



Google AdWords
Post Campaign Report

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Executive Summary

Campaign Overview: This Google AdWords Campaign sought to boost awareness of the 23Penny brand, which is a reseller of limited edition, and NBA-player-endorsed basketball sneakers. The campaign would increase traffic and sales leads to the company's website. The goals that were set to measure the success of the campaign included: a click through rate (CTR) of 0.50%, an average cost per click (CPC) of \$0.52, 275 clicks and 11,428 impressions. To achieve these goals, five campaigns were created: campaigns representing the three largest brands (**Air Jordan**, **LeBron**, and **Kobe**), a separate campaign for miscellaneous brands, and a display network campaign for visual ads. These campaigns ran for three weeks from March 28th, 2013 to April 18th, 2013. Within each campaign, ad groups were categorized by the specific brand shoe models. In order to capture as many clicks as possible, many variations and combinations of keywords were included within each ad group.

Key Results: During the course of the campaigns, many changes took place. Display ads proved to be costly and ineffective because there were limited ways of knowing if the ads reached the right audience. Also, the broad scope of the campaigns actually attracted many expensive clicks. Given the budget of \$250, a few campaigns had to be paused because they did not generate direct clicks to the most cost efficient ads. Comparatively, an exclusive campaign was created for one of the new shoe releases, the **Ewing**. This campaign, in only a few days, generated 66 clicks out of 1,945 impressions, and achieved an overall CTR of 3.39%. Another campaign was created for the **Bugs Bunny** shoe. The **Bugs Bunny** campaign had 16 clicks in the span of two days, but at a cost of \$1.00 CPC. If there was more insight into how many of these clicks were converted into a sale, the client can calculate the return on investment for the \$16.00 spent on that campaign. However, it is important to note that new shoe campaigns, although effective, can be more expensive.

Conclusion: An effective strategy was to create campaigns targeted at the new arrivals available on 23Penny.com. This proved to be effective as the competition for keywords in those categories had not yet increased as well as people are actively searching and clicking links for new releases. At the end of the campaign, it resulted in a CTR of 0.55%, average CPC of \$0.74, and 345 clicks out of 63,154 impressions.

Future Online Marketing Directions: Following up on the campaign, it is recommended that 23Penny continue to update the AdWords campaign with keywords targeted at new shoes. The company should also link the website's Google Analytics to the AdWords campaign, which will give insight into which campaigns the company should pursue.

Further, it is suggested that 23Penny utilize social media outlets to create a reputable brand.



Industry Component

Campaign overview: The primary goal for this AdWords campaign is to increase awareness for 23Penny's website. The original objective was to achieve a CTR of 0.5% and maintain an average CPC of \$0.52. To approach these goals, the team evaluated the campaigns on a daily basis to filter the poor-performing keywords and ad groups by percentage of CTR, CPC, and keywords quality score. For example, expensive keywords with a CTR below 1% were deleted. This budgeted more money towards campaigns with higher CTR such as **Air Jordan** and **Ewing**. After a week of running, budgets were lowered for all campaign to below the average CPC to conserve money. This strategy achieved a CTR of 0.55% and a CPC of \$0.74. An additional goal was to reach 275 clicks out of 11,428 impressions for the overall campaign. A new **General Extensions** campaign that included general ad extensions was launched to boost impressions. As a result, the **General Extensions** campaign contributed 49,072 impressions. Overall, the AdWords campaign achieved 345 clicks out of 63,154 total impressions.

Operational Details: The AdWords campaign was active from March 28th, 2013 to April 18th, 2013. In addition to **Air Jordan**, **LeBron**, **Kobe**, **Miscellaneous Brand** and **Display Network** campaigns, we added **Bugs Bunny** and the **General Extensions** campaigns. The \$250 budget was proportionally allocated throughout the three-week campaign period before running the campaign. During March 28 – April 18, however, the campaign exceeded the proposed budget because the team focused too much on choosing keywords that attracted traffic. Expensive keywords with a CTR less than 1% and a quality score below 5 out of 10 were paused to reallocate the budget appropriately. The entire \$250 budget was exhausted on the last day of the campaign period. Table 1 summarized how we spent our budget.

