Retargeting with Google AdWords

Introduction

"You can't just place a few Buy buttons on your website and expect your visitors to buy."

– Neil Patel, Co-founder of Crazy Egg, Hello Bar and KISSmetrics

When a customer visits your website, accesses information about a particular product, and then leaves without buying, you know there is a potential sale, and there is every chance that the person will be buying a similar product sooner or later. How would you like to follow that visitor, reminding him of your business wherever he goes on the web? In fact, remind him to the extent that your business/brand is the first name that comes to mind when he is about to make a purchase. Following a potential customer to that extend may sound quixotic in the physical world, but thanks to technological advances in internet marketing, it is possible to recapture the potential customer on the web using an effectual and economically viable technique called Retargeting.

What is Retargeting?

Behavioral retargeting (also known as behavioral remarketing, or simply, retargeting) is a form of online targeted advertising by which online advertising is targeted to consumers based on their previous Internet actions, in situations where these actions did

not result in a sale or conversion (Wikipedia, 2015). Website owners ideally expect their visitors to follow a very straight and orderly path to purchase. They may expect that their website visitors after finding the right product/service on their portal would proceed to the purchase and payment process. But in reality, the buyer's journey is perhaps not so linear. Several people may visit the website, spend time on the website exploring the information about the required products/services, their prices, delivery and return policies etc., but may not necessarily buy during their first visit to the site even if they have got the right product for the right price. According to AdRoll, a prominent retargeting platform, generally only 2% of shoppers convert on the first visit to an online store (Adroll, 2015). Re-targeting is an endeavor to convert the remaining 98% visitors or window - shoppers into buyers. Re-marketing lets you show ads to people who have visited your website or used your mobile app without buying. It helps you reconnect with them by showing relevant ads as they browse the web, as they use mobile apps, or as they search on Google.

How Retargeting Campaigns Work?

Online advertisers implement retargeting broadly in two ways, Pixel-based and List-based. The way each works is slightly different, and each has different advantages based on your campaign goals. Pixel-based re-targeting is a way to re-display your advertisement to any anonymous site visitor. This is perhaps the most common type of re-targeting. When someone comes to your website, an unobtrusive piece of JavaScript (often referred to as a pixel) is placed on their browser — making their browser "cookied." When they leave your site to surf the web, that cookie notifies re-targeting platforms to serve specific ads based on the specific pages they visited on your website (Hubspot, 2015).

Leaves the website. (Pixel or cookie is added to the user's system)

User visits your website

User visits other (Affiliate) websites

With help of pixel, retargeting ads are displayed with link to your website

Figure 1 : How Retargeting Works

List-based re-targeting is used when you have prospective customers contact information in your database. It involves uploading the contact information like email addresses to a re-targeting platform like social networking websites, which facilitates serving re-targeting ads specifically to your prospective customers. List-based re-targeting is little less common than pixel-based re-targeting, because of its constraints like manual maintenance of the list etc. The advantage of pixel-based retargeting is that it can be behavior-based and specific to a particular page. The key element of Pixel based or cookie-based retargeting is the invisible JavaScript tag that is placed in the website which leaves a cookie in the browser of every visitor. Using these cookies, online advertisers practice different types of re-targeting like Site Re-targeting, Search Re-targeting and Contextual Re-targeting (eConsultancy, 2015).

Table 1 :
Types of Retargeting

Search Re-targeting	This is a form of behavioral re-targeting where a user of a search engine will be targeted with display ads based on his search queries. The searcher would have not necessarily visited the advertiser's site previously.
Site Re-targeting	This involves display of ads pertaining to the visited website on other (affiliated) websites.
Personalized Re-targeting	This involves advertiser displaying a banner created on-the-fly for a particular customer based on his specific browsing behavior. For example, if a customer visits an advertiser's website and browses products A and B, then the re-targeted ads on other websites would be specifically featuring products A and B.

Prominent Retargeting Service Providers

There are several platforms available for the online players to leverage on the retargeting opportunities. These platform operators take care of all the technical aspects like generation of the pixel, leaving the cookie on the client systems, displaying contextual advertisements etc. These platforms also facilitate user-friendly interfaces for managing their retargeting budgets, real time bidding for placement of their advertisements, analyzing the campaigns etc. Hence leaving more time to you to focus on the strategic aspects (Kissmetrics, 2015).

Table 2 :
Prominent Retargeting Platforms

Name of the Platform	Key Features
AdRoll	• Known for its different retargeting plans. • Key clients include Moz, Levi's, Red Vines, Salesforce. • Works with advertising partners like Facebook, Google, Yahoo, and Microsoft. • Facilitates easy-to-read analytics. • Official Facebook partner and provides one of the best and easiest-to-use platforms for customer retargeting on Facebook. • It has good transparent pricing and solid customer support, both in terms of responsiveness and level of expertise.

