

Increase your ROAS in Google Shopping by using smart dynamic product filters

How Seogi Online Marketing used the Price Monitoring Tool (PMT) to increase their ROAS by 50%

seogi

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Bigshopper

Welcome! We would like to briefly introduce ourselves before diving into this case.

Seogi was established in 2008, originally focused on developing websites and online stores. Over time, their focus shifted to online marketing, leveraging their technical knowledge from early years.

Today, they specialize exclusively in search engine marketing and are recognized as a **Google Partner** in 2014, a testament to their expertise. Recently, Seogi relocated to a new, stylish office in the historic Grasso factory.



Bigshopper is a leading price comparison service in the Netherlands and operates throughout the European Union. With millions of products from over 2,800 affiliated sellers, Bigshopper provides a platform for nearly a million consumers each month to find the best deals. As a fair comparison site, Bigshopper showcases an array of online stores.

As a Google **Premium CSS Partner**, Bigshopper is dedicated to developing large databases, tools, and services for the benefit of online merchants and marketing agencies. One such tool is the Bigshopper Price Monitoring Tool (PMT), which scans Google Shopping using EAN codes to collect price data from competitors and presents it in a clear dashboard. With PMT, users can easily view the general market overview and detailed product-level data from all competitors, which can also be exported for use in secondary feeds.

Challenge

Bigshopper partners with over 200 marketing agencies throughout Europe, including Seogi in Den Bosch. After the launch of our Price Monitoring Tool in 2021, Seogi identified opportunities for one of its clients, GaborStore, a well-known shoe brand with Dutch and Belgian online stores.

Previously, GaborStore faced challenges with Google Shopping, as the brand was not the cheapest and did not want to be perceived that way. This resulted in unprofitable sales during the brand's two sale periods, causing hope for successful Shopping campaigns to dwindle. However, with the help of Bigshopper and its **PMT**, Seogi was able to turn things around for GaborStore.

Many consumers view Google Shopping as a price comparison platform, making it most effective for businesses that offer the lowest prices or are the sole provider of a product.

The Bigshopper PMT assists webshops in understanding the market and prevailing pricing strategies, as price holds great significance for consumers. Thus, a tool like the PMT is essential for webshops.

Giel Kusters of Seogi faced the challenge of making GaborStore successful during its sale periods. However, with a clever strategy, he was able to achieve remarkable results.



Target

"How do you run successful Google Shopping campaigns when you are not the cheapest or only provider of a brand?"

-Giel Kusters, Seogi Online Marketing

Given past unsuccessful campaigns, Seogi opted to use Return on Advertising Spend (ROAS) as a key performance indicator.

Typically, Seogi and GaborStore aim for an ROAS of 8, but due to the narrow profit margins, a **target ROAS of 9** was set for the sale period.

Additionally, Seogi needed to develop a sustainable solution to handle both sale periods, rather than a temporary fix.

To ensure the success of GaborStore during the sale period while preserving its values, Seogi sought a solution that would maintain GaborStore's current pricing and enhance its campaigns.

Known for offering excellent service and quality, GaborStore was not willing to sacrifice its reputation by reducing prices. Seogi needed to find a way to optimize the campaigns without compromising on the key principles of the brand.

Approach

Initially, Seogi undertook a search for feasible solutions. The crucial queries were: 'What is the strategy to reach our goal?', 'What resources are required for this?', and 'What options and vendors can assist us in achieving our objective?'

Additionally, an important aspect was figuring out 'How do we persuade the customer to give it a try?'

After evaluating various options and conducting several tests and discussions, Bigshopper's **Price Monitoring Tool (PMT)** emerged as the ideal solution for GaborStore. The PMT offered an affordable way for GaborStore to monitor the prices of its competitors in Google Shopping, which was essential for maintaining the brand's price agreements with retailers.

The PMT's two key features that sealed the deal for GaborStore were:

- 1 The ability to identify the price difference with the lowest-priced competitor.
- 2 The capability to dynamically export data from Bigshopper to a supplementary feed that could be uploaded to the Merchant Center.



Use of the tool

1

With the help of Bigshopper's Price Monitoring Tool (PMT), Seogi was able to optimize GaborStore's sales performance during the sale period. By specifically targeting **sale items**, Seogi created a report using the PMT that provided a comprehensive overview of GaborStore's products in Google Shopping. This report displayed GaborStore's prices and the difference between them and the lowest available price, enabling Seogi to make informed decisions to enhance GaborStore's competitiveness in the market.

