

Discovery through data:

How to get products found on third-party channels



A white paper produced by InternetRetailing in association with IntelligentReach I July 2021

Editor's Introduction

Online search engines have taken the place of physical catalogues as the tools for product discovery. This is part of the broader move towards a more product-driven rather than brand-driven method of discovery.

Facilitating this change is the strategy of search engines like Google, who are keen to offer shoppers a one-stop shop and allow them to complete their entire purchase journey within the site. The organic search algorithms on Google are above all oriented around ensuring customers are served with the most relevant products at any given time.

Underpinning all of this is data. Retailers submit their product feeds to Google in the hope that their products will be picked up by the algorithms and bumped to the top of search results.

However, many retailers are finding that there is a disconnect between how retailers structure their data and how offsite channels do things. As we will see, product catalogues which are optimised according to what works with internal IT systems are not designed for the criteria which Google and Amazon use.

This whitepaper looks at what retailers are getting wrong in their product feeds in the battle to get their products discovered outside of their own websites.



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Sponsor's Introduction

With retailers and consumers becoming increasingly dependent on ecommerce, we've seen an acceleration in several trends and high expectations of online sales soaring. However, there have been some challenges along the way.

For over a year, having the country in some form of a lockdown caused uncertainty for different vertical businesses (take fashion for example) and erratic changes in consumer behaviour. These days, shoppers are becoming more channel agnostic, preferring availability, price and convenience over brand. It's crucial that brands and retailers adapt and differentiate themselves from the pack to grab the attention of their customers much more quickly. To achieve this, building a multi-touch selling journey and having accurate product data are key success factors for e-commerce growth.

The pandemic and closure of many high street stores has also led to innovation. Many traditional omnichannel retailers have looked to replace the revenues they have lost from physical stores by expanding into new international markets through digital channels.

We've also seen the role large tech companies have played during the pandemic to help navigate online selling. For example, Google has rolled out curbside pickup amid pressure on order fulfilment and whether click and collect is safe enough during a pandemic - again, driven by high quality data at a store level. Another example is the roll out of Facebook Shops, giving smaller businesses the opportunity to sell in an expanded market.

The result is that speed, intuition and decision-making based on data, are now more than ever fundamental to a successful shift of strategy. Data agility plays a pivotal role in a quick transformation strategy and high-quality data that accurately describes your products is even more important in differentiating from the pack.

This white paper takes you through the importance of product data and the baseline for every successful online player. ■

About

IntelligentReach

Intelligent Reach is the complete and intuitive Product Marketing Platform for Brands, Retailers and their Digital Agencies to dramatically improve digital revenue through product data.

With unrivalled capabilities of building strong product performance through seamlessly optimised and tested data feeds and flawless orders and inventory management, we help hundreds of world-class clients, like HP, Nike, JD, Miele, Myer, make their product data a key engine for growth, enabling easy expansion of their sales reach across thousands of channels.

Find out more at <u>www.intelligentreach.com</u>



Robin Martin CEO of Intelligent Reach

Section 1: The customer acquisition challenge

Winning new customers is the lifeblood of retail growth. However, the return on marketing spend of product-level ads is often poor due to unoptimised data feeds or irrelevant product attributes.

Disapproved and invisible ads means missed opportunities to generate offsite sales.

Brands and Retailers need the feed fundamentals to work to even be visible. However, without the right tools it is a struggle to keep up with the pace of the market or have the agility to adapt their product level ads/campaigns.

Clothing and fashion was one vertical that had clear winners and losers during the pandemic, with those that were more agile much better placed to survive. For example, some shifted their digital advertising focus to meet consumer searches for loungewear. This could also be done on offsite channels by manipulating their product data to meet shoppers looking to buy.

Being discovered by placing products on offsite channels like Google, Facebook and more, is an increasingly vital source of retail revenue, as the U.K. digital advertising market saw a growth of 5% in 2020, accounting for 78% of the overall media spend with retail leading on the investment.¹

In the online world, retailers are not the starting point for product discovery. Instead of skimming through catalogues of goods from a particular retailer or browsing in a high street store, online shoppers discover products through searching across multiple digital channels.

The online opportunity

Online shopping is seeing a boom as online sales rose 36% year-on-year.² Retailers selling online will face an increasingly crowded space as new entrants come online, whether they're competing against smaller physical-only retailers or brands selling direct to consumer.

