



The Expert Guide to **Google Performance Max**

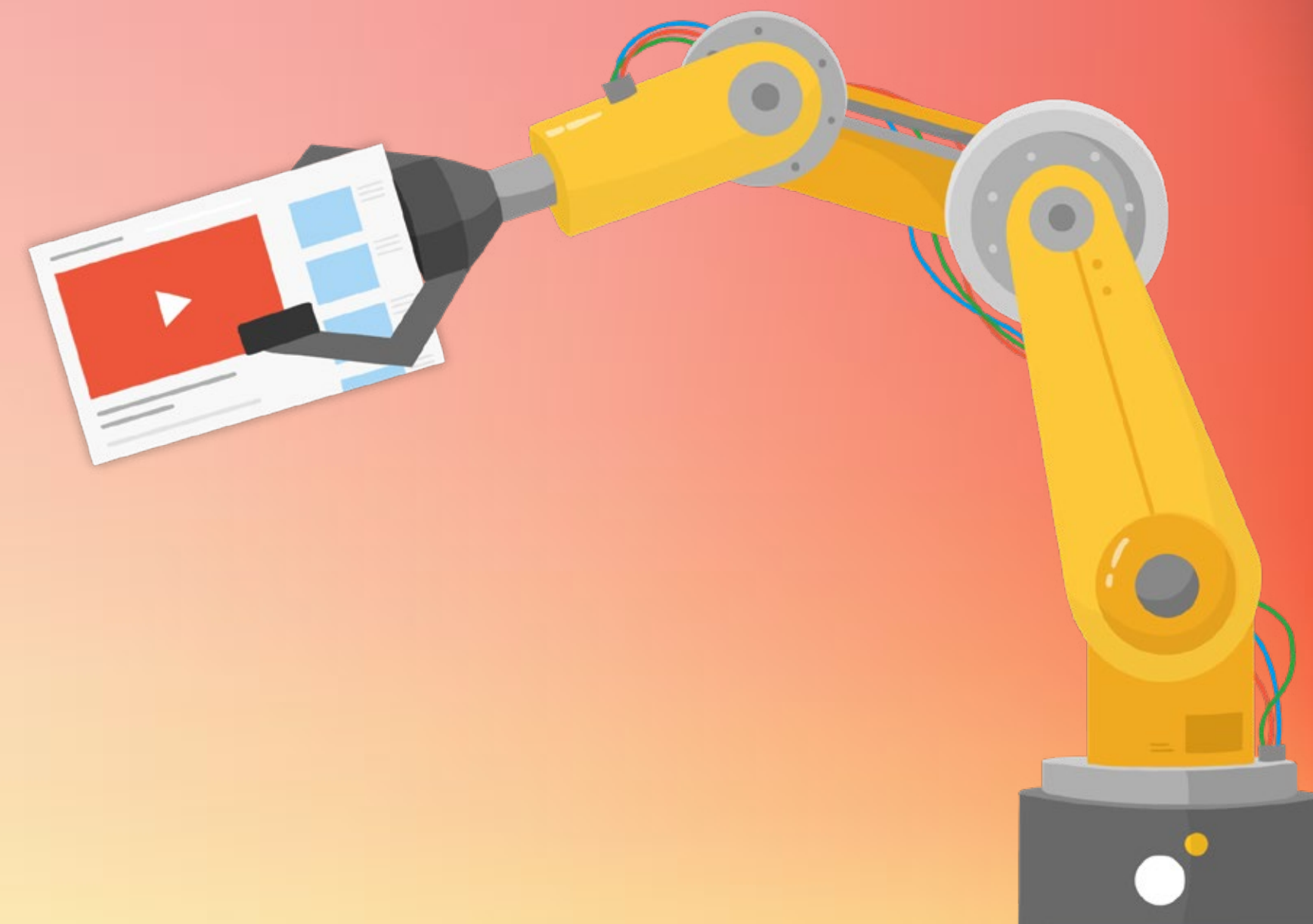
