Extra Space Storage Creates and Tests Ads in Real Time, Increases CTR by 113%

About Extra Space Storage
- Extra Space Storage® Inc. is the second-largest operator of self-storage in the U.S.
- Headquarters: Salt Lake City, Utah
- www.extraspace.com

Goals
- Engage customers with relevant, real-time messages throughout the purchase journey
- Efficiently update ad creative in different ad segments

Approach
- Used Google's ad customizers to create timely and accurate ads
- Tested ad copy with specific audience segments

Results
- Increased overall CTR by 32%
- Grew CTR in second-highest volume-producing ad group by 113%
- Successfully created and tested ads at the customer level

Extra Space Storage® Inc., the second-largest operator of self-storage in the U.S., was faced with a challenge familiar to many brands around the peak holiday season: reaching customers with relevant messages at the right moments. Providing storage solutions for a wide variety of people at the crossroads of life events, such as a big move or change in a family situation, the company needed to find a way to make its ads relevant for very specific demographics. This was especially challenging given that it needed to address 2 million ads.

Segmenting a broad audience

As with many advertisers, the holidays are a busy time for Extra Space Storage. The company's goal is to reach each member of its vast audience with tailored messages. This can be both time consuming and challenging because the brand counts everyone as a customer. After all, the need for a storage solution can happen at any time and to anyone.

Given the scale of Extra Space Storage's business—the company has 1,100 locations across the U.S.—creating campaigns with personalized messages meant it had to prioritize its customers. To do so, it first defined its most valuable customers. For example, at a given time, depending on variables such as market conditions and location, a customer in Los Angeles may be more "valuable" than one in Berkeley.

"Customer segmentation and creating that individual experience for our customers throughout the buying process is one of our goals. AdWords is a big partner in helping us get there," says Cameron Urry, senior interactive acquisition manager at Extra Space Storage.

Once the company defined its audience segments, it needed to find a way to create ads that would resonate at an individual level.

Creating customized ads

Extra Space Storage began the task of segmenting, which would allow it to serve unique ads according to specific demographic and geographic factors. But to be able to successfully deliver these ads, it needed to take the process further and create ad groups for each ad segment.

Clustering similar ad groups across campaigns allowed the brand to test the ad copy that worked the best in a given segment. However, with over 2 million ads to segment, the scale of the campaigns meant the brand's marketing team was faced with an enormous task. It needed a simple solution to dynamically insert targeted information into their ad units and scale the work across millions of ads.

The company turned to Google's ad customizers for help. Ad customizers allow advertisers with multiple campaigns to show relevant ads to their customers in real time. Using a number of inputs, such as information about products, promotional timing, price, and inventory details, ad customizers dynamically generate targeted ads when customers are searching for products.

Extra Space Storage used ad customizers to dynamically insert the number of available units and update that number daily into its ads. To implement ad customizers, Extra Space chose the ad group clusters that performed the best to create the targeted ads. This allowed the brand to test the copy in segments instead of separately creating and testing thousands of ad groups, which meant the brand could test ad copy templates at scale instead of simply testing one ad at a time.
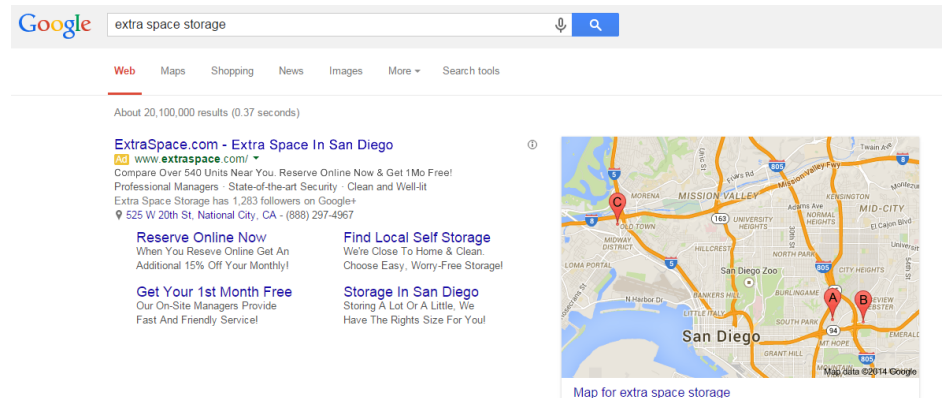
"We loved the ability to use the same ad template across multiple ad groups while still being able to share a unique and relevant message to our potential customers," says Urry.

Increasing CTR with targeted messaging

Implementing ad customizers allowed Extra Space Storage to reach individual customers with relevant, dynamic ads. By tailoring its messages in given ad groups, the company not only engaged its consumers but also improved its CTR performance.

"Using ad customizers to dynamically insert details about price and timing on promotions into our ad text, we increased our CTR by 113%. Google gave us a solution to the growing need to deliver the right message to the right customer. The ability to create and test an ad at the customer level has been a game changer," says Urry.

Following the successful rollout of ad customizers, the company plans to expand the feature across its other ad groups.