So where can retailers be discovered online? According to a report by Wunderman Thompson Commerce, more than half (51%) of consumers said they turn to Google and other search engines for inspiration or ideas for products to buy, while 33% said the same for brand websites.

Now more than ever, online retailers and brands need to prioritise building a frictionless product discovery and shopping experience both offsite and onsite. As an example, Adobe estimated that accurate product descriptions are in the top 3 things consumers look for in a retailer's website content.

But accurate product descriptions are just a small piece of a much bigger jigsaw of today's consumer behaviour. Speed plays a crucial role too.

According to further research by Adobe on shopping behaviour during COVID-19, over half of U.K consumers (54%) say the pandemic has changed their expectations of online shopping. Of this, 70% are more likely to shop elsewhere if they can't find products quickly. Remember, buyers attention is hard to get and easy to lose, especially as they've got plenty of channels to buy from.

^{1.} https://www.emarketer.com/content/uk-digital-ad-spending-2021

² https://www.imrg.org/media-and-comment/press-releases/strong-december-caps-standout-2020-as-online-sales-growth-hits-13-year-high/

The shopping experience over the years has become increasingly multitouch, and the attitude towards channels has changed drastically within the pandemic, as buyers become more "channel-agnostic".

To be present in multiple channels with ease, and to be discovered, brands and retailers need to submit product data to offsite channels using feeds. Product data feeds are needed for all discovery channels including:

- Paid search (Google Shopping, Bing Shopping)
- Paid social (Facebook, Instagram)
- Online marketplaces (Amazon, eBay)
- Display (Criteo, Conversant)
- Affiliates (ShopStyle, Awin)
- Comparison Shopping Sites (Kelkoo, PriceRunner)

The data disconnect

Retailers originally assembled product data for the purpose of communicating with suppliers, taking into account basic attributes such as size and colour that were sufficient for completing the order.

Now advertising platforms are oriented around what the user searches for and what they see.

As an example, Google requires a certain number of mandatory fields, and it provides optional fields too. Optional fields such as Product Types are powerful in going beyond the basic requirements to optimise product data for better product performance.

Attributes like Product Titles, Product Images, Product Types are lynchpin to a performing product data strategy, but their effectiveness is highly reliant on many factors - consumer behaviour, seasonality, trends, competition, country to name a few.

Consumers may search for different things at different times. For instance, a maxi dress may be searched for as a prom dress, for specific occasions.

In addition, different words may mean different things depending on where the search is taking place: what are called flip flops in the UK are known as thongs in Australia.

When digital marketing/ecommerce teams build catalogues of products, the implicit context is the retailer's own website. This means that the attributes given to a product may make sense in that context but be meaningless outside it. A "tank" in the context of a fashion website is short hand for a tank top but outside of that it would mostly denote either a storage unit or a military vehicle.

With so much depending on their product data feed, brands and retailers still overlook a major problem that they're unaware of. According to research by Intelligent Reach, 70% of retailers are missing crucial product information from their product data feeds.³

³ https://www.intelligentreach.com/blog/6-product-data-experiments-to-drive-shopping-ad-clicks/

Section 2: Reorienting data

To overcome this problem, brands and retailers need to rebuild their data feeds around the criteria that these offsite discovery engines use for ranking and indexing.⁴ To organise this data in a useful way, they need to start by breaking down their data into usable blocks. From here it can be rebuilt to fit a number of different templates, depending on the channel.

Title

The title of a product needs to fulfil two functions: it needs to help the algorithms initially discover the product while persuading the customer to buy it. This should include category information and keywords from Google's Ads search term report and keyword planner.

Retailers need to include alternative keywords to correspond to contextual events, such as holidays or festivals.

Image

Retailers should submit multiple, high quality images which take account of the context searchers may wish to see the items in. For example, in fashion, shoppers may wish to see different models wearing an item. In the DIY sector, customers may wish to see products being used, while in homeware, they may want to see the products in the context of a room in the house.

This also depends on each channel; for example, a lifestyle picture might work better on one channel while a simple product picture works better on another.

There has been a move towards visual search, facilitated and driven by the growth in the use of mobile devices. Consumers often browse while otherwise occupied, whether travelling or watching television, meaning that they want as much detail in an initial image as they can get because they can't physically feel, touch or experience the product, so they rely on rich product content.

Google Shopping has moved from a text-heavy model towards one that takes account of tendency to choose products based on images. Last year, the search engine added a new feature in Google Images which allows retailers to highlight products within their sponsored ads. When a shopper inputs a query into Google Images, they can hover over sponsored ads and find information about items within the images that are for sale.

