## E-commerce in Poland

a guide for e-entrepreneurs







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#### INTRODUCTION

The value of the Polish e-commerce market is already over 51 billion. Only a few years ago this number seemed unachievable, while the latest data shows that the above growing trend will continue. The current growth rate is at the level of 18% annually. In the opinion of experts, in the next couple of years, the value of the Polish e-commerce market can reach PLN 80 billion. Not only the number of people making online purchases is growing (according to data for 2019, almost 62% of Polish Internet users already shop online) but also the number of online shops is increasing. Just look at the statistics – every day in our country an average of 21 e-shops are created, and their total number already exceeds 30 thousand.

The Polish e-commerce market still has a lot of space to grow, so it's no wonder that new players are constantly appearing, including foreign ones. Poland is increasingly fulfilling the function of a logistics link and a place where orders are processed, as well as returns for the largest European e-shops or online platforms. The cost-effective labour market is also a great advantage.

Foreign expansion requires proper preparation from the e-entrepreneur. Foreign entrepreneurs who are considering an expansion of their business into the Polish market should take a look at legal matters, specifically regarding the terms of service of an online shop and the policy of returns and complaints. The choice of the logistics operator and payment method are also important. Poles have specific preferences regarding the method of delivery or payment in e-shops, which may differ significantly from those in other European countries. There are many more aspects that matter for the success of e-business on the Polish market. They were collected in this guide. Enjoy your read!

1 "E-commerce in Poland. Gemius for e-Commerce Polska"



## 1. Terms of Service of an e-shop

Each online shop must have regulations covering the provision of electronic services. This obligation is imposed on the owners of e-shops by the Act on the provision of electronic services of 25 July 2000, Article 8. It is not the same as the terms of service of an e-shop, but in most cases it is contained in it. This solution has many practical advantages, as there is no need to create two separate regulations, and all the most important information can be gathered in one place.

What should the regulations for the provision of electronic services contain? Certainly, this will be as follows:

- · type and scope of services provided electronically,
- terms and conditions of electronic service provision,
- terms of concluding and terminating agreements for the provision of electronic services:
- · terms of complaint procedure.

#### Terms of service of an e-shop and the sales model

Terms of service of an e-shop also fulfils other information obligations towards a consumer. Simply put, this is a specific type of an agreement that is concluded between a seller and customer. At this point, it is worth mentioning two basic sales models in e-commerce; classic and offer-based.

In the classic model, a sales contract is concluded when the buyer places an order, and in the offer model only when the seller accepts the order. In the latter case, the seller may offer the buyer other conditions than those specified on the website (e.g. extension of the delivery period).

The first model is definitely more common, dedicated primarily to online shops, which confirm the receipt of the order in an automated manner. The offer model is most often chosen by shops where luxury goods with high prices are sold. In their case, it is usually necessary to verify the correctness of the offer price before accepting the order.

#### How to write the terms of service for an e-shop?

This is not a simple task, because the terms of service of an e-shop should be prepared based on a number of normative acts. They include, for instance:

- Act on Consumer Rights,
- Act on competition and consumer protection,
- Act on the provision of services by electronic means,
- Acts and regulations of EU law in the field of consumer protection and competition.



By far the most information obligations are imposed on the entrepreneur by the Act on consumer rights (Act of 30 May 2014). According to its assumptions, an entrepreneur running an online shop is required to include in information regarding, inter alia, the method and date of payment as well as the method and date of performance and the duration of the contract in the terms of service. The consumer must therefore be informed which payment and delivery options they can use. It should be added that offering cash on delivery is no longer necessary.

There is more information that must be included in the e-shop terms of service. For this reason, entrepreneurs most often decide to use the services of external companies that deal with the creation of terms of service for online shops. This is even more important because the absence of a provision on the terms of service can be just as dangerous as an incorrect provision.

#### E-shop terms of service and GDPR

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data imposes new obligations on e-shop owners. According to this Regulation, the seller is no longer required to register the data set, but it is responsible for registering data processing, e.g. when invoicing or during a complaint.

In practice, this means that the terms of service of the online shop must contain information that the customer data left on the site is in accordance with the GDPR. At the same time, the customer has to be informed of the purpose of data processing. What's important is that the customer has the right to withdraw their consent for processing their data at any time.

#### **Prohibited clauses**

Prohibited clauses are provisions contained in the terms of service that violate the interest of the consumer. They are regulated by the civil law code and the Office of Competition and Consumer Protection exercises control over their observance. As it turns out, errors in the terms of service happen to 1/3 of e-shops, and their effects can be serious. The penalty for including prohibited clauses in the terms of service amounts to 10% of the shop's revenues for the previous year. Reading such terms of service may prove to be an extremely time-consuming task, as at present the Office of Competition and Consumer Protection contains over 5,500 clauses.

It is worth knowing that even if a prohibited clause is included in the terms of service, the customer is not obliged to comply with it despite the acceptance of the terms of service.

An example of a prohibited clause is a claim of packaging integrity (in most cases this does not apply to audio and visual recordings and computer software saved on media carriers).



## 2. Logistics in e-commerce

Efficient delivery is one of the key factors determining customer satisfaction. This is confirmed by PwC research – as much as 36% of Poles surveyed declared that they expect delivery the next day after placing the order, and 35% of them want to receive the goods within 2 days of placing the order. The choice not only of the logistics operator but also of the specific logistics model.

#### Logistic models in the e-shop

The choice of logistic model translates into the way products are managed, in other words, their storage, shipping and handling of possible returns. There are several options to choose from, including: own warehouse, dropshipping, fulfilment and a combined model.

#### Own warehouse

This is the solution most often chosen by smaller shops (90% of e-shops in Poland are micro and small enterprises<sup>2</sup>), which provides a sense of control over the entire logistics process. In this case, the goods are stored in the warehouse belonging to the online shop and it is there that orders are processed and returns and complaints handled.

Advantages: quick response, easy personalization of shipments, resale with a higher margin (goods are bought from suppliers usually in bulk quantities, thanks to which price negotiation becomes possible), on-site pickup, convenience.

Disadvantages: higher costs, the need to hire new employees, smaller volume of packages translates into less possibility of price negotiations with carriers.

