



# THE ECOMMERCE MARKETER'S GUIDE TO ADVANCED RETARGETING

How to build fully optimized retargeting sequences to increase conversion rates, nurture prospects and boost sales.

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# INTRODUCTION

A common misconception about retargeting for an e-commerce store is that it's as simple as setting up a DPA (Dynamic Product Ad), letting it run and hoping for the best.

That's certainly better than not doing any retargeting at all, it's a decent starting point - but over the past few years we've been trying to understand what makes the perfect retargeting strategy. We've worked with 6,000+ e-commerce brands and have managed millions of retargeting ad spend dollars along the way.

This guide is a summary of our approach to retargeting.

We hope you enjoy it 🙏!

-Reza

*P.S. If you're just starting out in your e-commerce journey and still in the phase of getting your first few sales, this guide is probably not right for you just yet. I'd encourage you to check out [this tutorial](#) we wrote instead, to learn about driving high quality traffic to your store.*



Reza Khadjavi  
Co-founder & CEO at Shoelace

## CUSTOMER JOURNEY FUNNEL

When a visitor lands on your website, there is a sequence of events that you'd probably like them to complete before leaving.

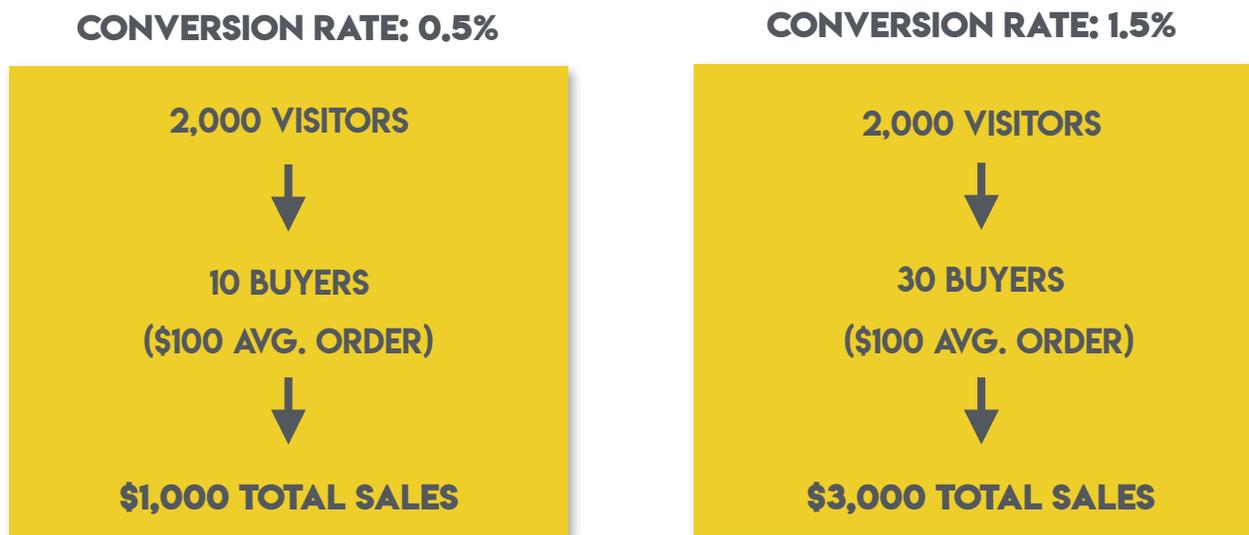
At a high level, those events might be:



Some might get as far as adding a product to cart but will leave without buying anything, while others may leave after only having viewed the home page. On average, only 2% of website visitors will end up making a purchase.

Given how low the typical conversion rates are, even a minor improvement to your funnel conversion can have a big impact on your overall sales.

Consider a store that has a conversion rate of 0.5% and an average order value of \$100. With 2,000 visitors to the site, the store will make \$1,000 in sales. If the same store had a conversion rate of 1.5% that could mean \$3,000 in sales! Big difference, right?