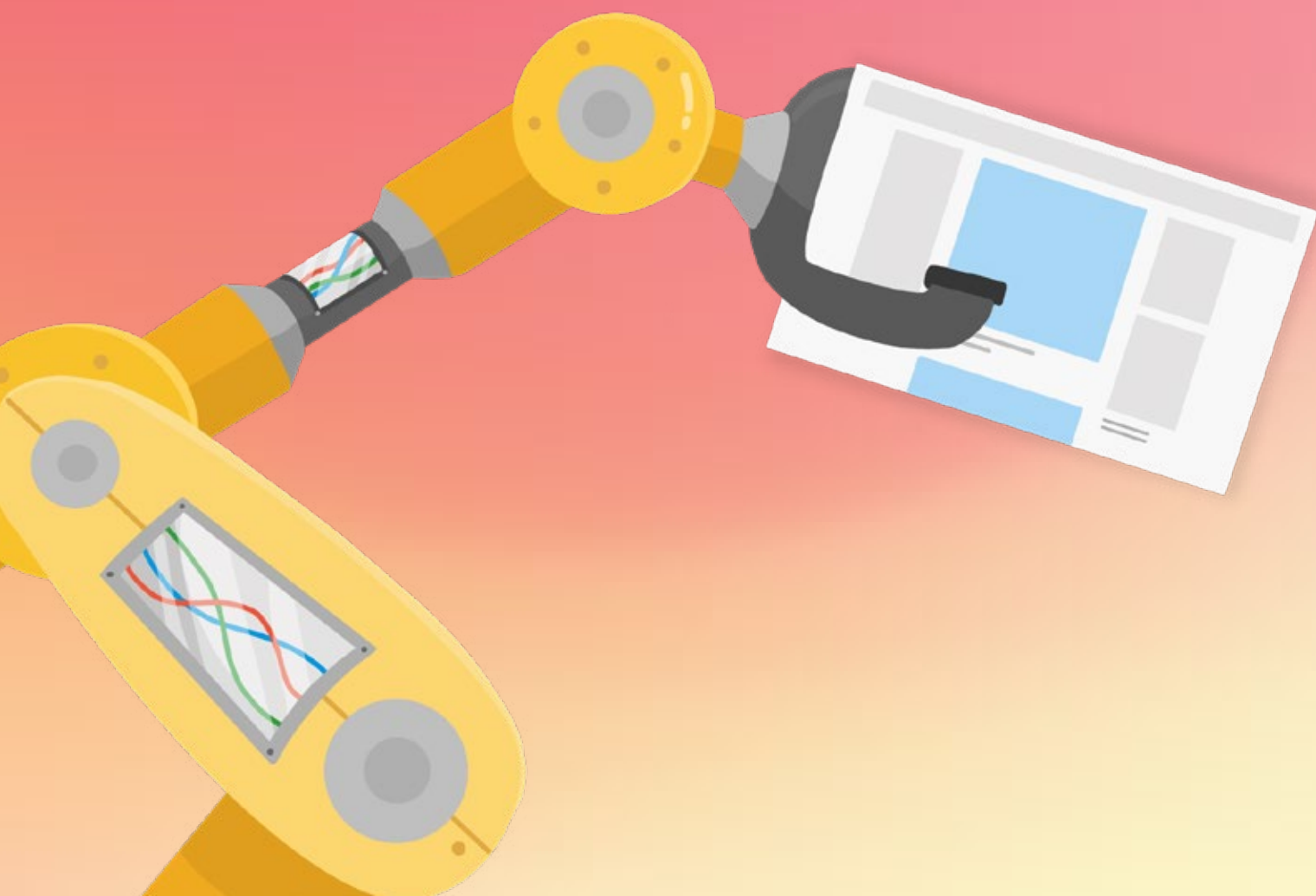
