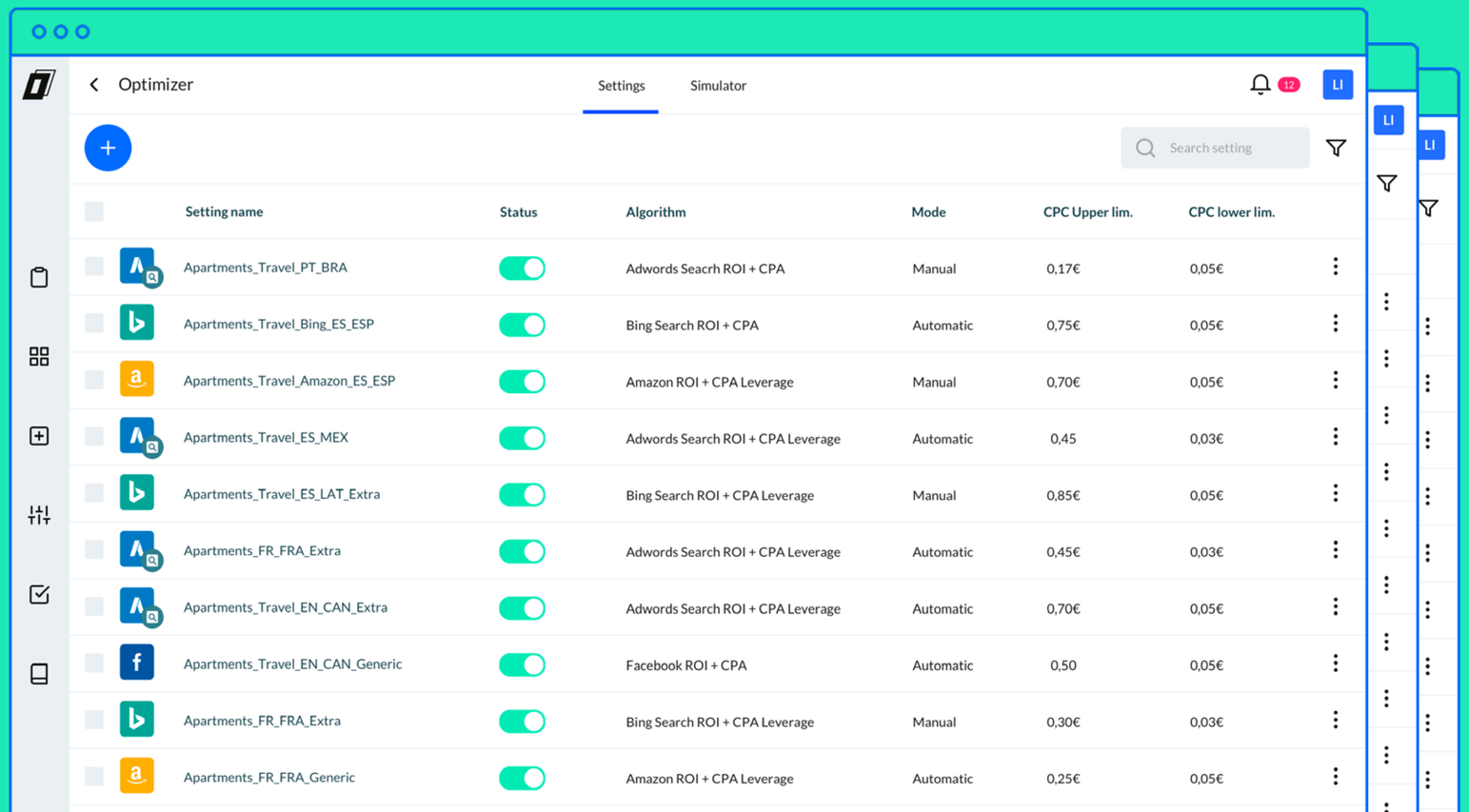
Spaceboost

GUIDE 4

Customizing your Algorithm



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What does the guide contain?

Each type of campaign or even product needs a specific configuration so that the optimization offered by Spaceboost's technology is as accurate as possible. To configure the optimizer correctly, you need to know how it works, as well as the parameters that it has. Then, you'll be able to customize them according to the characteristics that are needed in each case.

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Extract

The optimizer is one of the technologies developed by Spaceboost. Its function consists of the automatic and periodic regulation of the keyword bids in your optimization strategy. Every day, the system reviews the CPCs of all the keywords that are connected to the optimizer, and through an algorithm that takes into account a series of variables and data, analyzes the behavior of the keyword in a given period.

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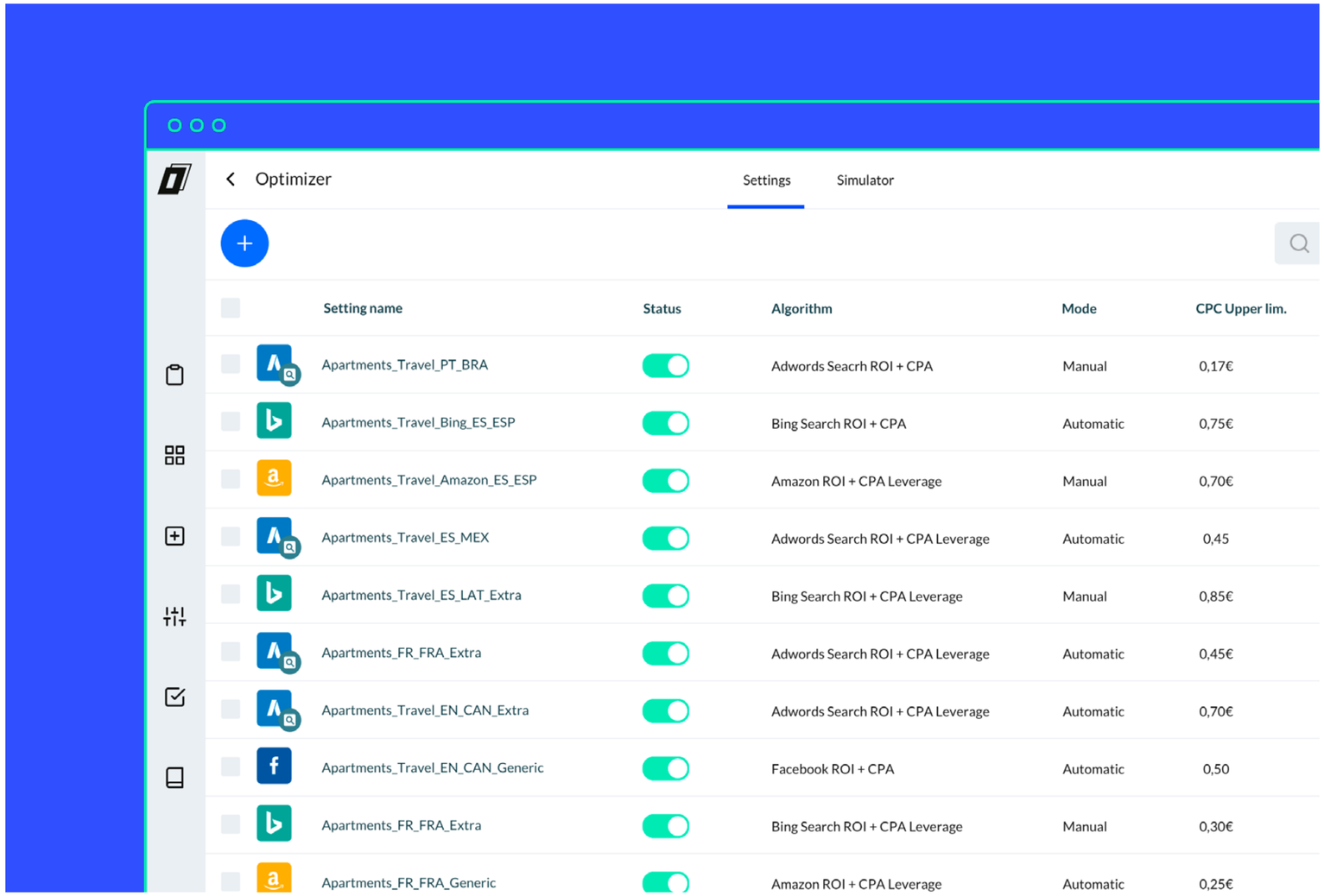
01

Definition of setting & operation

1.0.

Definition of setting & operation

A setting is where the parameters that are necessary for the optimizer to make decisions about how to optimize the keywords are stored. They include, among others, the algorithm to be used, the strategy level, and the sample that we will take to make the estimates. In this way, all the business logic remains on the screen. So, if you want to change your strategy, you don't need to edit all your campaigns, you can simply make changes to the appropriate setting. For example, you can make settings for high and low seasons, and activate or deactivate them as needed. For a keyword to be optimized, your Adgroup or campaign needs to be linked to an activated setting. To work with settings, you have to create them, assign them and, finally, activate them.



