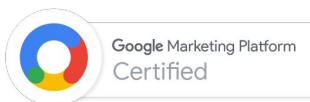


Reaching the PMax summit: How Decathlon achieved a +52% ROAS uplift.



Tomas Obal

Ecommerce Leader Austria
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Empowering Decathlon's journey

Navigating PMax felt like a **solo climb** for Decathlon as they struggled to make PMax work in their interest.

When Decathlon first tried out PMax they were not sure about:

- how to best set up their campaigns to reach their business goals, and
- how to manage them efficiently given their limited resources.

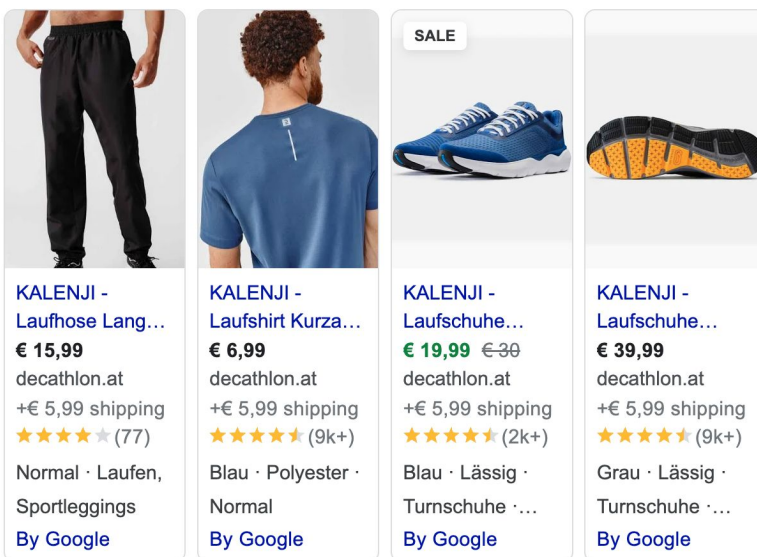
The result?

Performance Max didn't just **hijack** Decathlon's brand search traffic; it **chased quick victories**, overlooking the products that really mattered to their strategy.

Facing a tough climb, Decathlon refused to back down. Guided by clear objectives, they reached out for external support with:

- more control
- healthy growth
- a scalable setup
- a reliable partner

With our partnership as their **guiding rope**, we were set to tackle the challenge, boosting Decathlon's revenue while maintaining a profitable ROAS.



Decathlon is one of the largest sporting goods retailers, selling products for 70+ sport types. Among their 35,000 products are many of their own brands. Developed in their own sports lab, these products promise quality at fair prices.

Navigating tough terrains

Decathlon's problems came from not having enough steering options to control Performance Max.

In PMax, advertisers are limited to merely setting up campaigns and tweaking goals and budgets on campaign level; a great **contrast** to **Shopping campaigns**, where they can also make detailed **item-level adjustments**. Which is exactly what the **Decathlon team** was used to.

Naturally, this lack of control in PMax had led to issues in the past when Decathlon clustered items with different performances into the same campaigns.

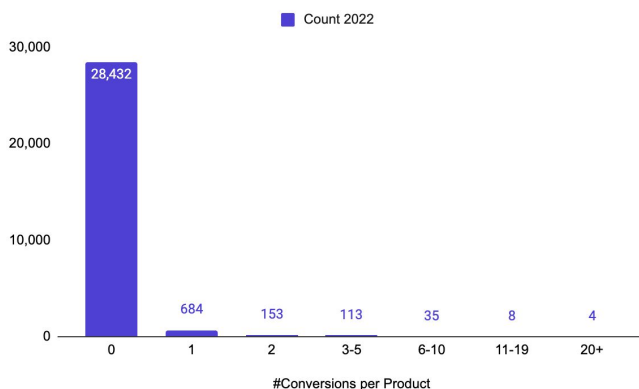
Given free rein, PMax tried to reach the goals primarily by focusing on top sellers – no matter their **strategic importance** or **profit margins**. This is a textbook case of **ineffective budget use**.

To get back into the driver's seat, Decathlon needed to find ways to tell Google which products it should actually spend their money on.

In the case of Decathlon, these were:

1. Strategically important products (i.e. seasonal items or own brands)
2. Hidden champions within the **longtail** that were not given a chance to convert in the past*

But how to do this?



