

Layering Success: How To Target High-Intent Users In Google Ads via @sejournal, @LisaRocksSEM

In an increasingly data-driven advertising world, getting your ads in front of the right people can make all the difference.

One powerful way to achieve that is through audience layering in Google Ads.

By stacking multiple audience signals like remarketing lists, in-market segments, and more, you can deliver highly relevant ads and zero in on high-intent users.

Audience layering can be complicated. Let's dive into what audience layering is, the key components, and an example demonstrating how you can start using it effectively in your campaigns.

What Is Audience Layering?

Layering audiences in Google Ads means combining different audience targeting methods within a single campaign or ad group.

Instead of targeting just one broad group, you stack multiple criteria to create increasingly specific segments of users.

By filtering out less-qualified traffic, layering helps you focus on the people most likely to be interested in your products or services.

This approach allows you to refine your ad spend by reaching more qualified groups and speaking directly to their interests

or behaviors.

As a result, you can reduce wasted spend and improve overall ad performance.

What Are The Benefits Of Layering Audiences?

- **Targeting Efficiency & Relevance:** By layering audiences, you're showing ads to people most likely to be interested with messaging more relevant to each group's specific needs. This reduces wasted ad spend, leading to higher conversion rates.
- **Better Control Over Bidding:** Layering allows you to bid differently for different audience combinations. You might be willing to bid higher for users who are your ideal customers and also okay with branching out a bit on other targeting.
- **Enhanced Insights:** By analyzing the performance of different layered segments, you gain valuable insights into which audience combinations work best. This helps you optimize your campaigns and allocate your budget more effectively.

Which Types Of Audiences Can Be Layered In Google Ads?

Let's look at the types of audiences we can choose from that are eligible for using together for advanced targeting. You can layer the following audience types (with exceptions noted below):

- **Remarketing Lists:** Target people who previously visited your site, used your app, or engaged with your YouTube channel.
- **In-Market Audiences:** Reach users actively researching or

comparing products/services in your category, ideal for capturing high-intent shoppers.

- **Affinity Audiences:** Group users by broad interests or lifestyles, such as “Pop Music Fans” or “Outdoor Enthusiasts.”
- **Customer Match:** Use your own customer relationship management (CRM) data (e.g., email lists) to re-engage known customers or leads who have already shown interest in your brand.
- **Audience Segments:** Formerly called “custom affinity” or “custom intent,” these let you define audiences based on URLs, apps, or keywords relevant to your niche.
- **Detailed Demographics:** Refine your targeting based on age, gender, parental status, household income, and other demographic factors.
- **Combined Audiences:** Create more complex targeting by combining different audience segments for Display, Video, Discovery, and search campaigns. This primarily uses “AND” logic, meaning you target the **intersection** of the combined audiences. For example, you can target users who are **both** on your remarketing list **and** in a specific in-market audience.
- **Life Events:** Target users in display and video campaigns based on significant life moments, such as graduating college, getting married, or moving.
- **Location Targeting:** While not an audience, is also a crucial component and often serves as a foundational layer upon which other audience targeting is applied. For example, you might target people interested in “movies” (an Interest) who are **also** located within a specific city or region to advertise your theater.

By strategically layering these audience segments – and considering location targeting as a base layer – you can significantly improve the relevance of your ads, reaching the most qualified potential customers.

What Is Targeting And Observation?

The concepts of Targeting and Observation are directly related to audience layering strategies in Google Ads.

They determine **how** your layered audiences interact with your broader targeting settings and influence who sees your ads and how much you bid for those impressions.

Here's how they relate:

Targeting Only And Layering

When you use Targeting with multiple audiences, create an "OR" relationship where the searcher can be served ads if they belong to any of the audiences.

If you use location as a base, you create a **restrictive** layering effect. Think of it as an "AND" relationship here. A user **must belong to all** targeted audiences to see your ad.

- **Example:** You target people who are "travel buffs" AND people located in Oregon. Your ad will only be shown to users who meet both criteria. Someone interested in travel but located in California would not be served ads. Someone in Oregon who isn't interested in travel would also not be served ads.

Observation And Layering

By adding audiences in Observation, you are **not directly targeting** the observed audiences. The primary purposes of adding an audience to Observation are:

- **Gathering Statistics/Insights:** Observation allows you to see how different audience segments perform **within your existing targeting**. You can analyze metrics like conversion rate, cost per action (CPA), and return on ad spend (ROAS) for each observed audience to understand

which segments are most valuable.