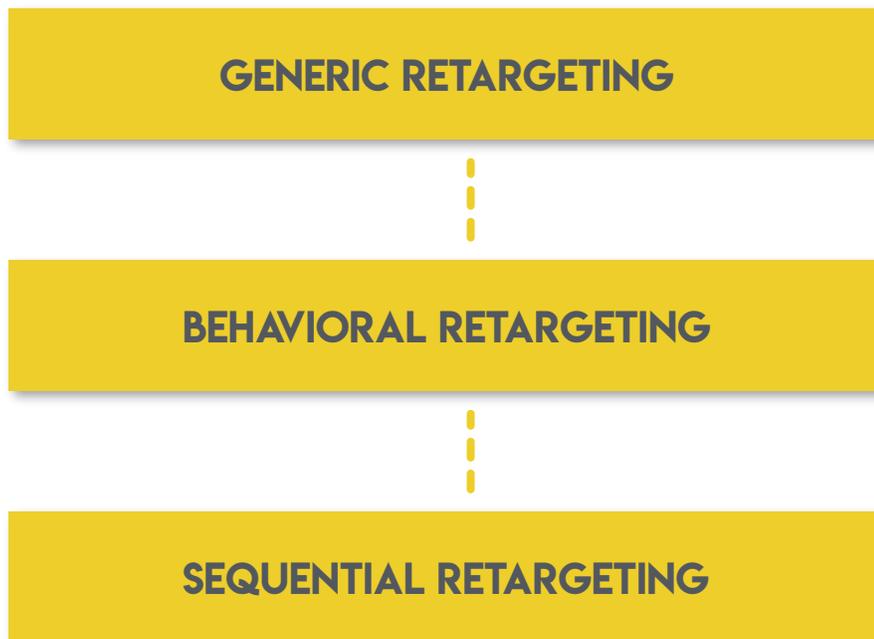


Retargeting can be an effective way to increase your conversion rate. But poorly executed retargeting campaigns can lead to wasted ad dollars and annoyed prospects.

A visitor who left your store without having viewed a product is nowhere near as ready to buy as a prospect who abandoned cart. Your retargeting strategy should account for this and your ads should be tailored to nurture prospects at each stage of the funnel.

# THREE TYPES OF RETARGETING STRATEGIES

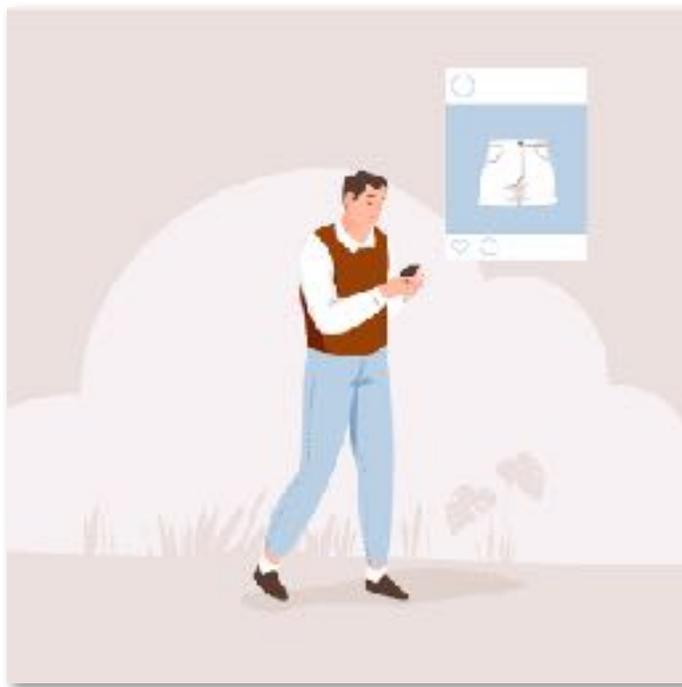
Your retargeting strategy likely fits into one of three types:



When you're just starting out and your traffic is still limited, it's perfectly fine to begin with Generic Retargeting. But as we'll explore in this guide, once your audience starts to grow, Sequential Retargeting may be a much more impactful way to nurture prospects along the customer journey.

## GENERIC RETARGETING

Generic Retargeting is when you target all your past website visitors in a custom audience and show them a retargeting ad after they leave your store.



This audience contains prospects at various stages of the funnel, but they'll all see the same ad. The major downside to this approach is that the ad messaging will not fully resonate with every audience segment.

