



Retargeting 101

Your Guide to Ecommerce Marketing



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Ecommerce marketers have a tricky problem.

Only about **2%** of your site visitors will end up making a purchase. And that's a big problem — **a 98% problem.**

Driving more conversions from this pool of shoppers is one of the biggest challenges you'll face. As a marketer, you spend quite a bit on increasing traffic to your site. Are you really getting the most out of your investment if the majority of your visitors leave before buying? **Nope.**

Luckily, there's a must-have solution that marketers at every scale can use to drive ROI: Retargeting. Retargeting is a winning way to remind shoppers of their initial interest, and bring them back to complete their purchase.

Let's take a closer look.

What is Retargeting?

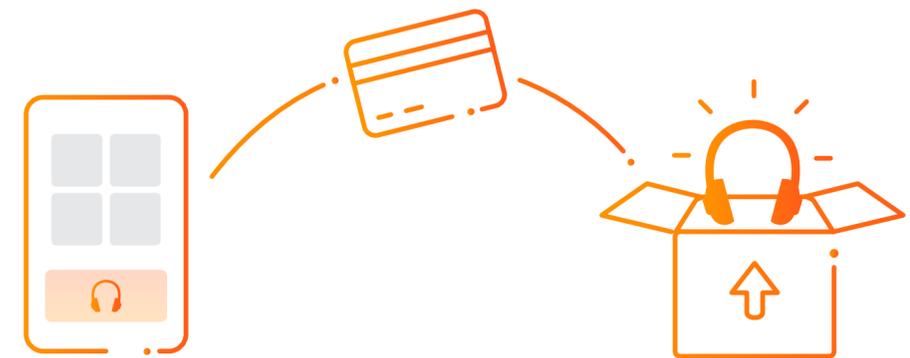
A shopper, let's call her Kim, browses products on your website from her laptop. She places an item in her shopping cart, but never completes the purchase. This kind of cart abandonment happens all the time.



69%¹

Current Average Cart Abandonment Rate

A few days later, Kim is on her mobile device and sees an ad for that same product she left behind. She's reminded of your brand, intrigued by the ad and returns to finish her purchase.

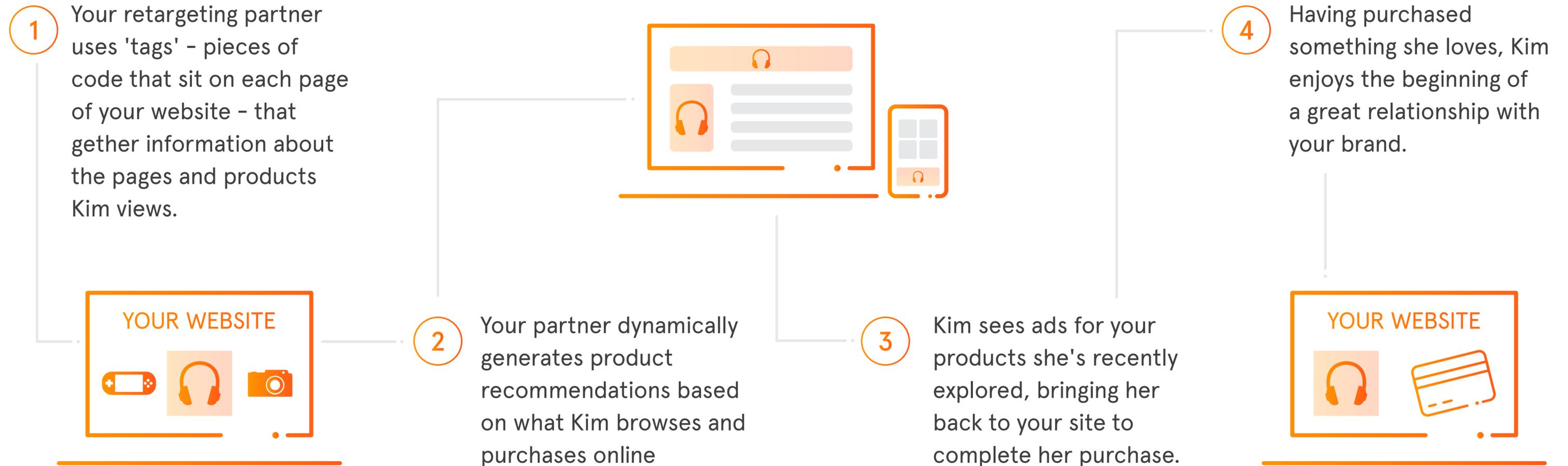


This is Retargeting in action, an innovative technology that:

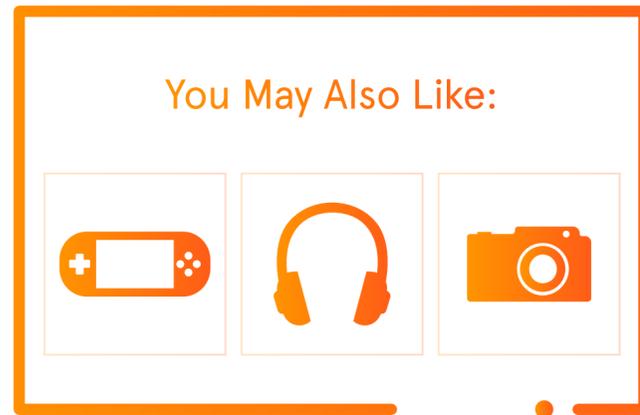
- 1 Continually engages the customer throughout the purchasing journey
- 2 Sends dynamic, personalized ads based on the items your shoppers like
- 3 Automatically adjusts targeted ads based on budget and performance

How does Retargeting work?