#### Dropshipping

Dropshipping takes the form of outsourcing. The shop deals with receiving and processing orders, but the goods are shipped directly from the manufacturer or supplier of the goods. The shop acts as an intermediary in this model.

Advantages: possibility of selling large-size products, lower costs, process automation, fast shipping.

Disadvantages: low margin, high competition, difficult returns and complaints, limited personalization of orders.

#### Fulfilment

The shop owns the goods, but the entire logistics process is handled by an external company. In practice, this means that the seller buys products and acquires customers, but

<sup>1</sup> PwC Report entitled "Poles Shopping" 2018

<sup>2</sup> Bisnode 2017 report



the company offering solutions in the field of fulfilment deals with storage, packaging, shipping, and even handling complaints and accounting documentation.

Advantages: low shipping costs, the company is responsible for any errors as well as the entire warehouse and logistics process.

Disadvantages: no physical contact with the goods, high costs, barriers for small shops regarding the minimum number of orders

#### Combined model

Summary of several logistic models. They are used, among others, by companies conducting separate sales with a diverse range, whose offer is divided into business and dedicated to individual customers.

Advantages: flexibility, convenience.

**Disadvantages:** dispersion of logistics activities, risk of extending delivery time (some orders cannot be combined)

#### **Logistic operators in Poland**

The selection of a logistics operator is extremely important for the logistics process. How should it go? There are a few key points to look at. What are they? Certainly it will be: timeliness of service confirmation, the course of the complaint process of goods by our customers, warranty of services provided (KPI-Key Performance Indicators) or the type of technology used to track shipments. It is also worth finding out which companies have signed contracts with a given operator and what rules regarding cargo securing have been introduced in them.

The annual survey conducted by Data Group Consulting and Eurologistics Publishing House, which aims to identify logistics companies enjoying the greatest trust of customers, can help in choosing the logistics operator. The winners of the latest seventeenth edition of the research program - Logistic Operator of the Year were:

- 1. Maszoński Logistics
- 2. FM Logistic
- 3. Geodis Poland
- 4. Panalpina Poland
- 5. DHL Express

#### The most popular courier companies in Poland

The form and cost of delivery is very important to customers. Even 66% of them change the shop adjusting the delivery option to their needs<sup>3</sup>. By far the most consumers indicate that online shopping is motivated by courier delivery to home/work. This form of delivery is the most popular in Poland. Even 58% of e-consumers choose it. Second place is picked

3 Migomedia.pl, Abandoned e-cart - 7 common mistakes in online shops, [online]



up at Paczkomaty (52%), followed by courier parcels sent by post to home/work (38%)4.

There is no doubt that running an online shop involves choosing a courier service. This task should be preceded by comparing various offers. Customer reviews will also be helpful in choosing. To this end, we can base, among others on the results of research carried out by the Polish Institute for Quality Research (PBIJA), which creates a ranking of courier companies every year. It takes into account the 8 largest courier companies in Poland, namely:

- 1. DHL
- 2. DPD
- 3. FedEx
- 4. Geis
- 5. GLS
- 6. InPost
- 7. Pocztex
- 8. UPS

The latest ranking has selected the 3 winning companies, in order: InPost, FedEx and DPD<sup>5</sup>. The criteria taken into account were: delivery time, value for money, no damage to parcels delivered, courtesy of couriers and innovative solutions. Similarly, the results of a survey carried out by Gemius regarding shopping behaviour on the internet are similar. According to them, Internet users most often use the services of the following courier companies: DPD, DHL and InPost<sup>6</sup>.

<sup>4</sup> Germius E-commerce in Poland 2019

<sup>5</sup> Ranking of courier companies 2019

<sup>6</sup> Germius E-commerce in Poland 2019



## 3. Complaints and returns

Customers can resign from the purchased products in the online shop. In this case, we are talking about situations regulated by two acts:

- Act of 2 March, 2000, on the Protection of certain consumer rights and the liability for damage caused by a dangerous product.
- Act of 27 July 2002 on specific conditions of consumer sales.

The first regards withdrawal from the agreement without giving a reason, while the second relates to the non-compliance of the goods with the agreement.

#### Return of goods purchased in the e-shop

The consumer has the right to withdraw from the agreement without giving a reason within 10 days of receipt of the ordered goods. In this case, the agreement is deemed void, which releases the customer from all obligations. Each party is obliged to return the subject of the service at its own expense (the consumer returns the goods at their own expense, and the seller returns the full amount of the order together with delivery costs to the customer, if it has been paid in advance).

The consumer is obliged to return the goods within 14 days of informing the seller of withdrawal from the agreement.

Article 10 item 3 of the Act includes groups of goods that are not subject to refunds. This applies to audio and visual recordings and services recorded on IT data carriers after the consumer has removed their original packaging, which due to their nature cannot be returned; or gambling services. This list is much longer, and the Act leaves the decision to accept or reject the return with the Seller.

It should be noted, however, that in the event of a rejection of the return, it is necessary to provide the customer with a justification. The seller's decision challenged by the consumer is subject to control by the Consumer Ombudsman, and the case may end up in court.

#### Complaints about products ordered in an online shop

The complaint occurs when the customer finds that the delivered goods are incompatible with the product they purchased. The provisions of the Act of 27 July 2002 apply in this case. According to its provisions, it is the seller who is liable towards the consumer if the goods released prove to be inconsistent with the agreement (e.g. defective). The consumer then has two options: they can demand that the purchased product complies with the agreement (free of charge) or the product may be replaced with a new one. The seller is then obliged to reimburse all additional costs, including the cost of returning the goods to the buyer.



The seller responds to the buyer's request to bring the goods into compliance with the agreement for a period of 14 days. If the seller does not provide any response, the request is considered justified.

If the goods cannot be repaired or replaced, the buyer has the right to withdraw from the agreement or request a price reduction.

The importance of paying attention to the complaint process is evidenced by the fact that 67% of consumers surveyed declare that the right response of the brand to their complaint will make them remain its customers and even increase purchases. What's more, 20% will also share a positive opinion about the brand and information on how it solved their problem<sup>1</sup>.

Poles value the possibility of free returns, which e-entrepreneurs seem to notice. According to the data from the latest report ,Cart Year 2019', developed by Twisto, it appears that every fifth online shop decides to get free returns.

