

Ecommerce Smart Shopping Campaigns Versus Standard - The Paid Traffic Series

Google offers ecommerce businesses a couple of paid advertising options - standard shopping, and smart. Traffic pro Ilana Wechsler helps you choose.





James Schramko and Ilana Wechsler

James: James Schramko here. Welcome back to SuperFastBusiness.com. This is Episode 865, and this episode is for you if you have an e-commerce store, or you're thinking about having an e-commerce store, or you know someone with an e-commerce store, then you want to know all about smart shopping versus standard shopping traffic campaign setups.

And of course, when I mention the word traffic, one person comes to mind, and that is Ilana Wechsler from TeachTraffic.com. Welcome to the call.

Ilana: Thank you so much, James. It's great to be here again.

James: Right, we're doing it, we're pulling out another topic just to flex a little bit of your knowledge and expertise. The main concept for this episode is you've got an e-commerce store, and you're wondering whether you should be using smart shopping campaign or a standard shopping campaign.

Now, let's just walk through, what does that even mean, if we're just starting out in e-commerce? And we'll start with the e-commerce store part, and then talk about the other part.

Say you're just starting out...

Ilana: Sure. Okay. So you know, you've got, let's say, a Shopify store. You've got a whole bunch of products, and obviously, you want to advertise those products. And so, for example, when someone goes to Google, let's go with the surfboard theme, James, because you know, it's a passion you have.

James: I'm wearing the T-shirt. I'm representing my local store. So it's all good.

Ilana: All right, so let's pretend you're going to help your local store. Right? And they sell surfboards, as well as accessories that come with a surfboard. As an e-commerce store owner, you want to slide in front of your ideal customers at the instant that they're searching for it.

James: Nice pun. Nice pun.

Ilana: And so somebody goes to Google and types in twin fin, 6'9, am I on the right track here, James?

James: Oh my god! That's literally on my spreadsheet to-buy list, 6'9, twin fin, channel bottom, pin tail. Yup.

Ilana: All that, right? And you sell exactly that product, right? You want your ad to be there present for somebody at the instant that they search for it. Okay? So that is what's called a Google Shopping campaign, whether you do a standard one or a smart one. That's the Google shopping experience. And it obviously works incredibly well.

I mean, you know somebody wants your product, they've literally just typed it into Google. They're deciding who they're going to buy it from. Okay? So it's a really good advertising opportunity for e-commerce owners. Now, as an advertiser, you might be wondering, well, you know, when you start to create your shopping campaign, you link it up with your Google Merchant Center, with your Shopify store, you've got your feed, you got your image of all the products and everything.

A standard shopping campaign versus smart

And it comes to the time where you start trying to create a campaign, you're faced with the option of what's called a standard shopping campaign versus a smart shopping campaign. Now, your listeners are probably aware that Google is going down the AI route, machine learning, artificial intelligence.

James: Yeah. We've had a number of episodes on that, for years actually, like just recurring theme. All is coming out to replace us, they can do a better job than us, they can predict things that we wouldn't even know to think of when we're manually setting. So this is what we've been told.

We've also gone into different dimensions with AI, how we can get it doing a keynote presentation versus how we can have it writing sales copy versus traffic campaigns, like training your pixel, I think, comes to mind, where we tell it what result we want. And then we let it go and do its thing. That was sort of the last conversation we had around this.

Ilana: Exactly. And so smart shopping campaigns and the extreme version of this where essentially, you go to Google, and you basically put in your website URL and a budget, and they go away, and they find new customers. Sounds pretty enticing. But as we're going to talk about today, there are pros and cons with both.

So essentially, smart shopping campaigns are pretty much the same as standard shopping campaigns. However, it's completely fully automated. You have zero control, you're flying a plane with your hands tied behind your back, you've got zero controls at your disposal. And the ads that will be plastered out all over the web are on search, display, Gmail, and YouTube.

So Google's just going out there and spreading your ads, your image ads, everywhere that they see fit in front of who it believes would be your target customer. Okay? So as I said, you can't optimize this at all. It's completely hands off. And essentially, what it's going to do is going to blend cold traffic campaigns with retargeting campaigns, which is usually a big no-no when you sort of go down the manual route.

James: Is that so that it's kind of got a continual testing campaign built in, is it like, it learns, but it needs to keep doing new tests to see if it can adjust its learning?

Ilana: I mean, I would say so. I mean, Google aren't really forthcoming with a lot of information about how they make these campaigns work. And I have to say, I've seen many instances where smart shopping campaigns are working, they're profitable.

