

Experiment: How COURTS increased profitability with smart shopping ads



Experiment with Google Ads

What we set out to test

Can retailers increase online revenue more efficiently with Shopping ads and Search ad strategies?

The background

COURTS is a leading Singapore-based electrical, IT and furniture omnichannel retailer. Since May 2012, the brand has relied largely on Search ads, with its proven minimum-risk choice, to drive its online sales.

COVID-19 was a game changer for Courts. Several of its branches were closed during Singapore's lockdown phase, prompting the need for a bigger online focus. While the retailer recognised the potential for e-commerce to drive short and long term growth,

it was hesitant to take risks in a time of uncertainty. Given that Search was a proven platform, there was also reluctance to dissect the limited media budget to try automated solutions.

Despite these reservations, Courts' online demand remained high when lockdown measures were eased. Taking this cue to engage consumers more effectively and efficiently, the retailer initiated a Smart Shopping Campaign to test if it could accelerate online revenue and drive a better overall Return on Ad Spend (ROAS).

How we set the experiment up

Courts measured the impact of complementing its existing Search ad strategies with automated Shopping ad solutions.

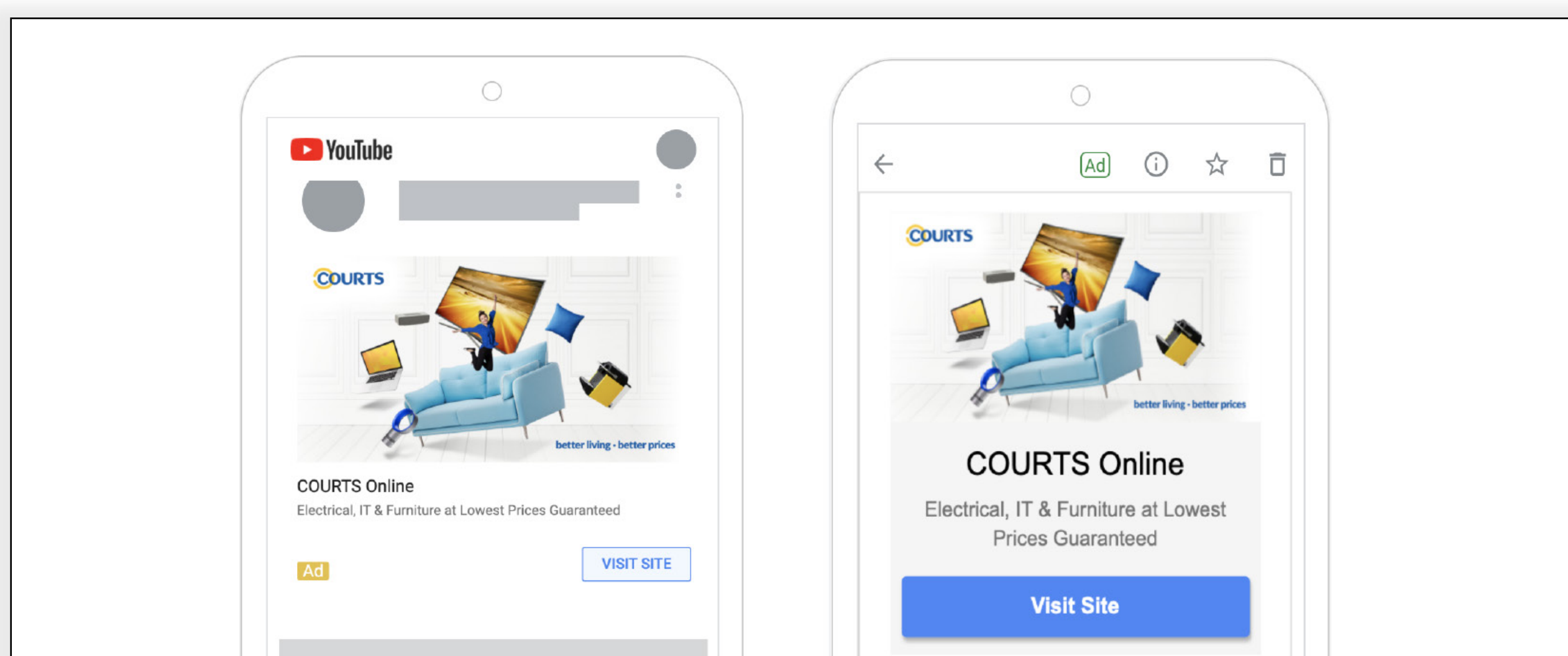
Pre- and post-test phases, each lasting 6 weeks, were initiated once Singapore moved into Phase 2 of reopening.