1 Mobile Institute Customer Listening report



## 4. Payment in the e-shop

Payment methods in online shops are very diverse. There is no shortage of innovations in this field, which are especially popular among the youngest people (15-24 years). Consumers in this age group are most open to choosing various forms of payment, regardless of whether it is a transfer, cash payment on delivery or mobile payments - both Blik and QR codes. How does this issue look like for all e-consumers?

#### The most popular payment methods in Poland

Until recently, it was difficult to indicate just one top payment method in Polish e-commerce. Half of the purchases on the Polish e-market were paid by cash on delivery, and the other half by electronic payments. However, this has changed in recent years in favour of fast real-time bank transfers (so-called pay-by-link). As much as 66% of Polish e-consumers currently use this form of payment. The second place is taken by cash on pickup from a courier, which is chosen by nearly 47% of Internet users. Traditional transfer (requiring to enter the bank account number) is also very popular – it is indicated by 46% of people shopping online. Other popular payment methods also include cash on delivery, payment by card when placing an order, or mobile payments (e.g. Blik).

Interestingly, the popularity of deferred and instalment payments is increasing. Already, this choice is chosen by approx. 7-8% of Internet users, while 2 years ago it was only 4%.<sup>2</sup>

#### Payment services most often chosen by Polish e-consumers

PayU is undoubtedly the leader among payment services on the Polish market. Over 55% of Internet users who make purchases and use a fast transfer service decide on it. Przelewy24 follows closely and is chosen by nearly every third e-consumer. Other payment services recognized on the domestic market are DotPay, ePrzelewy and Tpay.

#### Payment services - pay attention to the amount of commission

When choosing a company to cooperate with, it's definitely worth taking a closer look at the amount of fees charged. Its exact value depends on the monthly turnover of the online shop, usually the higher it is, the lower the percentage the payment service charges. Comparison of individual offers is a must. For this purpose, the ranking prepared by Ekomersiak.pl can be helpful, which divides online shops into 4 categories depending on the monthly turnover: Option 1- turnover of PLN 30 thousand; Option 2 - PLN 100 thousand; Option 3 - PLN 500 thousand; Option 4 - PLN 1 million. In the first category, the less known BlueMedia payment service was the winner. PayU definitely dominated in other categories<sup>3</sup>.

<sup>1</sup> Gemius report for the Chamber of Digital Economy "E-commerce in Poland 2019"

<sup>2</sup> Gemius "E-commerce in Poland 2017".

<sup>3</sup> https://ekomersiak.pl/ranking-platnosci-online-porownanie-stawek-prowizji/he



# **5.** Systems for collecting opinions about shops and products – a good idea or not?

The vast majority of Polish Internet users (as much as 75%) see opinions of other users regarding specific products and services as important<sup>1</sup>. These e-consumers are looking for opinions, among others on social media, as well as on websites of online shops. So it turns out that Internet users' opinions are one of the most powerful tools available for entrepreneurs selling online. What functions do they perform? They eliminate doubts at the decision-making stage, help build trust, and can also improve the conversion rate.

Systems for collecting opinions about shops and products can be diverse, but most often they take two forms:

- · customer reviews that are posted on product pages,
- shop reviews collected through an external website, e.g. Opineo, Ceneo, Okazje.info.pl.

#### **Opinions posted in the online shop**

The most problematic issue regarding the opinions of Internet users relates to the method of obtaining them. It is not so easy to get an e-consumer to write reviews, especially with positive feedback. However, as the data shows, it is certainly worth trying to convince customers to leave opinions or evaluate the services or products we offer. How to do this?

A good solution will be appropriate e-mail software. It is also used by the largest e-commerce players, which include Booking.com or Amazon. In this case, one key condition should be met: emails to customers must be sent as soon as possible after purchase. It may also be a good idea to offer consumers something in return, e.g. a one-off discount. What's more, the process of writing reviews should be as simple as possible, then it is more likely to get reviews.

#### Where ratings should be placed on the page?

A significant part of e-shops place customer reviews at the bottom of the page, meanwhile it is definitely better to include them next to the product (especially when it comes to the star-rating system). Then the user will immediately notice the given product rating. It is also a good practice to add the appropriate code formatting (so-called structured data) to the page so that you can display the average rating on a scale of 1-5 in the form of stars obtained by the product in Google search results.

