## **Otrium**

**Multi-market PPC strategy** 



BY DDMA iab.







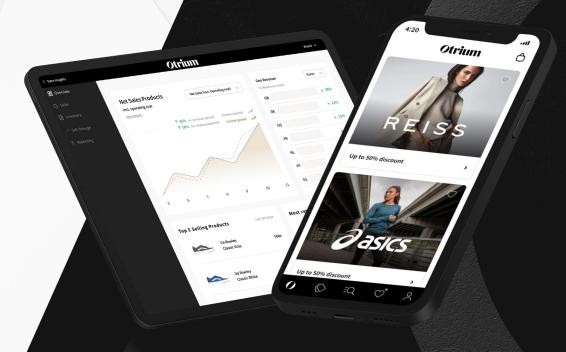












#### Introduction

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#### Philip Sonneveldt - Lead Paid Search at Otrium

- 10+ years online marketing experience
- Strong background in performance marketing
- Padel, kitesurfing and cycling





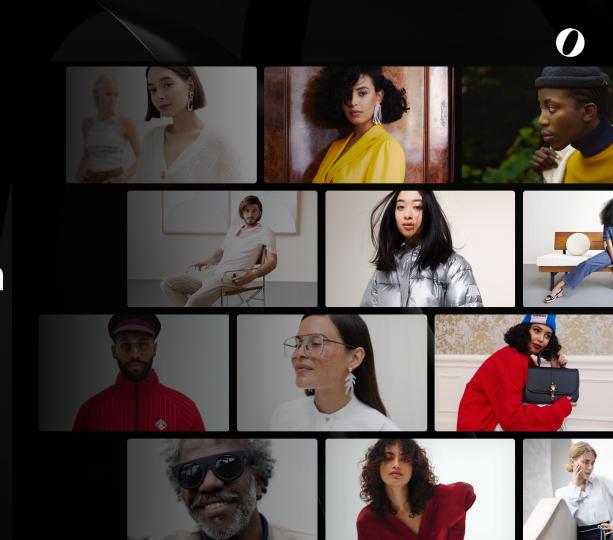


#### "Fun" fact:

Friends of Search 2021 awards: finalist (Albert Heijn omnichannel case)

Our purpose

# All clothing should be worn



#### The state of fashion

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of fashion stays unsold

These unworn items end up at stock buyers for cents on the dollar, in landfills or get burned. An unacceptable waste for the resources that went in and for the people who miss out.





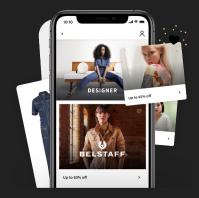
## Our northstar



#### Otrium is set to become the gateway for off-price fashion



#### For customers



Most personalised off-price fashion shopping experience Physical outlet stores replaced with a bespoke digital outlet in everyone's pocket.

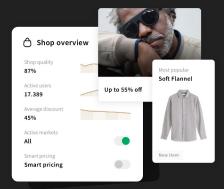
#### For designers



## Leading marketplace for managing unsold inventory B2C

Fewer resources wasted because every item produced finds an owner.

#### For designers



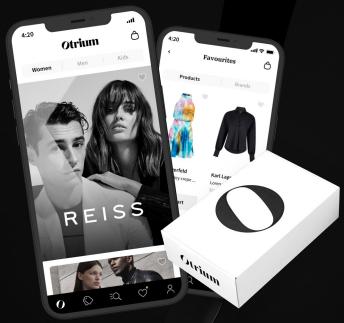
## The premier destination for buying "Data Made Fashion"

Hit & miss trend-forecasted production superseded by data & demand-driven production.

## We are growing rapidly

## 0

#### **B2C USAGE**





4.6/5 42k+ reviews

#### **B2B USAGE**



## **Active in 9 core markets**







## Let's talk about PPC



BY DDMA iab.

