

Remarketing Explained

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Remarketing or Retargeting?

Is there a difference between retargeting and remarketing?

Remarketing was the phrase that was around first and meant *any kind of follow-up*. Before there even was an internet, catalogue companies and direct mail companies would do follow-up. So you'd get a lead and then you follow up through many other channels. That was originally called 'remarketing'.

Doing the same thing today with online ads follows the same idea, and we prefer to call **just the digital part** retargeting. The problem is that then when Google actually came out with their retargeting platform they called it 'remarketing' in their official documents. So they confused the issue. But broadly speaking and ignoring semantics, the terms remarketing and retargeting can both be used.

What's an Audience?

An audience is just a collection of people who have been identified by an ad network system, whether that be Google, Facebook, Twitter or something else. So rather than saying, "Hey, show my ads to everybody in Texas searching for cars," you might say, "Specifically show my ads only to these people who are in my customer list, or have recently touched my website."

How do you build an audience?

The starting point is that you do something to get a customer or a potential customer to your website. That something could be a pay-per-click ad. There's more ways to build a retargeting audience, but you should focus initially on people visiting your website (by any traffic source).

The front end actions to get somebody to your website the first time can be very expensive. But if you have retargeting, then when somebody visits your site you can run ads to them again. If you don't capture that cold traffic (first time visits) and recycle it using retargeting, you get stuck buying cold traffic over and over. We're effectively advertising to the majority of people who visit your web pages and don't convert.

Then Import Existing Contacts

Most ad platforms also let you upload a list of your customers' e-mail addresses. In some cases you can identify customers even if you don't have e-mail addresses; so by name, by street address, by phone number. That's good news for a lot of offline and local businesses because not all companies have e-mail records. Most companies if they maintain contacts at all, have at least a name and a phone number.

You can upload a spreadsheet of customers or prospects into the ad platform. Generally speaking, Facebook is a little better at this than Google. They will usually identify about 80% of your list members.

If you've got somebody's phone number, that's more reliable. A person might have 17 different e-mail addresses, but usually only one mobile phone number. Not everybody is going to be found, but you can usually identify anyone who has ever have put their phone or primary e-mail address into Google or Facebook. You can effectively build a list of those people.

When you're importing a contact list into Google, Facebook, or one of the other platforms, you can often use a connector service to your CRM system. So if someone has clicked on an e-mail in the last seven days for example, you might add them into a "Clicked in last seven days" audience in Facebook. But it can happen automatically without manually importing that contact's details using a CSV file. PlusThis and Zapier are examples of connector services.

Don't Creep People Out

A lot of negative connotations exist around remarketing, because advertisers seem to follow you around the internet showing you things you *just did*.

Let's say thinking about what to say in your remarketing ad. The most obvious ad to show is the thing somebody just looked at. But that's also what makes you creepy. The visitor is like, "How did you know I was looking at sunglasses??"

It helps to think about the events in your sales funnel. A sales funnel is basically the chain of events that takes people from hearing about you for the very first time, to actually placing an order. That may be two clicks long or involve phone calls and multiple offline meetings. But either way it is a chain of events. If you picture your chain of events, you don't want your ads to ever reference what they just did previously in the chain. You just want to proceed with talking about what they should do **NEXT**.

Your ads should not be, "Hey, we noticed you put sunglasses in your shopping cart and failed to buy..." Instead, it should just simply be "Here's a coupon for your next order." So the remarketing ad is more under the radar. It's a recognition that they started to shop, didn't finish, and maybe they need an incentive. So you give them one, but you don't say, "Go back and get those sunglasses." It's not what they **DID** that matters so much, but rather what they should do **NEXT**.

How Long Should You Remarket For?

It is annoying when you go to a website looking for a quick answer, only to see ads from them for a really long time. So how long should you run ads for?

There's a marketing acronym called RFM, which stands for recency frequency and money. In general it's the people who have just been to your website most recently that are the most likely to respond and take action when they see one of your remarketing ads. That's the recency, the 'R'.