Category and product type

These attributes ensure that the product is placed alongside other similar items.

While Product Category is a mandatory field, Product Type is optional but highly recommended to build relevance against buyers queries.

Getting Product Types right is one of the most important points when advertising your products on shopping engines.

Description

The description is used for product discovery but plays a key role in conversions by allowing the customer to confirm the product is what they are looking for.

^{4.} https://imrg.org/blog/omnichannel-best-practices-in-2020/

GTIN

These are numerical versions of barcodes used as unique identifiers for products. Many products, including those from major brands, require GTINs to be accepted in feeds.

Local stock information

Being able to provide up-to-date information about how much stock is available in specific stores is relevant when retailers want to steer customers towards physical stores by telling them via localised inventory ads (LIAs) that the product is available near them.

This offers convenience for the customer, driving potential in-store traffic and diversifying channel pressure. For example, if a retailer has too much online and home delivery demand they may struggle to fulfill these on-time. Having customers go in-store eases the pressure on that channel.

Shoppers no longer see a barrier between in store and online and it is important for retailers to reflect this. With items such as gifting, the customer may wish to inspect the item and make the purchase immediately rather than order it online and wait for a delivery. If they want the product right now, they can find out where and simply go and buy it. According to Forrester, 80% of consumers are less likely to visit a store if they can't see their online inventory and 58% of in-store sales are influenced by a digital touchpoint.⁵

Since 2014, Google has allowed customers to search for products at stores in their local area using terms such as "near me" or "in my area". If the customer's location is enabled (on either desktop or mobile) they can then be directed to the nearby physical store, with the location offered alongside opening hours, store proximity, price and inventory.

To run local inventory ads, retailers need to sign up to Google My Business, which allows their business to be found on Google. They then need to populate the listing with information such as name, opening hours, address, contact details, imagery and location.

Category-specific attributes

Some sectors will have specific attribute requirements – for example, on Google Shopping, pattern and material are required attributes for clothing. The categories that are required may change quickly when channels roll out updates.

Cementing the building blocks of data together

Submitting the right data is not just about filling in all the categories for each channel. Data needs to be as detailed as possible, accurate and up-to-date and easily digestible on the relevant channels.

However, the difficulty with approaching all of these different offsite discovery channels is that they all have different requirements. For example, Google requires titles to be a maximum 150 characters, while Amazon requires them to be 200.

There will also be differences in what influences customers to convert on different channels. For example, on Google Shopping, a customer has actively gone to look for a product so will want detailed information to allow them to choose between different options. By contrast, a casual browser on Facebook is not necessarily actively in a shopping mood and the retailer is placing products amongst a large amount of noise.

To manually assemble the relevant data and place it in the format that will work for any given offsite channel is a hugely time-consuming job, alongside the main task of optimising the ecommerce website itself. Brands and retailers

^{5.} https://blog.intelligentreach.com/how-to-drive-in-store-traffic-with-local-inventory-ads-lias

are experts in merchandising and selling their own products on their own platforms as opposed to understanding and managing how they are discovered through other platforms.

This means that putting these building blocks together requires a degree of automation. Again, however, brands and retailers are unlikely to have either the development resources or time internally to take on such a project. Prioritising certain channels could have your products invisible where customers are most likely to discover them. It's important to note that each channel has different requirements. Google has 24 mandatory fields, whereas Facebook has 12, so you have to know what these are for each channel.

This is why platforms such as Intelligent Reach have been developed to automate this process. The retailer simply handles a one-off integration with Intelligent Reach's platform, which can then manage the individual connections and supply feeds to all of the individual channels.

As search continues to evolve, including with the introduction of augmented reality imagery and voice-based search, ensuring that underlying product data is optimised and relevant, will mean that data can be repurposed for these channels and products will be more effectively discovered by buyers.

Building relevance through testing

Having attrbiute-rich and optimised product feeds is the basic foundation of feed management.

But how can brands and retailers step up in a highly competitive feed-powered market? They have to build feeds which are relevant to their consumers.

How do shoppers look for products to buy? What keywords do they use? Are searches impacted by elements like seasonality? What image best captures their attention and enhances the click through rate? All these questions tie back to the idea of relevance.

What approach best links a retailer's product data to what customers are searching for is not set in stone. Accordingly, retailers should be willing to test different product titles, product types and product images and test the effect on impressions, clicks, conversions and overall sales.