2

The Price Monitoring Tool made it easy for GaborStore to create a supplemental feed for Google Shopping, thanks to its **Google Shopping Feed generator**. This feed included the Product ID, allowing for easy linking of products. Up to five **Custom Labels** could be defined, and the chosen label was "price difference in % with the cheapest provider". This dynamic feed, updated daily by Bigshopper, ensured that the price difference was always up-to-date.

3

With the data from the Price Monitoring Tool, we implemented **smart feed rules** to carefully select the products that GaborStore would advertise in Google Shopping. These rules were based on factors such as price competitiveness, uniqueness, and limited competition. For instance:

- Only advertise products that are not more than 5% more expensive than the cheapest competitor.
- Showcase products that have no other providers in the market.
- Promote products with a maximum of two competitors

Expectations

To begin with, we realistically anticipated an **improvement in ROAS**. However, we also understood that by advertising with a limited product range and targeting a high ROAS, there was a likelihood of a decrease in sales during the sale period.

Additionally, our hope was that GaborStore's competitive edge in Google Shopping would improve by being more **competitive in pricing**.

Finally, it was predicted that this campaign strategy would **result** in a **higher CTR** (Click-Through Rate) and **conversion rate** for GaborStore. After having these expectations, we mutually agreed to initiate a Pilot Campaign.



Campaign

We initiated a targeted Google Shopping campaign for the Netherlands with a duration of three months. The strategy was deployed during the Sale to take advantage of high competitiveness and overcome issues with sale periods.

With low margins, we aimed to achieve a target return on ad spend (ROAS) of 900%. Only products that GaborStore was either 5% cheaper than the lowest competitor or was the exclusive provider were eligible for advertising.

Throughout the campaign, we closely monitored three key indicators:

- The development of ROAS in the different product groups
- Auction insights in Google Ads (what is our competition doing?)
- The Price Monitoring Tool (how do our competition's prices develop during the sale period?)



Results

Relative to previous Sale Shopping campaigns:

"Thanks to the Price Monitoring Tool, we were able to spotlight our sale items very specifically, which ultimately gave us amazing results."

Yvette, E-commerce manager GaborStore

ROAS

47.9% 

Revenue

25,5% 

CTR

30% 

Conversionpercentage

25.8% 

Advertising costs

52.1% 

Seogi's expectations for the Pilot campaign were fully realized. The results showed a significant increase in ROAS, as only the competitive products from GaborStore were featured in Google Shopping.

Although revenue was slightly lower during the sale period, it was offset by a substantial 52.1% reduction in ad costs. Additionally, there was a substantial increase in both conversion rate and click frequency, likely due to consumers using Google Shopping as a pricing comparison tool to find the best deal.

Evaluation

Before starting the campaign, GaborStore had three main objectives:

- Run a successful Google Shopping campaign during a sale period.
- Maintain a competitive image without sacrificing prices.
- Develop a strategy, through Seogi and the help of Bigshopper's Price Monitoring Tool, to sustain an ROAS of 9 during a challenging period for GaborStore, which would be easily repeatable and scalable.

Thanks to Bigshopper's Price Monitoring Tool, Seogi was able to achieve all of these goals. After a successful sale period, it was found that GaborStore was able to compete well against other companies without lowering prices, which positively impacted the company's image. By advertising its strongest products based on price, GaborStore was able to repeat and scale its approach easily.

Bigshopper's tool can now be used every sale period to advertise the most competitive products, regardless of the size of GaborStore's assortment. The return on investment of the campaign has greatly improved, fulfilling one of the main objectives of the campaign.

Finally, and perhaps most importantly, GaborStore has regained hope for successful Shopping campaigns during the sale period. GaborStore was close to giving up one of the key sales channels, despite the sale period being so crucial for any business.

Key Learnings & Takeaways

- Utilizing the Price Monitoring Tool is most effective during a sale when competition is high and profit margins are low.
- PMT functions best when it can match a large number of products with competitors.
- Start with a pilot campaign before full implementation.
- Establish a clear target ROAS, campaign duration, product selection, and budget prior to testing.
- Clearly communicate expectations with the client.
- Gradually increase the target ROAS of the campaign.
- Results may vary depending on the industry.