Chango	• Specializes in search retargeting. • Has a massive network of data partners. • Dedicated account manager to handhold the advertisers to setup, optimize and manage the campaigns. • Indicators and scores allowing you to assess each visitor according to what they do before, during, and after visiting the website called "intentscore". This feature enables targeting efficiently to visitors who seem to have the "intent" of buying a particular product.
Perfect Audience	• Simple implementation. • Does not involve a setup or maintenance fee, which makes it an ideal choice for small businesses with tight budgets. • Their "site reports" actually show the names of websites which your ads have been served on, how many impressions were served, and how many clicks were attained. • Facility to blacklist specific sites which are not performing well based on the site reports to ensure that the focus is more on profitable sites.
Tiggit	• Focus on Social Networking sites like Facebook. • Facilitates setting up of frequency cap so that your prospective customers are not annoyed by your ads. • The Dynamic Creatives feature allows you to use custom heading, custom dates, and custom images in your Facebook ads to improve click through rates (CTR.)
ReTargeter	• Offers a wide range of retargeting solutions including site retargeting, Facebook Exchange, email retargeting and search retargeting. • Allows creation of target ads according to the demographic, geographic, income, or intent of your customers.
Google	• Has a massive display network. • Easy setup from the Google Adwords account. • Flexible pricing • Offers very simple targeting options. You can target people depending on their actions, time of visit, and the specific pages they landed on.

Retargeting with Google – Why and How?

Adwords, the flagship marketing product of Google and the company's main source of income has already established itself as the most widely used SEM(Search Engine Marketing) platform. After its deep rooted penetration into the digital marketing space, Google has embarked on the Remarketing/Retargeting domain. Besides its massive display network encompassing more than a million websites, videos, and apps, there are plenty of reasons for online advertisers to use Google's platform for retargeting (Google Adwords Help, 2015).

Easy ad Creation: Produce multiple text, image, and video ads for free with Ad gallery. With dynamic re-marketing campaigns you can create dynamic ads which pair your feed with Ad-gallery layouts, scaling beautiful ads across your entire set of products or services.

Reach People when they're most Likely to Buy: You have the option to reach people after they've visited your website or used your mobile app. This could be when they're searching for your product, visiting other websites, and using other mobile apps. AdWords re-marketing provides timely touch points to drive your customers to your website and app when they are most engaged.

Lists Tailored to your Advertising Goals: Customize your re-marketing lists to achieve specific advertising goals. For example, you can create a "Shopping cart abandoners" list to show ads to the people who added something to their shopping cart but did not complete a transaction.

Efficient Pricing: You can create high-performance re-marketing campaigns with automated bid strategies like Cost per Acquisition (CPA) and Target Returns on ad Spend (ROAS). Real-time bidding calculates the optimal bid for the person viewing your ad, helping you win the ad auction with the best possible price. There is no extra cost to use Google's auction.

Visibility Over where Your Ads Appear: You'll have visibility into how your campaigns are performing, where your ads are showing, and what price you are paying.

Google Re-targeting lets you show ads to people who have visited your website or used your mobile app before. When people leave your website without buying anything, for example, re-marketing helps you reconnect with them by showing relevant ads as they browse the web, as they use mobile apps, or as they search on Google. Dynamic remarketing takes this to the next level by including the products or services that people viewed on your website within the ads. While dynamic remarketing takes additional steps such as adding custom parameters to your website's tag and creating a feed, it can deliver customized, higher-performance ads.

Table 3 :
Ways to Remarket with Google

Standard remarketing	Show ads to your past visitors as they browse Display Network websites and use Display Network apps.
Dynamic remarketing	Show dynamic ads to past visitors with products and services they viewed on your website as they browse Display Network websites and use Display Network apps.
Remarketing for mobile apps	Show ads to people who have used your mobile app or mobile website as they use other mobile apps or browse other mobile websites.
Remarketing lists for search ads	Show ads to your past visitors as they do follow-up searches for what they need on Google, after leaving your website.
Video remarketing	Show ads to people who have interacted with your videos or YouTube channel as they use YouTube and browse Display Network videos, websites, and apps.

The Google Re-marketing/Re-targeting service can be set up easily from inside your Google AdWords account. It basically involves adding the remarketing tag to your website, building your advertisements and setting up your campaign.

Add the remarketing tag to your website or app

To start using remarketing, add the remarketing tag across all pages of your website or to your mobile app.

The remarketing tag is a small snippet of code that you get from AdWords.

Create remarketing lists

After you've tagged your website or app, you'll create remarketing lists.

For example, you can create a remarketing list for visitors to your most popular product category page. The remarketing tag tells AdWords to save visitors to your "Popular category list." When people visit that page, their **cookie** ID is added to the remarketing list

Build remarketing campaigns that use your lists

Finally, build a campaign with a specific message to show only to people on your "Popular category list" while they search on Google or browse Display Network websites.