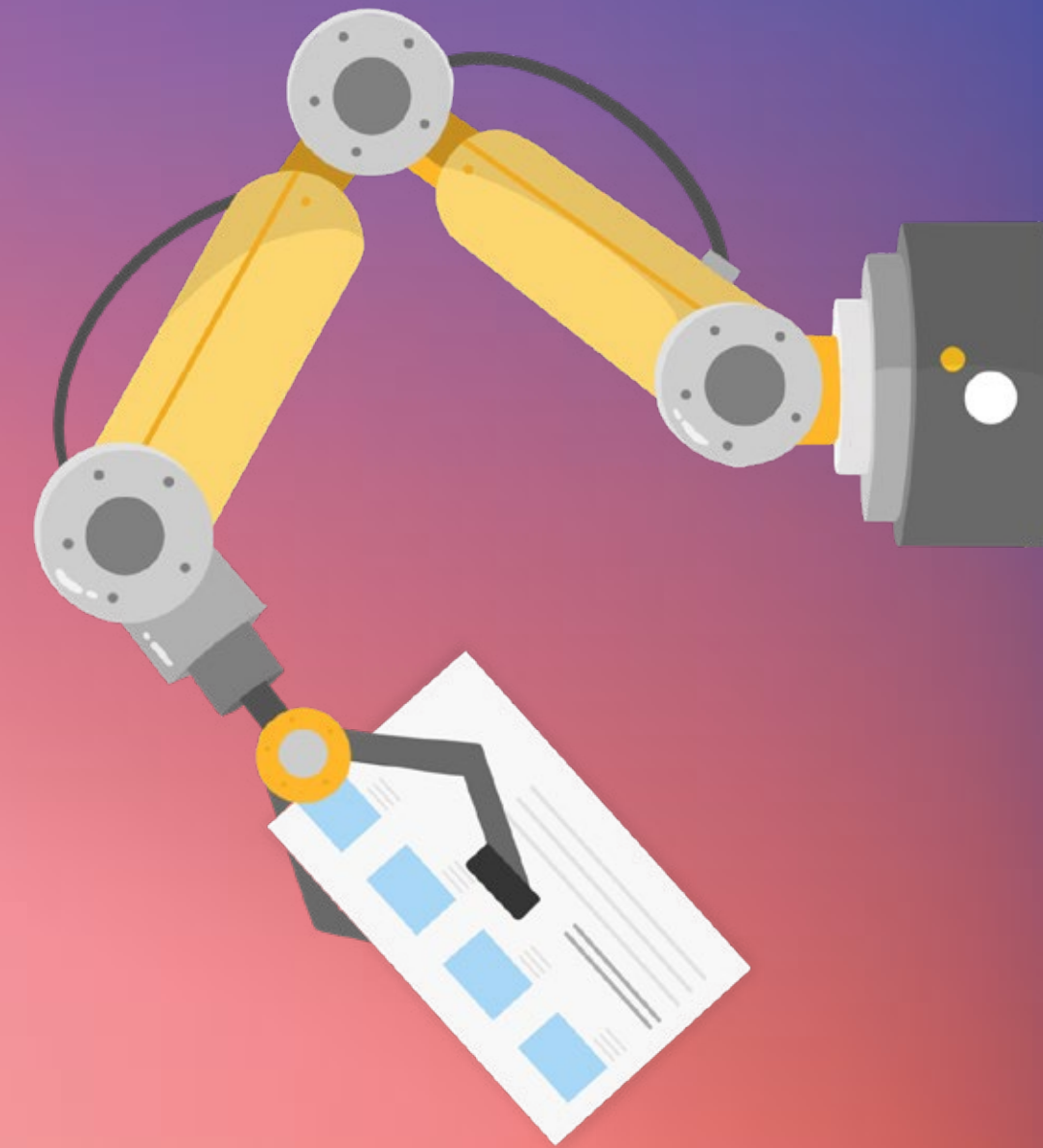
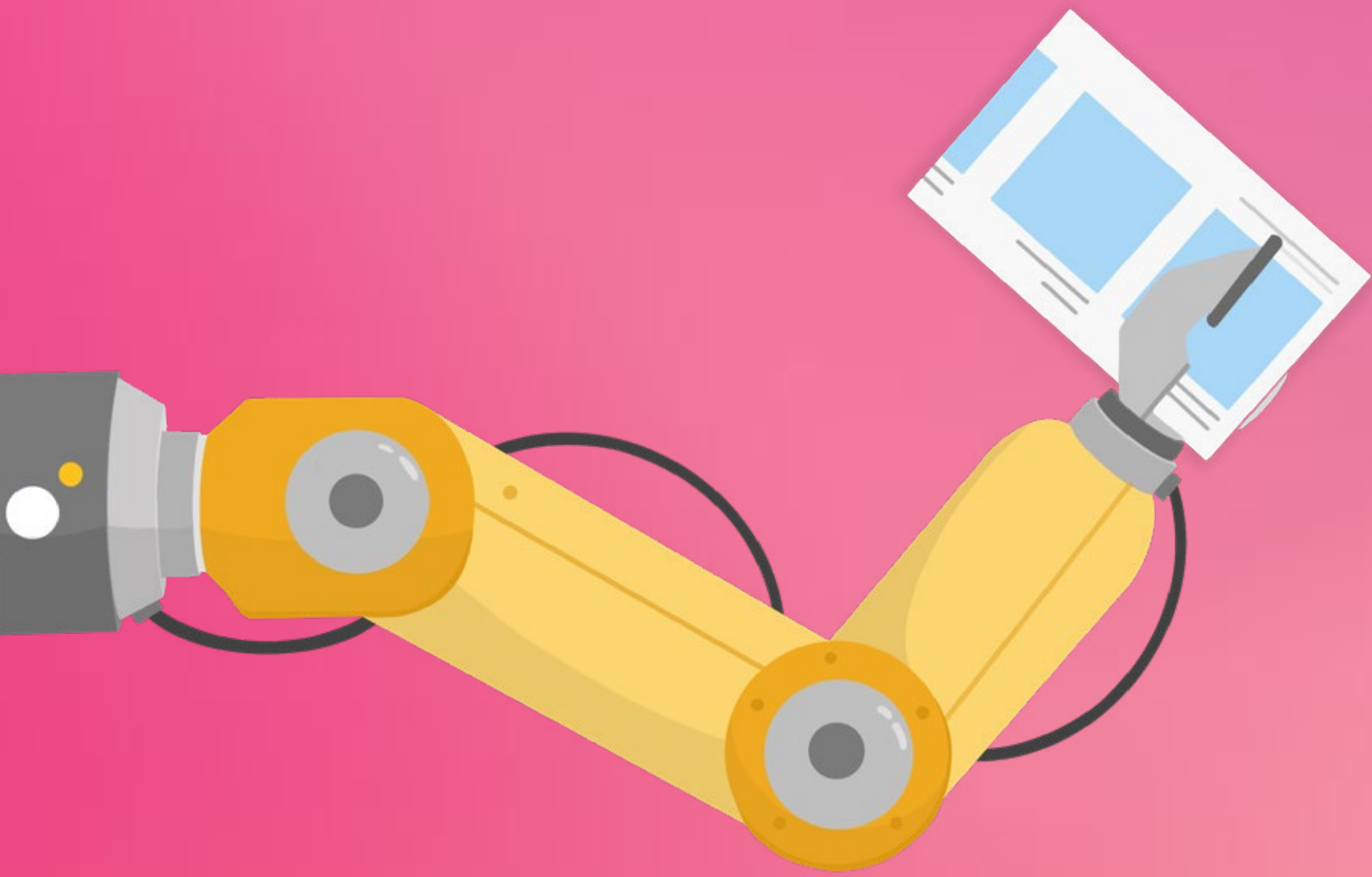