James: You'd think they'd want someone to spend lots of money, but that's probably a given. Their business model relies on people spending lots of money. People who are making a killing will continue to spend money for years like, as direct response copywriters, we always learn, I see who's been advertising for five years or 10 years, they're probably onto something.

However, there must be a lot of people who will just tick the box and maybe don't have a proper tracking mechanism or a conversion target to even know if it's working. And that would be in the interests of Google, lots of money spent with no accountability, like a massive advertising firm in the 80s. You know, the skivvy-wearing Porsche drivers who in their little black offices who were just raking in millions, from corporates with no accountability to an end goal.

Ilana: Exactly. And I guess this is sort of Google's equivalent of that, where, because it's a black box, they don't give you any data. You have no insight into what the search term somebody typed into Google, which triggered your ad, which you might, in your head, think that's a negative keyword, Google, I don't want to waste money on that. And so it's a complete black box.

What's good about smart shopping?

But as I said, if we can sort of maybe touch on the pros of smart shopping, and then we can sort of touch on the cons of it. Because it's, you know, like, as I said, I have seen some good campaigns out there.

So the pros of smart shopping is that it's really, really easy to set up. So if somebody is completely new to the online world, but they want to dabble in e-commerce, let's say, this is a way that they can just get started in a really quick and easy manner. Okay? All you need to do is just connect your feed in the Google Merchant Center, to your Google Ad account in your Shopify store. And you're away to go, basically.

James: Well that's what I call the easy trap.

Ilana: Exactly.



James: Anything that's super easy, it often has a massive downside, like, it's easy to be a YouTuber. But it's bad if they decide they don't like your content. You know, it's like, it's easy to start things or to have ideas about things. It's hard to execute on them. So I'm always cautious.

Things to look out for with smart

What's the Yang to the Ying of this one? Like, if it's so easy, there's got to be some other aspect of it to watch out for.

Ilana: Yeah. So I mean, I had someone recently come to me where they had a smart shopping campaign running and it was profitable, like it was making more money than they were putting in and they were happy, but they wanted scale, they wanted more sales. They tried increasing the budget, and Google just wouldn't spend it.

So it's like, well, how do we put pedal to the metal here and really try and...

James: Oh my god! You know at Keel Surf Supply, my friend Jason, who runs that shop, he literally sells a Petal to the Metal surfboard. And it's a twin fin, and they can come in 6'9. Ilana, I think we know what your next board is. The universe is telling you. But that's a good example where, Petal to the Metal, like that's a model of a surfboard. But it also means other things.

And that's where I could imagine these things could go terribly wrong when you have surf book board models that mean something else, you could be attracting all the wrong traffic.

Ilana: Exactly. And a smart shopping campaign won't tell you that because you can't dive into their search term report and see what your ads are showing for. You can't see where your ads are being placed on the Display Network and YouTube. And so you're kind of wasting money in really lots of areas, but you're none the wiser.

So that sort of leads me into the cons of a smart shopping campaign, is that you can't optimize it. You have no data, no performance data, no search term report that you can then apply to other areas. So for example, if you knew what was your converting keyword, be it the twin fin channel, whatever, whatever...

James: Petal to the Metal.

Ilana: Petal to the Metal, exactly. You could take that keyword and create a search campaign. So in terms of real estate on Google, you've got a Google Shopping ad, and you've got a Google search. So you've got two available, possible ad spots for one of your money type keywords. And that's all ultimately, where you want to get to do it, that's where you get scale, right? It's multiple ad spots, but in a very strategic way.

James: Okay, so let me just get this straight. Even if it works well, we're missing out on the real gold, which is being able to use that piece of the puzzle in your overall picture of traffic, which is what, you know, we've talked about this in previous episodes, your traffic puzzle.

A funny story for you, actually, I had Will on here the other day talking about a process that he was talking about. And he kept using the word puzzle. And I thought, Oh, no, Ilana's going to go after him for that. Ilana runs puzzle, okay, everyone on the internet?

So you're missing the ability to use that piece of the puzzle for your overall campaign. Whereas if you were to go manual, then you'll get the valuable data that you can then use to inform your other campaigns, is that what you're saying?

Ilana: That's exactly what I'm saying. Plus, as I touched on before, smart shopping campaigns are really quite difficult to scale. Like, if it's working, you want to go hard. If you increase the budget, Google may or may not spend it. And I've seen actually a number of instances of this. So yeah, it's difficult to scale, and you don't get the data.