02

How to access the settings page

2.0.

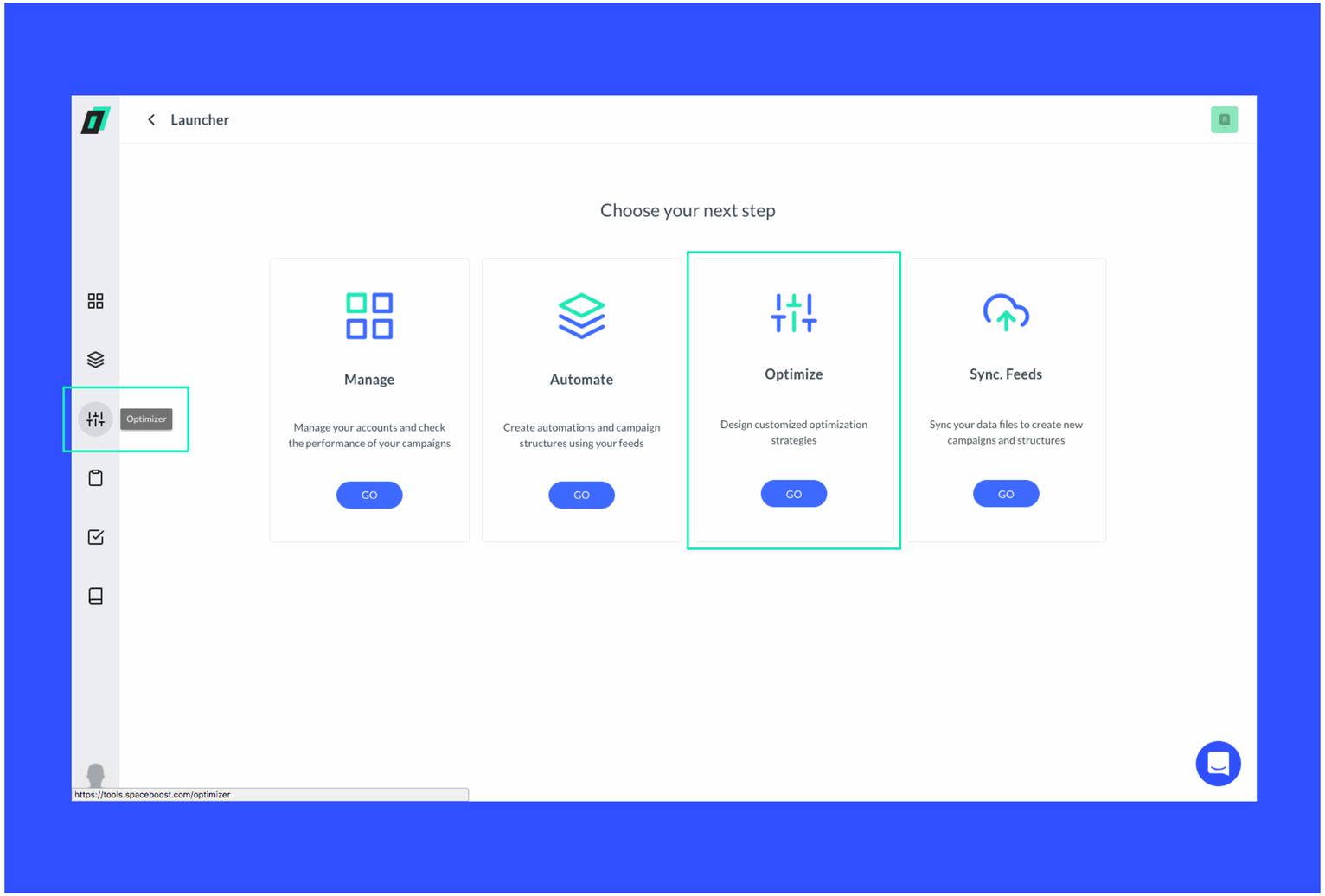
How to access the settings page

There are two ways to access the settings page from the beginning:

Option 1: Click the button in the left corner.

Option 2: Click the button of the Optimize box. You will be redirected to the settings section and a list of existing settings will appear.

Clicking here will redirect you to the settings section, where a list of existing settings will appear.



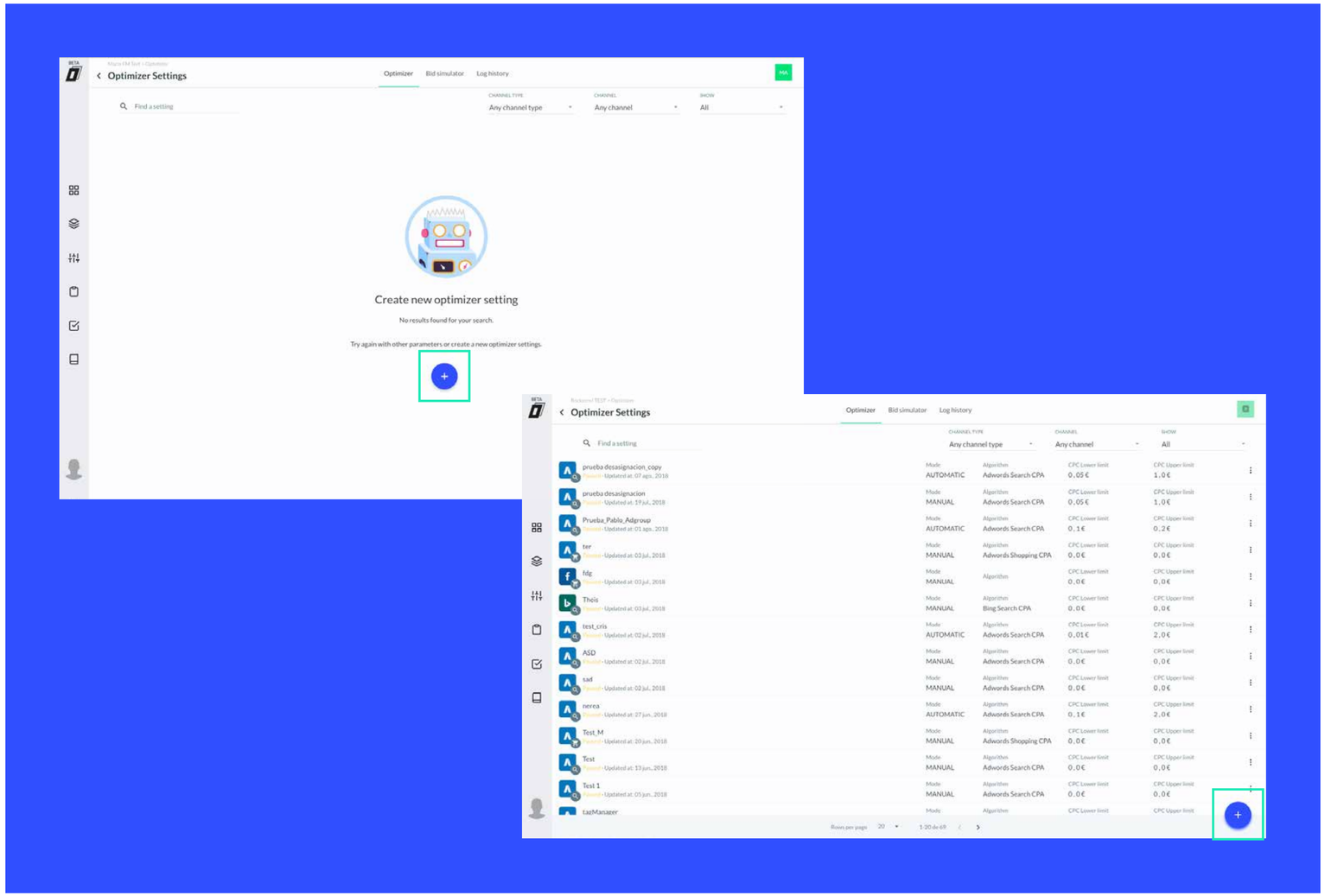
03

Creating the settings

3.0.

