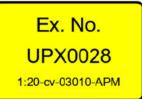
Produced in Native



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Performance Max - Comm Doc

go/PMax-commdoc (for retail/Google Merchant Center customers, see go/PMax-retail-commdoc & for offline MO see go/pmaxofflinecommdoc)

Product Status: Partial launch (rolling out to all advertisers by Jan'22)

Product Type: Google Ads

Last Update: February, 2022

Marketing Objective: Lead Generation, Online Sales (Non Feed)

Feedback/Feature Requests: Submit product feedback or feature requests at go/pmax-feedback

Rollout Status

Performance Max has rolled out to all CIDs <u>that have migrated to Conversion goals</u>. The rest will have access to PMax once the remaining accounts are migrated in January. You can check if your CID has access to PMax in <u>this</u> dashboard.

Overview

Performance Max is the easiest way for **performance advertisers** to serve across all Google properties so advertisers can ensure they're not missing valuable customers and **maximize their performance with Google Ads**.

Performance Max is a new campaign type in Google Ads for advertisers with Online Sales, Lead Generation and Offline Sales (Store Visits/Omnichannel) marketing objectives. The campaign uses the customer's goals as the primary targeting and brings the best of Google Ads automation into a single campaign type to serve across all Google properties (0&O and network) resulting in more online sales, leads or offline sales for our advertisers.

Performance Max campaigns will also become the next generation of Smart Shopping and Local campaigns, which will both upgrade to Performance Max next year.

Performance Max Key Benefits

• Drive more conversions via full automation:

Performance Max on average **drives +13% more conversions at stable ROI** via using the latest automated bidding, dynamic creative, targeting and data-driven measurement technology across all Google Ads channels

• Futureproof growth:

investments will continue to be focused on addressing the needs of enterprise search customers.

There are no plans to make product investments or support enterprise display and video customer needs in SA360. DV360 continues to be the enterprise solution for large agencies and advertisers buying display and video; product investments for all enterprise display and video needs will happen in DV360.

Will all surfaces within PMax perform at parity with search lead gen formats?

Yes, Performance Max runs cross-channel, so advertisers should not plan to evaluate lead quality by product silo. We have made significant progress over the last few years to mitigate poor lead quality across all of our surfaces, and based on preliminary performance we are seeing Performance Max lead quality parity with search. Please note - we recommend that advertisers run Performance Max in parallel with existing Lead Gen campaigns.

Are demographic and Zip Code signals used as explicit signals in Google's Performance Max campaigns?

No, please reference the Google Signal Usage document for additional details on signal usage.

What is externally shareable?

Check out go/PMax-hub for a list of externally shareable resources.

External FAQs

Implementation

Performance Max & Existing Campaigns Conversion Tracking Conversion Goals/Unified Goals Value Rules Assets Audience Signals Final URL Expansion Brand Safety Campaign Settings Improving Lead Quality API Support Optimization Measurement Attribution

3P Measurement

Reporting Troubleshooting Implementation

Performance Max & Existing Campaigns

What is the difference between running Performance Max vs running all existing Google Ads campaigns?

It is true that running all existing Google Ads campaigns will give you similar reach to Performance Max. However, running separate campaigns may still limit performance potential due to not having full automation and by having optimization restrictions created by channel-specific budget silos in existing campaigns.

A single-channel approach to bidding limits your ability to maximize performance. Even if one channel outperforms another on average, you'll still hit a point of diminishing returns. This happens when the next conversion opportunity on a specific channel isn't cost-efficient or even exceeds your CPA or ROI target.

With a more complete view of performance across channels, Performance Max can help you find the next highest-value opportunity, no matter where the customer is spending time. This helps you drive more conversions within your budget and is known as "marginal cost optimization".

We recommend running Performance Max alongside your existing campaigns. It utilizes the latest in machine learning (auction time bidding and data-driven attribution across all channels, automated creatives and automated targeting) to always select the best auctions across all Google channels that are most likely to drive results. There are benefits to running existing campaigns alongside Performance Max as this early version of Performance Max does not have advanced features that existing campaigns may have (such as Conversion Lift studies in Video Action campaigns) and the ability to ringfence premium inventory (such as Discovery campaigns).

How does Performance Max interact with existing campaigns in the account?

Because PMax is eligible to serve on all of Google's inventory, it is likely that it overlaps with one or more existing campaigns that customers are running.

General / simple answer: It interacts with campaign A (say a Display campaign), similar to how any other campaign on that channel would interact (in this case, if you were to add another Display campaign) - Ad Rank will determine which campaign serves the impression.

Nuances:

On <u>Search</u>, it will behave similar to how adding a new DSA campaign will behave*. Queries that
perfectly match a keyword will trump (<u>help center article</u> with more details). If you run keyword
campaigns in a different CID, best practice is to mark the CIDs as equivalent (<u>how to do this</u>).
Beyond that, Ad Rank will determine which campaign serves, which is a function of target
CPA/ROAS, quality score etc. Performance Max does not have keywords, so we recommend
continuing to run keyword Search campaigns alongside PMax, and that advertisers continue to
expand their use of Search automation - RSA, Broad targeting like Broad Match and Smart

Objection Handling

Is Google further consolidating its ad inventory to take more control away from advertisers and make management and performance even more "black box"?

The vision for this product is to maximize the performance of Google Ads for our customers. By increasing the amount of inventory available via a single campaign, we can always choose the best auction across channels that has the highest probability of driving results and meeting the client's business goals and performance targets. In order to do this, Google Ads needs to automate some aspects of the auction like choosing the best bid in real time, the best audience for your campaign goal and the best combination of creative assets that will resonate with customers.

We've heard concerns around Google Ads automation so wanted to share plans around how we want to address these specifically:

- "Automation opts me into things I don't care about": Users will be able to express exact campaign goals in Performance Max, so automation will only serve on auctions that have a high probability of driving results toward the goal(s). Via an integration with the Insights page in Google Ads, advertisers will get new insights that provide transparency into how automation is working in Performance Max to drive campaign goals.
- "Automation is too slow and doesn't leverage my learnings": PMax uses Audience Signals which will
 allow the user to input data to help our machine learning ramp up quicker (e.g. signals about which
 audiences have historically performed well).
- "Automation means I lose valuable insights": We will be launching several new Insights reports that
 explain what our machine learning is doing, what signals are being used, and explanations of
 performance so you can understand why variations are happening in your campaign and how you can
 improve performance. Also, Performance Max will allow our users to optimize one of the most impactful
 components of campaign performance: the ad creative. You'll be able to see things like which audiences
 are converting, top-performing creatives, auction insights, and trending search categories. You can also
 preview how your best ads are showing up on each channel.

How can I drive performance if I can't exclude or control the spend of channels?

Consumers are on all Google Ads channels so spend should be allocated to best ROI not matter what channel. Performance Max is aware of the advertiser's campaign goals and will pick the next best auction to achieve that goal, with the optimal bid and creative, no matter where it is on the Google Ads network. Limiting a channel will limit performance.

Will this replace marketer's or agency jobs?

The aim of Performance Max is to increase performance with less manual effort, allowing our partners to focus on enhancing campaign strategy via using new insights tools from Performance Max and gain a new level of understanding of your customers. Advertisers can also use ad strength reports and continue to refresh their creative assets, one of the most impactful performance levers in Google Ads, so they can optimize for improved