CASE STUDY
OKAY, S.R.O.

Since its founding in 1994, OKAY. s.r.o. has become one of the most successful companies in the electronics market. In addition to its e-shop, the company owns the largest network of electronics shops in the Czech Republic and Slovakia. Along with OKAY, with the help of an Sklik importer we have enlarged the existing PPC campaign to include product retargeting.

Have your users visited your websites but have not bought anything yet?

Would you like to address customers who will buy at regular intervals?

Would you like to offer existing customers accessories or after-sales services?

WHAT IS PRODUCT RETARGETING?

It is a retargeting campaign in which you are **targeting users who have visited websites with specific products** instead of regular targeting by categories. Then you try to convince those who did not buy to buy these products. Advertisements are created directly for the respective product, and after clicking the user gets to the website with more detailed information and the purchase option.

More information on product retargeting is available **here**.

HOW WAS THE CAMPAIGN CREATED?

1 /   Product selection

Prior to the creation itself it was necessary to focus on the campaign structure. The OKAY e-shop offers thousands of items, but not all products are suitable for retargeting. This kind of targeting can not be used for a product that has a low visit rate (the number of marked users does not exceed 50, which is the minimum number for targeting activation). Low-margin goods are another example of an unsuitable product.

In selecting products for retargeting, we have focused on the top 100 products that OKAY offers in the e-shop. In our case, these were the **100 best-selling products.** When selecting products, data from Google Analytics, other tools or the user's own storage system can be used.

2 /   Creating retargeting lists

Retargeting lists were based on the XML feed. We edited the XML feed using Excel. To create the campaign, all we had to do was leave just the name of the product and the target URL. These two pieces of information were used to name individual lists and stipulate conditions for the lists.

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The numbers of marked users for individual products are often lower than in the case of targeting the goods categories. Dividing the lists for shorter periods then makes the list non-functional. As the minimum number of users for retargeting is 50, it is possible that advertisements may not be displayed. Therefore, the length of membership has been set at **14 days** flat for all the lists. Thanks to this, setting up the retargeting campaign is even simpler.

3 /   Campaign creation

The retargeting campaign for individual products is very similar to the search product campaign. The only difference is that the retargeting campaign **does not contain keywords**. The manner of creating such a campaign is described in the article **here**.

For the sake of effective targeting of advertisements, a **separate adgroup has been created for every single product**. One general advertisement and one advertisement containing the given product information was always selected in the adgroups.

4 /   Lists uploading and campaign paring

Using the **retargeting lists importer**, 100 lists were uploaded. In paring the campaign and individual lists, we have followed the instructions available at **here**.

5 / **Campaign optimising**

Optimising campaigns in the search network is a matter of course. It must be kept in mind, however, that even campaigns in content networks should be optimised to achieve the best results!

Like in the classical retargeting campaign, cost per click optimising was performed after the launch. The objective of CPC optimising was to maximise the number of orders while maintaining the PNO level. For adgroups with CTR higher than 0.4% and position higher than 1.5, the **CPC was reduced** in order to reduce costs. In adgroups with converting positions lower than 1.5 and with low PNO values, the **CPC was increased in order to achieve a higher number of conversions.**

For adgroups with a low click-through rate (less than 0.1%), the daily **impression frequency** for one user was set at 10. This has resulted in an increase in the CTR values. For converting adgroups with the CTR over 0.5%, a impression frequency for one user was set at 15 in order to get the most from the list.

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RESULTS OF THE NEW CAMPAIGN

For the observed period, the product retargeting campaign resulted in an **increase in the number of conversions and turnover**. In this way, OKAY managed to exploit the full potential of retargeting during the most important period of the year!

However, the full benefit of the product retargeting campaign was seen after the Christmas and subsequent clearance sales seasons. In February 2015, the turnover was **higher by 118 %** as compared to September 2014.

The turnover **increased to 294 %** of its previous level in the November 2014 - February 2015 period.