Kim's scenario is the perfect example of retargeting. But how do you replicate that scenario across the 98% of people who aren't converting on your site? Here's how:



Why is Retargeting Important?



In a single visit to your site, Kim can leave more **than 120 meaningful purchase intent signals²**. You can use those signals to learn how to remind her why your product piqued her interest in the first place, and provide the level of personalized service she expects.

Those signals, coupled with intent data from similar shoppers, enable you to advertise the product Kim considered AND other products she may prefer.

28% of purchases are products that weren't previously viewed²

Personalized advertising goes beyond sending the right message – it's about that message reaching your customers at the right moment. Reaching shoppers wherever they're active with personalized and dynamic creative is a powerful formula for fixing the 98% problem.

WHAT IS INTENT DATA?

Intent data is based on all the activity an ecommerce site collects when shoppers browse products and pages. Retargeting partners can turn this data into relevant and timely messages.

Must-Have Capabilities: A Retargeting Checklist

Marketers and brands are lining up to add retargeting technology to their digital strategy. So what should you consider when evaluating a retargeting partner?



We see about 1/3 of online purchases involve 2 or more devices³.

Here are some advanced capabilities you can't do without:

- ✓ **Advanced Cross-Device Capabilities**
that enable you to reach customers throughout their journey, from whatever device, app or browser they may use.
- ✓ **Predictive Technology**
that uses granular consumer insights to bid at the right time and price for each individual consumer.
- ✓ **A Powerful Recommendation Engine**
that automatically showcases other products and offers not previously viewed that are most likely to lead to a sale.
- ✓ **Dynamic and Impactful Creative Technology**
that serves personalized ads in real time, optimized for each customer across any publisher or device.

Most-Watched Channels:

Delivering the Perfect Ad at the Perfect Time

Your retargeting partner should also deliver dynamic ads in all the places your customers frequent for a true omnichannel experience.

A few of the main channels your retargeting solution should leverage include:



Web and Native Ad Publishers

with a full array of traditional display and native formats, both IAB standard and non-standard, which can support a **13x return on ad spend**.² Look for massive reach across desktop and mobile publishers.



Social Media

including Facebook and Instagram Dynamic Product Ads, which can **uplift sales by an average of 12 percent**.²

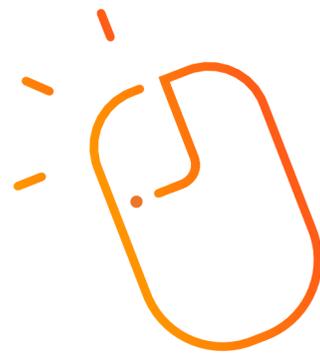


Mobile Apps

with ads that re-engage app users and drive in-app sales, which **increase conversion rates by 38 percent**.² An omnichannel approach allows you to connect with customers and remind them of their intent to purchase no matter where their online journey takes them.

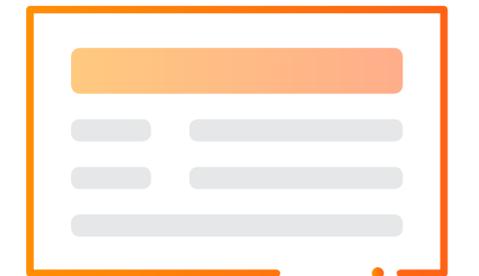
Cost-per-Click Pricing: Conversions Guaranteed

Retargeting is a powerful performance marketing tool. But not all retargeters measure success the same way. You will choose between two common pricing models:



Cost Per Click

CPC models only charge advertisers when a consumer clicks or converts. This is a transparent measurement system that ties performance closely to sales.



Cost Per Impression

CPM models bid on impressions, meaning advertisers are charged when a user sees your ad. CPM models are better suited for brand awareness than for driving sales.

Retargeting in the Real World

Check out these retargeting success stories:



+28%

Retargeted
Website Traffic

+77%

In
Sales

Soft Surroundings, a women's clothing retailer, used an industry-leading retargeting solution to help boost sales before the holiday season. Read more about Soft Surroundings' story here.



+60-100%

Month-over-month
return on investment

+MORE

Global
Brand Reach

Secret Escapes, a luxury hotel and vacation company, sought to expand internationally and looked to a best-in-class retargeting solution to propel its initiative. Find out more about Secret Escape's experience here.

Stop Losing 98% of Your Visitors and Start Driving Sales

Many partners say they can help with retargeting. But to achieve a 13X return on your ad spend, you need the right partner.

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Criteo's Dynamic Retargeting is powered by a machine-learning engine that gleans insights from 1.2 billion monthly shoppers.



Criteo uses a cost-per-click pricing model, so you know you're only paying for ads that are driving sales.



Implementation is simple, letting you quickly integrate retargeting into your existing marketing initiatives.

**Want to talk about your business goals?
Send us a note today.**

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About Criteo

Criteo (NASDAQ: CRTO), the leader in commerce marketing, is building the highest performing and open commerce marketing ecosystem to drive profits and sales for retailers and brands. 2,700 Criteo team members partner with 16,000 customers and thousands of publishers across the globe to deliver performance at scale by connecting shoppers to the things they need and love. Designed for commerce, Criteo Commerce Marketing Ecosystem sees over \$550 billion in annual commerce sales data.

¹<https://baymard.com/lists/cart-abandonment-rate>

²Criteo internal data based on 600 Tb of daily shopper data, 2017

³Criteo State of Cross-Device Commerce Report, March 2017

For more information, please visit www.criteo.com.

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