Creating the settings

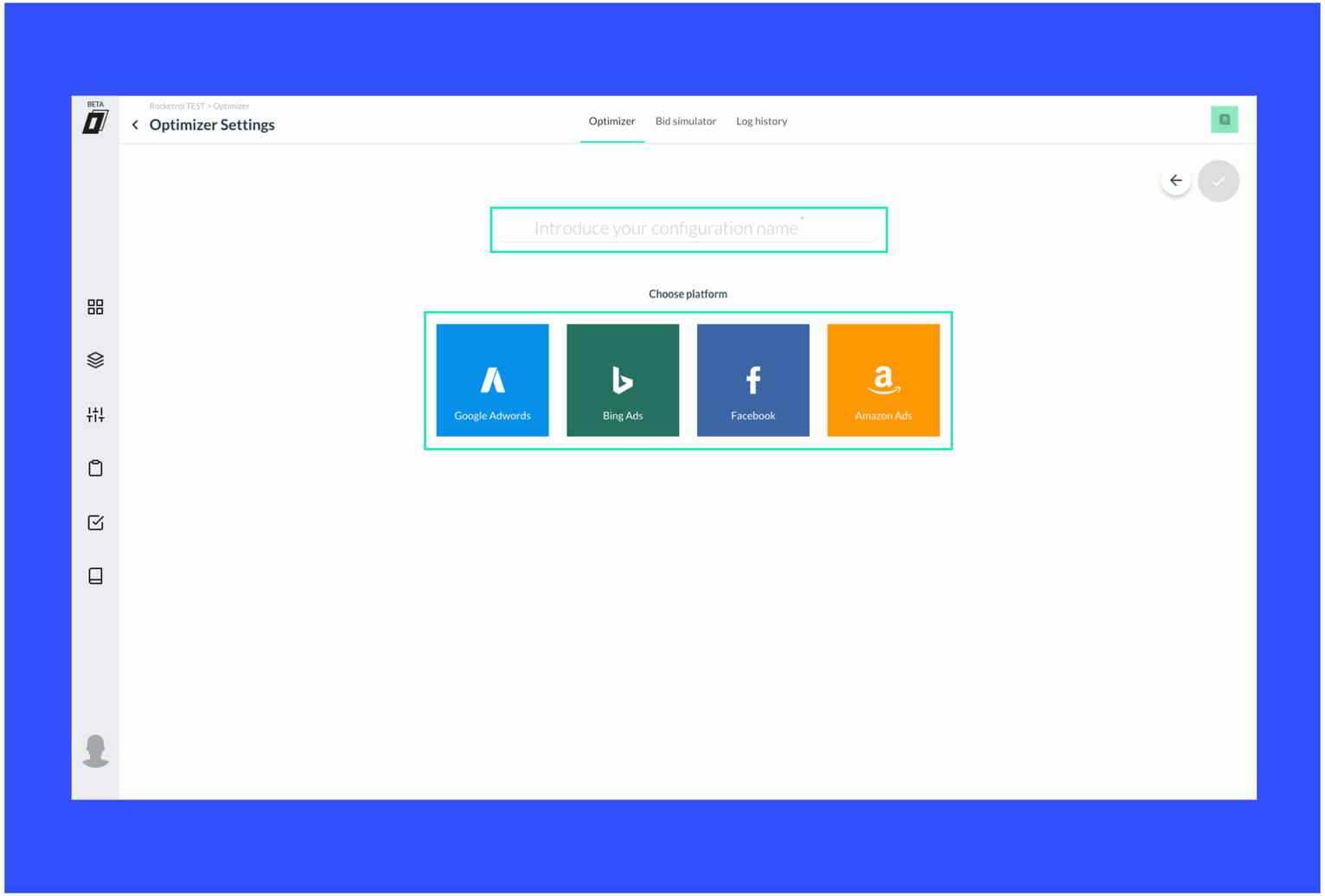
The first step to using settings is to create one. The first time you access the settings section you will see a screen like this. 0.3. Creating the settings To start creating a setting, just click on the blue button with the + symbol. This screen will appear even if there are no settings that match the requirements you are looking for. If there were already settings, you only have to click the blue button with the + symbol.



To create a setting, the first thing you need to do is to name it and indicate in which channel (platform / company / social network) or what type of channel (Search, Shopping, or Display) will be used. A setting is only useful for one channel and subchannel because each one has its own peculiarities, and the algorithms are specific to the different channels and channel types. In addition, the name of each setting must be unique and identifiable by company and channel and type of channel, so that it can be identified. To create the setting you must take the following steps:

1. Name the setting

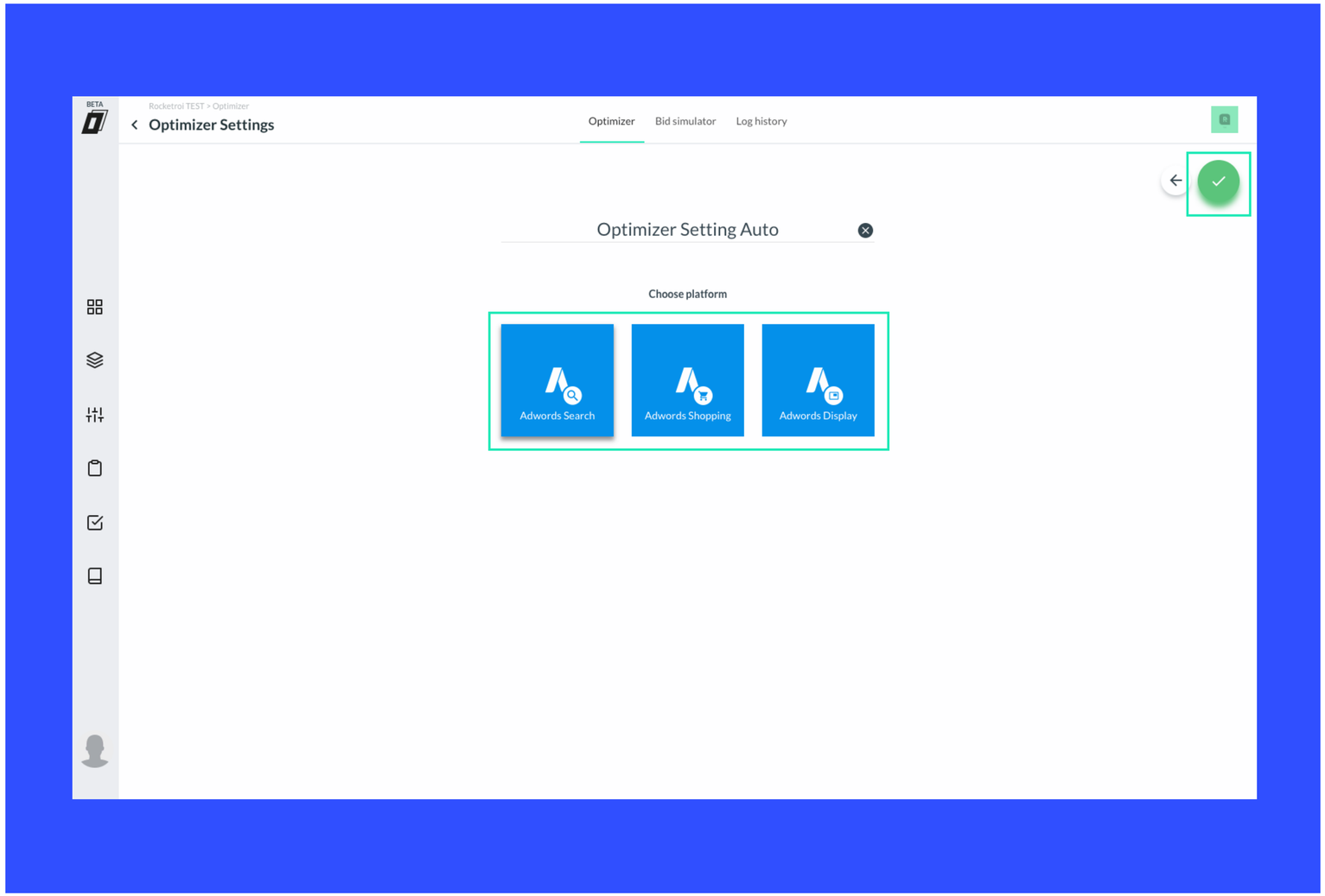
2. Click the channel



A new screen will appear:

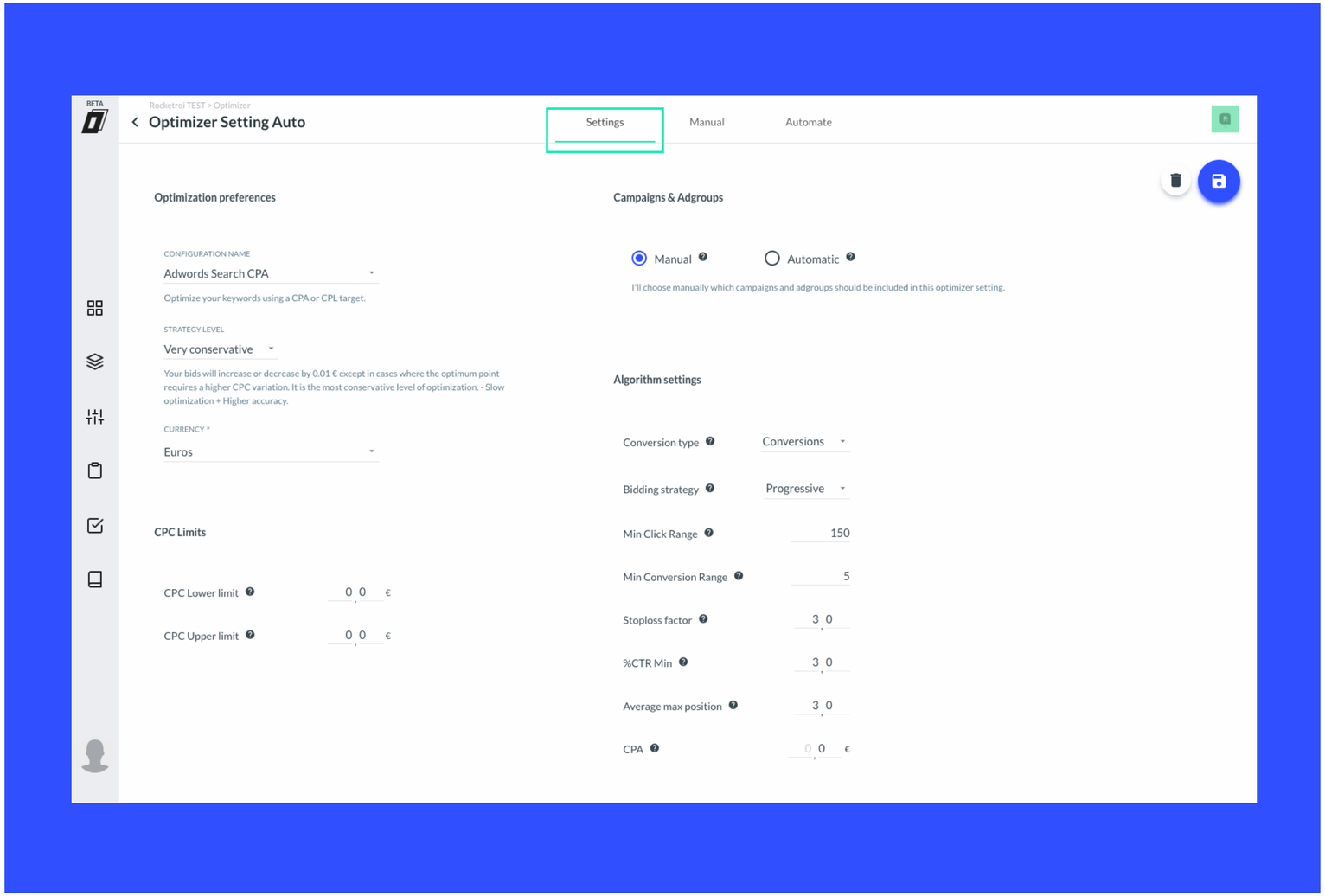
3. Click the channel

4. Press the green button placed on the top right.



When you've finished, the setting will be created and will appear in the panel to be edited. To begin with, the setting is disabled and without campaigns and Adgroups, so to use it you will have to activate and assign them. Also, to use it, you have to fill in all the setting's data.

Some fields appear filled with default values to make the process faster, but others have to be filled in since they are very specific values for each type of keyword (for example the maximum and minimum CPC that a keyword can have). In the image we can see how the system has already redirected us to the Edit screen so we can fill in the setting.



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04

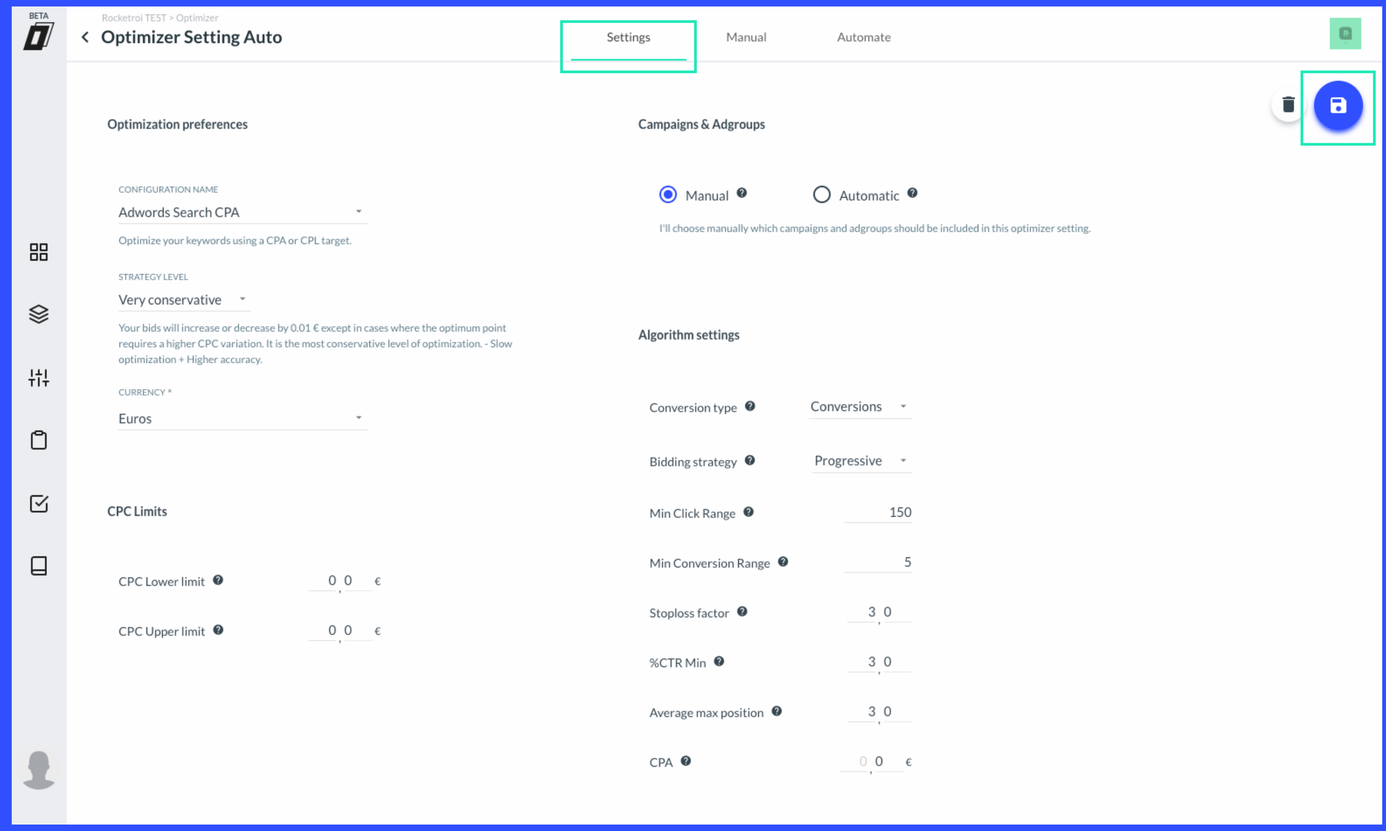
Editing settings

4.0.

Editing settings

When creating a setting, some fields are filled in by default, but others are very specific and must be filled in by the user. In order to save and assign the setting, and therefore be able to use it, the setting must have the parameters filled with correct values.

To edit you have to click on the SETTINGS tab (chosen by default) and when the changes have been made click the Save button. You'll see a screen similar to the image below, although there may be small changes depending on the channel, channel type, or algorithm of the setting.



4.1.

Optimization Preferences

Algorithm: Choose which algorithm you want to determine the strategy. The most common are:

CPA: This algorithm's principal objective is that your keywords achieve a target CPA, defined by the client. If the keywords or products reach a cost / conversion that fulfils this CPA objective, you can add secondary objectives, like CTR or average position. If the keywords don't have enough traffic, the algorithm will raise its CPCs daily in order to increase visibility and facilitate conversions. If, on the other hand, the keywords have traffic but are not converting, the algorithm will lower the keyword bids in order not to waste your budget on clicks that are not converting. The algorithm is very focussed on reducing costs.

ROI +CPA: The objective of this algorithm is that the keywords or products reach a target ROI, defined by the client. In order to use the ROI algorithm the keywords need to have a minimum number of clicks and conversions, specified by the user (see more information below). If the keyword does not reach both the minimum number of clicks and conversions specified by the client, the CPA algorithm (above) is used. For this reason, it is also mandatory to indicate a CPA in the strategy, as well as a ROI.

CPA Shuttle: This algorithm is very similar to the CPA one, but it is somewhat more aggressive with keywords that have traffic but do not convert. What it does is increase your CPC until the cost is equal to the target CPA, to get them visibility and give them the opportunity to convert.