REISS











Up to 50% discount



Up to 50% discount



Otrium



Otrium

**BALENCIAGA** 

Net Sales Products





Designers are demanding

Marketplace dynamics

**Business objectives** 

Way of working

Each designer (400+) has their own set of rules and promotion settings (per market): we have to play by the book













## Paid Search is challenging at Otrium



Designers are demanding

Marketplace dynamics

**Business objectives** 

Way of working

Constant battle between product availability and stock



200.000+ SKU's



400+ designers



Rapidly changing stock + low stock depth



9 core markets





Designers are demanding

Marketplace dynamics

**Business objectives** 

Way of working



- 1. Maximize GMV
- 2. Improve sell-through %
- 3. Growing **new** customer base





Designers are demanding

Marketplace dynamics

**Business objectives** 

Way of working

Because of the complexity, the required control and a **low quality feed** a lot of work was done manually





## Because of the high level of required control we can't leverage Smart Shopping and Performance Max campaigns

**Smart Shopping** 

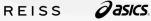
**Performance Max** 

## Our 2.0 strategy





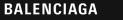












Otrium

Net Sales Products



Up to 50% discount



Up to 50% discount



Otrium





## Key pillars for our multi-market strategy: automation, control & dataactivation



#### **Automation (!)**

- Text campaigns
- Shopping campaigns
- Page feed DSA
- Negative lists
- Quality checks



#### Full control

Tight control over search term visibility and ad-copy for each individual designer, per market

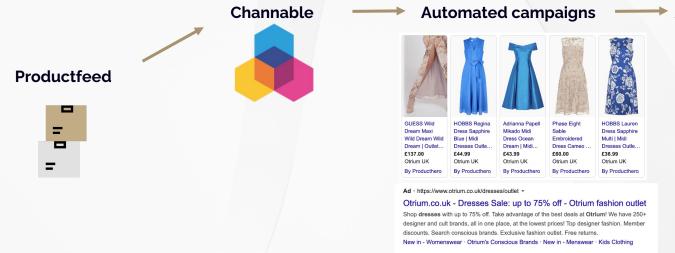


#### **Data-activation**

Steering our campaigns on the right data to align with our business objectives



## The ecosystem we had in mind: using our product feed, Channable and custom scripts

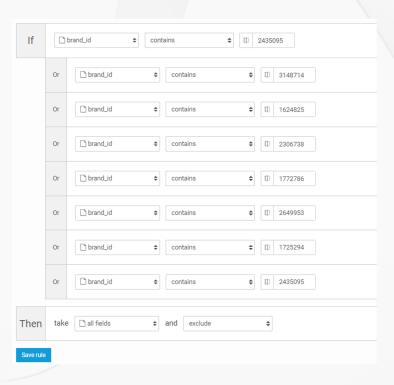


#### **Automated negatives**

- -hilfiger
- -one step
- -ikks
- -etc.



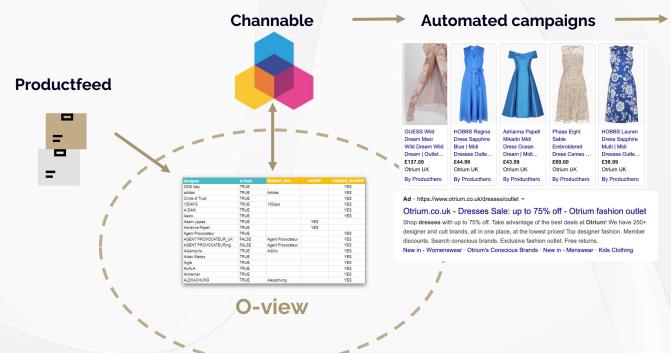
## Because there were so many exceptions per designer: this would lead to hundreds of rules which had to be adjusted frequently



- Excluding too much (missed opportunities)
- Excluding too little (unhappy designers)
- Very time costly + prone to errors

## We introduced the **O**-view



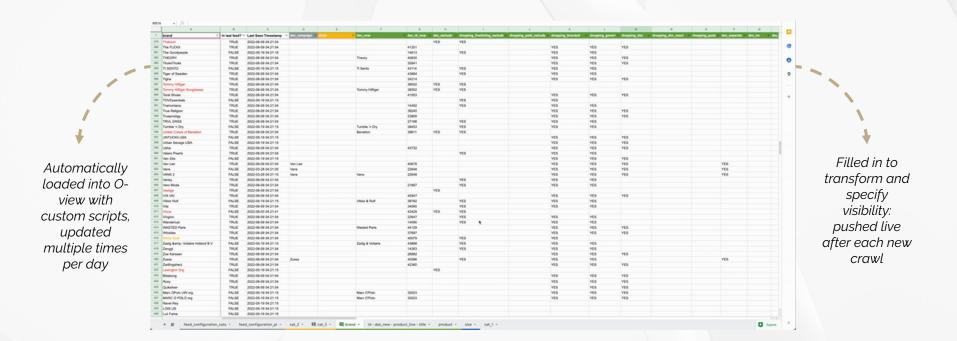


#### **Automated negatives**

- -hilfiger
- -one step
- -ikks
- -etc.