*Decathlon's longtail dilemma

The majority of products in the Decathlon account had no conversions over the last 30 days. In itself, the longtail is a natural phenomenon. However, the lack of historical data makes it extremely tough for retailers and Google itself to find out which products would have the greatest impact on business success once given more attention.

Back in control

Pushing the right products puts PMax on the finish line. Data-driven automation makes that easy.

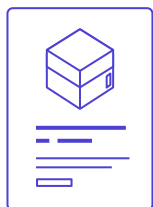
Our technology leverages data from **first, second, or third-party** sources to accurately segment products. Based on direct client input, the software can be optimized to prioritize pushing products of strategic importance.

For example:

Decathlon has configured the technology to **favor their own brands** over third-party ones.

The brands of Decathlon

BTWIN APTONIA FORCLAZ
WEDZE NYAMBA
DOMYOS KIPSTA OXELO
TRIBAN QUECHUA CAPERLAN
SIMOND ARTENGO / PONGORI RIVERSIDE
KIPRUN ITIWIT MASKOON NABAIJI
SOLOGNAC FOUGANZA VAN RYSEL
NEWFEEL TRIBORD ROCKRIDER



- ↑ greater priority
- ↑ more budget
- ↑ greater exposure
- ↑ healthier returns



“smec helped us to implement new approaches and switch to new types of campaigns.

Most valuable for us is structuring campaigns based on performances and taking into account different business attributes of products. Regular exchanges and bringing new ideas on how to go further makes our collaboration efficient.”



Tomas Obal
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As margins of Decathlon’s own brands are typically higher, this would lead to a **healthier overall performance** of the Decathlon campaigns.

Additionally, Decathlon’s team can utilize the technology to **push seasonal products**. Like prioritizing skiing products during the peak skiing season.

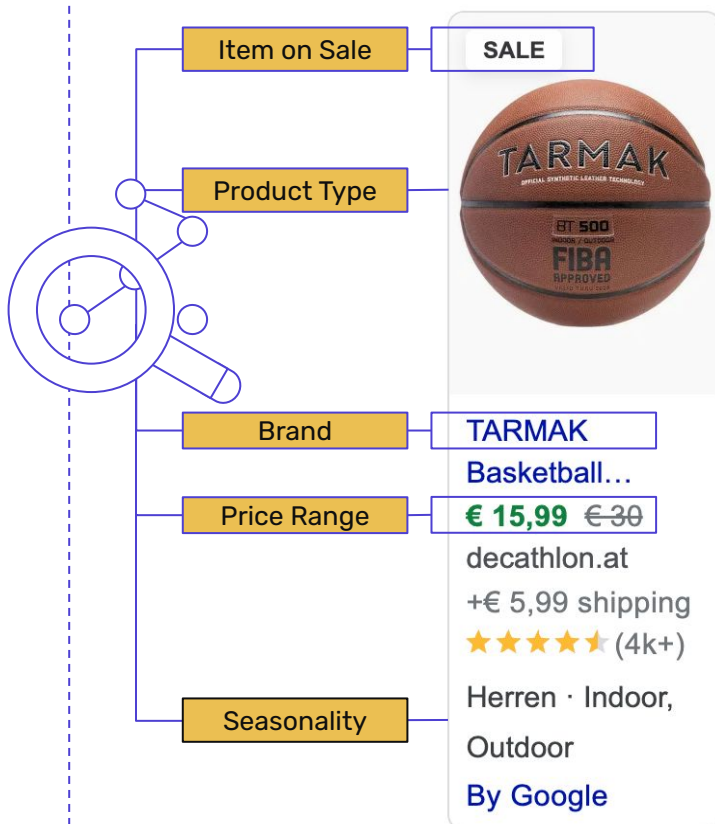
This way, Decathlon takes **control of PMax’s algorithm**, steering campaigns in line with their **business objectives**.

Sprint to success

Decathlon harnessed our predictive AI model to push the hidden champions in their product catalog to the forefront.

Our proprietary AI model feeds the PMax algorithm with superior data to help promote **underrepresented products** in line with Decathlon's **unique business objectives**. Ensuring niche products get the place in the spotlight they deserve.

How do similar items perform?



Unlike other PMax solutions, our AI model merges critical business data from **multiple sources** with predictive **machine learning**.