<sup>1</sup> Research conducted by Think Kong and StudentsWatch.pl



#### 4. Hakuro Zestaw 10 Pędzli do Makijażu - sklep Cocolita

https://www.cocolita.pl > Pędzle do makijażu > Zestawy pędzli ▼

```
★★★★ Ocena: 5 - 141 opinii

Kup Hakuro Zestaw 10 Pędzli do Makijażu w drogerii Cocolita ➤ Super cena, Szybka wysyłka,

Promocje! ✓ Sprawdź i zamów kosmetyki online!

O L: 0 O LD: 21,6K ▷ I: 19,4K ② Rank: n/a ☐ Age: 2011|11|19 ② whois 〈〉 source O Rank: 845K
O Adv Disp Ads: 9 O Pub Disp Ads: 0
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#### 5. Hakuro Zestaw 5 Pędzli do Makijażu Oczu Cocolita.pl

https://www.cocolita.pl → Pędzle do makijażu → Zestawy pędzli ▼

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★★★★★ Ocena: 5 - 99 opinii
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Wspaniały zestaw 5 niezbędnych **pędzli** do wykonania makijażu oczu od firmy **Hakuro** - To gwarancja wysokiej jakości.

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      ○ L: 0
      ○ LD: 21,6K
      ▶ I: 19,4K
      ② Rank: n/a
      IIII Age: 2011|11|19
      ■ whois 
      > source
      ○ Rank: 845K

      ○ Adv Disp Ads: 9
      ○ Pub Disp Ads: 0
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#### Opinions collected via an external website

Nearly half of Internet users declare that they verify opinions about shops by checking them on independent portals<sup>2</sup>. Many e-entrepreneurs collect feedback through an external website. When deciding on such a step, it should be borne in mind that the customer's personal data (mainly e-mail address) will be transferred to an external entity, which requires the customer to agree to their transfer. This consent must be optional, dependent only on the will of the consumer.

It means, therefore, that an online shop which intends to use external websites to obtain opinions after purchase must conclude contracts for entrusting the processing of personal data with these websites, at the same time it should always obtain consent from its customers for the processing of such data. It's important to note that this consent should be expressed before the customer completes shopping in the selected online shop.

<sup>2</sup> Customer feedback as a factor affecting trust in e-commerce industry entities



## 6. Optimization of shop SEO for the Google PL search engine

The Polish search engine market is based on the monopoly of Google search engine, as it not only dominates among search engines, but is also the most visited website in Poland - by over 26 million Polish Internet users, which is 93.29% of reach among people using the internet<sup>1</sup>.

#### **On-site optimization**

The aspects of on-site optimization in Poland do not differ significantly from the global standards - the main difference is that some "novelties" are introduced to the Polish search engine market with a delay - such as AMP or direct answers, which gradually cover more and more queries. It wasn't until the beginning of 2019 that Google introduced the Polish-language version of Google Assistant, which should contribute to a significant increase in voice search queries.

First, check whether the current shop/page template is optimized for search engine robots, i.e.

- Google bot is able to enter and read the full content of the site,
- the site is handled correctly on mobile devices,
- loading speed is at a satisfactory level according the Google page speed,
- the structure of Hx headers is ordered,
- you can personalize the meta title and description,
- you applied structural data wherever possible.

While these aspects are refined, you will need to complement the page with the most important aspect, i.e. with unique and relevant content - of course in Polish and in a form corresponding to users' queries. At this stage, we can come across the first differences between the Polish market and the foreign market.

## Keyword analysis as an introduction to translating a website into Polish

In Polish, we deal with the so-called diacritical marks (q, ę, ć, ł, ó, ś, ź, ż) that should be taken into account both when analysing keywords as well as creating content on the page. For a person who has not had contact with the Polish language, they can cause many difficulties. The case is similar when it comes to grammar. Polish nouns are declined in terms of the number (singular and plural), as well as cases (so-called declension), which results in a multitude of forms of one word. This is illustrated by the following example.

<sup>1</sup> https://www.gemius.pl/agencje-aktualnosci/wyniki-badania-gemiuspbi-za-lipiec-2019.html



#### Polish English

singular	plural	singular
sukienka	sukienki	dress
sukienki	sukienek	dress
sukience	sukienkom	dress
sukienkę	sukienki	dress
sukienką	sukienkami	dress
sukience	sukienkach	dress
sukienko	sukienki	dress

Declination of the word "sukienka" (dress)

The use of the correct grammar is necessary if we want to build credibility in the eyes of Internet users. Polish network users are sensitive to incorrect forms as well as spelling mistakes. It is for this reason that the preparation of content on the site should be entrusted to a native speaker.

#### **On-site optimization**

Off-site optimization refers to off-site activities and can take a variety of forms. These include:

- website catalogues (business) although the catalogues are no longer as popular, there are several more on the Polish Internet that can positively affect the position of a website. Their operation is especially effective in the case of local positioning. Cataloguing websites can also be used as an element of link profile differentiation.
- Internet forums a significant proportion of users still search for information on specific companies or services on internet forums/discussion boards. It is a good idea to search for threads that are thematically related to your business. Most often these will be specific Internet users' queries that you can answer. Links from online forums differentiate inbound links to the site, thus making their overall profile much more natural
- creation and distribution of high-quality content high-quality content usually takes the form of expert and sponsored articles published on external portals or guest entries on thematic blogs. These types of activities are currently highly desirable. The



effects of implementing a content marketing strategy can be seen on many levels. Therefore, it means that they bring a lot of benefits, from strengthening recognition and creating the image of an expert, through a significant impact on SEO and SEM activities, to generating leads.

Compared to the English-language Internet, the quality of many links from Polish domains may seem poor (especially if we use tools operating around the world to analyse domains, such as ahrefs or majestic). Therefore, when choosing places to include links, you should not be guided only by "indicators" and pay attention to traffic from the google.pl search engine and thematic link to your website.



## 7. Google Ads strategy for e-commerce

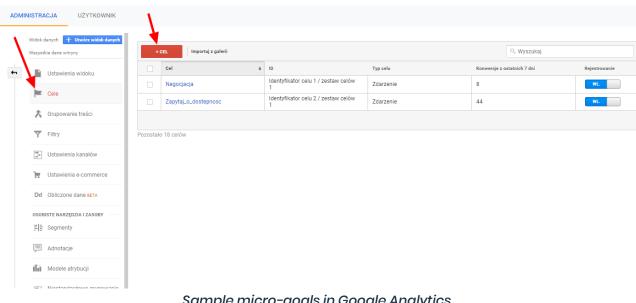
E-commerce is a characteristic industry whose success is determined by the selection of appropriate promotional activities on the Internet. One of the most effective channels for e-shops consists of Google Ads. This guide will help you learn how to create a Google Ads action plan step by step.

#### **#1 SET GOALS**

Ask yourself: what do I want to achieve with online advertising campaigns? On this basis, set your micro and macro goals and the period in which they are to be achieved. The most important thing is that they should be possible to achieve. Take small steps to reach the goal, for example try to increase the number of sessions on your website by 20% in the first month. Then focus on improving click through rates, bounce rates and conversions. In addition to transactions or collecting more traffic, important goals may include:

- subscribing to a newsletter,
- filling out a form with a request for product availability,
- completing a form with price negotiation,
- signing up to a contest/event organized by you,
- clicking on a banner,
- revealing phone number or e-mail address,
- accessing an appropriate subpage,
- or other ones that will eventually lead to a purchase on your site.

Each of them can be tagged, e.g. with the help of Google Tag Manager (GTM), and then counted in Google Analytics.



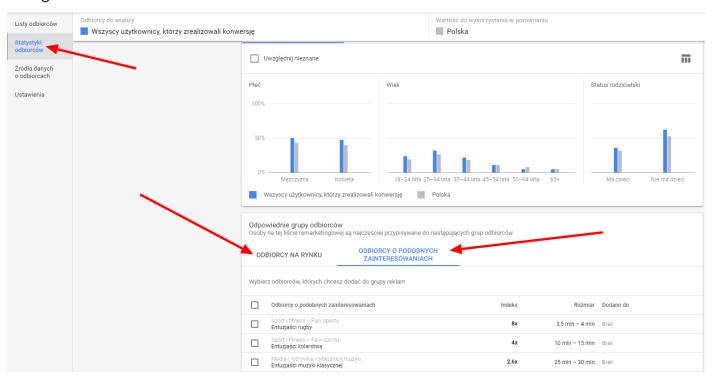
Sample micro-goals in Google Analytics.



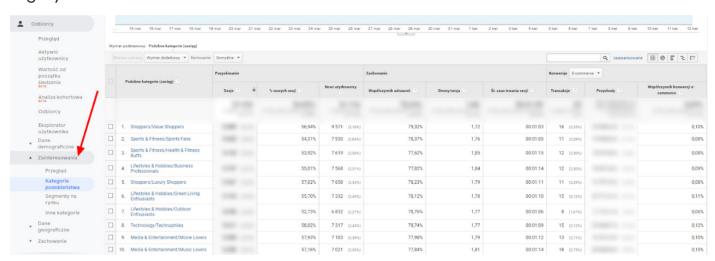
#### **#2 DEFINE YOUR RECIPIENTS**

Think about who should be the recipient of your ads. Try to determine the age and gender of people who should be interested in your product or service the most. In addition, think about what interests and topics will connect the potential customer with your offer. This will allow you to choose the right strategy and set the most appropriate behavioural targeting.

If you don't know who the recipient of your ads is, you can use "Audience Statistics" in Google Ads:



The second option is to use one of the Google Analytics reports from the "Interests" category:



Correctly defining your target audience will save a significant portion of your budget, because your ads will only reach a certain part of your audience. In addition, there is a greater chance of getting a conversion.



#### #3 DETERMINE RETURN ON INVESTMENT

For many people who are starting their adventure with online advertising, this is the most difficult question. If your goals are primarily related to e-commerce, try to define your profitability point. Calculate the level to which your investment in advertising will be profitable for you. Specify the margin you put on your products, but remember that prices have to remain competitive. Then try to determine how much return you would like to get for each zloty you spend. This will help you determine which ROAS you should focus on.

#### How to calculate ROAS? Income/expenses\*100% |

For example, if you spend PLN 2,000 on advertising and the expected return on investment should oscillate around PLN 20,000, the ROAS ratio will be 1000% in this case.

Determining ROAS (or ROI, or margin) is essential when running advertising campaigns. Thanks to it, the person dealing with the advertising account will know in which direction to optimize the conducted activities. Try to set it at such a level that your advertising effort will pay for itself every time, but also that the campaigns have the opportunity to be developed and scaled.



Example ROAS for all activities carried out in Google Ads.

#### #4 SPEED UP WEBSITE OPERATION

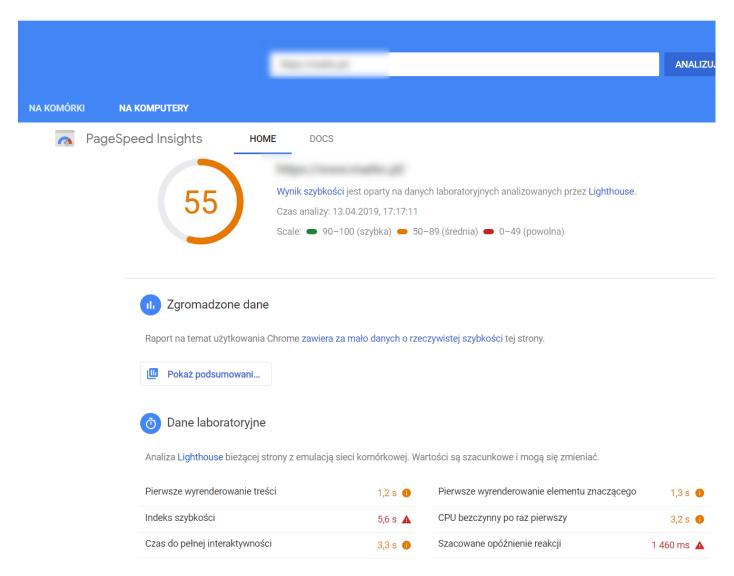