● Previous RTG Campaign Turnover   ● Total RTG Turnover

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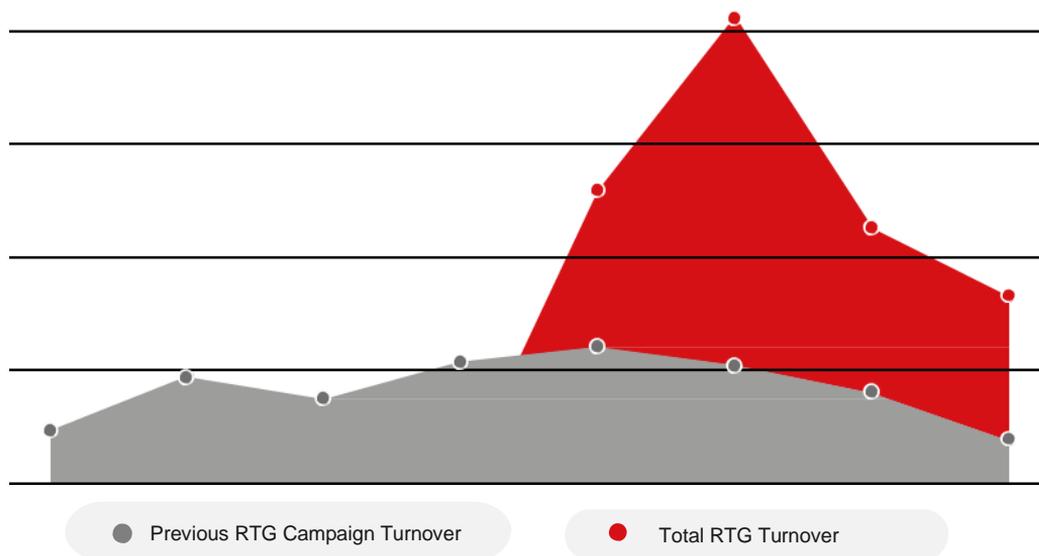
The number of orders **increased by 134 %** as compared to the original retargeting campaigns.

Increase by
134 %

RTG without Products

Total RTG Conversions

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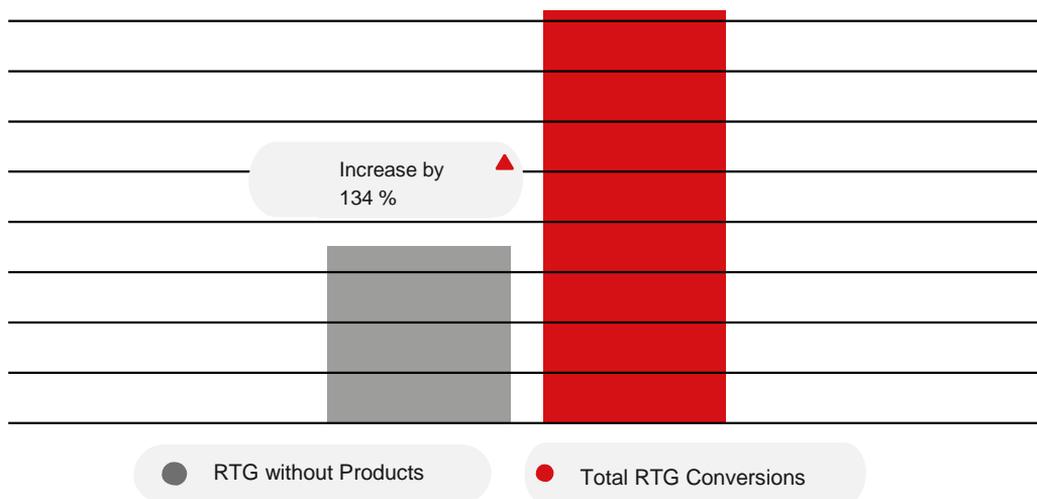
WHAT IS THE SECRET OF SUCCESS?

Major recommendations for setting up product retargeting campaigns

- **Pursue CPC optimising** so that you achieve the required CPA or PNO values. Support the adgroups with a low PNO. In adgroups with a high PNO, reduce the CPC a simple turn-off may result in losing orders.

- If the campaign objective is to complete a purchase, **remember to eliminate displaying for users who have already purchased from you.** You will not unnecessarily reduce the CTR by displaying the advertisement to the existing customers. At the same time, you will not bother them with it.

- For a campaign targeted in this way, **select products whose retargeting would pay off**. Targeting for low-margin products may not always pay off. Therefore, select products whose targeting will pay off - e.g. products priced above CZK 1,000.

- **Do not forget to work with the impression frequency optimising the campaign.** The impression frequency has an effect on the CTR value that is decisive in advertisement auctions.

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- Like in other types of campaigns, **testing advertising texts** is appropriate here too. If you have any competitive advantage, do not forget to remind it to visitors of your website.

- If the products in the e-shop change, **do not forget to update the lists** and adgroups according to product availability. You will eliminate the unnecessary displaying of an advertisement for goods that you do not have available.

ABOUT OKAY, S.R.O.

OKAY, s.r.o. has been operating in the electronics market since 1994, currently in the Czech Republic and Slovakia. During its 20-year operation in the market, the company has opened 135 shops. The company plans to enlarge its shop network with another 100 points of sale in other locations in the Czech Republic. The company has its goods available in its warehouses for rapid dispatch. Customers can then pick up the dispatched goods at any of the branches that are open 7 days a week.

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