Table 1: Summary of Budget Spent on Each Campaign

Google Search Network							Google Display Network	
	Air Jordan	LeBron	Kobe	Misc. Brand	General Extensions	Bugs Bunny	Pre-order/Limited	Total
% Spent	20.24%	31.30%	17.33%	13.69%	0.10%	0.06%	0.01%	
Week 1	\$16.27	\$50.12	\$33.89	\$12.37	\$18.23	N/A	\$1.66	\$132.54
53.0%								
Week 2	\$23.19	\$19.42	\$9.43	\$7.05	\$5.93	N/A	\$1.73	\$66.75
26.7%								
Week 3	\$11.15	\$8.70	Paused	\$14.81	Paused	\$16.05	Paused	\$50.71
20.3%								
Total	\$50.61	\$78.24	\$43.32	\$34.23	\$24.16	\$16.05	\$3.39	\$250.00



Evolution of Campaign Strategy: During the first few days of starting the campaigns, fewer than 10 clicks per day were generated. In order to increase the number of clicks, a new campaign called **General Extensions** was created. The new campaign drastically increased the number of impressions to over 1,000. Unfortunately, the new campaign did not generate as many clicks, resulting in a low CTR. In addition, different ad wordings were created for the **General Extensions** campaign to optimize the most effective combination of words. However, the result was not sufficient to support any version, as the campaign's overall CTR was still low. This campaign was paused in Week 3 because it was not contributing to the goal of having a high CTR.

After adding the **General Extensions** campaign, the overall CTR became as low as 0.22%. In addition to pausing the campaign, the low CTR was counteracted by evaluating the keywords and ad groups every three days. The keywords or ad groups would be paused if they had a poor quality score, low CTR or inadequate impressions. As a result, the new strategy changes helped reallocate the remaining budget to the keywords and ad groups that had a higher ROI.

Attempts to increase the CTR include re-evaluating new shoe releases to create new ad groups, since new releases are searched more frequently. For instance, while the AdWords campaigns were running, new ad groups were created for a new shoe called the **Ewing**. The new ad group garnered 66 clicks out of 1,945 impressions, achieving an overall CTR of 3.39%. A similar effect occurred with another new ad group called Bunny, which had a CTR of 1.56%. As a result, the new ad groups helped boost the overall CTR. These changes led to an increase in traffic for the site as a whole, and thus, an increase in purchase transactions.

Key Results: During the course of the three weeks that the campaigns ran, each campaign and ad group led to the following results: an overall CTR of 0.55%, which was slightly higher than the goal of 0.5% and an average CPC of \$0.74, which exceeded the goal of \$0.52. This campaign also achieved 63,154 impressions, which is higher than the expected 11,428 impressions. Below highlights a few successful and unsuccessful campaigns:

Campaigns promoting the newest shoe releases by 23Penny.com performed extremely well. For example, **Bugs Bunny**, the latest shoe model to be released, achieved a 1.65% CTR and 16 clicks despite the short, 2-day running period. **Display Networks** on the other hand, was a poor performer with an extremely low CTR, limited impressions and relatively high average CPC. This was a result of people searching for specific shoes. The **Display Network** campaign was too broad of an ad to reach such niche audiences. In addition, there was a lag



in ad approval time, resulting in a late start of this specific campaign. This campaign was identified as an ineffective one as it was not contributing to the overall strategy and goal of this marketing challenge. **General Extensions** generated the most number of impressions, 49,072. However, the CTR and quality score for each keyword was very low. Therefore, the campaign was paused to reallocate that budget to better performing campaigns. Table 2 is a summary of the overall performance for all of the campaigns by clicks, impressions, CTR and average CPC.