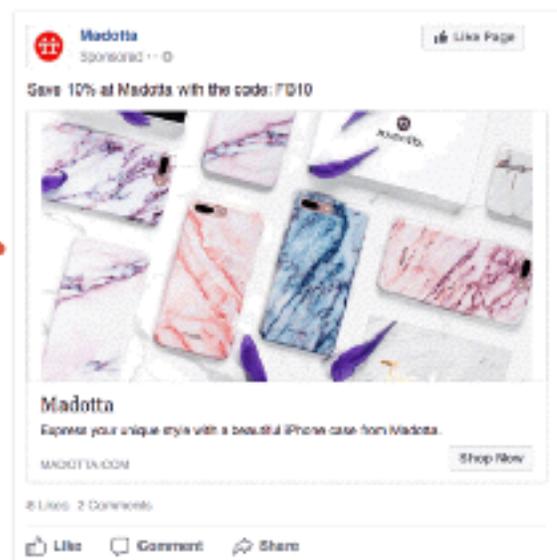
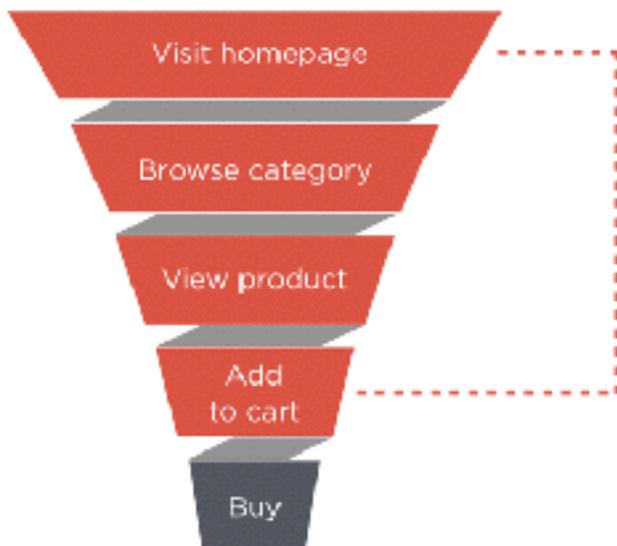
A visitor who bounced from the home page probably needs to learn more about your brand to build trust before they are ready to even think about buying. Whereas, a visitor who abandoned cart might be more receptive to a strong call to action message like “Buy now!” with a discount offer.

In custom audience terms, Generic Retargeting is when you lump “All website visitors” into one audience and create a campaign targeting everyone in that group with the same ad.



With this custom audience setting, Facebook won't care what those visitors did while they were on your site. In the context of your customer journey funnel, all of the different audience segments will experience the same retargeting ad.

Ideally, you'll want to create different audience segments for each of the stages of your funnel and advertise to them accordingly.



## BEHAVIORAL RETARGETING

Behavioral Retargeting is when you segment past website visitors into different audiences based on the actions they performed while they were on your site and which stage of the funnel they abandoned.



Visitors who viewed a product go into one audience, visitors who added to cart go into another and so on. Then, you'd create a separate retargeting campaign for each of these audience segments.

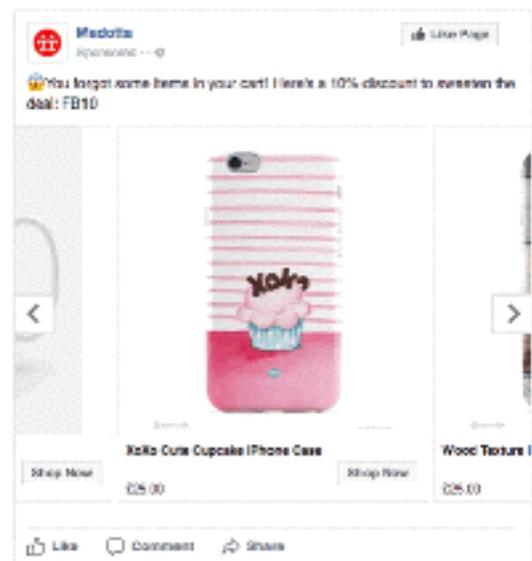
Behavioral Retargeting is a lot more granular in its targeting. This allows you to get creative with the ads to make the marketing copy hyper-relevant to each audience segment.

