

# Smart Bidding

Smart Bidding is a subset of automated bid strategies that use machine learning to optimize for conversions or conversion value in each and every auction

## Smart Bidding Strategies overview

Smart Bidding strategies are aligned to marketing and campaign goals. With automated bidding, you optimise precisely for the unique performance, either conversion focused or revenue focused.



### Enhanced CPC (eCPC)

adjusts your manual bids for clicks that seem more or less likely to lead to a conversion.

[Learn more](#)



### Maximize Conversions

sets bids to help get the most conversions for your campaign while spending your budget.

[Learn more](#)



### Target CPA

sets bids to help get as many conversions as possible at the target cost-per-acquisition (CPA) you set.

[Learn more](#)



### Target ROAS

get more conversion value or revenue at the target return-on-ad-spend (ROAS) you set.

[Learn more](#)

## Benefits of Smart Bidding

- 1 Depth of signals used and cross analysis**  
AdWords algorithms integrate a large variety of signals and consider new ones to evaluate intent.
- 2 Enacts real-time bid adjustments**  
Offering unparalleled optimization frequency at auction time that only Google can provide.
- 3 Work faster with Google's powerful machine learning capabilities**  
Rapidly evaluates vast sets of data signals to proactively set the optimal bid for every auction.

## Auction time bidding

AdWords bidding algorithms tailor bids to each user's unique search context, using relevant signals present at auction time. This is a unique capability on the market, as third-party bidding tools adapt bids only a few times a day. Auction-time bidding allows for bid differentiation, with a high degree of precision based on the conversion opportunity of each auction.

## AdWords Smart Bidding vs third-party platform bidding

By using AdWords Drafts & Experiments A/B testing platform, you can now easily test AdWords Smart Bidding against any third-party bidding solution (like Kenshoo, Marin Software or Adobe) or manual bidding. In a few clicks, you can create an experiment and see which bidding performs better.

[Learn more about Drafts & Experiments](#)

## Setting up your first Smart Bidding campaign

- Identify test campaigns (e.g. look in AdWords Opportunities Tab for 'Use Target CPA bidding' or 'Use Target ROAS bidding' recommendations). eCPC does usually not require testing.
- Ideally the selected campaigns will not be budget constrained so that Smart Bidding can help to grow conversion volume. It also helps if the Impression Share is not maxed out.
- Consider an A/B test with Drafts and Experiments if your campaign has 50+ conversions every month; alternatively run a pre/post comparison.
- Set the CPA/ROAS target to the average CPA/ROAS the campaign achieved over the last 4 weeks and factor in conversion delay. Allow a 2 week ramp up period for the campaigns.
- After letting the campaigns run at full speed for (ideally) 6 weeks, exclude the learning period from your analysis and consider delayed conversions when you are assessing performance.

## Case studies

### Hepsiburada increased revenue by 104%

By implementing the tROAS smart bidding strategy, Hepsiburada boosted conversion rate by 74% with an improved ROAS of 36%.

[Think with Google case study](#)

### Cosmos Direkt gains +100% conversions

Cosmos Direkt used tCPA Bidding to solve the challenge of valuing mobile, resulting in +100% Conversions, -25% CPA and -5% Mobile CPA.

[Think with Google case study](#)