When submitting feeds retailers should A/B test product titles, product types and product images in the same way they would on their own websites. In fashion, for example, this might include using different terms for the same product such as plus size, curvy, tall or petite. This process of experimentation will help reveal trends which can be applied to large segments of products.

As online retail is such a fast-moving segment, retailers need to be prepared to move rapidly, prioritising small and regular improvements rather than big and more occasional overhauls.

A quarterly test plan can drive impressive incremental revenues for the business.

Running A/B tests on product feeds

There is a common misconception about A/B testing, which is sometimes confused with before/after testing.

A before/after test is a feed test that compares two versions of the feed in different time frames. This test would be set as follows:

A control group is created and tested against a time window, i.e., 15 days. Impressions, clicks, CTR, orders and revenue, or any other relevant metrics are tracked at the end.

A variant group is created by changing one element, i.e. adding size to the Product Title, and rolled out for the same time frame, 15 days. At the end of the overall 30 days, two sets of KPIs are compared to determine the most performing version.

This type of experiment is highly reliant on the time frame. Imagine if the variant was rolled out during the Black Friday period, how would the results

THE COVID CONTEXT: THE IMPORTANCE OF KEYWORD AGILITY

The impacts of Covid-19 on store footfall and the rapid escalation of online shopping enhanced the importance of being visible to customers, whatever their chosen channel.

As well as having an impact on the way that customers were shopping, Covid-19 also led to a clear change in what they were shopping for. As well as not being able to try on clothes in store, customers had less demand for them anyway since they were going out less and normal social events were suspended. The same goes for cosmetics.

Being able to shift campaigns to focus on what customers were looking for was a vital tool, since other segments were experiencing increased demand. Within fashion, while festival clothing would normally be in demand in May, shifting to areas such as loungewear, activewear and lingerie helped some retailers maintain their sales.

Having visibility over trends and altering product data to match customer search terms will ensure retailers can be visible within offsite channels such as Google Shopping.

Approaching this means placing the spotlight on consumer behaviour, and keep content experimentation top of mind as main lever of growth.



be impacted? You would see a steep increase of performance, which is highly likely due to the peak period, rather than the change in the product title.

An A/B test would be run in the same time frame, eliminating time dependency.

An A/B test would be set as follow:

A control group is identified and a variant is created by changing one element, i.e. adding size to the Product Title. Products are equally split between the two groups and their performance is tested over the same time frame, i.e. 30 days.

At the end of the 30 days, the performances are compared and the best performing version is selected to be rolled out into the feed.

An A/B test is a very robust type of experiment, which is why brands and retailers need to leverage real A/B tests to get the right insights.

Intelligent Reach enables brands and retailers to set up real A/B tests in a few clicks, and unlock impressive testing agility to drive incremental performance and revenue.

CASE STUDIES



PETS AT HOME

www.petsathome.com

Founded in 1991, Pets At Home is the United Kingdom's largest pet supplies retailer, with more than 450 stores and 6,000 employees.

It sells a range of products for pets, including food, toys and bedding. It also sells ancillary services such as grooming and veterinary care.

"Everything we sell is tested specifically for pets, something we believe makes us extremely unique," Sian Wells, PPC Executive at Pets At Home, explains. "We give the customer peace of mind that they are buying a quality item that has been responsibly sourced and tested.

The company aims to bring this ecosystem to the online world through both online selling and online advice and guides such as blogs.

As the online shopping world is competitive, Pets At Home has a twofold strategy: firstly, to enhance its online and presence including through offsite channels such as Google Shopping and secondly, to win new customers through its online experience, brand ethos, product quality and range and VIP loyalty scheme.

"As the Digital Marketing team, the

main role we have within the business is to attract new and existing pet owners to Pets at Home," says Wells. "Paid Search is a hugely important marketing channel for us but over time we have seen the redesign of the SERP, and subsequently, the priority has shifted from Text Ads to Shopping. This indicated a perfect space where we can expand and capitalise."

"IntelligentReach offered a platform enabling us to quickly and efficiently optimise our data, as well as experimentation tools we can utilise to test our ideas" SIAN WELLS, PPC EXECUTIVE AT PETS AT HOME

After reviewing what other retailers were doing in terms of approaching offsite channels the retailer concluded a specialist product feed provider was needed. The team believed that a strong product feed would allow the company to dominate search queries.