One of the most important factors determining the effectiveness of advertising campaigns is the appearance and operation of the website.

Is your website user-friendly for all devices? Is it intuitive? Does it work fast enough? It should be remembered that each year mobile devices are becoming more and more important. Make sure that your website is responsive, i.e. that users of smartphones and tablets can browse it efficiently and without obstacles. The correct operation of the in-



ternal search engine and the division of categories on the website is a very important element. Make sure the search results on your page are as accurate as possible. See how UX and SEO optimization can positively impact the effectiveness of an online shop.

There are many services testing website operation, such as PageSpeed Insights recommended by Google. Make sure that the potential customer does not have to look for the product or service that interests them for too long, because very often it leads to a noticeable loss of the number of conversions, and therefore part of the revenue. The faster your site works and the more user-friendly it is to users of all types of devices, the greater the likelihood that a potential buyer will stay on it longer and will be more willing to add something to the basket.

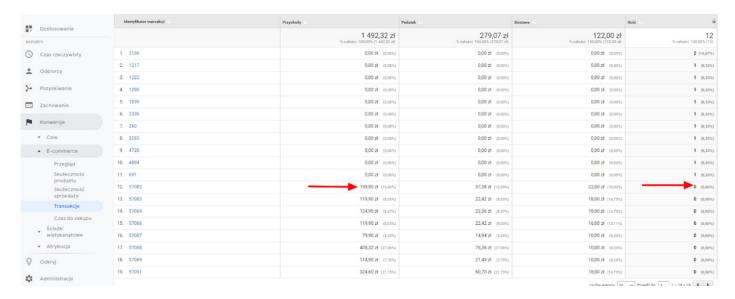


Sample Google Speed Insights result for computer-targeted pages.

#### **#5 ENSURE CORRECT DATA COLLECTION**

Most advertisers use Google Analytics and base their calculations on it. It is important that the data collected through it is correct - in particular the correct conversion counting.

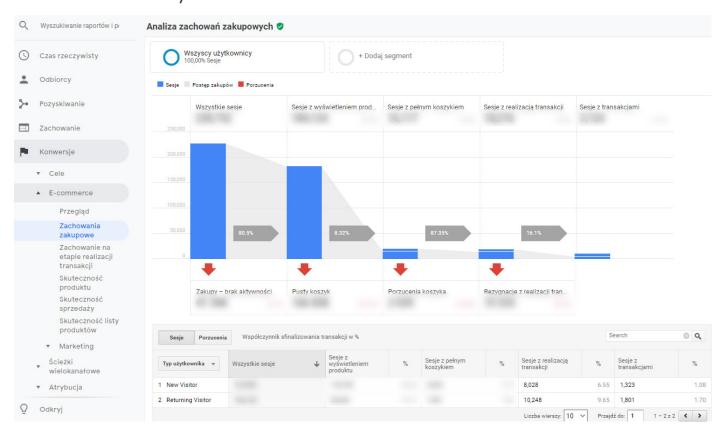




An example of an issue related to counting conversions by the e-commerce module.

The above error has led to the fact that much of the data was transferred incorrectly to Google Ads. For this reason, campaign optimization was very difficult, and sometimes impossible. The ongoing data analysis has enabled the problem to be spotted quickly and passed on to the webmaster.

Launch Enhanced E-commerce. This will give you data that can help you maximize your conversion rate. You will be able to analyse at what stage of purchase you lose the most users and thus fix any errors.

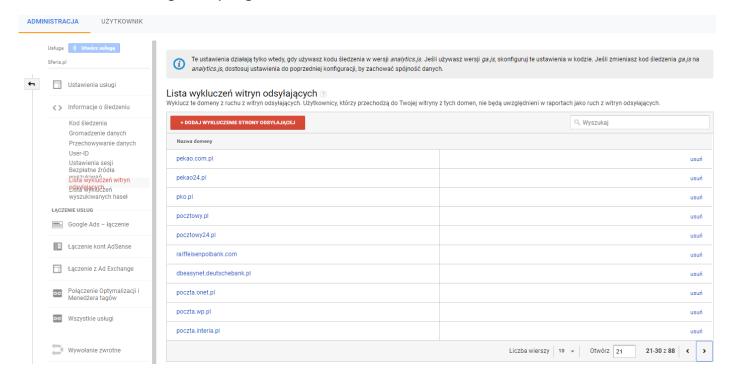


Sample data from Enhanced E-commerce.



Adding codes for remarketing (preferably dynamic) will allow you to collect relevant audience lists and then reach the people who are potentially the most interested in making a purchase on your website. It will also allow you to display exactly the same products as remarketing ads that the user previously viewed on your website.

Make sure that each conversion is correctly recorded and assigned with the correct source. Look at the Source/Medium report in Google Analytics and see what sources led to conversions. Then add any mail, banks and payments to your referring site exclusion list. Certainly it is not their merit that the conversion is achieved, but your well-positioned website, advertising campaigns, newsletter, etc.



Exclusion List of referral sites - Example Exclusions.

#### #6 PROVIDE HIGHEST QUALITY DATA

Shopping campaigns and dynamic remarketing are one of the best sales campaigns. Both types of campaigns use data collected from the product feed in their ads. That is why it is extremely important that it is carefully planned and developed. A very good feed should have precise titles, rich descriptions, supplemented Brand attributes, GTIN, product type, good main images, condition, availability and appropriate price. The most important thing is that the data on the landing pages matches data provided in the feed.



#### ZUDAUZ. ITATTIPUTITIY...



Neo-Sport, trampolina...

409,00 zł

Empik.com

Przez: PMsho...



Trampolina Sapphire 10FT...

548,00 zł

Abcfitness.pl

Przez: Google



Funfit, trampolina ogrodowa z...

448,00 zł

Empik.com

Przez: PMsho...



Trampolina Sapphire 8FT...

543,00 zł

Abcfitness.pl

Przez: Google



Trampolina

Ogrodowa...

879,00 zł

SklepSportowy.pl

Przez: Google



Trampolina Zipro

z siatką...

549,00 zł

SportowyRaj.pl

Przez: Nokaut.pl

Sample ads from PLA campaigns, based on product feed.



The more information will be provided in the product file, the higher the quality of ads. Improved feed will allow you to achieve more searches, more often linking our products with users' search phrases, and this should translate into a greater number of transactions. It should be remembered that the feed must be updated on an ongoing basis, and that the data provided in it should be consistent with the data available on particular landing pages.

Feed is generated via appropriate plugins or embedded modules on the shop platform.

The most common feed-related issues include:

#### GTIN attribute

Google automated processes pay special attention to the GTIN attribute (bar code, EAN). Due to its lack, even despite very rich descriptions, great titles and properly supplemented other attributes, very often it happens that product ads have no chance to appear in search results. If the product you are selling is not a handicraft, if you are not a producer, then you probably have GTIN and you should complete it in the sent feed.

#### Photos

Main photos must not violate the established rules, i.e. they must be of adequate quality, may not contain logos, watermarks, must have an appropriate size and preferably have a uniform (white or transparent) background. Find out more here.