- **Pre-group:** Generic Search ads only (mix of Maximize conversions and target Return on Ad Spend (tROAS) bidding)

- **Post-group:** Generic Search ads and Smart Shopping Campaign*

*Optimizing towards online sales value on COURTS' e-commerce site with Maximize Conversion value bidding strategy.

After running the experiment for 6 comparable weeks without seasonal bias, Courts compared its performance before and after adding Smart Shopping Campaigns into its overall media mix.



COURTS Singapore's ads placements across multiple platforms drove impact for the brand.

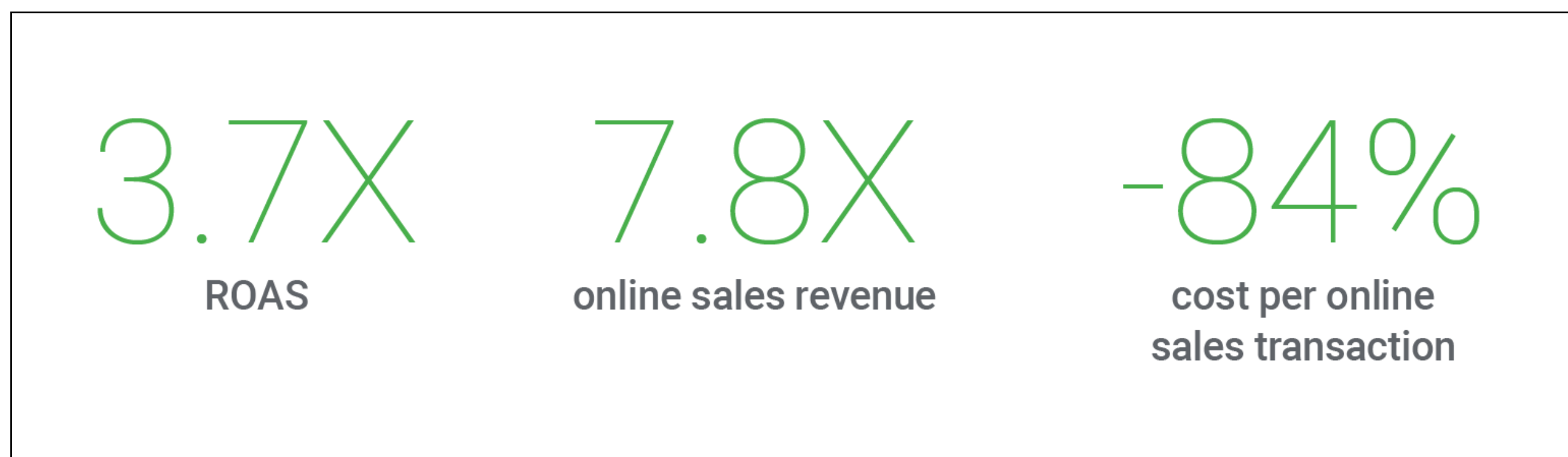
Solutions we used

- [Smart Shopping Campaigns](#)
- [Maximize conversion value bidding](#)
- [Target ROAS bidding](#)