In Facebook, you'd use the events filter when creating a custom audience to isolate visitors based on their actions. For example, choose the "AddToCart" event if you want to segment visitors who added a product to cart before they left your store.



The biggest drawback to plain Behavioral Retargeting is the repetition in the ads which can cause ad fatigue. Depending on how long of a retargeting window you set, your audience may be seeing the same ad over and over again for weeks or even months (😱) after they leave your website.

Think about your own experience scrolling through your social feeds; the moment you notice a piece of content that you've already seen, how quickly do you scroll past it? Insta-scroll, right? Well, your customers are no different and repetition in your ads will cause them to ignore your content.



# SEQUENTIAL RETARGETING

Sequential Retargeting is when your visitors go through a sequence of ad experiences after they leave your website. Instead of seeing the same repetitive retargeting ad, they will see a variety of ads as they move through the sequence.



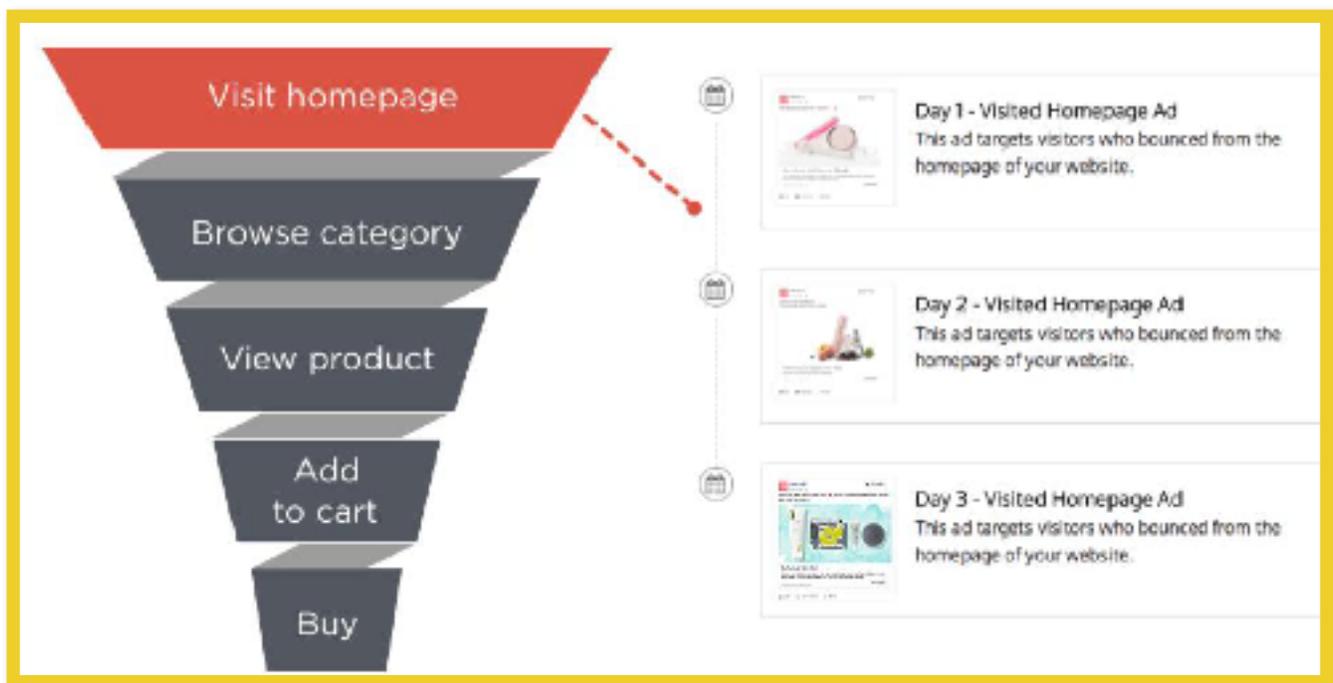
There are several reasons why retargeting sequences are so powerful.