Remember that correctly entered product types will allow you to properly segment products in PLA campaigns. Thanks to them, campaign optimization will be easier and faster!

#### Price mismatches

... or availability between the feed and landing pages Most often it is caused by a problem with microdata (more information about this can be found here) or sending outdated data in a file.

#### **#7 WORK ON EVERY DETAIL OF AN AD**

The selection of relevant ads is very important. Prepare advertising messages that best present your product range or business. Direct them as precisely as possible, preferably to the product or service card. Make sure that your offer's highlights are in the messages and images. The calls for action added to the message, as well as dedicated ads and landing pages for promotional campaigns, events or a given season increase click through rates (CTRs) and are more attractive to a potential customer.



	•	Reklama 🛧	Kampania	Grupa reklam	Stan	Typ reklamy
Łącz	nie: filtro	wane reklamy ③				
	0	Sklep z Biżuterią   Walentynkowa Biżuteria do -50% /sklep/internetowy kie Wyroby Na Światowym Poziomie. Tysiace Zadowolonych Klientów.	Search - Brand	Brand + Kategoria	Wstrzymana	Rozszerzona reklama tekstowa
	0	Sklep z Biżuterią   Walentynkowa Biżuteria do -50%  'sklep/internetowy kie Wyroby Na Światowym Poziomie. Tysiace Zadowolonych Klientów.	Search - Brand	Brand	Wstrzymana	Rozszerzona reklama tekstowa
	0	Sklep z Biżuterią   Walentynkowa Biżuteria do -50%	Search - Brand	Brand + Kategoria	Wstrzymana	Rozszerzona reklama tekstowa
	0	Sklep z Biżuterią   Walentynkowa Biżuteria do -50%  sklep/internetowy Tworzymy Idealne Prezenty. Na Każdą Okazję. Polska Biżuteria Na Światowym Poziomie.	Search - Brand	Brand	Wstrzymana	Rozszerzona reklama tekstowa
	0	[Nagłówek generowany dynamicznie] [Dynamicznie generowany wyświetlany URL] Tworzymy Idealne Prezenty. Biżuteria na Walentynkowy Prezent do -50%!	DSA - General	DSA - General	Wstrzymana	Rozszerzona dynamiczna reklama w wyszukiwarce

Sample seasonal ads - Valentine's Day 2019.

Add as much additional information as possible in your ad extensions and keep them updated. Ad extensions make your ad more visible. Thanks to this, it will generate more clicks, which in turn will translate into its higher CTR and better quality result.

#### **#8 GROW**

Are your goals based solely on e-commerce? Perhaps promoting your brand image or increasing your existing reach is something you also want to strive for? Remember that even the best-optimized campaigns will stop growing over time. They will need new users, which can be generated thanks to launched support campaigns. Not without reason, even the largest corporations devote huge budgets to promoting their own brand and generic campaigns.

Supportive campaigns such as: a search campaign with general targeting, precisely targeted GDN campaigns, or a YouTube video ad using a selected audience can bring many valuable users to your website, and even convert them. Their value can be measured using the assisted conversion report and other micro-goals you set. As your brand awareness increases, your revenue will also increase. More people will go directly to your site and your brand will appear more often in search phrases.

It is said that when you stand still you actually move back. The Google Ads system and competition are constantly developing, so you can't be left behind. Test new possibilities and launch new configurations. Do you already have a standard set of sales campaigns, i.e. PLA, Remarketing and Search? Activate DSA, GDN, GSP and YouTube. Make use of the new campaign types, targeting combinations and various bid strategies. Try to develop and optimize your campaigns based on historical data at all times. Act on a bigger scale, reach new users but do not forget about those already acquired. Thanks to this, your business will grow as intended and achieve satisfying results.



## 8. Sales campaigns with **Comparison Shopping Services**

Product advertising on Google is one of the most effective forms of promoting specific products on the web. Due to the appearance in the search engine they are characterized by a very high conversion rate. See how you can additionally increase the efficiency of shopping campaigns by using alternative Google Shopping Comparison Services!

#### **Google Shopping EU antitrust ruling**

In July 2017 the European Commission imposed a record fine on Google for the amount of EUR 2.4 billion for favouring its service of comparing prices over competitive services in the Google search engine. The aftermath of that fine consists in implementing other price comparison engines in product advertisement boxes by the giant from Mountain View.

To ensure that they participate in the auction, Google has introduced attractive rates for services other than Google Shopping. This is a great opportunity for online shops, whose revenue is largely generated by product campaigns (PLA).

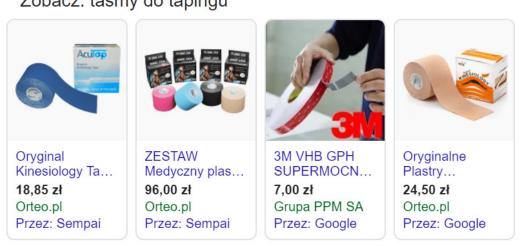
#### What is CSS?

Product advertising is one of the most effective forms of promoting an online shop product range due to the appearance in Google search engine:



Około 85 100 wyników (0,35 s)

#### Zobacz: taśmy do tapingu

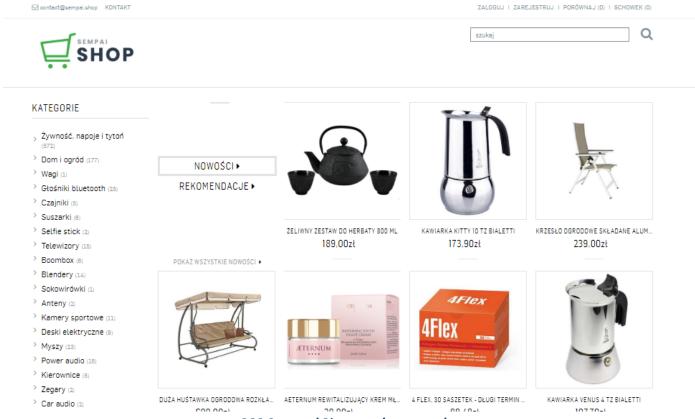