Strategy Level: Determines the level of aggressiveness for the strategy. There are five levels: from Very Conservative to Very Aggressive. This influences how the CPC of the keywords is adapted so that the keywords without traffic gain visibility. More aggressive implies increasing the bid by larger margins. More conservative implies slower ascents and faster descents. The more aggressive strategies make sharper climbs and lower more slowly, to try and gain first positions.

4.2.

CPC Limits

In this section you will establish the maximum and minimum CPCs that can be spent on keywords. The CPC of a keyword can never exceed this range of values.

Example:

If you establish a maximum limit of €1.50 and the algorithm calculates that the ideal CPC is €2, it would set €1.50 as the maximum CPC. The same is true of the minimum limit. Both the maximum and minimum values must be greater than zero and the maximum must be greater than the minimum.

Note:
This amount can be exceeded if you make a specific CPC bid adjustment outside the limits of the setting, such as by location, device, etc.

4.3.

Mode

This establishes how you will assign the campaigns and Adgroups to the setting. If you select Manual you will choose which ones are assigned manually. If you select Automatic, you can establish a set of general rules to define which campaigns or Adgroups will be assigned to which settings (by name, status, etc).

4.4.

Conversion Type (not available in Bing)

This establishes how you count the conversions: if you choose “Conversions” you will only count the direct conversions - those that are made just after clicking on the ad. Select “All Conversions” and you will also include the indirect or induced ones - the conversions that are not made directly after clicking on the ad but when returning to the page hours or, in some cases, days later. It is the equivalent to the Conversions or All Adwords conversions value, which varies according to the attribution model chosen. Some platforms like Bing do not measure conversions, so this option does not appear and only direct conversions are counted.

4.5.

Bid strategy

When calculating the ideal CPC of the keyword, we can adopt a staggered strategy day-by-day, or establish the value calculated by the algorithm directly. If you choose Direct, the ideal CPC for each day will be the one applied by the algorithm, whereas if you set the strategy to Progressive, the variation of the CPC will be a percentage of the difference between the ideal and the current CPC, and the percentage of the variation will depend on the level of strategy. The Progressive strategy is better to make less aggressive CPC movements and avoid volatility, while Direct is designed for cases in which the CPC can change a lot every day and it is key to be up to date (especially for cases with a large volume of traffic that require rapid changes).

4.6.

Minimum amount of clicks and minimum conversions

This will establish the minimum sample to optimize. For the CPA algorithms to work, it is necessary to meet at least one of these conditions, and for the ROI algorithm to work it is necessary for both to be matched. The system takes the results of the previous day and compares them to daily samples (going backwards) until the minimum clicks and / or conversions indicated are reached. It will not go back further than 90 days.

As a security measure and for very strong movements of the CPC (because it can happen that on some days the traffic increases a lot), if the desired sample is reached in one or two days, it will go back 10 days by default. Both these amounts must be greater than zero. It is recommended to take at least two conversions and as many clicks as you need to get a conversion (divide 100 between the conversion rate of the account or campaign). In the case of the CPA algorithm, if the click sample is reached, but there is no conversion, the system will automatically take 90 days of previous results to optimize the keyword.

If in those 90 days there are conversions, the Cost / Conversion value will be taken to optimize based on the target CPA. If there is no conversion, the cost value will be taken into account.

4.7.

StopLoss Multiplier

The number of times that the Cost / Conversion of the keyword can exceed the target CPA. If this number is exceeded, the keyword will be paused due to poor performance. If the keyword has no conversion, the cost is taken as a value instead of the CPA. It must be greater than or equal to one.

4.8.

% CTR Min

A secondary objective (only activated when the Cost / Conversion of the keyword is within the target CPA).This is the minimum CTR (clicks / impressions) that we want our keyword to have. If the keyword has a good CPA and its CTR is below this parameter, the algorithm raises the CPC until it reaches the minimum CTR. It must be greater than zero.

4.9.

Average Max Position (not available in Shopping)

A secondary objective (only activated when the cost / conversion of the keyword is within target CPA). The objective is the average position you want to reach with your keywords. If the keyword has a good CPA and its position is below this parameter, the algorithm will slightly raise the CPC to achieve the desired position. It must be greater than or equal to one.

4.10.

% Impression Rate Min

Similar to the position parameter, but for Shopping. A secondary objective (only activated when the cost / conversion of the keyword is within the objective CPA). It is the percentage of times the product appears divided by the total number of searches made. If the keyword has a good CPA and its Impression Rate does not reach the desired level, the algorithm raises the CPC to make it appear more. It must be greater than zero.

4.11.

CPA

Sets the CPA goal of the keywords of the campaigns and Adgroups assigned to the setting. It only applies if neither the keyword nor the Adgroup nor the campaign have an individual CPA goal, since we always take the most specific CPA. It must be greater than zero.

4.12.

ROI (only available in ROI algorithm)

It is the goal of ROI that we want to achieve, the ROI algorithm calculates the CPC of the keyword so that it achieves that goal of ROI. It must be greater than zero.

05

Assignment of a setting to campaigns or Adgroups

5.0.

Assignment of a setting to campaigns or Adgroups

There are two ways to assign the setting: Manual or Automatic. In the manual mode we choose the campaigns and Adgroups that we want to assign manually.

In the automatic mode, rules are established and all those Adgroups and campaigns which match these rules will be assigned.

Note:
If you change from Manual to Automatic or vice versa, the assignments will be reset.

5.1.

Manual Mode

In the manual mode you are the one who decide by your own criteria what campaigns and Adgroups will be assigned to the setting. You can assign campaigns and Adgroups, and if necessary, un-assign them later.

5.2.

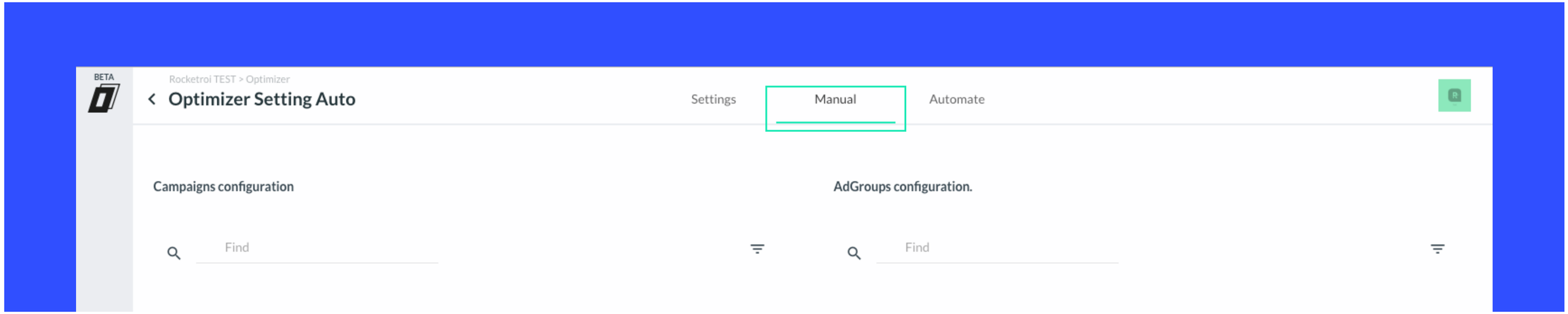
Assign Manually

To assign manually, the MANUAL mode must be selected in the settings tab. To assign it, you must go to the Campaigns or Adgroups tab. The process is exactly the same for both Campaigns and Adgroups. Searching can be done with quick search or advanced filters, as seen in the images. To make the filters appear or disappear, click on the filter buttons, as shown in *point 5.4*.

5.3.

Quick Search (ideal for quick but somewhat limited searches)

In the case of Quick Search, if you include a text string, it will search for all campaigns whose name contains that string. For example; if you write “BMW”, it will show “BMW_OCASION” or “LO_MEJOR_DE_BMW” but not “AUDI_OCASION”.