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Bob Meijer

Bob helps ambitious companies get the most out of Google Ads. He works for a select number of clients and is currently responsible for over €1.3m per month in ad spend. Over the years he’s had the opportunity to work on 100+ Google Ads accounts from great brands.



Miles McNair

Miles has worked with 100+ ecom brands and profitably spent >€50M on Google Ads. Unlike agency owners or ‘gurus’, he actually manages Google Ads campaigns every single day. Everything he teaches is based on real, practical experience.

About Lunio

Lunio makes the internet a safer and more reliable place for everyone trying to grow their business by automatically getting rid of fake clicks, traffic, and leads on all ad platforms. Invest 100% of your ad spend on audiences with genuine conversion potential, and make better campaign optimisations by stopping fake and non-human data from muddying your metrics. No more wasted ad spend. No more worthless traffic. And no more guesswork. Get fully transparent campaign data and drive more profitable growth. The way paid media should be.

How to Use This Guide

If you're reading this, you're probably already running Performance Max (PMax) campaigns.

Or if not, you're about to start experimenting with them soon. Exciting times!

In either case, this guide will give you plenty of best practices to drive high-value conversions and squeeze more value from your ad spend. We'll also take a look at some of the most common Performance Max pitfalls and how to avoid them.

If you're new to Performance Max, the initial sections of this guide will quickly get you up to speed with how it works, when to use it, the inputs you need to provide, and the implications that it has for the work marketers and PPC professionals do day-to-day.

If you've already got a good grasp of the fundamentals, the latter half of this guide is packed full of actionable advice and insights from our expert contributors, Bob Meijer and Miles McNair. Unlike agency owners or 'gurus', the pair actually manage Google Ads campaigns every single day. So their tips are directly actionable for anyone working hands-on with Performance Max.

There's no requirement to progress through the guide in linear order. Just use the table of contents to skip to the sections most relevant to you and bookmark the guide for easy access when you need it again in future.

**Know someone who'd find this guide useful?
Share the love and pass it on.**



What Is Performance Max?

Performance Max is Google’s new goal-based campaign type that (surprise surprise), focuses on maximising performance. Specifically, it uses machine learning and AI to optimise your campaigns with the aim of increasing your overall conversion volume.

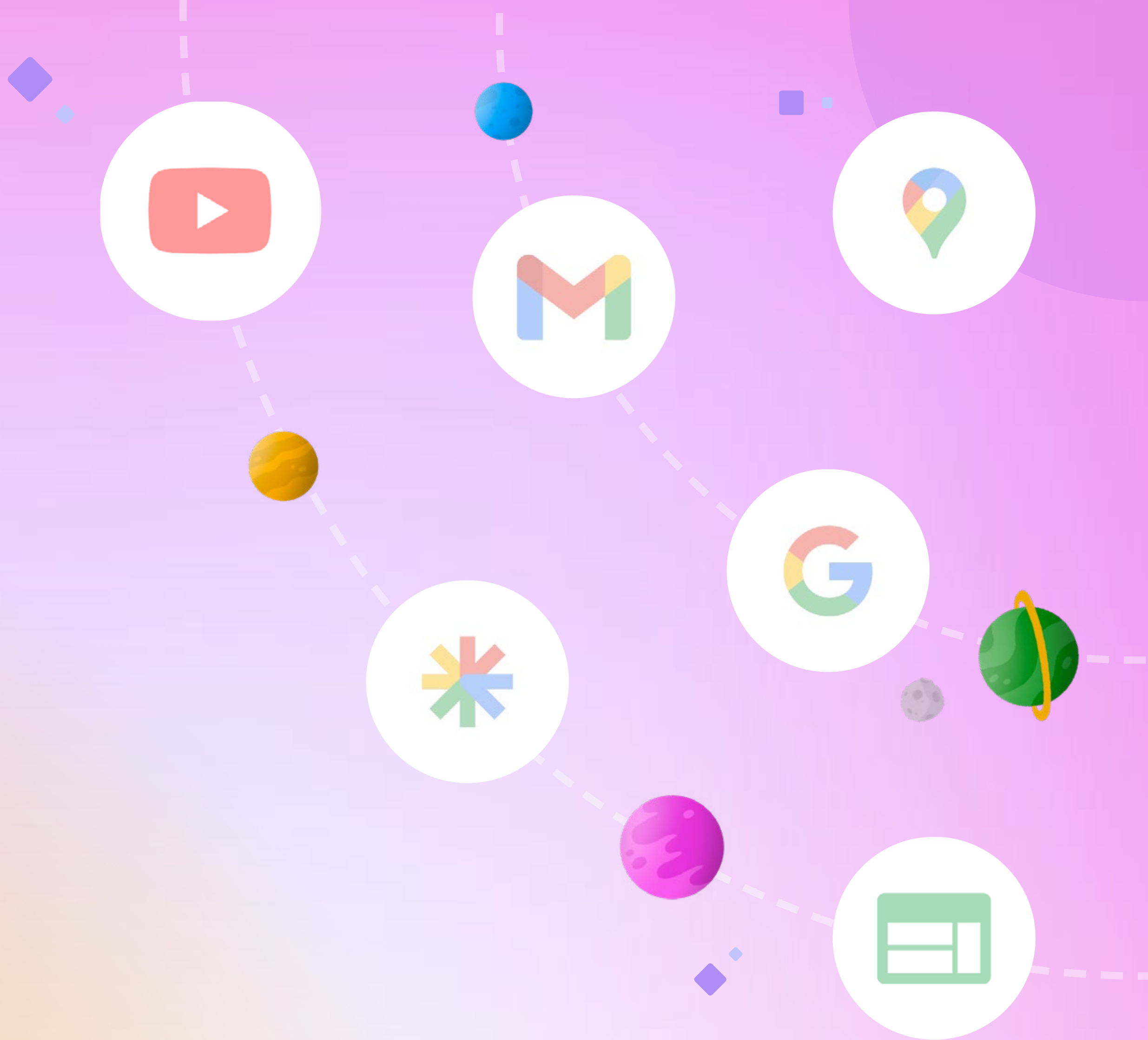
One of the biggest selling points of Performance Max is it allows you to run ads across the entire Google Network from a single campaign. That includes Search, Shopping, Gmail, YouTube, Maps, Discovery, and Display.