- 1 Fights ad fatigue:** Keeps the content fresh as visitors go through your sequence so your audience is more likely to engage with your ads.
- 2 Nurture prospects:** Your sequence can address the various objections a prospect may have about buying from your brand. E.g. talk about your generous return policy, share positive reviews from other customers, etc.
- 3 Stands out by blending in:** Each time your prospect scrolls through their social feed they expect to see new and interesting content. Stand out from other boring ads by blending into the dynamic nature of the social feed.

## FUNNEL-DRIVEN RETARGETING SEQUENCES

When you combine behavioural and sequential retargeting, you get a powerful combination. You can create a different retargeting sequence for prospects at various stages of the funnel. In other words, you can set up a sequence for prospects who bounced from the home page, a sequence for prospects who viewed a product, and so on.

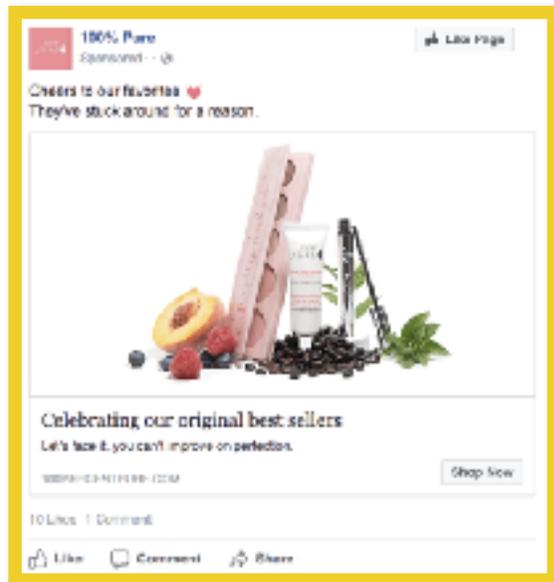
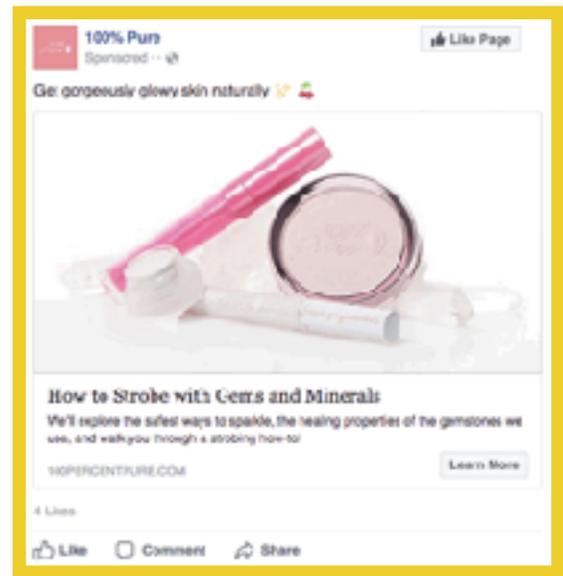
This funnel-driven strategy results in highly relevant ad experiences to nurture prospects along the customer journey.



For example, Shopify Plus merchant 100% PURE ran a retargeting sequence targeting visitors who bounced from the home page. Each day, for three days after leaving the website, prospects saw a new ad experience learning something new about the brand.

## DAY 1 – BLOG POST AD

This ad promotes a blog post called “How to Strobe with Gems and Minerals”. It’s a piece of content that provides value to prospects and positions 100% PURE as a thought-leader in their space.

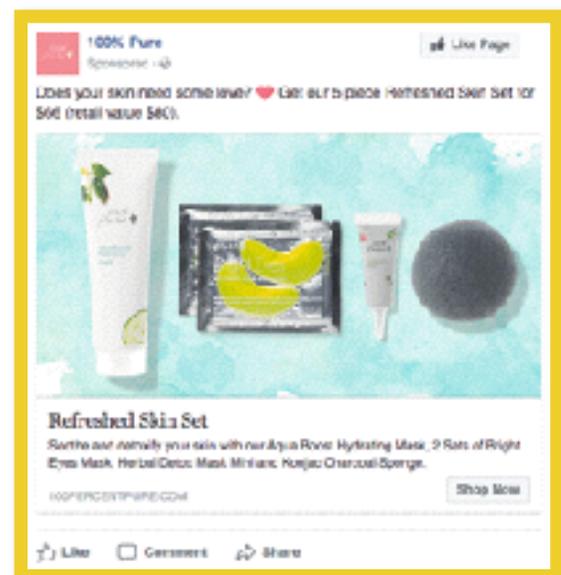


## DAY 2 – BEST SELLERS AD

This ad features a link to the Best Sellers collection. This is a good way to surface a popular collection that you’d recommend the prospect check out to learn more about your brand and products.