## 

## O-view provides us granular control over 400+ designers





## O-view also gives us the possibility to enrich and map missing variables

brand	≂ In last feed? ≂	Last Seen Timestamp	<b>∓</b> clicks	= des_new	= des_id_new =	des_exclude	shopping_freelisting_exclude	shopping_paid_exclude =	shopping_branded	= shopping_generic =	shopping_des =
0039 Italy	TRUE	2022-03-09 05:21:03			31635		YES		YES	YES	YES
10Days	TRUE	2022-03-09 05:21:03			34215		YES		YES	YES	
A-DAM	TRUE	2022-03-09 05:21:03			43733		YES		YES	YES	
Aaiko	TRUE	2022-03-09 05:21:03			14055		YES		YES	YES	
Adam Lippes	TRUE	2022-03-09 05:21:03				YES					
Adidas	TRUE	2022-03-09 05:21:03			39543		YES		YES	YES	YES
Adidas by Stella McCartney	TRUE	2022-03-09 05:21:03			41614		YES		YES	YES	YES
Adrianna Papell	TRUE	2022-03-09 05:21:03				YES					
Agent Provocateur	TRUE	2022-03-09 05:21:03			34190		YES		YES	YES	
AGENT PROVOCATEUR_UK	TRUE	2022-03-09 05:21:03		Agent Provocateur	34190		YES		YES	YES	
Ai and Ko	TRUE	2022-03-09 05:21:03		Ai&Ko	14672		YES		YES	YES	
Aidan Mattox	TRUE	2022-03-09 05:21:03				YES					
Aigle	TRUE	2022-03-09 05:21:03					YES		YES	YES	YES
Alchemist	TRUE	2022-03-09 05:21:03			14133		YES		YES	YES	
ALEXACHUNG	TRUE	2022-03-09 05:21:03		Alexachung	33507		YES		YES	YES	YES
Alexander McQueen	TRUE	2022-03-09 05:21:03			37593		YES		YES	YES	
Alix the Label	TRUE	2022-03-09 05:21:03			14340		YES		YES	YES	YES
AllSaints Org	TRUE	2022-03-09 05:21:03		AllSaints	39164		YES		YES	YES	YES
America Today	TRUE	2022-03-09 05:21:03			14588		YES		YES	YES	
Anecdote	TRUE	2022-03-09 05:21:03			13119		YES		YES	YES	
Ange Clothing	TRUE	2022-03-09 05:21:03		An'ge	41154		YES		YES	YES	YES

- Mapping missing variables (!)
- Transform variables
- Overwrite ad-copy if necessary
- Enrich individual Shopping feed items



## For Shopping we use the O-view to enrich and overwrite SKU's to increase relevancy

**Before** 

After

#### Title:

Adidas Crazychaos Shoes Black - Women - Size: 40

#### **Description:**

Otrium is a fashion outlet platform up to 75% off. We've got hundreds of designer labels and cult brands all in one place. So enjoy exclusive access to premium and luxury brands with the best deals and unbeatable prices. Otrium offers free returns within 60 days of receiving your order. We give end-of-season fashion a new start. Lots of fashion stays unsold. For the resources that went in and for the people who miss out, it's such a shame. We're here to fix this, together with our partner brands.

Color: -

Images:



#### Title:

Adidas Crazychaos Shoes Black | Sneakers Outlet | Women | Size: UK 6.5 / EU 40 | Black-Grey

#### **Description:**

Running-inspired trainers that rebel against the expected. A runner look fuelled by confidence. These shoes show off uncompromising style in a bulky, retro-inspired build. The smooth leather upper is contrasted with textured suede overlays. Plush cushioning ensures a smooth, comfortable ride. The Crazychaos is a regular fit with large closure and leather upper with suede overlays. The highlights are: superior cushioning, everyday durability and outstanding grip. Otrium is a fashion outlet platform up to 75% off. We've got hundreds of designer labels and cult brands all in one place. So enjoy exclusive access to premium and luxury brands with the best deals and unbeatable prices. Otrium offers free returns within 60 days of receiving your order. We give end-of-season fashion a new start. Lots of fashion stays unsold. For the resources that went in and for the people who miss out, it's such a shame. We're here to fix this, together with our partner brands.