What's going for the standard shopping campaign

So if we talk about, on the flip side, a standard shopping campaign, which is where you get the full suite of controls available to you, obviously the pros with that is that you can see all the data, alright? It tells you what your ad showed for in terms of the search term report. And you can then, if you have a look in that search term report, say, No Google, you're going off the wrong track here. This is not the type of search terms I want to show up for.

You can add it as a negative, and so you can conserve budget by not spending your budget on inadvertent clicks or the wrong type of queries...

James: Or the wrong platform?

Ilana: Well, a standard shopping campaign is just on google.com.

James: Okay, so surely the negative campaign is one of the most powerful weapons in the toolbox of an intelligent marketer, just by being able to reduce waste and kill off all the wrong terms, you know, back to our pedal to the metal, we could see what all the other references and say not those. We only want the Petal to the Metal surfboard search term.

Ilana: Exactly. So I kind of think it's like, twofold. It's, Yes, I want to prevent me wasting money, but also on the terms that are really good, I want to expand and grow from there.

James: We can weight them. We can say, Yes, these ones, we want more of that?

Ilana: Well, obviously, we're redirecting budget more towards that. But as I said, you can apply it in other areas, you can incorporate a search campaign, in addition to it.

James: Ah, so we say, Okay, this one's converting like crazy, channel bottom twin fin, converting off the chart. So I want to do a website page on my site with an article, feature article on the top seven channel bottom twin fins you should ride before you die. And then we do an SEO campaign around it. And then we do an Instagram campaign with the different types of channel bottoms

Glassers hate making them by the way, apparently, but there's some of them are like a wavy, corrugated style, other ones are more triangular. So there's a subtle art to channel bottoms, apparently. And then do they start in the belly or near the tail, or do they just have little flutes? So you could do a whole feature on that, if you had discovered that that converts, which you wouldn't have found out if you're on the smart program.

Ilana: Exactly. And with a standard shopping campaign, you still also have Google's machine learning available to you. So you can apply their automated bid strategy to your standard shopping campaign. So you can still leverage Google's machine learning. So you're not missing out on their AI, you've still got that at your disposal from a bid point of view. But you also have the data, which is really valuable as we sort of touched on how you use that data. Okay?

The best of both strategies

So actually, what I've seen happen quite successfully for a number of people is a mix between a standard shopping campaign and a smart shopping. So we will put, let's say, bestselling products in a standard shopping campaign, like products that we know people sell, and we can really grow and scale those products that move frequently. And perhaps the less-selling products, maybe the accessories for your surf shop or something, we might put that in a smart shopping campaign and mix them that way.

James: Yeah, it's the accessories that sell like crazy. That's the only way these shops survive. The boards are the jewel in the crown but they're not the biggest seller. It's the clothing, and the sunglasses, and the fins, those sort of items, they're high volume. So you'd say, Okay, I'll go down to the surf shop, and I'd say, Right, of all the things, I'm going to split them into high-moving, commoditized, known stuff, and then I'm going to try and cherry pick the other things to see if we can lift them.

So, for example, my local store's taken on a range of Patagonia winter jackets, and I think that was a new line for them. So they could say, Right, we're going to try and mine this out for our store, we're going to just test this, we're going to put the effort into it manually to see if we can sell them, because they're high-ticket items with big margins. And people are looking for them in winter, but they don't know we have them.

Ilana: Right. Interesting. Yeah. So you could do that. But sort of going back to just doing the standard shopping, there are some cons to it, in that, it does require a bit of extra time and knowledge in setting up a standard shopping campaign. You do need to know a couple of steps in what to do to set it up.

And I would advise your listeners that if you do this, and I actually totally recommend a standard shopping campaign over smart, to start with manual bidding first. And then once you have a bit of purchase data under your belt in your campaign, you can then graduate to the AI learning.

James: Is that because you're training it on what you want?



Ilana: Exactly, exactly. And so you don't want to launch a campaign with no data. And Google's kind of got no idea what to bid on and they're bidding crazy prices.

James: So that's the trap, if you just walk into this and say I'm going to tick the easy box, you just don't know what you're getting.

Ilana: You don't know what you're getting, and you sort of then become completely reliant on the smart shopping, because you've got no data to go with to then apply in other areas. And you've relinquished all control over.