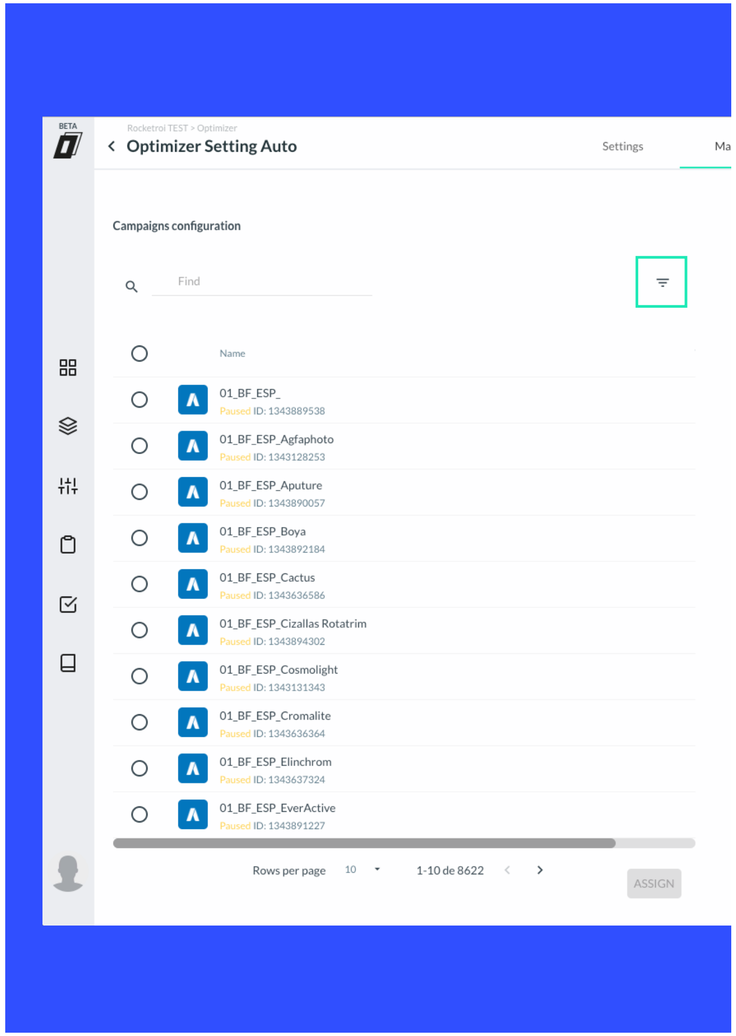
5.4.

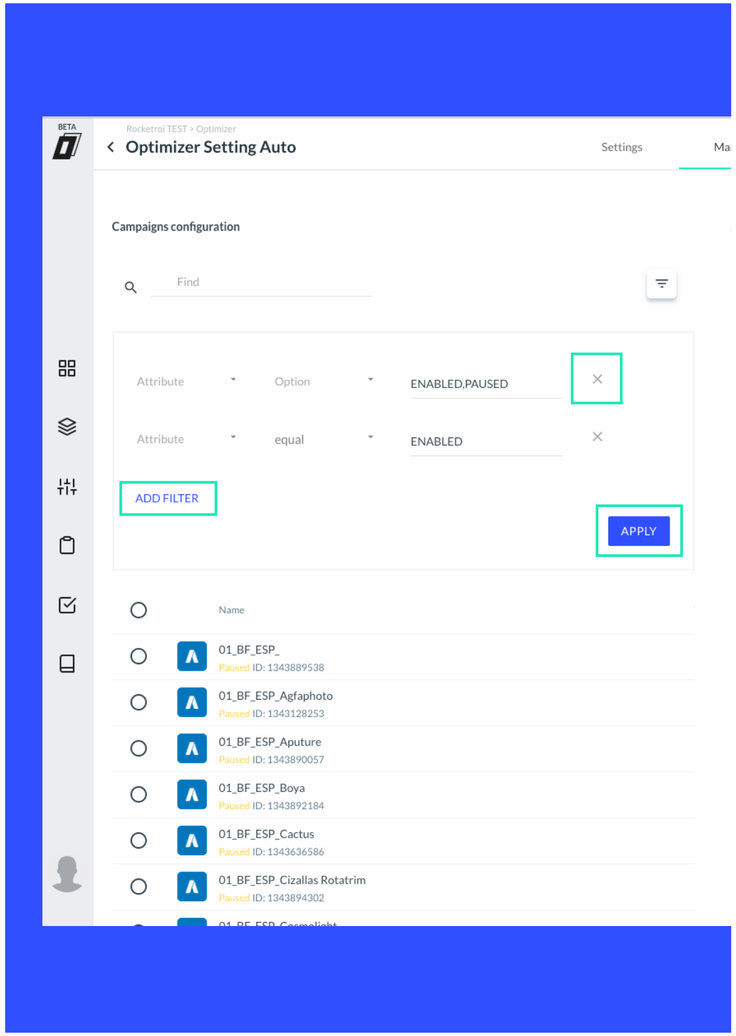
Advanced filters

If we click on the first button (Expand Filter), you will see a screen like this.

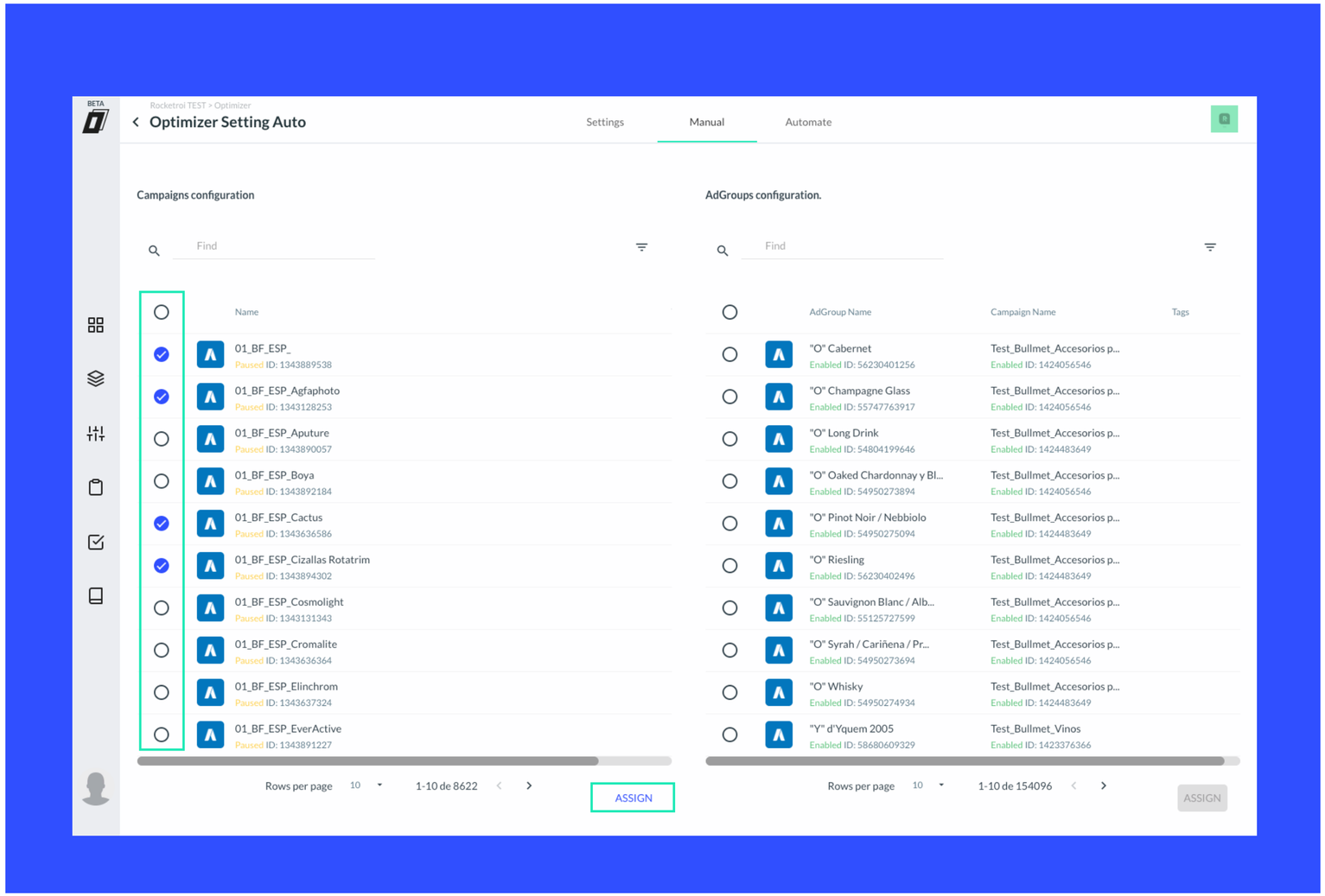
To start adding filters you have to press + ADD FILTER and you can add as many filters as you need in rows, as shown in the image below.

For the filter to be valid we have to fill in the three fields: the first indicates the type of value (name, label, account etc). The second indicates the type of comparison (same, different, contains, starts etc). Depending on the type of chosen value the types of comparisons can vary. And finally, the third field is the value you will use to compare. When you have the filters ready, click on APPLY, then the Campaigns and Adgroups that comply with the new filters will appear, as shown on the following page.





To assign, you will select all the campaigns that you want by clicking on the checkbox next to them and then clicking ASSIGN. They will be added to the list of campaigns that you have already assigned. In the same way if you “assign” an already assigned campaign, nothing will happen. To remove the assignment of a campaign, you have to unassign it as explained below.