What we learned

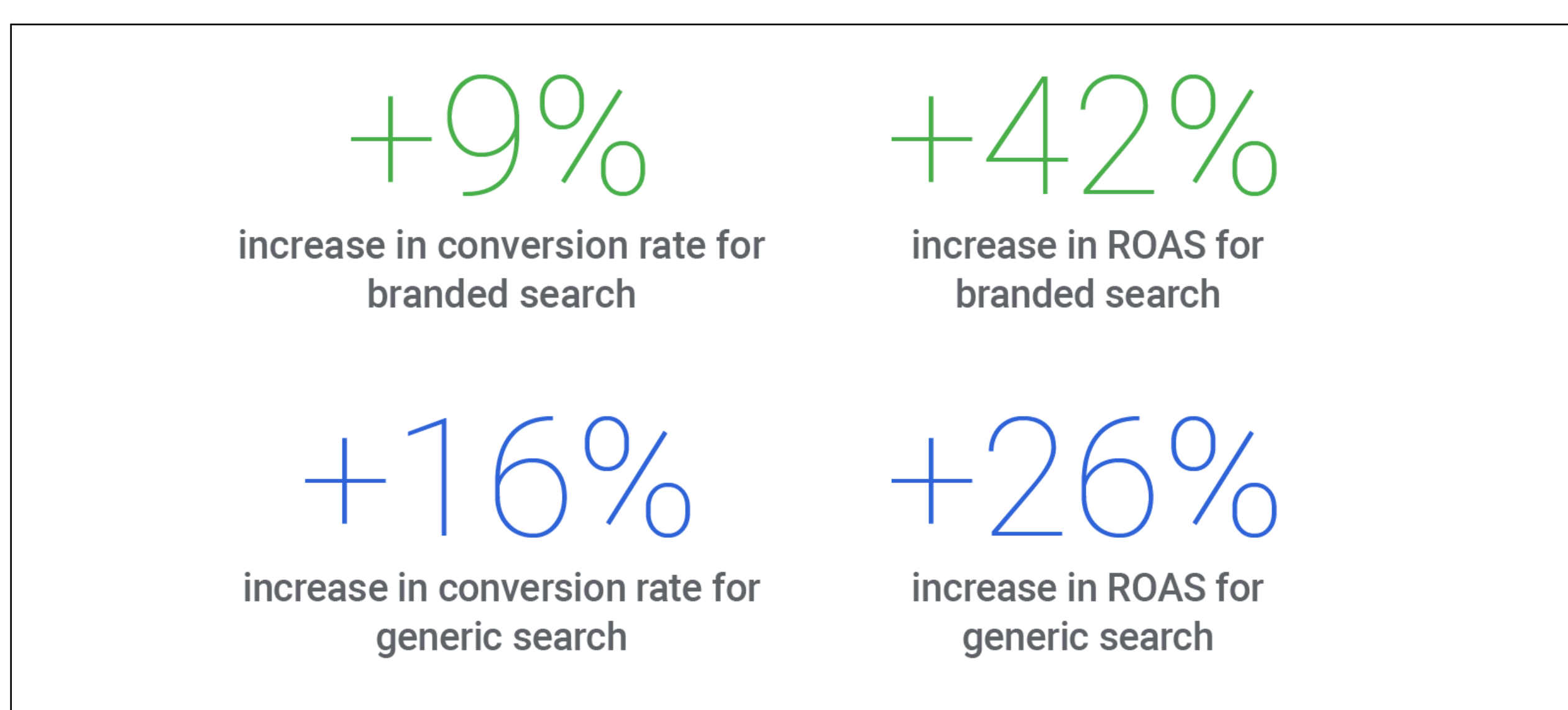
Brands can optimise campaigns across different formats by using machine learning and automation. By adding Smart Shopping Campaigns into its mix, Courts increased its:

- Online sales revenue by 7.8x at -84% cost per online sales transaction
- ROAS by 3.7x



A comparison between the start and end of the trial revealed surprising cross-platform compatibilities on its existing Search campaigns:

- Branded Search saw a +9% increase in conversion rate and a +42% increase in ROAS
- Generic Search registered a +16% increase in conversion rate and a +26% increase in ROAS



The experiment proved that combining Search with Shopping actually drives incremental value. Courts has since adopted Smart Shopping Campaigns as the standard for all its marketing plans.

This case study is part of the Experiment with Google Ads Program.