



DefShop's experiment proves that the Google Display Network drives sales and brand awareness

About DefShop

- European online retailer of streetwear and hip hop clothing
- Headquartered in Berlin
- def-shop.com

Goal

- Understand the real contribution of dynamic remarketing and drive higher efficiency in marketing spend

Approach

- Implemented a dynamic remarketing campaign on the Google Display Network
- Set up a randomised, controlled experiment on product and cart abandoners

Results

- Dynamic remarketing drove an incremental 12% increase in purchases, 23% more site visits and 38% more brand search queries among exposed users

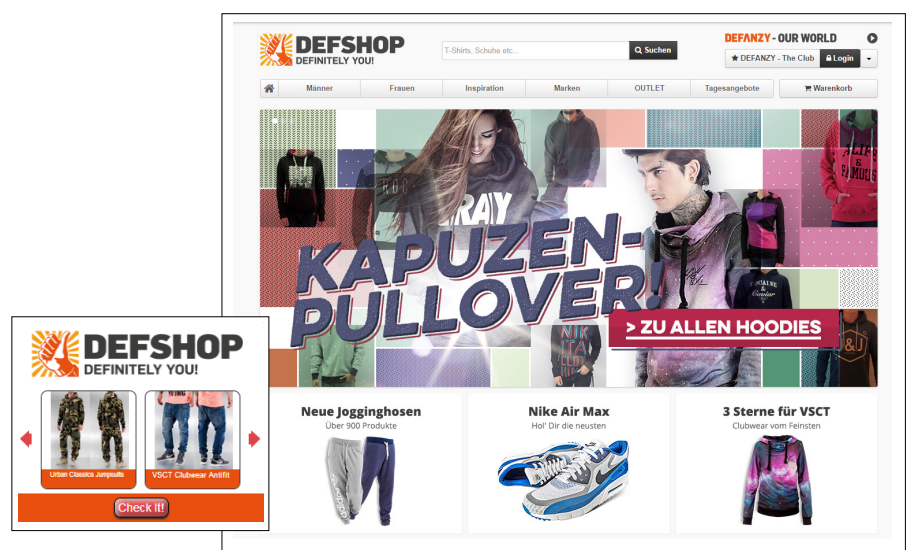
The biggest online shop for streetwear and hip hop clothing in Europe, DefShop sells over 200 international brands in a product portfolio of more than 22,000 products. Marketing Manager Matthias Spangenberg's primary goal is to drive marketing ROI using the latest digital techniques. "We're a family business," he says, "so that's why we're naturally forced to double-check every cent we invest. For us it's about the magic of planning, taking risks, measurement and being as profitable as possible."

From feeling to knowing

DefShop implemented a dynamic remarketing campaign on the Google Display Network, enabling the brand to reach previous site visitors with customised ads and bids. As part of the activity, Matthias was keen to assess the true value of this audience targeting. "It was about really understanding remarketing's impact on our business, going from having only a 'feeling' of what our ads might be driving to actually 'knowing' their direct impact. And knowing is a much better feeling!"

Putting it to the test

By setting up a randomised, controlled experiment on DefShop's product abandoner and cart abandoner segment, Google helped the company understand the incremental value of dynamic remarketing. "In the past it was not possible for us to measure the incremental revenue of our campaigns," says Isabel Renner, Head of SEA. "We tried different testing methods, but none of them had been as accurate as the testing methodology developed by Google."



DefShop's dynamic remarketing campaign on the Google Display Network served customised ads to previous site visitors (left) and drove traffic to the online shop (above)

"Successfully using data for decision making should be part of every ecommerce company's DNA, so the goal of our incrementality experiment was about really understanding remarketing's impact on our business, going from having only a 'feeling' of what our ads might be driving to actually 'knowing' their direct impact. And knowing is a much better feeling!"

— Matthias Spangenberg, Marketing Manager, DefShop

Users were split into a test and control group. For control users, no Defshop remarketing ad was shown; instead, the second-highest ad in the auction was served. This experiment design allowed a direct comparison between those users who had seen an ad with those who would have seen it, eliminating measurement distortions that come with testing methodologies usually used in the industry, like running a non-relevant ad campaign in the control group. After three weeks, DefShop assessed the behaviour of the test and control group users.

Insights take DefShop to the next level

The test produced statistically significant insights for DefShop, showing that the dynamic remarketing campaigns were successful in both driving more sales and increasing brand awareness. Not only did the experiment demonstrate positive and significant uplifts in the number of purchases (+12%), but also on site visits (+23%) and in the number of brand search queries from exposed users (+38%).

DefShop's next step will be to test different user segments and adapt the insights from the test to the brand's other markets. "It is crucial for us to find the right media mix for the right user segment at the right time," Isabel says. "Testing with Google will help us to approach this goal step by step. It is also a matter of refining budget allocation, discovering which segments are brand segments and which ones are performance. For this we are investing time and analytical resources to optimise our display strategies to the next level."