Table 2: Summary of Campaign Performance

Google Search Network								Google Display Network
		Air Jordan	LeBron	Kobe	Misc. Brand	General Extensions	Bugs Bunny	Pre-order/Limited
Week 1	Clicks	13	27	25	20	62	N/A	2
	Impressions	525	1,324	1,314	3,064	26,388	N/A	619
	CTR	2.48%	2.04%	1.90%	0.65%	0.23%	N/A	0.32%
	Avg CPC	\$1.37	\$1.93	\$1.36	\$0.62	\$0.29	N/A	\$0.83
Week 2	Clicks	20	22	8	26	44	N/A	2
	Impressions	703	985	480	1,313	22,684	N/A	973
	CTR	2.84%	2.23%	1.67%	1.98%	0.19%	N/A	0.21%
	Avg CPC	\$1.16	\$0.88	\$1.18	\$0.27	\$0.13	N/A	\$0.86
Week 3	Clicks	14	9	Paused	35	Paused	16	Paused
	Impressions	843	358	Paused	555	Paused	1,026	Paused
	CTR	1.66%	2.51%	Paused	6.31%	Paused	1.56%	Paused
	Avg CPC	\$0.80	\$0.97	Paused	\$0.42	Paused	\$1.00	Paused
Total	Clicks	47	58	33	81	106	16	4
	Impressions	2,071	2,667	1,794	4,932	49,072	1,026	1592
	CTR	6.98%	6.78%	3.57%	8.94%	0.42%	1.56%	0.53%
	Avg CPC	\$3.33	\$3.78	\$2.54	\$1.31	\$0.42	\$1.00	\$1.69

The biggest failure was during the first week of the campaigns. The first week proved to be a learning one as half of the \$250 budget was depleted by expensive keywords and high CPCs that did not translate into high CTRs. The budgeted goal of spending of \$50 in the first week had been exceeded and the strategy of the campaign was challenged. At the start of the



second week, campaigns such as **General Extensions** and **Display Network** were paused to reallocate the budget to other successful campaigns in respect to each ad group's contribution to the overall CTR and their respective quality scores.

The campaign's biggest success was being able to identify the most effective keywords of each campaign, for example, for the **Ewing** campaign: "Ewing shoes for sale". It was quickly learned that keywords that contained the NBA Basketball player's name were also effective, eg. "Zoom Kobe 7", with a CTR of 3.39% and "Ewing 33 hi for sale" with a CTR of 14.29%. Ineffective keywords that failed to attract impressions and clicks included those that had specific model numbers [315371-101], shoe sizes "Air Jordan X size 12", exact match and phrase keywords. Therefore, ineffective campaigns such as Display Networks, and expensive keywords such as "Air Jordan 12" were filtered out.

Conclusion: In conclusion, this Google marketing campaign had exceeded the goals for CTR and impressions. This was possible because resources were redirected to the campaigns that had the best results, which were concluded to be both the Jordan brand and other new releases. Impressions were high, mainly because of a high volume approach, where the strategy included as many models and corresponding keywords. However, it is important to note that the number of impressions is misleading. An ad showing up many times but only garners a low number of clicks results in a low CTR. This could mean that the campaign was not grabbing attention with the ads created. The strategy was redirected to ensure that the impressions created were aimed towards the right audience.

Also, the higher CPC than was budgeted could have been caused by the high competition associated with the type of keywords used. Therefore, campaigns that had high cost per clicks were paused and those funds were re-directed to creating ad groups for new releases. The reasoning behind this was that the keywords that are associated with the new shoes were in less demand. This makes these keywords relatively cheaper as only the niche retailers would be bidding for them. However, it is important to keep in mind that due to the unique features of the niche sneakers market, popularity of keywords on different shoe styles should be evaluated on a case-by-case basis.

One important thing to take away from this experience is that the basketball reseller industry is highly suited for a Google AdWords campaign. This is because these shoes are a highly specialized product, and people know what they want when they search for a seller or a shoe. As specific shoes are difficult to find, buyers look online to find sources. However, popular keywords are often bid on by large manufacturer and retailers. Therefore, CPC for classic and new sneaker styles of high demand might be high.



Future Recommendations: Recommendations begin with actions that would create better cooperation between the AdWords campaign and the client's existing website interface. It was realized that to have a successful AdWords campaign, the campaign does not simply sit on top of a business and add value. Rather, the organization of the business, either its website or its offerings, should work with Google AdWords, and vice versa, to achieve landing page optimization, thereby forming a simple and intuitive experience for the customers.

After running this campaign, it is suggested that 23Penny dramatically decrease its search costs. The typical basketball shoe customer uses significant amounts of time looking for his purchase, because he needs a specific model and size at the best possible price. Therefore the following future recommendations are suggested:

Develop more categories within the 23penny website: Distinct groupings of products increase the value of an AdWords campaign. By doing so, the user would be able to experience a better landing page, and can also see related products after reaching the website. These two effects can decrease the user's searching costs and increase the chances of conversion.

