CASE STUDY

Apparel Retailer Sees Major Drop in Traffic & Sales After Switching to Automated Management Solution

The Situation

An apparel retailer and long-standing client decided that, after several years of working solely with ROI, they wanted to test a new automated service for their Google Shopping campaigns. They thought that there might be an advantage to an automated bidding system, a unique campaign structure, and a cheaper monthly fee.

They were very open with us during their 4-month trial to make sure that oversight was applied to the campaigns, so that the software was evaluated correctly in light of their goals.

What Happened?

Over the course of the test, we witnessed poor initial results as the software made the same mistakes we had already learned from and prevented (negative keywords, poor performing brands/products, mobile bid modifiers, etc). While the algorithm learned and improved from there, it could not consistently deliver results and continued on a downturn that it never recovered from.

YEAR-OVER-YEAR COMPARISON	
ROI Revolution:	**Software:**
↑**147%** Traffic	↓**23%** Traffic
↑**171%** Sales	↓**38%** Sales

Looking year-to-date for 2015, Google Shopping had seen a **147% YoY increase in traffic and a 171% YoY increase in sales** before the new bidding software was adapted. In the time that the automated bidding software ran, the same Shopping segment saw a **23% YoY decrease in traffic and a 38% YoY decrease in sales**.

Why Did it Happen?

We monitored the bidding software and Shopping results closely for our client. In our opinion, this is what went wrong:

- Optimizations made by the software were all reactive, which limited preparation for seasonal shifts in performance.

- Other historical data was not taken into consideration during the launch of the new, automated Shopping campaigns, including top-selling brands, existing mobile bid modifiers, and negative keywords.

- The software couldn't distinguish the most popular brands from the most profitable brands. Shopping impressions for core search terms drastically dropped off.

- The bidding software made decisions solely based on last touch attribution data, while at ROI Revolution, we use our own application called GATE, in conjunction with Google Analytics scripts, to look at the search terms and campaigns that help preface the buying cycle.

- No regional bid adjustments were used, although some brands/products see huge variances in conversion rates by region.