Frequency is somebody coming back over and over again. The only reason they're going to come back is if they are clearly interested, they want something or they're liking what they see. Maybe they're entertained or maybe they're learning something. Maybe they can't decide.

The last one is somebody who's actually spent money with you, or spent significant time on your website, which is the same thing. It's statistically proven that somebody who has spent money is far more likely to spend money again, and somebody who's spent a large amount of money is far more likely to spend more.

In the technical setup of your retargeting audiences, you can look for these three indicators. People who spend a lot of money, people who keep returning, or people who were just here yesterday, for example.

It's counter-intuitive, but money is actually the least important out of R, F and M. Recency matters most, followed by frequency. If you had a limited budget and could only spend a little bit on remarketing, you would want to run ads to the people who came to your website yesterday.

Generally the minimum is one day, so everybody in the last day is the most valuable and that's where you put your most advertising dollars. Then, on a declining scale, two, three, four days a week after that, they're still pretty hot.

Generally speaking, you'll do okay advertising to people through maybe the end of a month, so 30 days or so. Beyond 30 days it depends on your sales cycle. So for example I (Jonathan) was working with a real estate client last year that did high-end vacation destinations. People would literally look for years at property there before they would make up their mind to buy. In a rare case like that, the biggest, longest, maximum duration audience you can get is the one to use.

In which case, you probably want to apply some kind of frequency cap so that you're not bombarding them with ads. You can limit how many you show per day. Especially once more time has passed since their last website visit. The principle of RFM still applies.

That example was the extreme end of the scale. Almost all other businesses are somewhere in between, with eCommerce transactions happening on the shortest timescale. In most cases, I would say 80% of online sales happen within an hour of the first click. So you need to think about your own business and make sensible decisions.

Nobody woke up this morning and decided to visit your website. They're on your website because they have a problem that they were trying to solve or something that they were trying to find, and they're not going to be trying to find that forever. Which is why recency matters so much.

RFM is a universal principle. Every pub landlord knows that the most likely person to step into the pub next is going to be the last person who left, followed by the person who steps into the pub most

frequently, followed by the person who spends the most money in the pub overall. RFM is true in the pub, just as it is in your remarketing campaigns. It's a universal law.

How to Run a Remarketing Ad

If you do this the usual way, you will set up a campaign and an ad set (in Facebook), or a campaign and an ad group (in Google). The ad group or ad set is just a thing in your ad account that holds the ads. Then you tell the network, "Show these ads to these people," and so "these people" is your remarketing audience.

Because audiences are time-limited, people are actually automatically removed from the audience when they pass outside the audience parameters.

If you create an audience of all visits in the last seven days, then on the eighth day a contact is now outside of the seven-day parameter and will no longer see the ads because they're no longer in the audience.

Exclude Buyers (or show different ads)

So now here comes the topic of behavior. In other words, what did people do on your site?

The average website hopefully has something for sale, or a sign-up form. It may have a phone number. It may have a free giveaway or a presentation to watch, or an e-mail list to sign up to.

When somebody makes the purchase and the purchase is complete, that's a conversion. When they have opted in to the e-mail list and they finished that process, that's also a conversion. You want to treat the people who convert differently in your retargeting strategy. They're now a step further along, so you want to show them a different next step. Maybe you show them an ad encouraging them to use the thing they just bought. Especially if they get instant access, like an online course.

The easiest way to do this is to identify the 'thank you' page after the conversion is complete. For example when you place an order on a website, you usually have a receipt page when the purchase is all done. When you fill out a form there's usually a thank you page after the form has been sent, and so a little bit of code goes into that particular page. Sometimes the page can be identified by the page URL, without any changes to the tracking code.

Either way, we presume that the only way someone could have gotten to that page was because they made the purchase or filled out the form, and so we mark them as a 'converter'. Then in addition to all the other things we talked about when you're setting up your campaign or your ad group, you exclude anybody who has already done the action that those ads are asking them to do.