Your remarketing messages won't be shown to people who aren't on the list.

Figure 2 : Key steps involved in configuring Google Adwords Re-targeting

```
<!-- Google Code for Remarketing Tag -->

<script type="text/javascript">

/* <![CDATA[ */

var google_conversion_id = 956269819;

var google_custom_params = window.google_tag_params;

var google_remarketing_only = true;

/* ]]> */

</script>

<script type="text/javascript" src="//www.googleadservices.com/pagead/conversion.js">

</script>

<noscript>

<div style="display:inline;">

<img height="1" width="1" style="border-style:none;" alt=""
src="//googleads.g.doubleclick.net/pagead/viewthroughconversion/956269819/?value=0&amp;g
uid=ON&amp;script=0"/>

</div>

</noscript>
```

Figure 3 : Sample Google Code for Re-marketing

After the basic configuration, advertisers can further control the behavior of the retargeting campaigns using host of simple but powerful options provided by google like custom parameters, rules etc. For example rules can be used to target people depending on their actions, time of visit, and the specific pages they landed on, etc. (Depicted in Figure 4)
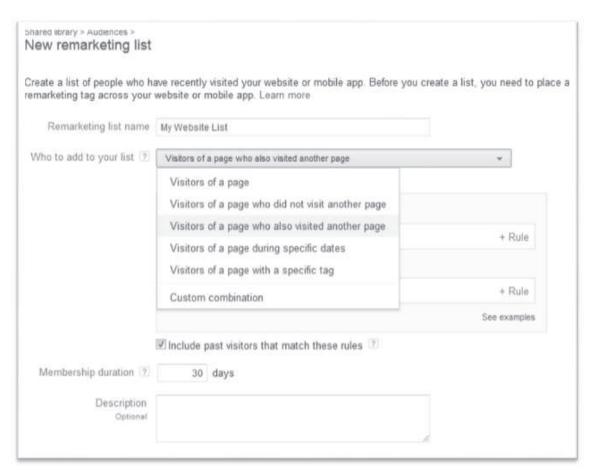
Figure 4 : Configuration of Audience in Google Adwords

Major Challenges in Managing the Retargeting Campaigns

Online advertisers may use different models, platforms and service providers for implementing retargeting. Therefore, every retargeting campaign has to be dealt differently keeping in mind the specific objective of the advertiser. Irrespective of whether re-targeting is used for building awareness or conversion, efficiently segmenting your visitors is key to success. Re-targeted ads should be tailored to individual customers through segmentation. For example, just because some user visited a used car dealer website, it does not really mean that the user is interested in used cars. Therefore, understanding the

intent of the user is very challenging and requires capturing the website's click-stream of the user to understand the context of the visit. Also, spending the retargeting impressions on a customer who has already purchased your product may not yield any benefit. Therefore it is important that the retargeting ads are dynamic and personalized. Hitting the customers with the same ad over and over for weeks may do more harm than good to your business. If that customer has not come back to your site after a few reminders he probably never will. So repeated re-targeting without any response from the user may turn out to be negative. Different products warrant different retargeting time windows. Eg, people shopping for travel should be retargeted immediately; people shopping for luxury goods could be retargeted later. Therefore, it is important to factor the time aspect while retargeting. Another important challenge is improving the CTR (Click Through Rate) of the re-targeted advertisements. The best method used to achieve this is a clear call-to-action button in the ad, and upon clicking through, take the user to a relevant landing page or product page, not just the homepage.

Concluding Remarks

As per several research reports, the average Web site conversion rate is a little more than two percent. In other words, nearly all of the people who visit a site for the first time leave without some form of desired action (CMO, 2015). Retargeting is a type of display advertising that targets these users who have visited your site but not converted. Users are shown a banner ad enticing them to come back to the site and complete a purchase. While display advertising has often been the realm of brand advertisers with big budgets, retargeting has enabled direct response advertisers to buy display in a way that enables a very strong ROI. 1 in 5 marketers have budget for remarketing (WishpondTechnologies, 2014). The important element of retargeting is that you target people who have already expressed an interest in your site and bring them back again for a second chance to convert. That's why the click-through and conversion rates for retargeted ad campaigns are huge compared to standard banner advertising. The average click-through rate for display ads is 0.07

percent, and the average click-through for re-targeted ads is about 0.7 percent. While it may sound like a simple concept, there are many challenges in running a successful re-targeting campaign. Choosing the right platform considering your objectives and budget, efficient targeting, appropriate call-to-action mechanism, enticing landing page etc., are instrumental in re-targeting being successful. Among several options available, Google Adwords has emerged as an important re-targeting platform. With massive display network, efficient targeting options, flexible pricing and easy setup, several small and big online players have embraced Google AdWords for keeping their prospects engaged, interacting with people who have already shown interest in their company and bringing the "window shoppers" back to their portal when they are ready to buy.

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