## DAY 3 – REFRESHED SKIN SET AD

This ad promotes a featured product: the Refreshed Skin Set. The aim here is to drive the prospect directly to a product page to check out an item that’s popular or trending.



# SHAMELESS SHOELACE SALES PITCH 🤔

If you're convinced that funnel-driven retargeting sequences is the way to go and just want someone to get it done for you flawlessly...

Look no further!

That's why we built Shoelace. We automate the setup and continuous monitoring of sequential retargeting campaigns for thousands of e-commerce brands.



*"Where ad agencies mainly focuses on commissions of ad spend, Shoelace focuses on the return on investment on your ad spend."*

*Journey campaigns have been really successful, ROI has been through the roof!"*

-Chris Tran, 100% PURE

## TRY SHOELACE FREE FOR 14 DAYS



Using Shoelace is like hiring the world's best retargeting expert to run all of your campaigns end-to-end.

Connect Shoelace to your e-commerce store and your Facebook ad account, we'll create all your retargeting funnels and send you suggestion on how to improve ROI.

[START MY FREE TRIAL](#)

## THE AUDIENCE LAYERING TECHNIQUE

The technique you would use with Facebook Custom Audiences to create retargeting sequences is called layering audiences.



It's when you create layers of included & excluded custom audiences based on the number of days since the visitor has left your site, to target someone on a specific day or day range.

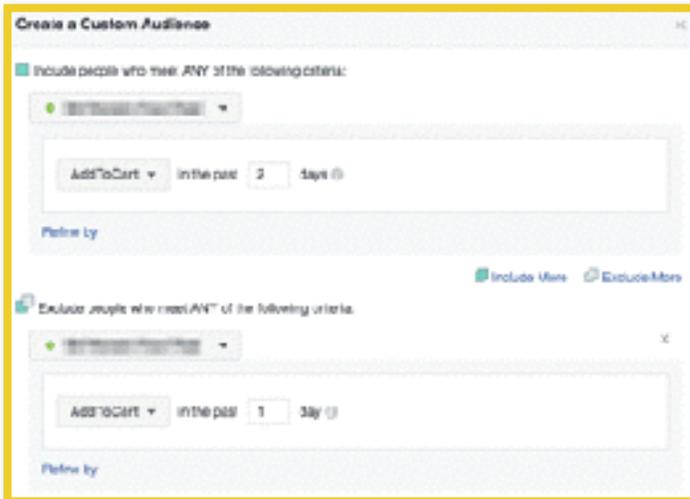
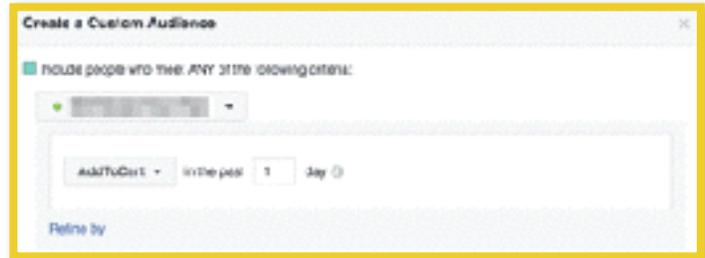
As an example, if you want to target people on their 3rd day after leaving your website, you can create a custom audience of “website visitors in the past 3 days” and another custom audience of “website visitors in the past 2 days”. Then in your ad set, you'd **include** the 3 day audience and **exclude** the 2 day audience, and this gives you the audience of past visitors on their 3rd day!

## Add to cart retargeting sequence

Suppose you want to create a retargeting sequence that lasts for three days after someone (who added a product to cart) leaves your site, where they'd see a different ad on each day. Here's how you would do that with layering audiences.