Color: Black/Grey

Images:

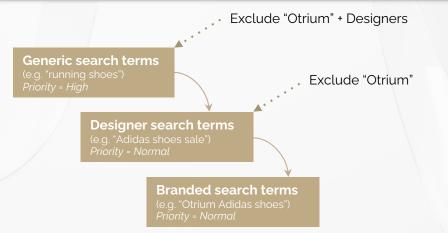




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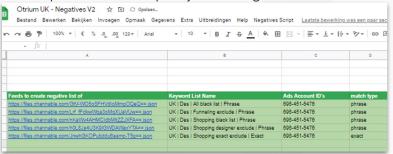
## For Shopping we use a "waterfall" structure to guarantee control

brand	≂ In last feed? ≂	Last Seen Timestamp	= des_new	= des_id_new =	des_exclude =	shopping_freelisting_exclude	shopping_paid_exclude =	shopping_branded		shopping_des =
0039 Italy	TRUE	2022-03-09 05:21:03		31635		YES		YES	YES	YES
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Adrianna Papell	TRUE	2022-03-09 05:21:03			YES					
Agent Provocateur	TRUE	2022-03-09 05:21:03		34190		YES		YES	YES	
AGENT PROVOCATEUR_UK	TRUE	2022-03-09 05:21:03	Agent Provocateur	34190		YES		YES	YES	
Ai and Ko	TRUE	2022-03-09 05:21:03	Ai&Ko	14672		YES		YES	YES	
Aidan Mattox	TRUE	2022-03-09 05:21:03			YES					
Aigle	TRUE	2022-03-09 05:21:03				YES		YES	YES	YES
Alchemist	TRUE	2022-03-09 05:21:03		14133		YES		YES	YES	
ALEXACHUNG	TRUE	2022-03-09 05:21:03	Alexachung	33507		YES		YES	YES	YES
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America Today	TRUE	2022-03-09 05:21:03		14588		YES		YES	YES	
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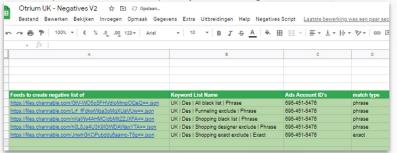
## In Shopping we use a custom script to automatically add or delete negatives

1. In a Spreadsheet, we specify which negative lists have to be created



## In Shopping we use a custom script to automatically add or delete negatives



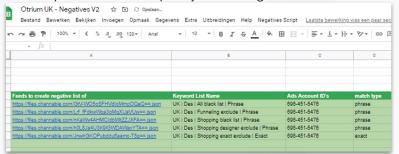


2. The negatives are then loaded into a separate tab; in here we specify if certain combinations have to be created

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paule k	WAAR	2022-03-22 17:08:05		{kw} online {kw} men {kw} mens {kw} men's {kw} women {kw} womens {kw} kids {kw} store {kw} online
philippa k	WAAR	2022-03-22 17:08:05		{kw} online {kw} men {kw} mens {kw} mens {kw} men's {kw} women {kw} womens {kw} kids {kw} store {kw} online
pig and hen	WAAR	2022-03-22 17:08:05		{kw} online {kw} men {kw} mens {kw} mens {kw} men's {kw} women {kw} womens {kw} kids {kw} store {kw} online
rag and bone	WAAR	2022-03-22 17:08:05		{kw} online {kw} men!{kw} mens {kw} men's {kw} women {kw} womens {kw} kids {kw} store {kw} online
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royalrepubliq	WAAR	2022-03-22 17:08:05		{kw} online {kw} men {kw} mens {kw} men's {kw} women {kw} womens {kw} kids {kw} store {kw} online

