PRODUCT FEED OPTIMIZATION 101

Demystifying Shopping Feed Technology & Management Strategy
Table of Contents

Introduction .................................................................................................................................................. 3
The Importance of Your Product Data ........................................................................................................ 5
The Role of Feed Technology .................................................................................................................... 10
Product Feed Optimization 101 ............................................................................................................... 15
Aligning Your Product Data with Google Shopping Management ....................................................... 21
Final Takeaways ......................................................................................................................................... 29
Introduction

The product feed can be an intimidating domain for a retail marketer and is often one of the most overlooked aspects of effective product advertising.

Because of the technology involved, the fickle issues that can arise, or perhaps the sheer appearance of thousands of rows in an Excel sheet, feed management has been given a bad rep. For this reason, the process can be viewed as a tedious, cumbersome, and monotonous responsibility.

Consequently, proper feed management and optimization is typically outsourced, delegated to an IT team, or metaphorically “swept under the rug” entirely.

It also doesn’t help that information about effective feed management is sparse, dry, and sometimes misleading. And despite all this, **product feeds remain the critical foundation to any successful product advertising channel - especially Google Shopping.**

This guide is designed to break down the “black box” that is product data management into simple terms. Moreover, we’ll unpack how feed technology plays a key role in improving the efficiency of feed management, and ultimately, your product advertising campaigns.
The Importance of Your Product Data
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It's pretty well-known that your product data is a major component in determining your product ad relevancy for a given search. That's really the essence of retail search advertising: connecting relevant inventory to high-intent consumer searches.

As an example, say we have a shopper looking to buy a backpacking pack. There's a big difference between the searches:

A. “blue backpacking pack”

B. “Osprey Atmos 48 pacific blue backpacking pack”
Search A is clearly higher up in the buying process “funnel” whereas Search B indicates a shopper has established an interest in a particular model.

So what does this have to do with your product data? Having your products rank for top-of-the-funnel searches is ideal if your goal is to increase your market share (traffic and impression generation). However, from a pure ROI perspective, it's not ideal because of:

- Higher CPC’s
- Higher click volume on those expensive placements
- Typically lower conversion rates (since buying intent is lower)
On the other hand, having your products surface for bottom-of-the-funnel searches—queries where the shopper has expressed an interest in a very particular model—is ideal when your goal is to hit a designated ROI. While the volume for these types of searches will be low, having your PLAs rank for longtail queries is critical for getting in front of shoppers who are likely to buy.

This is where your product data quality plays a key role.

Your product title needs to be comprehensive enough so that it increases your ad relevancy for those high-intent, bottom-of-the-funnel searches. Not having the Model (Atmos), Color (Blue, Pacific Blue), or Product Type (backpacking pack) will inhibit your products from ranking for the searches that matter.

At the end of the day, the principles we want to establish in this guide are that:

1. **Product data management** is a required component to digital product advertising
2. **Product data optimization** is NOT a necessary component to digital product advertising
3. **Product data optimization** is a powerful method to maximize results from product ad campaigns
Management refers to the consistent exportation of feeds to various product advertising channels. This requires basic feed manipulation so that your file adheres to the unique specifications of each channel. How often the feed is exported is also an aspect of management strategy because of the nature of a retailer’s inventory, which might include frequent stockouts or fluctuating prices.

Optimization refers to the ongoing customization of product data to increase ad relevancy. This applies to all feed-driven channels:

A product feed is how a retailer communicates their inventory to a given product advertising channel. Shopping channels like Google will cross reference this data with shopper search queries and your bids to determine ad visibility.

While most marketers understand the importance of uploading feeds, it’s often lost how critical it is to optimize the feed data and sync it with a comprehensive Google Shopping strategy. You might be thinking, if I can directly load the data feed into Google Shopping (or other shopping channels), what else do I really need to worry about?
The Role of **Feed Technology**
The Role of Feed Technology

If you’re advertising on Google Shopping, for example, there are 2 main avenues for which you can upload your feed:

1. Directly uploading your feed into the Google Merchant Center from your ecommerce site (a new feature as of September 2015)
2. Processing your product feed through a feed technology solution (internal or third-party), which in turn exports your feed to Google Shopping

So what does feed technology actually do?

Feed technology, or software that’s designed specifically to handle product data, is hugely impactful in making feed management more efficient.