"IntelligentReach offered a platform enabling us to quickly and efficiently optimise our data, as well as experimentation tools we can utilise to test our ideas," says Wells.

In terms of results, Wells says that Pets At Home now owns search queries for its bigger, more competitive brands and appears regularly within generic search queries. The company's conversion rate has remained strong, meaning that the increase in impressions and clicks has led to a lift in overall purchases.

Implementing the platform has also freed up internal development teams, allowing them to make optimisations of the website itself and improve customer experience.

The IntelligentReach platform provides retailers with visibility and management of their feeds. It includes four modules for managing offsite discovery:

- Product data management: Easily optimise product feeds at scale
- Offsite experimentation: Tests product titles, product images and product types to determine the most effective and relevant ones.
- Marketplace management: Manages feeds for marketplaces such as Amazon or eBay.

CASE STUDIES



CLARINS

www.clarins.co.uk

CHALLENGE: Clarins wanted to boost their google shopping performance, but:

- Poor product data caused limited clicks and impressions, and a poor ROAS
- Had a slow reactiveness to fix data issues
- Digital Marketing team had little control over their product data
- Limited agility in spotting and fixing feed errors at scale

How clarins did it with intelligent reach:

- Quick & easy integration into their live Google Shopping & Facebook feeds
- Better feed control and insight to quickly spot and errors themselves
- Freeing up their time for a better optimisation strategy
- Unlimited experiments to drive product exposure even further

How we helped them

 Flawless onboarding and fast channel integration

"On the IR side it was very smooth from the meetings we had, the kick-off, everything was clear. We saw that they really know what they were doing."

Having worked with a few feed providers in the past, Clarins were pleased with our seamless onboarding and integration process. Centralising their different partner feeds in one place gave them a clear picture over product performance per channel.

· Giving some TLC to their feeds

"I find Intelligent Reach easy to use. When ads aren't showing, we can identify in our data feeds, and fix the issue."

Our easy training and support helped Clarins to become experts in managing their feeds and ensuring their product level ads are visible.

Our Data Visualiser and Product viewer combined to give Clarins unrivalled visibility of the entire product flow from them to the channels where their customers are discovering their products. The Clarins team could then quickly identify and fix any issues to to ensure maximum visibility and performance at all times.

Freeing up time to get more productive Clarins set automations to cut out repetitive tasks, created rules to organise products, and had continuous support from our Customer Success Team.

They used our Label Manager to build, label and manage sophisticated dynamic product groups allowing them to automate optimisation actions.

For instance, "Product Type = Face + Performance Metric: High Conversions" are labelled as "Face Bestsellers." Clarins can then increase the promotion of these products in paid media platforms like Google or Facebook (bids, modifiers, dedicated Ad Groups etc).

 Unlocking continious A/B testing Clarins knew that A/B Testing would show them what changes maximise impressions and product exposure, but they had no way to do this at scale and continuously. We supported their use of our Experiment Module to identify and launch a series of experiments to make their products shine!

For example, Clarins added 'Best' and 'Product' to the end of their product types e.g., Group A: Gifts For Her vs Group B: Gifts For Her Best Double Serum.

The results:

+133% IMPRESSIONS +209% CLICKS +602% REVENUE +37% ROI

Clarins' demand and revenue has significantly increased. To strengthen their momentum, they are continuing to test and learn with Google Standard Shopping and Smart Shopping campaigns to expand even further.

Google Standard Shopping Ads YoY Results (Jul-Dec 2019 vs. Jul-Dec 2018) Impressions +185% Clicks +115% Conversions +345% Revenue +322% ROAS +114%

Conclusion

In the post-pandemic world, the shift to online and the embrace of multichannel retail by customers are set to accelerate.

As well as being more and more online, customers now have their choice of how they want to discover and browse for products, which now sit as a layer between customer and retailer.

Optimising and testing feeds provides a way to cut through the noise and make invisible products visible. The first step to robust product feeds is robust data – brands and retailers need to break their data down into usable building blocks and then reassemble it in numerous ways to fit offsite channel's requirements and to match their buyers searches.

They need to run tests on quarterly basis, analysis outcome and keep optimising for optimal performance.

To do and maintain this at scale is a developer, resource and time-intensive task. As the case studies above show, automation platforms such as IntelligentReach allow this process of data ingestion and feed assembly to be automated and made manageable for time-poor retailers.



With thanks to IntelligentReach

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