The data problem in Google Smart Shopping campaigns [Video]

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Smart Shopping and standard Shopping campaigns provide various degrees of control and flexibility to merchants advertising on Google's platform. However, advertisers need to be aware of the limited insights inherent to Smart Shopping campaigns, as well as what the metrics provided actually convey.

During our Google Shopping session of Live with Search Engine Land, Mike Ryan, product management lead at Smarter Ecommerce, discussed what advertisers need to be mindful of with regards to these potential problems.

Smart Shopping campaigns, which use machine learning to automate bidding and placements, are a convenient option for advertisers and merchants that don't have the bandwidth to manage standard Shopping campaigns and also offer exposure on multiple channels. The drawback, though, is that Smart Shopping campaigns don't provide insights into search terms, audiences or placements.

"If they would be supplying more data and reporting options, the challenge is that it would agitate users because it would raise questions in their minds: they'd want to touch things, they'd want to fix things or change things," Ryan said, paraphrasing what he heard from a Google employee during the Google Shopping Expert Series in Vienna. Even if they were given more data, advertisers would not be able to make adjustments to Smart Shopping campaigns because all adjustments are automated.

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more value from automated campaigns

Return on ad spend, or ROAS, is one of the smart bidding strategies available in both standard Shopping and Smart Shopping campaigns. Optimizing on ROAS, however, is challenging, because it doesn't actually indicate how *profitable* your campaigns are. "[It] is just like an efficiency metric," Ryan said, arguing that ROAS conveys efficiency similarly to how fuel economy describes efficiency for cars, yet many advertisers treat the metric like a steering wheel for their campaigns. "This is like some kind of a false comparison when people think, 'Oh, I have good ROAS, my campaigns must be profitable'; it's a big assumption and there's a huge difference," he said.

Why we care. Knowing what particular metrics convey allows advertisers to evaluate them appropriately and make better campaign decisions. In addition, being aware of what data isn't being provided can also enable advertisers to get creative and find ways to extract more value from their automated campaigns.

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