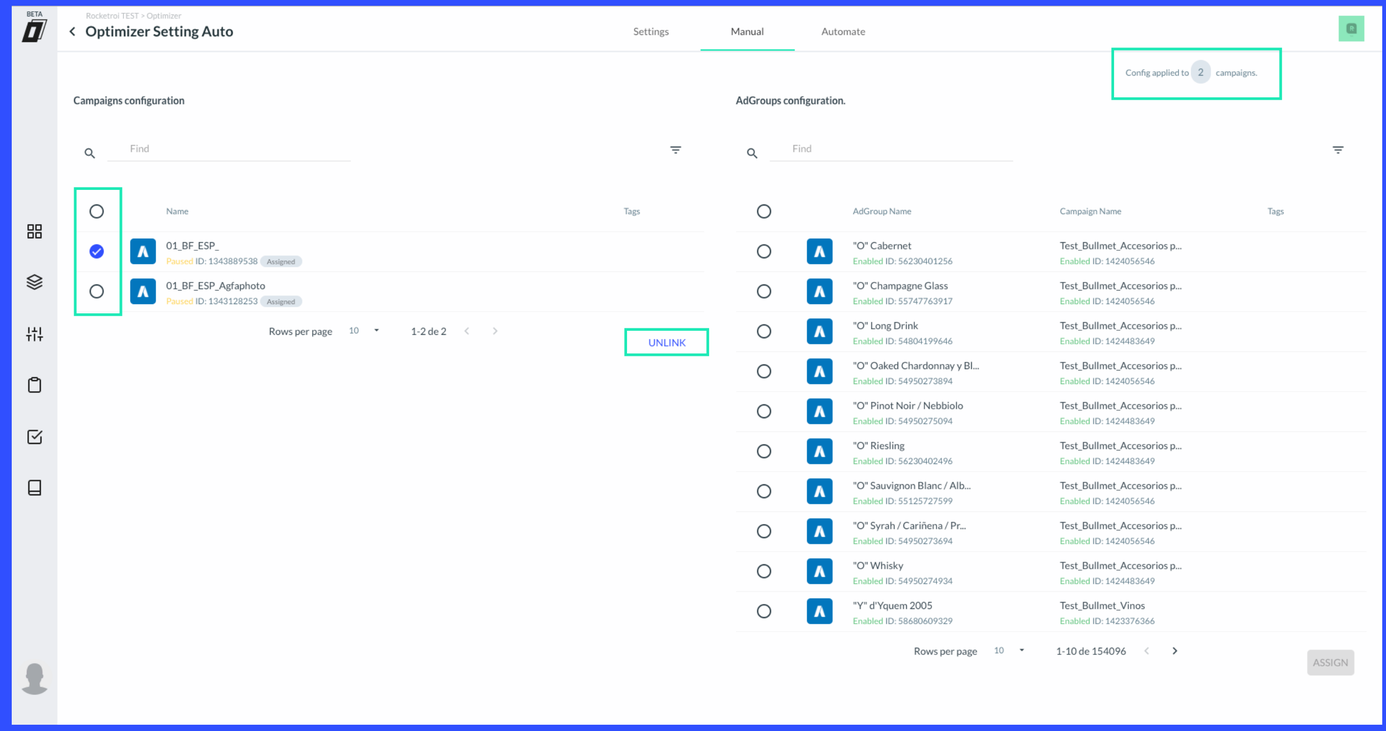
5.5.

Unassign manually

If a setting is assigned to several campaigns, in the upper right corner you will see a text that says “Settings applied to X campaigns”, as seen in the image.

If you click on Show, the screen below will be shown:

The process is exactly the same as assigning a campaign, but with two main differences: the first is that now, only the campaigns assigned to the setting will appear. The second is that the campaigns that you select in this page will unassign when you click UNLINK. This is the case for both Adgroups and campaigns.



5.6.

Automatic mode

In Automatic mode, you define rules for campaigns or Adgroups. All the campaigns and Adgroups that match with the rules that you define will be automatically assigned to that setting.

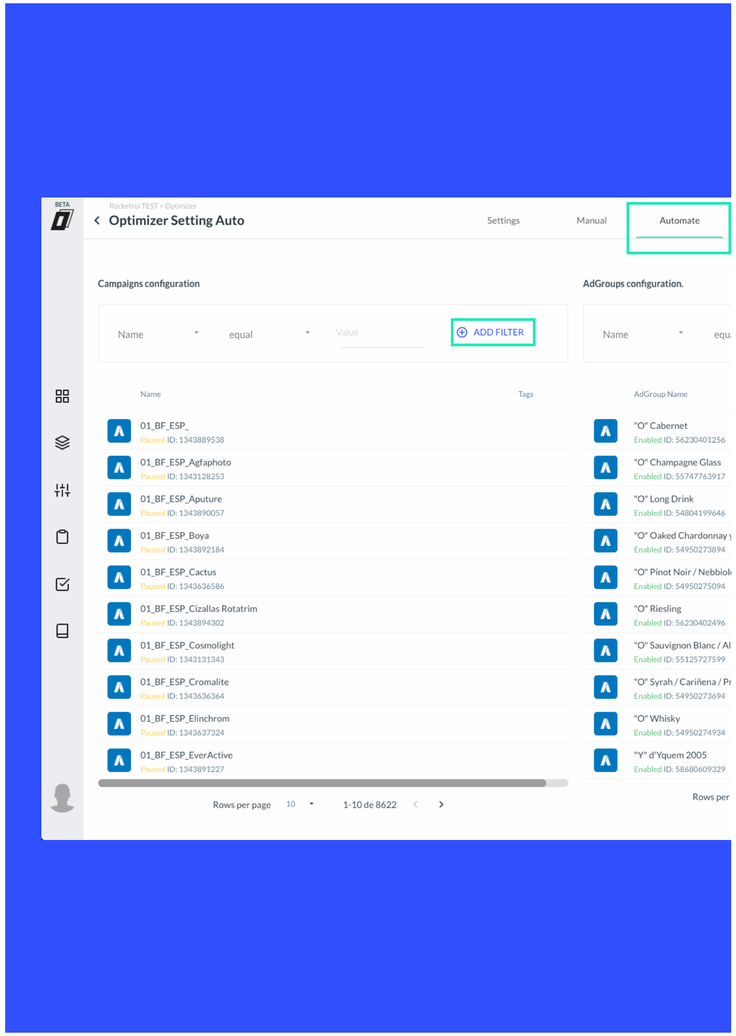
You can decide to create rules only for Adgroups, only for campaigns, or for both of them. It is also possible to define different rules for each one. For example, if there are no rules defined for campaigns, but you create rules for Adgroups, no campaigns will be assigned to the setting, but those Adgroups that match the rules will.

Every day, Spaceboost checks the rules of your settings and the status of the campaigns and Adgroups in your accounts. Taking into account any changes, it updates the relations between all of them automatically. If there are new campaigns or Adgroups that match the rules, they will be assigned to the setting. If you updated the settings and there are campaigns or Adgroups not matching the rules, they will be unlinked from the setting.

To be able to define the rules, you have to click on the AUTOMATE tab at the top of the page and you will find a screen like this:

To define the rules, click on + Add Filter on the campaigns or Adgroups tab, depending on which one you want to assign the rules to. When you do, the grey section will expand and look like this:

You can continue adding filters with + ADD FILTER, or eliminate existing ones by clicking on the cross. For the filter to be valid we have to fill in the three fields: the first indicates the type of value (name, label, account etc). The second indicates the type of comparison (same, different, contains, starts etc). Depending on the type of chosen value the types of comparisons can vary. And finally, the third field is the value you will use to compare. When you have the filters ready, click on APPLY, then the Campaigns and Adgroups that comply with the new filters will appear, as shown on the following page.