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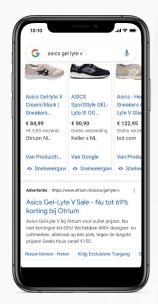
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keyword	In last feed?	Last Seen Timestamp	Send to ads?	Combinations									
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royal republic	WAAR	2022-03-22 17:08:05		{kw} onlinel{kw}	men {kw	mens {kw	men's {kw	women {kw	womens {	kw} kids {	kw} stor	el{kw}	online
royalrepubliq	WAAR	2022-03-22 17:08:05		{kw} online{{kw}	meni@w/	mensi/kwi	men'sl/kw	women!/kw	womens!	kw3 kids(8	ow) stor	elfkw)	online

**3.** The negatives are then automatically pushed to Google Ads: including combinations!

0	▼ Filter toevoegen		DOWNLOADEN	C3 urtvouws
	Zoekwoorduitzonderingen 🛧	Zoektype		
	[paul ka]	Exacte zoekwoorden		
	[paul ka kids]	Exacte zoekwoorden		
	[paul ka men]	Exacte zoekwoorden		
	[paul ka men's]	Exacte zoekwoorden		
	[paul ka mens]	Exacte zoekwoorden		
	[paul ka near me]	Exacte zoekwoorden		
	[paul ka online]	Exacte zoekwoorden		
	[paul ka store]	Exacte zoekwoorden		
	[paul ka store near me]	Exacte zoekwoorden		
	[paul ka uk]	Exacte zoekwoorden		
	[paul ka website]	Exacte zoekwoorden		

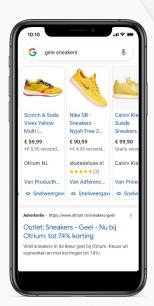


#### It all comes down to maximizing relevancy and increasing visibility



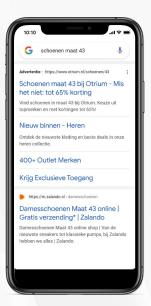
#### **Product-lines**

Product-lines were missing in the feed → mapped in the O-view



#### Colors

Colors were missing in the feed  $\rightarrow$  mapped in the O-view



#### Size

Sizes are used from the feed and synonyms added if necessary (e.g. XS = Extra Small)

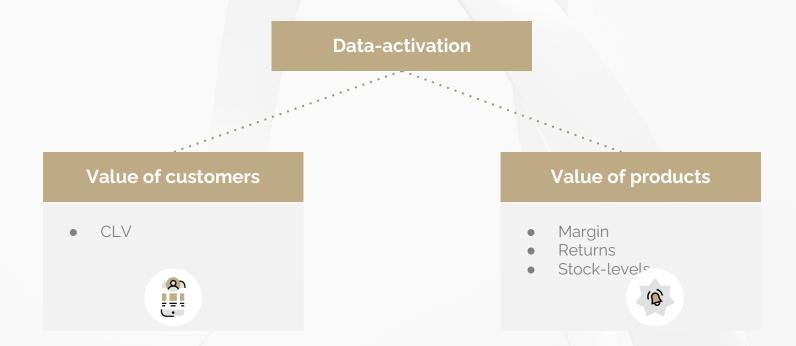
## Our new strategy led to very impressive results straight after implementation



- Quick time to market for new designers
- We are in full control and increased our visibility
- Saving a lot of manual labor
- Increased relevancy (positive impact on all key-metrics: e.g. CTR, CVR, QS, CPC)

## Next steps in data-activation







## Value of Customers: Conversion value rules are used to steer more towards new customers

#### Audiences are created via Customer Match and the tool Segment (CDP):

Audiences:	Loyal customers	Entry customers	Dorment customers	New customers
Conversion Value rules:	0,5	0,7	0,9	1
	The biddi	ng algorithm will now push	n harder for new customer	S



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### Value of Products - tROAS targets determined by profitability of the stock

	Profit	tability	ROAS target	
	Margin	Returns	W	/iP
NA-KD	%	%	Low	
Adidas	%	%	Low	
Scotch & Soda	%	%	Medium	
Daily Paper	%	%	Medium	
Karl Lagerfeld	%	%	High	
Reiss	%	%	High	

#### Take-away of our approach



Requiring very tight control, does not have to be in the way of automation!

Don't be discouraged by a (really) bad feed when you want to automate, plenty of options left: be pragmatic!

Use the right tools for specific tasks in automation, for the remaining 20% build custom scripts!

Examine if pMax (new campaign-types) fits in your strategy; it could be that it does not fit at all

## Thank you! Questions?



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