James: It does raise some questions for me. But probably one of the best examples I can think of as you're saying this, it's like the difference between having a DSLR camera on the auto mode versus going into the manual settings, where any professional photographer's most likely using the manual settings and they would have gone through and learned on the job about exposure and shutter rates and different lenses and stuff. Like, as soon as you go manual, you can get a much better shot. And you're probably going to have to if you do it at a pro level.

Most of us can pick up the camera and just take reasonable pictures with the auto mode. But it does have limitations. You won't get to the levels you need to get just on the auto mode. You need to go manual at some point.

Where do you learn what you need to know?

So the big question I've got is, where you're going to learn from? How are you going to learn how to do this without making a meal of it?

Are you good enough, Ilana, to beat the computer? That's what I want to know. Is that what you're doing over at TeachTraffic.com?

Ilana: Well, it's not so much about beating the computer, because I'm actually a big fan of the AI and the automated bid strategies. It's just doing it in a strategic way, with the best chance of success. And as I said, that hybrid model is actually a way which we've had really good success with. And it's a way of leveraging both. Right?

So we get the scale and we get the control for, let's say, you know, half of the products that move really well, and the less moving products, they might be worth just doing a smart shopping campaign, temporarily, once we can build them up, then we can migrate them to the standard shopping.

One thing I want to mention to your listeners as well is you can't actually run the same products in both campaigns at the same time. Because what will happen, so let's say you've got your twin fin, you know, channel thing surfboard, okay?

James: Channel bottom.

Ilana: Channel bottom, right. And you want to test smart versus standard and see what happens. And you try and run them both at the same time. What you'll find is that standard shopping campaign won't get any impressions because the smart is taking all the available ad inventory. Okay?

When to use smart over standard

So if you're going to run two campaigns at the same time, they need to be different products. That's sort of a catch. It might be worth just kind of like, summarizing a little bit here in terms of when to use smart versus when to use standard. I think that probably would be helpful for your listeners. So when to use smart is if you don't have really any expertise or any interest or time in learning this stuff, then by all means it could possibly work for you, like I said.

James: Smart would be better than doing nothing.

Ilana: Smart would be better than doing nothing.

James: So if you're like, you're busy, you're just fulfilling orders, you're taking the phone calls and you just want to get going, and you've got nothing in play, then you could start with smart.

Ilana: Yeah. It's totally better than nothing. It's also, if you don't have any interest, or you're never going to use that search term data, you're never going to look through that search term report and go, How can I use this? How can I grow from it?

James: You just want a little boost over what you're doing ordinarily.

Ilana: Exactly. And maybe you want to test a shopping campaign really quickly, and really, you only care about getting sales without even being able to optimize it.

James: Well, it's a big chunk of the market, I imagine. This is probably a big chunk of the market is, like, they're doing nothing, and it would be an improvement.

Where standard comes in handy

Ilana: True. But what I do find happens to people is they do this and then they get a taste for it. And they get a taste for actually how powerful it is, and they think, Hang on a minute. Imagine if I just put a little bit of effort into this. Imagine if I just took some time and actually spent a little bit of time learning this. Imagine what it could be. Imagine how many extra sales that I could get, which is obviously where the standard come in.

So you would use a standard shopping campaign when you want that search term data to grow into other platforms. When you want to know how your retargeting campaign is converting versus another platform, because the smart shopping combines it all together. So you've got complete control, you can scale much easier and much faster. And you obviously, you get all that data.

James: Well, it's interesting, because in this example, my friend, Jason, they do a lot of their sales over Instagram. So that data would be really handy for them to run paid campaigns.

Ilana: Yeah, exactly. I mean, you optimize the titles of what people are searching for, you can create content around it, and then advertise that on Instagram. It all kind of feeds into the whole big picture. Because at the end of the day, you'll make Jason's customers, and not just on Instagram, they're also Google searching.

James: Yeah. Absolutely. And I know from my own experience, since I have a website in the surf industry, the overwhelming traffic source for us is surfboard reviews. People obsessively look at surfboards over and over again. I'm just speaking on behalf of friends of mine, not me, but others. They obsessively look at all the different models and stuff over and over again.

Some people visit the site like, 80 times. So they're on Google, they're on YouTube, they're on Instagram. What we did, where my gap was, I'm like, Okay, let's pick a board. And then let's go to all the places a surfing nerd will go and we pull in YouTube videos, Instagram feeds, manufacturer's website information, and then surfboard reviews all into one article. And that's what drives our traffic.

We get more traffic to my surf site than SuperFastBusiness.com. And we don't have 860 podcast episodes. We just review surfboards. That's how much volume is going on. So I think anyone in that industry is really missing out if they're only focused on just their store or just their Instagram page.