It also promises to deliver “deeper” and “more useful” campaign insights thanks to its machine learning engine and upgraded reporting capabilities (but there are some issues here, more on that later).

It’s very much a “black box” system. You set your inputs. The algorithm does its thing. And (hopefully) conversions materialise at the other end. Currently, you don’t even know where your ads are showing up or to whom. But there’s more than enough evidence now to show that Performance Max delivers real results when calibrated correctly.

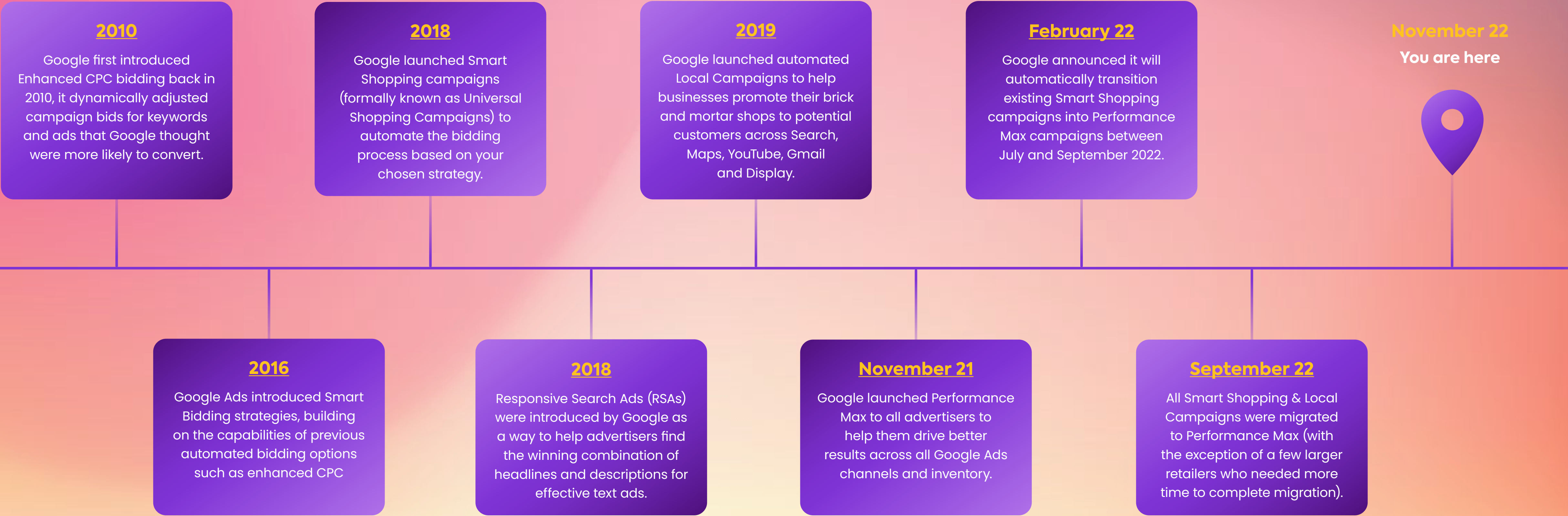
Before we move on, it’s worth noting that Performance Max is still in its infancy. So it’s not perfect. But it’s already much better than when it was first launched in November 2021. And Google is releasing new small updates and improvements every week.

Whether you like it or not, it’s clear increased automation is the new direction for PPC. So now is the time to learn how to leverage this new system to get the best results.



The Timeline to Performance Max: How Did We Get Here?

Starting back in 2010, Google has been encouraging advertisers to adopt its ever-growing array of automated features.



What Does the Future Hold?

It's hard to say exactly where advances in machine learning will take us in the coming years. But current trends give some indication. For one, adoption and usage rates for Performance Max are expected to increase significantly, making it the default campaign type most marketers rely on.



Miles McNair

“Google is steering away from keyword targeting and keyword bidding as we know it, suggesting a move towards a **“keywordless”** future. That means attribution is going to become even more important, especially when you consider we’ll likely eventually lose third-party cookies too. We’ve already lost the original iteration of keywords because of things like close match variants and broad match. Exact keywords are not exact anymore. **And that means marketers now need to put more focus on their creatives, offers, and the actual person behind the search”**

What Does PMax Mean for Marketers?