Feed tech allows marketers to make content changes at scale. Furthermore, it will often have the ability to process data from other inputs (like your ecommerce site or AdWords) and take that into account when making changes. Feed tech becomes particularly useful when your inventory is the hundreds to thousands to millions. No human will ever enjoy making changes at that scale.
There are 3 primary functions of feed technology

1. Basic product data management

A feed solution will extract your master product feed from your website, format it to comply with various shopping channels, and make basic changes when necessary (stock-outs, price changes, etc.).

2. Technical feed optimization

Technical feed optimization mainly refers to the reallocation of your existing product data to increase relevancy. Many retailers often have a lot of useful product information available to them - just not in the right place. So a feed solution will essentially take your existing data (ex. attributes like material, size, and color) and input them into fields that are weighted more heavily for search relevancy, like your product title.

3. Semantic feed optimization

If technical feed optimization is making your existing product data more search-friendly, semantic feed optimization is the ongoing process of appending your product data to make it more search-friendly. Semantic feed optimization is difficult because it requires multiple inputs - search term performance data, site performance, audience trends, etc.—and needs to be done on a consistent basis. The goal here is to allow your products to rank for the qualified, longtail searches that have proven to convert for you.
Feed technology puts your product data in the best perform on retail search channels, so why doesn't everyone use it?

The main challenge here is just having a general awareness and appreciation for how your product data impacts performance on product advertising channels. Without that, it's difficult to make the investment to actually pay for a feed solution, especially when you don't fully understand what they do.

**Not all feed technology is created equal,** however, and there will be variations in terms of the basic management and optimization capabilities among them. These are some features to consider when evaluating your internal feed technology or third-party solution:

### Submission Frequency

The importance of this really depends on the "liquidity" of your inventory—Do you have products that stock out often? Are you repricing regularly? If so, your feed needs to reflect your inventory accurately at all times of the day, and so sometimes a single submission per day may not be often enough. Look into whether or not your feed tech can pull and push your feed once every hour (24/day).

### Feed Quality Monitoring

How do your current processes handle feed errors within the Google Merchant Center (GMC), for example? Does your internal/external feed solution proactively look out for these, alert you when they occur, and suggest a solution? Feed technology can and should greatly reduce your feed suspension time when those issues do happen.
Automated Rules

Falling along the lines of feed quality monitoring, feed technology can also incorporate automated rules to maintain feed compliance, acting as somewhat of a safeguard.

For example, you can tell your feed platform to automatically remove a keyword if it shows up in Google's official restricted products list. We've even found there to be an "unofficial restricted keywords" list, mainly concerning vitamin supplements and ingredients which will flag a feed. Feel free to reach out to jon@cpcstrategy.com for that file. Automated rules not only have applications for maintaining feed compliance but also for ongoing feed improvements.
Product Feed Optimization 101
Product Feed Optimization 101

If feed tech does technical and semantic feed optimization, how do I see that and what does that even look like?

Once a data feed has been uploaded, Google cross references the data feed with search. This generates a “quality score,” which is multiplied by your bid to determine a product’s ad rank. Better ad rank leads to improved product discoverability and likely an increase in sales.

A feed “quality score” is not an official metric but our work with feeds on Google Shopping since 2012 have led us to believe that this is a real influencer of performance. Having a high feed quality score can help you see more traffic for lower CPCs. The easiest way to do this initially is to include as much relevant data as possible in your feed upon launch. 

Feed Quality Score  \times  Bid Price  =  Ad Rank
An optimized data feed takes into account:

- **Search Term Performance** (top-converters & non-converters)
- **Site Performance**
- **Audience**
- **Inventory**
- **Query Volume**
- **Query Intent**
- **Competition**
- **Product Margin**

It's not very logical to assume that a sole practitioner can analyze all of this data, make the effective changes within the feed, and do so at scale. So feed tech is also instrumental in processing and interpreting data from multiple inputs and what it means in terms of improvements to your product data.

In the realm of Google Shopping, there are really 3 main components to maximizing performance on the channel:

- **Product feed optimization**
  
  Are you consistently manipulating your data based on performance trends?

- **Campaign management**
  
  Are you controlling ad visibility (across devices, location, time of day) and spend down to the product-level?
• **Unison between feed and campaign management**

There should be a very close proximity between the Google Shopping practitioner and whoever is managing the feed. This acts as a safeguard when it comes to account suspensions, allows for more detailed optimization, and also creates more opportunity for efficient campaign management (discussed in the next section).

The intersection of this data with a retailer's product feed is where true “feed optimization” occurs. The result is a multidimensional campaign structure that places product data as the foundation for a successful ad campaign.