### Day one

This audience includes anyone who added to cart within the last one day. This gives you the audience of people who added to cart on their first day after leaving your website.

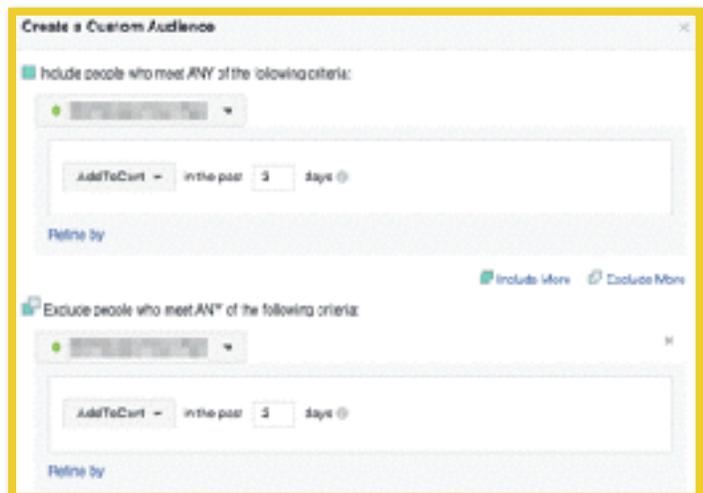


### Day two

This audience includes anyone who added to cart within the last two days and excludes those who added to cart within the last one day. This gives you the audience of people who added to cart on their second day after leaving your website.

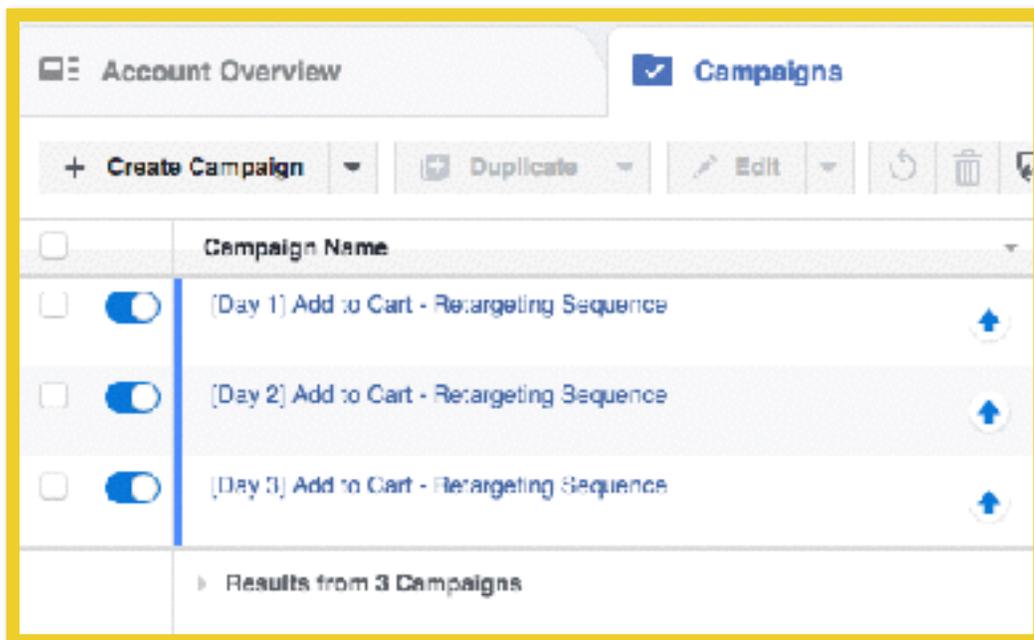
### Day three

This audience includes anyone who added to cart within the last three days and excludes those who added to cart within the last two days. This gives you the audience of people who added to cart, on their third day after leaving your website.



## Create each sequence as a campaign

Once you have your audience segments created, it's time to set up a retargeting sequence, which may look something like this:



We recommend creating each sequence as a new Campaign on Facebook. In the Ad Set for each Campaign, you'll select the appropriate custom audience you created in the previous step and as for the Ads, that's where you can get creative with a different sequence of ads and messaging!