Foster Google AdWords and Google Analytics Collaboration: This AdWords campaign and the website's Google Analytics data were not used in junction to their fullest potential due to client concerns. However, if the client were to continue the marketing strategy offered by AdWords, Mr. Zheng is advised to link these two accounts to provide a wider perspective on how his business and ad campaigns are affecting each other.

Leverage new products as a competitive resource: Often, the newest products are the ones with the most hype and demand. 23Penny already has experience and reputation providing new shoes. Therefore it is recommended that the AdWords campaign further uses this resource by communicating and positioning 23Penny as a source for new releases. The attention that new models bring can also increase sales of other shoes, as well as the brand awareness of 23Penny.

A reseller with a recognized brand will stand out because buyers are always cautious about whom they purchase from. Additionally, many competitors at this level do not have a recognized brand. The following recommendations are focused on increasing marketing reach through engaging social media:

Create low-cost ad campaigns for social media: Use AdWords to create links that directs the user to 23Penny's Facebook, Instagram, and Twitter page. To avoid cannibalizing sales



leads, use keywords that target people who are ‘browsing’ for basketball shoe fashion and news, rather than specific places to buy.

Maintain a YouTube channel: This can be used as a marketing outlet for the products. Also, the channel would be used to promote brand awareness and reliability. This is necessary because sales in the basketball reseller industry are influenced by the trustworthiness of the vender. A YouTube channel that has videos of product introductions and happy customers would promote trustworthiness. This is better than simply relying on the word of mouth.

Learning Component

Learning Objectives and Outcomes: Our team was very excited to participate in Google Online Marketing Challenge and to also learn what Google AdWords could offer. Each of us entered the challenge with very different levels of familiarities of Google AdWords. We hoped that by the end of the competition, we would each gain useful insights into the overall operation of Google AdWords and in addition, experience the value that Google AdWords could bring to small online businesses like our client. We see this marketing challenge as a great learning opportunity to understand how new marketing medium can impact a business’s marketing strategies in today’s business environment. Upon entering the challenge, our team underwent training to become educated in the Google AdWords software. Through trials and errors in the first week, we learned how to apply the general knowledge we gained from Google AdWords tutorials to real-life business challenges.

Using Google AdWords, we learned that through comparing CTR and CTC, we could weed out ineffective ads and keywords in the initial stage. Also, with A/B testing, we could test the effectiveness of wordings within individual ads. Furthermore, we were able to target specific geographic locations where our client has a big presence. One important outcome is the importance of advertising 23Penny.com as an overall brand instead of focusing only on the specific shoe models. We expected our campaigns to have a high number of clicks, impressions, and high CTR because of the nature of the shoe industry. Shoe hunters search on the Internet for limited shoe model, and most of 23Penny.com’s customers purchase on the website. What we didn’t expect is the time it takes Google to process display network campaigns. Due to the drag period for campaign approval and budget constraint, some of the display network campaign did not have ample time to run.

For one week of the campaign, we only met twice a week to check on the progress, as we were all too excited when the clicks occurred. However, we failed to notice that the



spending exceeded our proposed budget by nearly 100%. Lack of communication between the team and the client also led to many problems. For example, our client didn't put our team members as admins of his Google Analytics. Furthermore, he restructured his website layout, but did not link his new website to Google Analytics until the last week of campaign. Most of our communications were carried out through text messages and occasional short conversations. Despite the barriers, our team utilized all the resources that were available, and tried our best to tailor the campaigns according to the information provided by the client.

Future recommendations:

Client Dynamics: If we were to carry this campaign into the future, it is very important for the team to meet with client more frequently, and monitor the budget more strictly. Constant communication with the client is extremely important in the shoe reseller industry because the inventory turnover is so high that we would have to constantly pause old campaigns to launch new ones.

Group Dynamics: Prior to launching the campaign, our group should sit down to go over the basic of Google Analytics and Google AdWords to ensure that everyone is on the same page. Although it is inevitable there will be lack of communication, one group member should be assigned the administrative role, to make sure we have sufficient communication within the group. Also, learning more about the basketball shoe market is very essential to composing effective ads as the descriptions of the shoes are closely knitted to the wording of the campaigns.

Learning Experience: We will ask for more advice from our professor earlier on in the process and execute the advice thoroughly to avoid wasting budget on ineffective strategies. Seeking advice and opinions from basketball shoe enthusiasts who purchase these shoes online will helpful in helping us decide the exact wordings of the ads for each campaign.