Remember earlier we said your ad should be facing forward. If somebody started to shop and quit halfway through, you don't reference what they did. You just say, "Hey, here's a coupon to come back and make your purchase." Well, you don't want to keep showing them that coupon after they did come back and make the purchase, so you exclude anybody who purchased. Or you show them something else. An upsell offer, or an ad encouraging them to use the product they've just bought. Amazon do that extensively with Amazon Prime.

Should You Use Google Tag Manager?

Google have a free tool for installing code on your website, called Google Tag Manager. Tag Manager was invented because every ad network has its own pixels. If you're running Google Ads, right in your AdWords account there's a place where you get this little bit of code to paste into your website. For someone technical that's copy and paste job. But a lot of people are just not that technically inclined or don't want to deal with it, and it can be pretty troublesome to get the code installed.

Well, it becomes even more troublesome when you're trying to do it for Google Ads and for Google Analytics and for Facebook and for Twitter and for LinkedIn.

So to ease the pain, Google invented this thing called Tag Manager where you only ever go install code in your website just one time, then every time you need a new bit of code, all you do is log in to your Tag Manager account and set it up. It's supposed to be drag-and-drop.

It's an ingenious concept. But the funny thing is I (Jonathan) have found that people find more ingenious ways to break it than you would ever imagine, and the number one break is they don't install it right in the first place. It was meant to make life easy because, supposedly, you only do it once. Well, if you only do it once and you did it wrong, then you've got a recurring problem.

Now, in addition to that, this is kind of unexplainable, but I have fixed more problems by removing Tag Manager as a whole and then just reinstalling a fresh installation. I'm probably wrong but I just don't fully trust it (Tag Manager). I'm possibly a control freak. I like to see exactly what code is on what pages.

Link Google Ads to Google Analytics

You can link your Google Analytics and Google Ads accounts. They are both Google products and under the hood, you can click a button and Google will then start passing data back and forth between the two.

You can then use Google Analytics to build more complex retargeting criteria, for example people returning visitors who spent more time on site (i.e. they have a high RFM score). Which is more advanced but worth doing if you have a lot of website traffic.

Go Beyond Google Display

When most people think about remarketing, they think about remarketing on websites on the Google Display Network. But you can also re-market on Google Search and on YouTube. Everybody has seen an ad when you go to play a video on YouTube, and some ad runs first before you get to the content you were hoping to see. So those are the three kinds (search, display, video). Plus you can run retargeting ads on Facebook, LinkedIn and Twitter.

There's a principle of ubiquity here. If a potential customer first finds you on a Google search but never sees you anywhere else, your amount of attention will be narrowly defined by one interaction.

Whereas if they also see your banner ads on other sites and your video ads on YouTube, you're coming to their attention more frequently and in more places. You're also appearing in different modalities. You're combining text, images and video. There's some powerful psychology behind the information coming from these different avenues at the same time.

People see your ads in different places within a short time frame of each other. If you're a small advertiser and you can put your ads on even just three different platforms, so Google Ads, Facebook, and YouTube, for example, you begin to look, even on a very small remarketing budget, like you're a mass advertiser with a billion-dollar budget.

I know people who've done systems like this, where customers have literally told them, "Wow - I see you everywhere. You must be as big as Coca-Cola because I can't get away from your ads." They think that you're just spending billions on ads and you must be this big company, when in fact, you're not. You're very carefully showing your ads only to the people who are interested in you, but this method of showing your ads in multiple places causes people to really see you throughout the day. And again, you're limiting your spend by only spending money on recently engaged contacts.

If you ride a bicycle at night and you have bicycle lights. If you have two small lights on your handlebars, someone in an approaching car sees that as one big light. They don't see two little lights and it's this magnification effect. Having your ad on multiple sites has a very similar magnifying effect. One plus one does not equal two.

So I was working with a client who sold copperware; so kitchen stuff, pots and pans and plates. What they found was that when they ran Facebook traffic, it seemed like the Facebook traffic was not profitable. People were clicking on Facebook but not buying, according to the Facebook stats. But their AdWords campaigns on Google Search were very profitable and when they shut the Facebook ads off, their Google conversions dried up.