**Title Optimization**

Particularly on Google Shopping, product titles are really the area where the most testing and improvements should be made since they carry the most weight in influencing relevancy. We'll walk through a couple examples of how technical and semantic feed optimization applies here.

**Technical Title Optimization**

Simply put, copying and reallocating a lot of your product data to places that carry more weight within the feed—like your product titles—can make a big difference for your PLA visibility. This is especially important for Apparel brands/retailers and brand manufacturers in general, who typically have sparse, model-focused product titles rather than comprehensive, descriptive titles.
### Example Title Optimizations

<table>
<thead>
<tr>
<th>Original Title</th>
<th>Optimized Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Essential Elegance Skirt in Black</td>
<td>ModCloth Rockabilly Long Full Essential Elegance Skirt in Black</td>
</tr>
<tr>
<td>When the Night Comes Dress in Noir</td>
<td>BB Dakota LBD Mid-Length Sleeveless A-line When the Night Comes Dress in Noir</td>
</tr>
<tr>
<td>Love You Ivory Day Dress</td>
<td>ModCloth Vintage Inspired Long Cap Sleeves Fit &amp; Flare Love You Ivory Dress</td>
</tr>
<tr>
<td>Cosmic Chill Out Top</td>
<td>FluffyCo Vintage Inspired Mid-length Short Sleeves Cosmic Chill Out Top</td>
</tr>
<tr>
<td>Soda Fountain Dress in Cola</td>
<td>ModCloth Vintage Inspired Mid-length Cap Sleeves A-line Soda Fountain Dress in Cola</td>
</tr>
</tbody>
</table>

The simple bolstering of your product titles with data that's already available is really the "lowest-hanging fruit" for a lot of retail advertisers who currently do nothing with their feed.

### Semantic Title Optimization

A lot of the improvements made for semantic optimization requires a human element - how would shoppers actually search for your products? What are some attributes that may not exist in your feed but can be **reasonably assumed by a human**?
Here's an example for a retailer of used, high-end luxury goods:

In this case, "pre owned" and "designer" are inferred attributes—ie. descriptive keywords that are not found in any particular column within the feed. "Handbag" is an addition that was driven by search term data.

If the conversions for this Chanel bag are being driven by searches for "handbags" rather than "shoulder bag," that keyword should be integrated within the feed. This process is called search term harvesting, and it means that your product data is supplemented with content that can't be found within your feed.

This all sounds pretty intuitive, but the important thing to stress here is that feed optimization needs to be applied at the SKU-level for it to be most effective. To do this for a large product data feed - especially for a catalog of over 5000 products - really requires a feed technology component that can not only make product-level customizations at scale, but also make external data like search term performance data readily available.
Aligning Your Product Data with Google Shopping Management
Aligning Your Product Data with Google Shopping Management

When retailers launch on Google Shopping, it's extremely important that the product feed is not only formatted correctly, but is enhanced and as comprehensive as it can possibly be.

This optimization process involves appending product titles and descriptions with relevant product attributes and addressing blank product columns. This strategy is proven to put Shopping campaigns in the best position to succeed. Retailers are encouraged to optimize and refine their product titles, and descriptions according to the way their product is searched.

For this guide, we'll focus on the three of the most valuable attributes that marketers can optimize within their feed, including:

Product Titles  Descriptions  Custom Labels
Optimizing Product Titles

Google heavily weighs the first keywords in a product title.

For example, if you’re an apparel retailer you may want to focus on the most valued keywords including “Brand, Gender, Apparel Type, and Color”.

Tip: Feeds are industry specific, apparel and appliances will have different optimization techniques. If you’re selling electronics, then you want to be sure to include the brand and MPN in the beginning of your title since shoppers are more likely to know the exact brand and model they're looking for.

Google crawls product titles left to right. What this means is Google is likely to weigh your “brand name” more heavily than the “product color” because it is listed closer to the left or at beginning of the product title.
Of course, brand name might not always be the most important keyword, which is why retailers should list their variables in order of importance (or how their users might semantically search for the product).

**Tip:** Color is a good search indicator for Google. We recommend all merchants reference a color thesaurus (below) to determine the exact name of the color for your product. This additional data helps Google to catalog your inventory to meet the needs of specific searches.
In an optimized feed, colors could be built out as seen below:

Building out a "product thesaurus" for your entire catalog is another mark of semantic feed optimization. This can be done with color attributes (aqua vs. blue) but also with product types (ice chest vs. cooler) or even misspellings (grey vs. gray).

