





# AI'S ROLE IN AUTOMATION

In any game of skill or chance, the key to maximizing the probability of winning is understanding all the options available, how tactics reveal an overall strategy, and all the possible outcomes. That's the beauty of AI in automation. The/AI algorithms are able to learn, interpret data, and act faster, changing out very approach to marketing and campaign management. By using these automated bid strategies, more data points can lead to optimized campaigns and bidding. The result is a shift in marketing management, along with sustainable growth.

Automation modules currently include the following:

- Smart Campaigns Pull insights from your content, along with the audience search for them. These campaigns target users who have the profile of someone likely to click through, potentially converting on your site.
- Smart Bidding Builds learnings together to optimize for conversions or conversion value for every aution. Strategies include optimizing for Target CPA, Maximized Conversions, and Enhanced CPC.

#### **NETELIXIR'S BEST PRACTICES:**

- Setting The Premise Create a template for every account to determine which smart bidding strategy is recommended for a campaign. This makes it easier to identify when smart campaign and smart bidding will deliver optimal performance. Ex: a DSA or PLA would need smart bidding adoption before keyword targeted campaigns.
- Choose The Right Algorithm Align retailer goals with signals that demonstrate the progress related to those goals. Ex: CTR and CVR can be used to determine the need of a campaign set to Maximize Conversions instead of one that works more for Target CPA or Target ROAS.
- Budget Distribution While the perfect scenario is to allow smart bidding and campaigns to have adequate budgets and operate without constraints, this is not going to be the best practice for most businesses. Ensuring an array of optimization for negations, match types mix, messaging, and other components allows the AI to utilize budgets for relevant auctions more often. By pulling on different levers to determine the best combinations, you effectively maximize the value of smart campaigns while keeping your efficiency metrics in line with overall objectives.





#### **NETELIXIR'S BEST PRACTICES:**

- Discern Between Contextual Signals Campaign goals must be your north star
   when it comes to deploying budget and Al's
   capabilities. Don't let the algorithm utilize
   budgets for signals that don't make any sense
   for the campaign goal. Ex: If you want to push
   sales for physical stores in a specific area,
   you'd exclude locations outside of the focus
   area so the learnings are focused.
- Adjusting Targets For Seasonality & Time Lag Understanding when a change in targets for
   tCPA/tROAS is necessary will keep the smart
   bidding and campaigns learning in accordance
   with your retail selling cycle. It's very important
   to change the targets using past values once
   the seasonal influence is gone, to build out a
   deeper intelligence of when your business has
   its busy season or moments.
- Creative Optimization As you monitor
  performance of the various ads deployed in
  Smart Campaigns, you'll want to recalibrate
  the creative direction to maximize the best
  campaign assets over time. Copy combinations
  are optimized when you reshape the bank of
  assets it can choose from, whether by tweaking
  your website content or by reducing the number
  of relevant ad copies to choose from.

## HOW AN EYEWEAR RETAILER SAW A VASTLY IMPROVED HOLIDAY SEASON

By implementing the best practices mentioned above, along with research and controlled experiments, NetElixir identified the best combinations for a frames/eyewear retailer to improve performance.

Shopping Campaigns work better with tROAS than other Smart Bidding algorithms for driving revenue, and this understanding was the basis for expanding coverage across all voluminous shopping campaigns during the holiday quarter. The agency then consolidated low volume Shopping Campaigns into more holistic ones to give the Al more signals to learn from. By changing targets more frequently during key shopping dates, the retailer was optimized for when volume was higher than normal. Ad group level differential targets instead of campaign level goals took advantage of the trends and nuances that machine learning recognized, leading to more effective campaigns and bidding strategies.

### **RESULTS:**

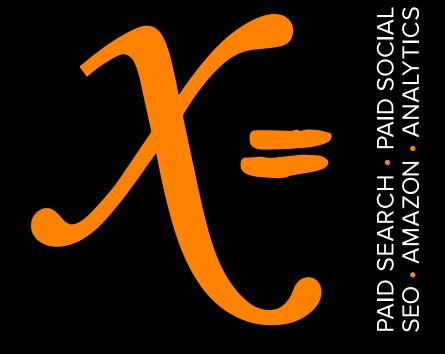
**+31%** ROAS

+104% Shopping Revenue

+24% Incremental Revenue due to ROAS improvement







# RETAIL SEARCH MARKETING

NetElixir is a specialized search marketing agency that helps global retailers thrive online. We've been in the digital marketing space since a tweet was simply the sound a bird made. Every single day, we combine this unique experience with our never ending passion for creating smarter search marketing solutions to help our clients engage with their customers. And most importantly, drive results that surpass their wildest expectations.

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