Performance Max automates a lot of the time-consuming, manual work of setting up campaigns across different platforms. The only thing you have to do is provide inputs, then monitor and adjust the campaign as automation does its thing to help you achieve your campaign goals. So in that regard, it frees up time for marketers to spend on other things.

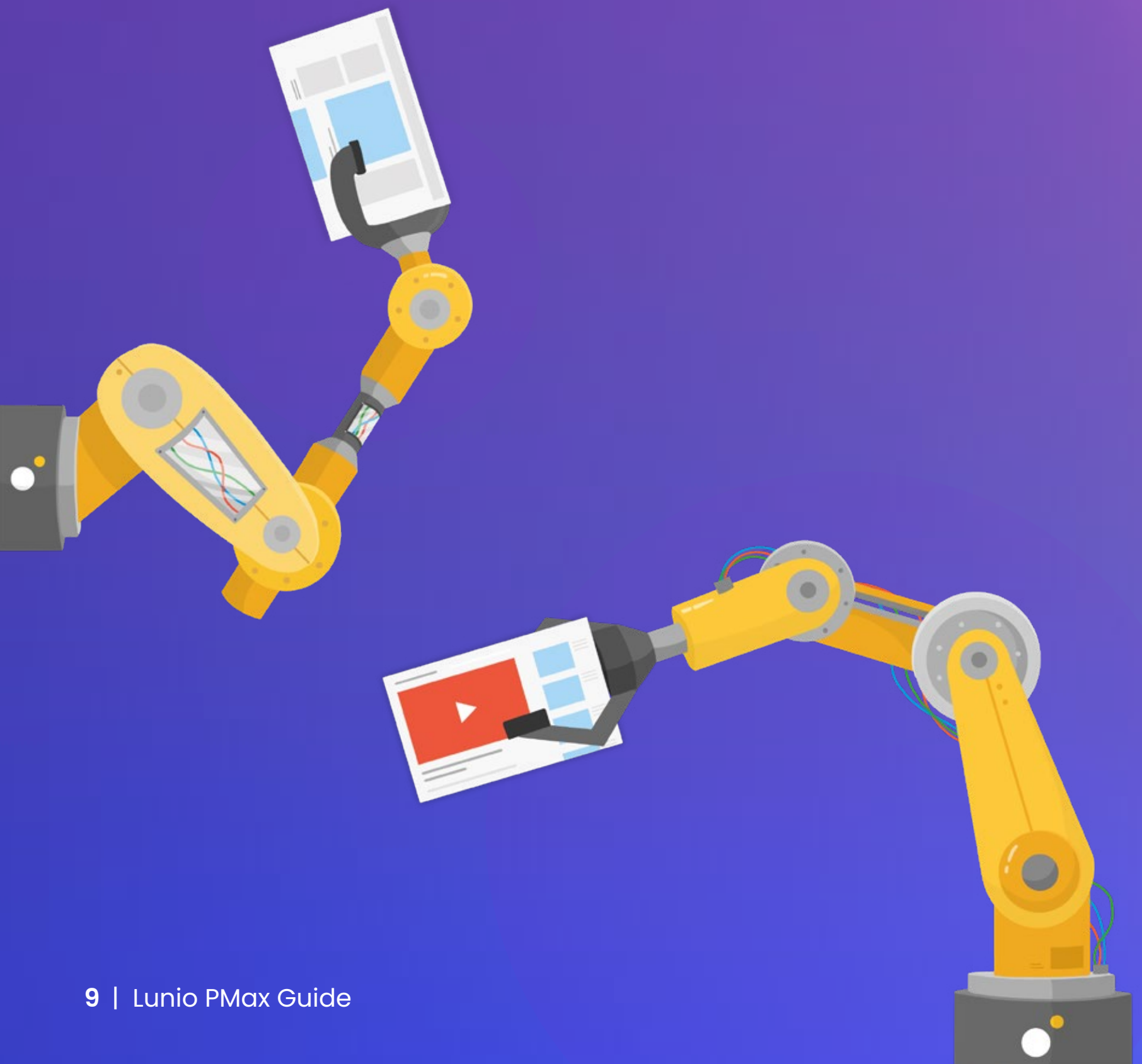
But it's important to note that you can't simply "set and forget" a Performance Max campaign. Without human oversight, there's a real risk of significantly overspending, or being flooded with a deluge of low-quality leads. But that aside, it does lower the bar to entry. You don't need lots of specialist technical knowledge to run a profitable Performance Max campaign.

Performance Max essentially levels the playing field for all advertisers.



Will PMax Replace Human PPC Specialists?

In 2024 it's highly likely that every business will be running Performance Max campaigns. So in that environment, how do you make sure you stand out? Is there anything you can do as an experienced PPC specialist to get the edge over your competitors?



Bob Meijer

“For me, the automation of targeting and bidding means things like ad copy, image generation, and landing page optimisation are becoming even more important. I don’t think PPC specialists have to fear for their jobs. But the work they do in 2024 will be very different from what they’re spending most of their time on today.”