**Optimizing Product Descriptions**

Similar to product titles, product descriptions should also be built out based on search keywords.

**Tip:** Google will cut off product descriptions (5,000 character limit), which is why retailers should place their most valuable information at the beginning of the product description.
When optimizing product titles and descriptions, testing is highly encouraged. Retailers should try out a variety of product titles to see what yields the best results per listing.

Many products like shoes, furniture, and electronics come in a variety of colors, materials, and sizes. Merchants should submit detailed product attributes for each unique product style or product variant. Merchants also need to group products together with an item group ID in cases where the underlying product is part of a group that varies by one or more attributes, like color.

If there is one thing we hope merchants will learn from this white paper, it would be the importance of aligning your Google Shopping Management with your feed.

A feed is not a “set and forget” type of application. Merchants should constantly be evaluating and testing new ways to optimize and enhance their feed.

**Implementing Custom Labels**

One of the best ways to optimize a feed and segment PLA / groups is by using the AdWords column located within the feed to create “Custom Labels”.

**What are Custom Labels?**

In a Shopping campaign, merchants can subdivide their products based on existing data from the category, brand, item ID, condition, product type, and custom label attributes. They can also use custom labels to subdivide the products in the campaign using values of their choosing.
For example, you can use custom labels to indicate that products fall into a specific category (see below). These values can then be selected to use for monitoring, reporting, and bidding in your Shopping campaign.

Examples of Custom Labels include:

- **Price Buckets**
- **Best Sellers**
- **Clearance**
- **Margin** (example: products with tight margins)
- **Brand**

Merchants can create up to five custom labels, numbered 0 through 4, for each item in their feed. Here's an example:
Why are custom labels important for feed optimization strategy?

Simply put, custom labels empower Shopping practitioners to make effective bid changes at scale. If merchants don't have the ability to manipulate the feed, the 'Worst Sellers' or items they want to ‘suppress' could continue to stay live. This will ultimately hurt COS on Google Shopping.

The ability to manipulate the feed will also allow merchants to bid lower on those ‘problem’ products rather than just cutting them off of the engine completely. Unlocking the ability to have Ad Groups on ‘Best Sellers’, ‘Clearance Items’, ‘Price Buckets’, etc. will allow you suppress bids on ‘problem’ products without pulling them from the channel completely.

Custom Labels provides merchants with the freedom to get as creative as they want with their PLA strategy.

As an analogy, not customizing and manipulating your data feed is equal to using Adobe Photoshop program ONLY to re-size all of your photos. Sure, it will get the job done without any issues, BUT Photoshop also empowers you to have the ability to touch up and customize your photos as much as you want. So why not take advantage and create a spectacular end product?

For some merchants, not creating these custom ad groups will work fine. You will still be able to create ad groups and custom bids based on brand and product type but you will also severely limit yourself when you want to get more granular with your strategy.
Final Takeaways
Final Takeaways

5 Best Practices for Aligning Feed Optimization & Strategy:

1. **Increase Your Feed Quality Score**
   Feed optimization leads to an increase in what can be thought of as Shopping “quality score.” In combination with your bid strategy, this can significantly improve product ad rank and average CPC’s.

2. **Optimize Product Titles & Descriptions**
   Detailed product titles and descriptions equip Google with more relevant data. This detailed information helps Google place your product in front of relevant search queries.

3. **Education on Industry Details**
   Feeds are industry specific. For example, apparel and appliances will have different optimization techniques. Merchants should also determine how often to load the feed —this is heavily influenced by your campaign goals.

4. **Build Out Custom Labels**
   Custom Labels allow marketers to analyze product data in an efficient, comprehensive manner. This type of segmentation gives merchants more hands on control over their marketing efforts and product inventory, so they can determine which products are performing well.

5. **Analyze the Data**
   Having more control over a data feed allows merchants to manipulate the products and bids based on the performance metrics they receive back from Google.
Last Thoughts

High-quality feed optimization involves the ongoing process of improving product data relevancy by planting key search terms within the feed. These search terms should be discovered and analyzed by an actual campaign manager and then populated within the feed.

The long-term product is a feed that not only incorporates all of the readily available product content, but also the keywords that shoppers are using to find those products.
Your Complimentary Retail Search Evaluation

CPC Strategy's Retail Search Evaluation is a complimentary 60-minute analysis and assessment of a retailer's existing Google Shopping campaign architecture, targeting settings, product feed, product pages, and profitability metrics.

Schedule My Evaluation