The appearance of product ad boxes in Google Shopping



PLA ads can only be displayed as part of a price comparison service - until recently, advertisers only had to use Google Shopping for this purpose. However, due to the penalty imposed by EC on Google, we can now choose from all the services available on the market.

Price comparison service (also known as CSS - Comparison Shopping Services) is a website that collects product offers from e-sellers:

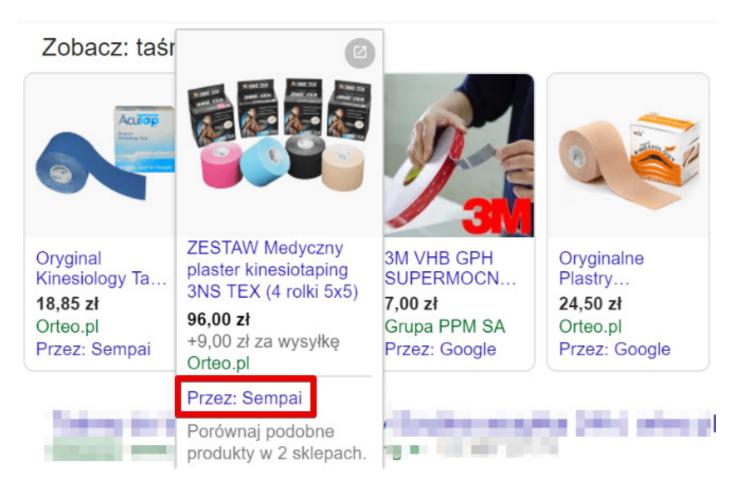


CSS Sempai Shop main page view

Users who clicked on a product on the page or product advertisement associated with that page are redirected to the e-seller's website, where they will be able to learn more about the product and complete a purchase. In Poland, the most known price comparison websites include Zalando, Domodi, Homebook, Allani or Nokaut.

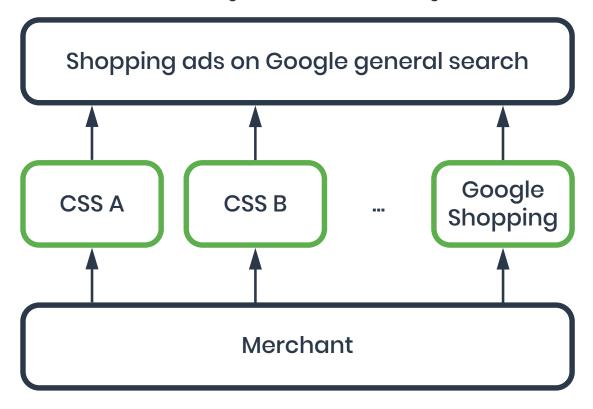
The only visible change resulting from the use of CSS (other than Google Shopping) in product ads is the replacement of a link redirecting to the product on your website from "Through Google" to the name of another CSS, e.g. "Through Sempai":





#### **How does CSS work?**

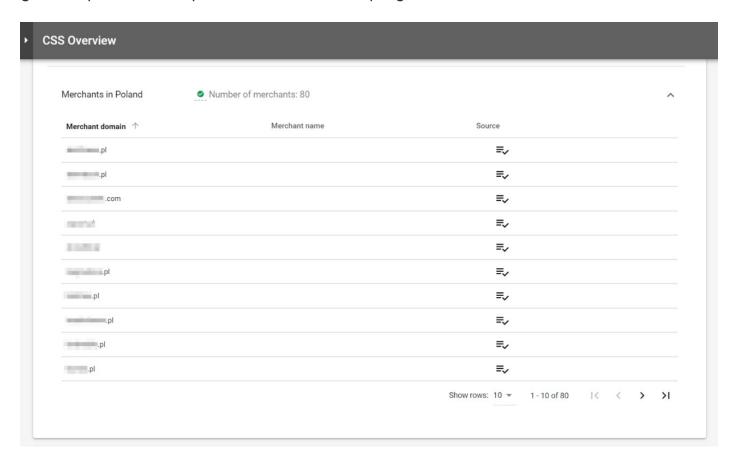
The mechanism of action using an alternative CSS is the same as before Google allowed competitors to enter the search engine - it consists in bidding on CPC rates.



Source: Google Support



As you can see, we can use any number of CSS in our shopping campaigns. From a CSS perspective, the situation is that it creates a separate Merchant Center account for each e-seller it represents. This allows you to send data about the product range of a specific e-shop and launch PLA campaigns on its behalf:



In turn, from the perspective of the seller, it must find a partner with the Google-certified CSS service. We also recommend that the chosen person has experience in running product campaigns in Google, because PLA optimization is an important campaign efficiency factor.

The technical implementation service itself by the partner CSS consists of the following elements:

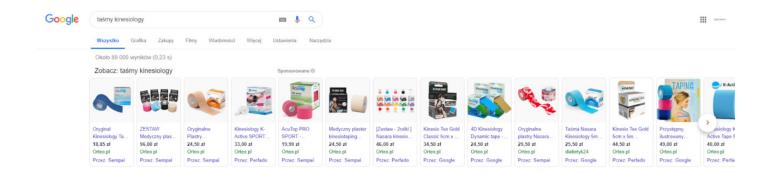
- preparation of the product file,
- Technical configuration of the Merchant Center and the shopping campaign itself,
- coordinating the level of prices according to the agreed strategy.

#### What is the biggest advantage of using alternative CSS?

Due to pressure from the European Commission, Google has been trying to attract the biggest number of alternative CSS to join Google Shopping. Hence the biggest benefit resulting from their use are CPC rates lower by up to 20%. This is because the fees for clicking on ads from a service other than Google Shopping are not subject to any additional technology margin.

Our experience in the implementation and subsequent optimization of PLA campaigns using **CSS Sempai Shop** shows that ads get better exposure in product boxes. And this in turn directly increases the number of impressions and clicks.





Technically, it is not possible for one advertiser to display exactly the same product in two boxes from a different CSS database. In practice, however, the system is very happy to emit ads of similar products, varieties of a different colour or size in such a situation. The wider the shop's offer in this area, the more additional potential it can gain in terms of advertising using other CSS.

Careful implementation of the CSS sales campaign and Google Ads strategy can bring huge benefits. This is illustrated by the following case study:

https://drive.google.com/file/d/1ZvxkxNKp7UayWMEIJZju2CmDI5WFZDNJ/view



## 9. Polish e-seller calendar

The Polish calendar includes numerous holidays and occasions, which most often have a direct relationship with increasing sales, including e-commerce. Some of them have been adapted from Western culture, like Valentine's Day or Halloween, the latter being somewhat less popular in our country. The vast majority, however, results from the national tradition closely linked to the Christian holidays: Easter, All Saints Day, Christmas – these are holidays that Poles celebrate the most.

Increased sales can also be observed during long weekends, e.g. May 1-3 which is associated with national holidays. An equally popular opportunity to give presents is Women's Day on March 8. Interestingly, the Men's Day tradition seems to be only crawling in our country. However, there are also occasions/days not related to holidays, which significantly affect the increase in sales. I am talking primarily about the start of the school year, which falls at the beginning of September.

Interestingly, Polish Internet users most often shop on Mondays (19.55%) in the evening, i.e. between 8 pm and 10 pm (22.47%)<sup>1</sup>. However, there is one major exception to this rule, the pre-Christmas period. Then shopping lasts all week and almost around the clock. It is in December that the largest increase in sales is recorded in most e-shops. An increased number of transactions is also recorded on the last weekend of November, i.e. Black Friday.

If you run an online shop, you must be aware of the holiday calendar in your country. The graphic below will tell you what special deals you should prepare for a given period when running an e-business in Poland.

<sup>1</sup> https://www.ekomercyjnie.pl/kiedy-polak-robi-zakupy-w-sieci/