Personally I’m already starting to dive deeper into stuff like ad copywriting and conversion rate optimization (CRO). Because I think that will be a huge chunk of my work in the near future.”

Pros & Cons of Performance Max

Pros

- ✓ By far the biggest benefit of Performance Max is the easy access it provides to all of Google Ads' inventory from a single campaign type.
- ✓ It's designed to complement your keyword-based Search campaigns to help you find more converting customers across all of Google's channels.
- ✓ Your ads are continuously optimised in real-time to make more accurate predictions about which ads, audiences, and creative combinations perform best for you.
- ✓ With Google's real-time understanding of consumer intents and preferences, Performance Max can unlock new customer segments you may not have expected.
- ✓ Data-driven attribution across channels optimises for the most incremental touchpoints that drive customers to conversion.
- ✓ Designed to help you achieve your specific advertising objective (CPA or ROAS target).
- ✓ It saves a lot of time and admin work by simplifying your campaign management.
- ✓ Providing audience signals allows you to steer the algorithm in the right direction.

Cons

- ✗ Lack of control. Many PMax users are frustrated that it doesn't yet have the functionality required to fully optimise for all campaign variables (e.g. you're unable to select different bidding strategies for different asset groups within a single campaign).
- ✗ Lack of insights. The black box nature of PMax means you don't know where your ads are showing up or to whom. Currently, you can't even see what your campaign split is across different channels like Search, Display, YouTube and Gmail.
- ✗ Poorly defined goals lead to significant underperformance. If you don't have a firm grasp of your numbers from the outset (e.g. breakeven ROAS) your results won't be great.
- ✗ Poorly designed PMax campaigns can cause overspending on an influx of low-quality conversions that don't provide much value to your business (e.g. low-quality B2B lead form submissions).
- ✗ Performance Max forces brands to think about image ads and videos even though they may not have the skills and resources to create them in-house.

**To get the best results, Bob & Miles
emphasise that:**



Performance Max is not...

a replacement of your dedicated
campaign types.



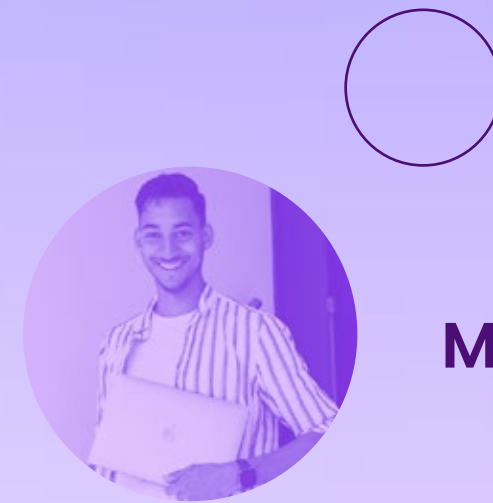
Performance Max is...

an additional layer to fill in the gaps
and maximise your reach.

When Should You Use PMax?

According to [Google's documentation](#), Performance Max is the best option to use when:

You have specific advertising and conversion goals (for example, driving online sales, lead generation, and others). When it comes to setting goals, Miles stressed the importance of having a firm grasp of your numbers:



Miles McNair

“What is your break even ROAS? What is your break even cost to acquire a new customer? Is your first sale more valuable because you can upsell more on the backend? Or is your first sale typically less valuable than the ones that follow?”

These are the kinds of questions you need answers to. If you know your numbers inside out, you can translate them into concrete goals within your Performance Max campaign.”

When Should You Use PMax?

- **You want to maximise the performance of your campaign, and you aren't limited by which channel your ads appear on.**

If your ads have constraints (i.e. budget or lack of resources) or they were created for one specific channel, Performance Max won't deliver optimal results. It works best for flexible campaigns that you can tweak and refine over a period of weeks and months.

- **You want to easily access all of Google's advertising channels using a single campaign.**

As mentioned previously, that includes Search, Shopping, Gmail, YouTube, Maps, Discovery, and Display.

- **You want to get additional reach and conversion value beyond keyword-based Search campaigns.**

Performance Max was designed to help you target relevant audiences across all channels, making it easier to acquire new customers than through Search alone.



Performance Max vs Smart Shopping

Performance Max has now fully replaced Smart Shopping.

But what are the key differences between these two campaign types?

And what improvements should you expect to see after making the transition?

According to testing conducted by Google, advertisers who upgrade Smart Shopping campaigns to Performance Max see an average increase of 12% in conversion value at the same or better return on ad spend (ROAS).

This uplift in conversion value is due to two main differences between the campaign types:

Firstly, Performance Max replaces Smart Shopping's ad and product groups with "asset groups" which form the core of all campaign activity. Asset groups are a collection of different creatives including text, images, logos, links, videos, and more.

PMax automatically mixes, matches, and tests different combinations of these to hone in on those that convert best.

Secondly, Performance Max adds additional placements and reach. It essentially puts your ads in front of new (and often untapped) audiences across Display, Discovery, Gmail, YouTube, Maps and more.

In a nutshell, PMax creates better performing ads and puts them in front of a wider range of relevant audiences.



Can a Smart Shopping Campaign Be Replicated With PMax?