- **Making Bid Adjustments:** Based on the performance data, you can adjust your bids for observed audiences. Increase bids for high-performing segments and decrease bids for lower-performing ones. This allows you to optimize your bidding strategy without restricting your reach.
- **Example:** Your base targeting is the keyword “Outdoor Gear.” You then add “travel buffs” and people located in Oregon as **observed** audiences. Your ads can be shown to anyone searching for “Outdoor Gear.” However, you might bid **higher** for users who are also interested in travel (showing stronger purchase intent) and even higher for those travel buffs who are **also** located in Oregon (your primary target market).

This approach allows for a broader reach while still prioritizing high-value segments through bid adjustments.

Layering Strategies And Targeting/Observation

Effective audience layering strategies often involve a combination of Targeting and Observation. Here are a few common approaches:

- **Start With Observation:** Begin by observing multiple audiences to gather performance data and identify high-performing segments.
- **Transition To Targeting:** Once you identify a high-performing observed audience, you might switch it to Targeting to focus your budget exclusively on that segment.
- **Hierarchical Layering:** Use Location or Demographic targeting as your base layer, and then layer on additional audiences, such as In-Market, Affinity, etc., as observations to refine bidding.

By understanding the interplay between Targeting and Observation, you can create sophisticated audience layering strategies that maximize reach and improve data gathering for optimal targeting.

Screenshot of Google Ads (settings by author), January 2025

Which Campaign Types Support Audience Layering?

Audience layering, using both Targeting and Observation, is available across several Google Ads campaign types, but with some differences in functionality and availability of audience types.

The campaign types below are all supported, but have slightly different use cases by campaign:

- **Search Campaigns:** Refining targeting based on user intent and demographics, particularly for reaching users who have previously interacted with your website (remarketing) or are actively researching relevant products/services (In-Market).
- **Display Campaigns:** Reaching users based on interests, demographics, and browsing behavior across the Google Display Network. Layering is a key strategy for narrowing your audience and improving the relevance of your display ads.
- **Video Campaigns (YouTube):** Reaching users based on their YouTube activity, interests, and demographics. Layering allows you to target specific viewer segments and optimize your video ad campaigns for better engagement and conversions.
- **Demand Gen Campaigns:** Demand Gen campaigns are designed to drive conversions and generate leads. Audience layering allows you to refine your targeting to reach users who are most likely to convert and cater your sales messaging to those segments.
- **Performance Max Campaigns (Special Case):**
 - **Targeting (Limited):** While Performance Max campaigns use audience signals, you don't directly set Targeting or Observation in the same way as other campaign types. You provide Google Ads with "audience signals" (including your website, customer lists, and other audience segments) to help the system understand your ideal customer. Google's automation then uses these signals to optimize targeting and reach the most relevant users across various channels. Google notes: "However, this isn't a guarantee that ads will be served to only users within these audiences. If it's determined that other segments of users are

converting well, ads will be served outside of users specified in the audience signals.”

- **Audience Signals:** You can provide a wide range of audience signals, including website visitors, customer lists, custom segments, and interests. These signals act as a form of layering, informing the system about the characteristics of your target audience.

Key Considerations:

- **Campaign Goals:** Your campaign goals should inform your audience layering strategy. For example, a campaign focused on brand awareness might use broader targeting with Observation for bid adjustments, while a campaign focused on conversions might use more restrictive Targeting to reach highly qualified leads.

By understanding how audience layering works across different campaign types, you can adapt your targeting strategies to achieve your specific marketing objectives.

How Do I Set Up Audience Layering In Google Ads?

It can be a bit confusing knowing how to set up audiences and layer them in Google Ads. The following steps will get you there:

1. Campaign > Select the campaign for which you want to apply audience layering.
2. In the side menu > *Audiences, keywords, and content* > *Audiences*.
3. Look to the right > *Audience segments* > *Add Audience segments*.
4. Pick a campaign or ad group from the pop-up menu.
5. Select the “Targeting” or “Observation” radio button – you can only choose one.

6. Search or browse audience categories.
7. Add Audiences > Select the audiences you want to layer.
8. Save.
9. Set Bid Adjustments (for Observation): After saving, you'll be kicked back to step 3. Here, choose "show table," where you will see the list of targeting you selected. There is a field to edit/add bid adjustments.

