

A woman with blonde hair, wearing a light blue button-down shirt and a colorful beaded necklace, is holding a white smartphone in her right hand and several colorful shopping bags (red, orange, green, yellow) in her left hand. She is standing in front of a yellow background.

Canadian retailers: Are you realizing the full value of your online advertising?

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Today, 77% of in-store purchases are influenced by digital. That raises the question, “What’s the offline value of an online ad?” Here, we look at how one of Canada’s leading retailers uncovered the answer by using store visit conversion data to understand the omnichannel impact of its digital ads.

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Many of today's retailers that advertise online continue to gauge the impact of their campaigns based solely on clicks, impressions, and online sales. That all-too-common practice overlooks one crucial factor: the *offline* impact of online ads. Without measuring offline sales and foot traffic driven by digital ads, today's retailers run the risk of drastically undervaluing their online investment.

Consider this common example: Someone goes online to search for a new pair of shoes and sees an ad from a local sports retailer. After clicking the ad, he or she checks to see whether they're in stock before going to the store to buy. Because that click didn't lead to an online sale, the brand might chalk it up as wasted ad spend—but the customer may never have visited the store without first seeing or clicking the ad.

The reality is that digital plays a pivotal role in the many moments before customers visit a physical store—so much so that 77% of in-store purchases are influenced by digital.¹ Finding an accurate way to measure the tangible offline results of this digital influence presents retailers with a unique challenge.

How store visits are measured with precision

[Store visit conversions](#) have helped connect the dots for a number of major Canadian retailers. To measure a store visit accurately, the tool leverages the same innovative mapping technology that powers Google Maps and Google Earth. The tool can accurately determine the number of users who clicked on a search ad and then visited a physical store by using machine learning models that process hundreds of first-party location signals and aggregated, anonymized data from users who have opted in to activate their location history.

This provides marketers with the data they need to optimize their digital campaigns by device type, locations, and specific keywords proven to drive customers into stores.



Here's what best-in-class Canadian retailer Reitmans (Canada) Limited learned by measuring store visits, and the successes that resulted from using those insights to optimize its campaigns.

Reitmans (Canada) Ltd. realizes the full value of its online shoppers

[Reitmans \(Canada\) Ltd.](#) (RCL), a long-standing clothing retailer that operates six of the most recognized brands in Canada—Reitmans, RW&CO., Penningtons, Addition Elle, Thyme Maternity, and Hyba—hosts five e-commerce sites along with 667 physical locations. Paid search is a key driver of ROI in the company's digital marketing mix. However, without a way to connect the dots between its customers' online searches and in-store visits, RCL was focusing on campaigns driving the highest online sales, regardless of the offline impact.

The retailer decided to take a closer look at what was driving customers to its store locations. Measuring store visits revealed two things:

1. Foot traffic driven by paid search was much higher than the company previously assumed.
2. Some campaigns with relatively low online return on ad spend were driving a significant number of store visits.

After realizing certain campaigns were being undervalued by ignoring their omnichannel returns, the team shifted its focus and optimized toward campaigns with more impact on in-store traffic, even if they weren't leading to as many online sales. The results? In 2016, RCL ad clicks led to more than 250K store visits, with 55% coming from mobile. The retailer also acquired more than 12K new in-store customers from these tactics, showcasing the value of paid search for reaching a wider audience.



+250,000
store visits



55%
of store visits
from mobile



+12,000
new in-store
customers

Today's retail brands can't afford to overlook omnichannel impact

RCL is just one example; in the past year, more than 100 Canadian advertisers with [online business listings](#) have had the ability to measure store visits from ads.

Advertisers with physical store locations that measured store visits as conversions saw:²



more store visits
compared to
online conversions



more store
visits from mobile

By looking at the complete customer journey beyond the last click, marketers can realize the true value of their digital efforts—both online and offline.

Sources

- 1 Google/Ipsos, “Canada Shopping Study,” 2016, Base; In-store transactions n= 1,700, online transactions n=1000.
- 2 Google Internal Data, Oct. 2015–April 2016, Count of aggregated and anonymized post-click online conversions and extrapolated store visits recorded by device among Canadian store visits users.