What was happening was people were on Facebook thought, "Well, that looks pretty," but instead of clicking and buying, they were actually clicking on the Google ad later on and buying then. They were not going to go to Google and search because they had never heard of the company before; they only knew about it once they'd seen the Facebook ad. But then they weren't buying directly from Facebook. It's like two legs of a system that really cannot work separately.

If you remember that your sales funnel is all the events that led up to someone first hearing about you and finally making the purchase. Seeing your ads multiple times and in different formats, you could consider each one of those has facilitated a customer's progress through that chain of events. We call the steps in the middle an 'assisted conversion'. Everything they ever saw from you helped the journey, even if they didn't buy or convert from the video they watched in the middle.

Planning Your Remarketing Ads

Remarketing becomes simple when you view the whole thing as the same customer journey; the series of events in the buying process. To plan your campaigns and keep track of everything you have to write out the typical, most common journey. You should plan your remarketing campaigns around how most people buy when they are researching your topic.

You can start simple, with a single remarketing campaign on a single ad network. Maybe the first step in your customer journey is people arriving at your website, however they got there. You write that down as step one and then step two is they see an ad. They came to your site, now they're going to see an ad, that ad is sending them to a second page, which is your next event. Maybe the second event is a key video or blog post. Maybe the third event is somebody booking a call with you.

Your remarketing ads help someone get from one step to the next. It's like a hop.

You can also change the ads you show someone over time, even within a single step. Let's say you have a one-day audience and a seven-day audience. What you do is in the ad set for the longer audience, you **exclude** the short audience. So people don't get burned out seeing the same ad for a long time.

As soon you move forward with remarketing, you want to be showing people different messages over time. If they don't come back and buy in the next few days, then maybe you want to show them a video, or send them to a blog post, or change up the offer. Don't just hammer people over the head with the same offer that they've already said no to.

People begin to shop and they leave the shopping cart for all kinds of reasons. Maybe their phone rang. Maybe their dog barked. Maybe it was time to go to a meeting. For very recent visitors just simply reminding them to come on back and finish shopping is fine. But you don't want to jump up and down and keep saying, "Buy! Buy! Buy!" for the next 30 days. At some point, you would switch to what we generally call nurturing content instead of sales content.

Think of it as a conversation. Let's say you were just having a conversation with a potential buyer, how would that conversation actually go? You wouldn't just say the same thing over and over on repeat. A natural conversation doesn't work like that. We listen and we adjust.

This is the basis of marketing nurture, and nurture is about serving and providing value. It's about setting the groundwork for a future sales conversation, even though they're not quite ready for that sales conversation today. They might be interested, but not ready to buy just yet. In which case you need a wider variety of remarketing ads.

Where To Start

The safest way to start with remarketing is to prioritize recency by running ads to shorter audience durations, and then think about RFM (recency, frequency, money). Spend more of your remarketing budget on people with a higher RFM score.

This depends on how much data you have. If you have a large website, then it makes a lot of sense to target short specific audiences: people who viewed specific pages in the last day or two. If your web traffic is lower you're going to have to serve longer audience durations. The solution in that case is to build a bigger audience, say two months or three months.

With remarketing, sophistication follows scale. Just start with what you can achieve this week, based on your current website traffic.

So when things are small and starting out, you may literally have just one general audience of all recent website visitors. The second audience you would build is your converters. As your site grows

and you get more people to it, then you can start breaking down your audiences by content, like which pages they visited.

Every one of those things becomes a subdivision and you can't subdivide unless you have sufficient volume to do so.

I (Rob) sometimes find that clients spend way too long strategizing over this and not getting stuff live. Until you get an ad live, everything is hypothetical and you simply don't know what will work. So don't over-complicate it to begin with.

Many of us who work in marketing like the possibilities remarketing can provide, and it's easy to over-complicate or get carried away. We regularly see people get stuck thinking about how it should be done.

Remarketing is an inherently safe way to run ads, IF you limit your ads to short audience durations. You're best adopting a ready-fire-aim approach, not a ready-aim-fire approach. Keep it slightly simpler in the beginning and just get something running.

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