Looking at the Decathlon account revealed that **over 50%** of the conversion value was generated by products with **only 1 or 2 conversions**.

The PMax algorithm **mostly neglects** these products due to a lack of historical performance data. Despite the fact that these products might have potential to convert.

Here's where our predictive AI model comes into play. Our technology helped to identify these hidden gems through a **neighborhood analysis** and enabled us to push them into the lead.

The result?

By ensuring PMax doesn't just push top sellers, Decathlon was able to give its undiscovered gems a significant chance to shine. Leading to an **overall healthier revenue mix**.

How does our predictive AI work?

Our model looks at high-performing products and their shared attributes, such as brand, product type, and price range. It identifies similar products within the longtail to identify hidden champions and give them a chance to excel.

Setting new records

Once every product had been evaluated, it was time to segment the products into campaigns that are **100% aligned** with the Decathlon's strategic business goals.

For Decathlon our technology generated four distinct Performance Max campaigns:

DECATHLON

1. One campaign for Decathlon products with **HIGH** potential
2. One campaign for Decathlon products with **MEDIUM** potential
3. One campaign for Decathlon products with **LOW** potential

4. One campaign for products of **3rd party brands**

Most budget was assigned to the first campaign, while the fourth campaign would allow Decathlon

to keep the money spent on products of non-Decathlon brands **under control**.

In parallel, we **excluded** the 'Decathlon' search term from PMax campaigns and **redirected** this branded traffic to **traditional search and shopping campaigns**. This strategy ensured ideal cross-campaign alignment, preventing PMax from cannibalizing brand search traffic and focusing solely on easy wins.

Additionally, it ensured conversions were captured in the **most efficient** ad format.

And here are the results:

+22%

Revenue

+52%

ROAS

The numbers have been measured YoY (comparison March-June).

Victory recap

After their initial struggles with Performance Max, Decathlon achieved a remarkable sprint towards a sustainable and scalable setup that really works.

By introducing our Enhanced Performance Max technology, Decathlon was able to:

- **take back control** over their PMax campaigns by feeding the algorithm with **superior data inputs**.
- **achieve their business objective** of prioritizing Decathlon's own brands over third-parties.
- streamline PMax campaigns with **dynamic, multidimensional product segmentation** that takes 1st, 2nd and 3rd party data into account.
- **achieve a healthier product-mix** by identifying hidden champions **with our predictive AI model**.



“smec helped us to implement efficient ways of performance marketing and improve our ROAS.”



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Ecommerce Leader
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Austria GmbH

This resulted in a significant **22% increase in revenue** for Decathlon and a **52% uplift in ROAS** year-over-year. A perfect indicator of healthy growth.

Additionally, our collaboration freed Decathlon's in-house team from **repetitive, error-prone manual tasks** to focus on what matters the most to them: **Elevating Decathlon's own brands**.

Decathlon's team also **significantly advanced their know-how** through a strong partnership with our seasoned PPC experts, who readily provided them with **valuable practical tips** and comprehensive, **in-depth reports**.

Peak performance

At Smarter Ecommerce, we have been helping online retailers get the best out of their Google & Microsoft Ads for over 16 years.

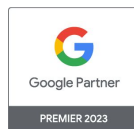
What we do is pretty unique: We combine our **own software** with the expertise of our **PPC experts** to optimize the performance of paid search ads.

Think of it this way: instead of just throwing ads out there, we make sure they're **precisely aligned** with what the retailer wants to achieve.

Whether it's improving ROAS, pushing certain product lines, or just ramping up overall profitability – our software **tailors ad campaigns** to grow these goals.

Why smec?

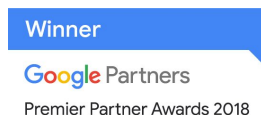
Recognized expertise:



Microsoft Advertising

Elite Partner

Award-winning technology:



The best part? **Cross-channel optimization!** We're not just looking at one ad platform – our proprietary AI model combines data from Google and Microsoft for a more cohesive strategy.

We put retailers back in control of their campaigns. With advanced experimentation frameworks and actionable insights, they can see exactly how their ads are performing and tweak them for better results.

500M

Google Ads
budget under
management

5B

Annual revenue
generated for
clients

115+

Performance
Marketing
experts

49

Countries
we are
active in

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