## CASE STUDY: 100% PURE

How 100% PURE spent \$110K on sequential retargeting with Shoelace to make \$1.8M in sales



### Client profile

**100% PURE** is a Shopify Plus brand founded in a Napa, California farmhouse in 2005 and now based in Silicon Valley. They are a natural cosmetics beauty firm focused on providing healthy skin care, color cosmetics plus bath and body products.

Completely free of all harmful toxins, 100% PURE is a healthy and pure line of nourishing personal care items made only with the highest quality ingredients. Natural and 100% cruelty-free, 100% free of artificial colors.

### Goals

100% PURE wanted take their retargeting campaigns to the next level. They knew how valuable their website traffic was and wanted a way to optimize their conversions while also reinforcing their brand. The main goal was to increase sales from past visitors while keeping visitors engaged.

### Approach

Using the sequential retargeting approach with Shoelace Journeys, 100% PURE could tell their brand story to visitors who left their store without completing a purchase.

Each customer's Journey was customized to what they did on 100% Pure's site. For example, the ads could feature a product they had viewed in the store, or based on whether or not they'd added a product to their shopping cart. This way each customer received a more personalized experience with the brand. At the same time, this maximized 100% Pure's ad spend and ROI - win-win!

## Retargeting sequence for visitors who viewed a product

One of the Journey campaigns that Shoelace created for 100% PURE, was targeting visitors who “viewed a product” but left the store without completing a purchase. It featured a sequence of ad experiences, like promoting a blog post, a lifestyle carousel for Instagram, a brand video and more!

**Day 1-2**  
On day 1 to 2 after leaving your website, visitors will experience the following ads

- Blog Post Ad**  
This ad features your "How to Choose the Best Natural Foundation" blog post. [Edit](#)
- Instagram Carousel Ad**  
This ad features a set of lifestyle images suited for Instagram. [Edit](#)

**Day 3-4**  
On day 3 to 4 after leaving your website, visitors will experience the following ads

- Natural Makeup Collection Ad**  
This ad features popular products from your Natural Makeup collection. [Edit](#)
- Product Reviews Ad**  
This ad features a dynamic set of product reviews from your store. [Edit](#)

**Day 5-6**  
On day 5 to 6 after leaving your website, visitors will experience the following ads

- Brand Video Ad**  
This ad features a video of your Gemmed Luminizer product. [Edit](#)

## Results

Over an 8 month period, 100% PURE spent \$110K on various Journey and Nudge campaigns that Shoelace created and they generated a return of \$1.8M in sales!

Results			All	Lifetime
<b>\$110,474.89</b> TOTAL AD SPEND	<b>55,758</b> RETURNED TO WEBSITE	<b>1,201,474</b> PRODUCT VIEWS		
<b>175,900</b> ADD TO CARTS	<b>23,884</b> PURCHASES	<b>\$1,791,809.42</b> TOTAL SALES		

## MEASURING SUCCESS WITH RETARGETING

Depending on which segment of the funnel your retargeting sequence is aimed at, the definition of success can vary greatly. Many advertisers will judge the performance of every retargeting campaign by the same metric: ROAS (Return on Ad Spend), but this is simply not the right success metric for all campaigns.

At times, you may not have the budget to afford to run any campaigns that aren't focused on immediately driving ROAS – and that is completely fine – but it's important to know that some campaigns should be measured differently.



For example, if you run a retargeting sequence targeting prospects who bounced from the homepage, you'll want to measure how much engagement the ad got, how many people return to the website and how many viewed a product. But if your retargeting sequence is targeting prospects who abandoned cart, you most certainly want to measure return on ad spend and how much revenue the ad generates.

## FINAL THOUGHTS:

If your approach to retargeting has been to simply set up a Dynamic Product Ad and just let it run, you are missing out on a whole lot of opportunities to improve your campaigns and increase your conversion rates.

### Remember these key points:

- 1 Your past visitors are going to leave at different stages of the funnel, communicate to them accordingly.
- 2 People hate repeatedly seeing the same content in their social feeds, use sequences to keep your ads fresh.
- 3 Success of a funnel-driven retargeting sequence isn't always measured in ROAS, keep that in mind as you assess performance of your campaigns.

Happy retargeting!

- From your friends at Shoelace