In fact, before COVID, you could survive with just a physical store, and Instagram. But now, it's wide open, and I'd say, pick the accessories that have unlimited supply. You can get unlimited leg ropes and unlimited fins and unlimited wax. Even though the surfboards are hard to get, all the other stuff around the clothing and so forth, you could just go mental with this.

This could be nine times bigger than what is currently in place if you start flipping the buttons, using the traffic puzzle, and we'll link to your traffic puzzle in our show notes as well. Because I think that is currently industry best standard. I believe you'll be speaking about this soon, somewhere as well.

llana: I'm not sure.

James: Yeah, well, you've been invited to, but if you could get there.

Ilana: Yes, it's true, if they let me out of the country.

James: But they want it. They want it. It's hot stuff. I don't think you're going to get out of the country. It's either virtual or it's not going to happen. But you can get access to it. We'll put it in the show notes. If you got a URL where we can look up the traffic puzzle, Ilana.

Ilana: Yes, you can go to teachtraffic.com/puzzle.

James: Do it. If you're spending a cent on paid traffic, you need this traffic puzzle. So we'll put that in the show notes. Alright, so if we're just starting out, we haven't done anything else, we're going to flip the smart shopping if it's super limited interest and we're not going to cross platform, we just turn that on.

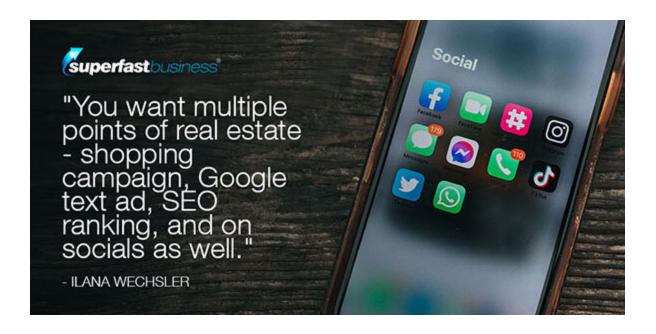
But if we get excited by the idea or we really think that this could be the leverage point, if I've made a strong enough case for this, then we're going to want to try the standard shopping and your advice is to do that first if you can, because you'll teach it what you like, what to avoid, and you'll be able to get the information that you can then send off into other platforms across, you know, your YouTube, and you can now cross pollinate that into your social media channels or wherever your customers are outside of this ecosystem.

Ilana: Exactly. And Google search campaigns as well.

James: Even SEO, right?

Ilana: A hundred percent, yeah.

James: Even making social media videos, you can do it around the things that are converting like crazy.



Ilana: That's right, exactly. What you want is you want multiple points of real estate - shopping campaign, Google text ad, SEO ranking, and on socials as well.

What you can do based on this ep

James: Perfect. All right, so what's our action step from this episode? We've got an e-commerce store, we've been on the fence between smart shopping or standard shopping, we're either not doing it at all, or we're doing one of those and maybe not the hybrid. So where would they start? And how can they get in touch with you if they want some help on like, what they should do?

Often, we generate more questions and answers on these shows. But that's okay. You can get in touch with Ilana and ask her about it.

Ilana: Yeah, I think it ultimately comes down to what level involvement your listener really wants to have. And if you're true to yourself, and you think, You know what, I'm never really going to log into my account. And I'm not that kind of person that really wants to see how hard I can drive this, then maybe smart shopping campaign is for you, you know, a smart shopping one.

So you can easily launch one, obviously. I've got training inside Teach Traffic on that. I personally, obviously, am a big believer in a standard shopping campaign just because of all the benefits we've talked about in this episode. And I obviously teach also some pretty advanced strategies with a standard shopping so that you can really get the most out of those campaigns.

And also even the hybrid model I touched on. So it's not black and white. There are shades of grey with how you can use both these campaigns. So you can check out TeachTraffic.com. I've got a Google Shopping course, which goes through exactly how to set this all up for people.

James: There you go. Thank you so much, Ilana. Again, always delivering. This is Episode 865. I've been speaking to Ilana Wechsler from TeachTraffic.com. We've been talking about surfboards. Shout out to my mate Jason at Keel Surf Supply at Freshwater here. I'll be sending him a copy of this episode. Look out, Internet, I think he's going to break it.

And we'll be back for some more traffic topics in the future. Until next time. Thanks, Ilana.

Ilana: Thank you so much, James.