06

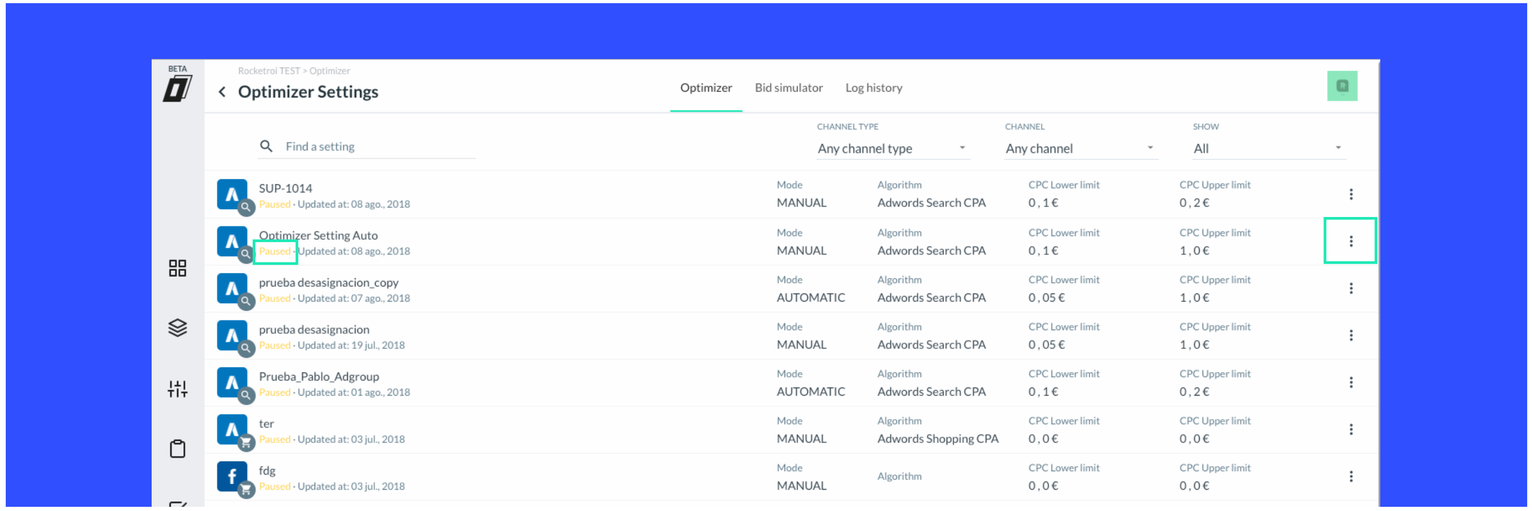
Enabled and paused settings

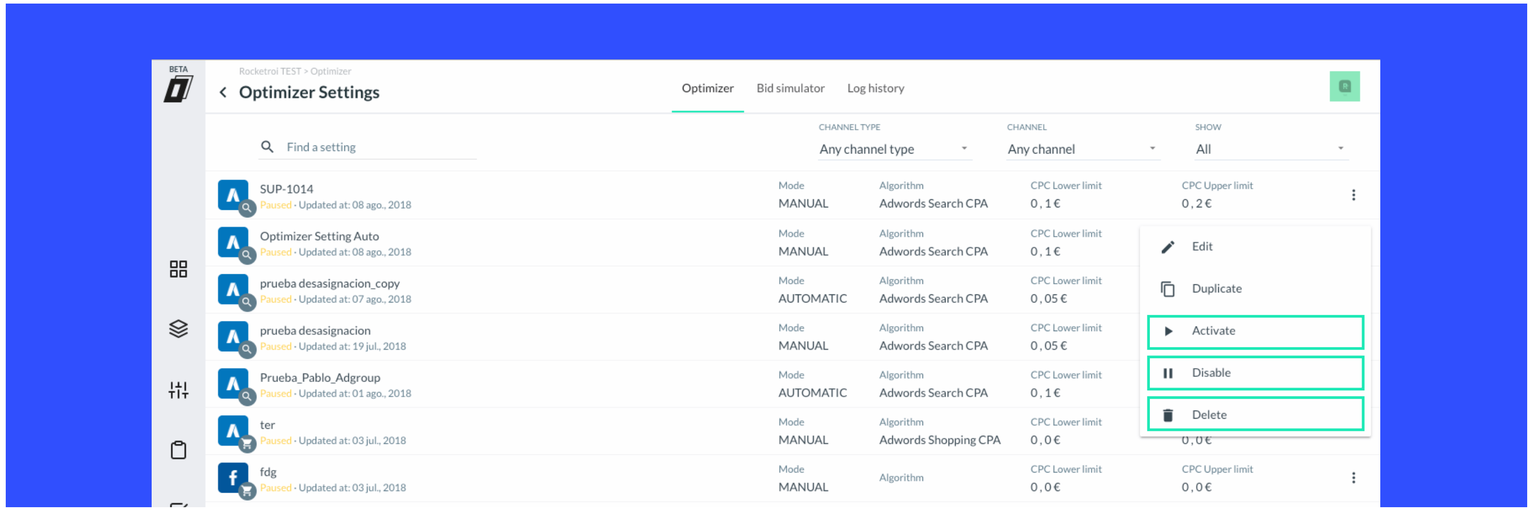
6.0.

Enabled and paused settings

In order for a campaign / Adgroup to take information from a setting to which it is assigned, the setting must be activated. If it is disabled, the setting information will not be applied to the keywords of assigned campaigns and Adgroups since the optimizer only analyzes the activated settings.

To activate or pause a setting, click on the three dots in the right hand corner as in the image below and choose the correct option from the menu. When a setting is active, it will be bright blue, while if it is paused, it will be grey. You can activate or deactivate a setting at any time.





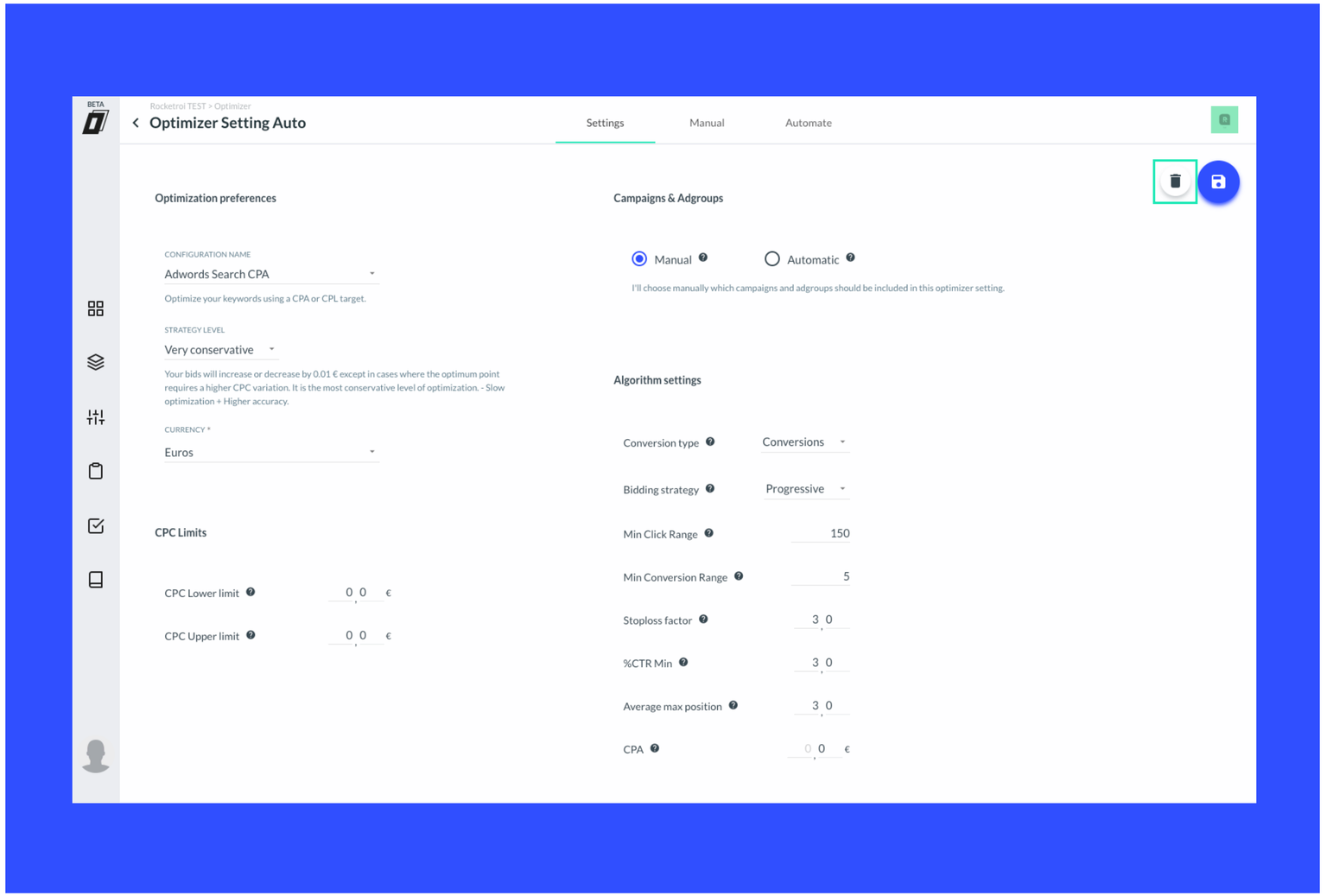
07

Delete a setting

7.0.

Delete a setting

If you have made a mistake when creating a setting, or it no longer works for you, you can easily erase it. To do this, all you have to do is click on the trash can button inside the setting and, when the dialog box appears, click OK. In the image we show which button to click.



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Contact us if you have questions: **support@spaceboost.com**