Audience Layering Example

Let's look at an example of how we can layer audiences for a fictitious company selling kayaks in-store in the state of Oregon, USA.

Targeting Recommendation

1. **Location Targeting:** Focus on geo-targeting cities/towns near popular kayaking spots in Oregon.
2. **In-Market Audience Targeting:** Layer "Water Activities Equipment & Accessories" and "Outdoor Recreational Equipment" in-market audiences.
3. **Affinity Audience Targeting:** Layer "Outdoor Enthusiasts," and "Water Sports Enthusiasts" to reach users who have a general affinity for these lifestyles.

Explanation And Justification Of Layering:

Layer 1: Location Targeting (Cities Near Kayaking)

This layer focuses on users physically located near popular kayaking destinations in Oregon who are geographically more likely to be interested in kayaking activities in Oregon.

This recommendation is standard for a business offering location-specific services or targeting local customers.

It ensures your ads are shown to people who are geographically

relevant and more likely to visit your physical store or participate in kayaking activities in the area.

Layer 2: In-Market Audiences (Water Activities Equipment/Outdoor Recreation)

This layer targets users actively researching and considering purchases related to water sports gear and outdoor recreation.

This signals a higher purchase intent compared to users who simply have a general interest in these categories.

By layering this audience with the location targeting, you're reaching people near kayaking spots **who are also** actively looking to buy relevant products or services, making them highly qualified leads.

Layer 3: Affinity Audiences (Outdoor/Water Sports)

This layer should be in its own Adgroup and then can broaden your reach beyond those actively researching purchases. It targets users with a general affinity for outdoor activities, travel, and adventure.

While these users might not be immediately ready to purchase, they represent a larger pool of potential customers who could be interested in kayaking.

This layer helps increase brand awareness and introduce your kayak company to a wider audience who share relevant lifestyle interests. Since this is a wider audience, it's possible that this ad group would receive more of the traffic than the other ad group. After collecting data, if you need to dial this audience back, you can make bid adjustments to optimize or create a separate campaign for budget control.

By layering these audiences, the kayak store can reach a highly targeted audience (those interested in outdoor activities, located near kayaking spots, and actively researching related purchases) while also reaching a broader

audience of potential kayakers through affinity targeting.

The diagram below further illustrates how this targeting plays together.

Segment “A”: Represents the audience reached where the location and the in-market audience overlap and both are targeted.

Segment “B”: It is likely, but not guaranteed, that a small sample of people will be in all audiences – the in-market, affinity, and in the location targeted. This would be an ideal audience.

Segment “C”: Represents the audience reached when both in the location and in the affinity audience list.

Diagram created by author, January 2025

How Do I Measure Success?

Now that we've explored an example layering plan, let's get ready to evaluate the success of layered audiences.

Like most campaigns in Google Ads, focus on these key metrics:

- **Conversion Rate:** Which audience combinations lead to the most conversions (sales, leads, etc.)? A higher conversion rate indicates a more qualified audience.
- **Cost Per Conversion (CPA):** How much does it cost to get a conversion from each layered audience? A lower CPA means you're getting conversions more efficiently.
- **Return on Ad Spend (ROAS):** For every dollar you spend, how much revenue are you generating from each layered audience? A higher ROAS indicates a more profitable audience.
- **Click-Through Rate (CTR) (Secondary Metric):** While not a direct measure of success, a higher CTR can suggest that your ads are resonating with a particular audience segment.
- **Impression Share (For Targeting):** If using Targeting, monitor the impression share to see if you're reaching all available users within your targeted audience. A low impression share could suggest that your bids are too low or your targeting is too specific.

By analyzing these metrics for each layered audience, you can identify valuable segments, optimize your bids, and refine your targeting.

Final Thoughts

Audience layering stands as a cornerstone strategy for PPC professionals looking to maximize their advertising impact in today's rapidly evolving digital landscape.

By strategically combining audience signals, you create targeting precision that directly impacts your bottom line.

Successful audience layering isn't set-and-forget. Your commitment to understanding and applying these strategies will directly impact your campaign's success.

The power lies not just in the layering itself, but in your approach to selecting, measuring, and optimizing these combinations over time.

More Resources:

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