximising reach? Audiences are a powerful way of segmenting traffic and going beyond the "averages" you see with regular campaign or adgroup performance. Finding ultra high-performance lists can be beneficial, but those lists are often small and hyper-targeted, containing only high performers. Catering your strategy to achieve maximum reach lists too will enable you to scale your data further, and provide performance signals across more areas of your search campaigns, enabling greater optimisation.

**Generate your lists from both site visitors and customer data.** *Why?* Because RLSA and Customer Match audience lists complement one another and achieve higher user coverage, helping you cast a wider net to reach all of your most important audiences.

# Identify additional segments of visitors that you want to treat differently.

**Why?** You can change bids, messaging, and ways of reaching those audiences.

#### Make audience lists specific without being overly segmented.

**Why?** Because each additional audience you create has the potential to limit your insights further and increase your management overhead by adding more segmentation and dividing up your data.

#### Apply negative targeting sparingly.

**Why?** Occasionally you might spot audience lists with below-average performance. Rather than excluding them immediately and losing campaign volume, try reducing your bid modifiers first to bring the audience back in line with your expectations.

For example, rather than excluding DFSA segments, consider using bid modifiers. It's also worth considering targeting segments adjacent to the segment you're interested in. Since we infer age groups, there is always some level of error in the inferences, so the segment thresholds are not always sharp. If you think that your target audience is the 55+ years old segment, we would therefore recommend targeting the two neighboring segments (34-55, and 55-64) as well.

#### Customise ad creative by Audience

Ad Customizer IF Functions are the most scalable way to customise your creatives, allowing you to set an alternative message within the Ad if a user is present in a list(s).

example.com offers great shoes at low prices

#### example.com/shoes

{=IF(audience IN (Converters - 540 days, AII CRM Users), Come back for 30% off): Free shipping on your first order}!



- *New sales or stock:* Alert heavy shoppers about new inventory or new sales to bring them back.
- *Cross-selling:* Offer a specific target group a complementary product.
- Loyalty: Offer loyalty programmes to current customers.
- *Promotions:* Put a promotion or free shipping offer in your creative to priority customers.
- Cart Abandonment: Use RLSA to serve specific creative to customers who have abandoned the shopping basket without converting.
- Lead generation: paid vs free subscriptions

For greater flexibility beyond IF Functions, you may choose to create a Target & Bid campaign to run completely separate ads and landing pages for a given audience:

- Duplicate existing ad groups for which you'd like to refine copy (or existing campaigns in order to have better control over daily budget).
- Add the desired audience list.
- Update the ad copy and/or landing page to reflect the new message.
- Adjust the audience targeting setting to "Target and Bid"

## Maximise keyword coverage

Audience targeting enables you to deploy a broader range of keywords or targeting and match types. Since audience lists are pre-qualified, you can increase reach with more permissive targeting, while still maintaining relevance.

#### Additional keywords

While certain keywords may not have performed well in the past, they may perform much better when targeted in conjunction with audiences that have previously visited your site.

Test high-volume product keywords (for example, "trainers") on more granular audiences.

#### Example

Running on keyword "Gifts" during the holidays

Create seasonal-specific ad groups that are targeted only to top-performing audiences like your past converters.

Use "Target and Bid" to focus only on reaching specific users in your audience lists as they browse broader terms.



# **Frequently Asked Questions**

How can I personalise ad creatives and landing pages based on audience lists? Ad Customiser IF Functions allow you to change parts of your message based on a user being in one audience list, however landing page personalisation is not currently possible in early 2017. For heavy ad personalisation, the best technique remains to "break out" your Ad Groups or Campaigns into Target & Bid strategies, with their own ads.

How much data coverage can I get with the product suite today, and how many lists should I be using? We expect that the maximum coverage (All Search investment / Search Audience investment \* 100) of your Search investment possible today through the Search Audience product suite is 70-80%. There's no fixed rule for how many lists you should have, but sense-check your strategy if you have list rules that encompass less than 10% of your total traffic from a specific product. **Is it better to have many small lists, or a few larger ones?** Most of the time, it is better to run with broader lists to ensure scale, than many small lists which can become difficult to manage or even stop you in your tracks. A great way to think about segmentation is using these triangles:



Try to identify how much volume you're getting from different keywords or targeting, and match that up to how much volume you can allow from individual lists. For large-volume keywords where you often don't have full insight into exactly what the user is looking for (EG: "Shoes"), using more niche lists to generate additional insight and information in your campaigns can be a good idea. For narrower keywords where you have less data or already know exactly what a user is looking for (for example, "Brand X blue suede shoes with a red sole"), often your audience data will require less segmentation and you can use more scaled lists to ensure you still keep enough volume per list to optimise effectively.

Is 3rd party tracking & bidding compatible with Search Audiences today? Audiences are compatible with the major third party tools (DoubleClick Search, Marin, Kenshoo and Adobe) when it comes to setting manual bid modifiers, adding or removing audience lists, and reporting from the 3rd party tool. Automated bid modifiers are available through DS and Adobe and we are currently working on integration with others. We are continuing to improve integration all the time and our advice is always to work closely with the account management team from your 3rd party tool provider.

**Are YouTube lists compatible with RLSA?** A subset of YouTube remarketing lists are compatible with Search, including Trueview.