If you'd like to closely replicate a Smart Shopping experience within Performance Max, create a separate campaign with a single asset group that doesn't have any other assets besides your dynamic data feed. If that outperforms a campaign with a fully built out asset group, it's an indication there's more work to be done to improve your PMax strategy.

Performance Max for Lead Gen

Unlike Smart Shopping, Performance Max can also be used for lead generation, delivering scale and efficiency that may be hard to achieve through Search and Display alone. But you need to feed the algorithm the right signals so you don't end up with poor-quality leads (more on this later).

Overall, PMax is currently better suited for B2C campaigns. It takes more work to set up a B2B campaign that consistently delivers relevant, high-quality lead submissions.



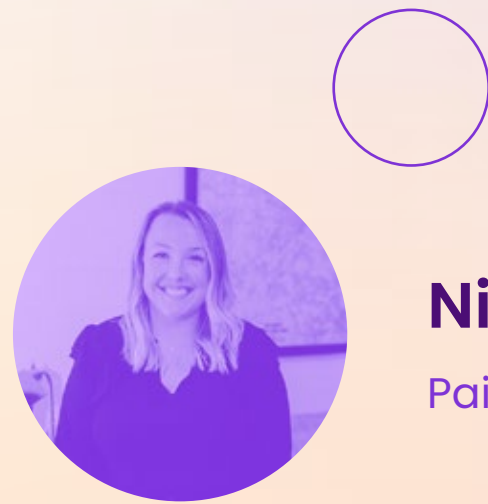
What's Happening to Standard Shopping?

While Smart Shopping is gone, Google have confirmed Standard Shopping campaigns will remain "for the foreseeable future". Running a Standard Shopping campaign may be more appropriate in certain (albeit less common) circumstances, for example:

- If you have a really limited budget.
- If you've tried Search in the past and didn't work well.
- Google Shopping is your only genuinely profitable channel.

What PMax Users Are Saying

So what do current PMax users think of it so far? We reached out to two specialists and asked them to tell us about their experience to date.



Nicola Santana

Paid Media Supervisor – Marketwake

“Marketwake initially tested Performance Max when it was a B2B-only beta. Initially, while we did see strong conversion volume from our PMax campaigns, the lack of control and visibility was an ongoing roadblock. As PMax was released to the masses and additional controls were rolled out, we’ve seen improved success from both our B2B and B2C clients. Most recently, we’ve seen promising performance from our Smart Shopping campaigns that we migrated to PMax.”



Arun Easwaran

Lead Google Strategist – Webtopia

“As its name implies, PMax is designed to provide maximum possible performance. It’s a fantastic product that Google has developed, allowing performance marketers to make the most of all Google ad inventories and Google’s machine learning resources. By allocating all of our monthly Google channel budget to Pmax, I’ve been able to increase our monthly output at the desired ROAS for small and medium-sized businesses. The time it takes for accounts to scale up has been cut in half thanks to Pmax. As a pro tip, I can tell you that you can find the account scaling answers you seek by optimising your shopping feed. Using best practices for communication, structure, and bidding will get us closer, but feed is what will really get you in front of the people who are likely to make purchases on that site by allowing your Pmax campaign to expand to the right people.”

What Inputs Does PMax Use?

The inputs you need to provide for Performance Max are simple. But they have a huge influence when it comes to determining your overall campaign performance. Small mistakes made here can lead to bad automated optimisations that don't help achieve your objectives.

Campaign objectives

Performance Max is a goal-based campaign type, so getting your initial objective selection right is one of the most important parts of the process. These include driving sales, leads, website traffic, brand awareness, app promotion and more.

Audience signals

This new feature lets you suggest audiences you think have the highest likelihood of conversion to Google's machine learning algorithms. Providing relevant data-based audience signals helps steer your campaign in the right direction (more on this later).

Creative

The ad copy, images, logos, and videos in your asset groups are vitally important. If your creative is poor quality or doesn't resonate with your target audience, better automation won't do much to help you. Performance Max can get your ads in front of the right people, but the creative itself needs to drive the conversion.

Safety settings

This was made with brand managers in mind as you can specify the types of content, placement, and inventory where you DON'T want your ads running. Account-level negative keywords will soon be available and can be used to exclude certain search terms from your Performance Max campaigns.

Conversion goals

Only input conversion goals that you know drive tangible value for your business. Be sure to remove non-essential goals such as tracking newsletter signups. Otherwise the algorithm will end up optimising for low-value outputs.

4 Key New Features of PMax Campaigns

Performance Max brings with it a few new features that offer you more choices when it comes to conversion goals and new types of insights to help you make better data-driven decisions. Bob and Miles provided some advice on how to understand and use them correctly.

01. New Customer Acquisition Goals (NCAs)

Prospecting is a key part of Performance Max. And with this feature you can let the algorithm optimise for new customers by:

- **Bidding higher for new customers than for existing-customers**
- **Bidding for new customers only**
(who have not bought anything in the past 540 days)

For example, with NCA you can now enter £100 as extra value for a new customer. If a new customer orders £200 worth of items, the conversion is now worth £300. This means your campaigns will bid significantly more for new customers. As a result, you will also reach significantly more new customers, but, of course, your advertising costs will also increase.



4 Key New Features of PMax Campaigns

Be Cautious With New Customer Acquisition Goals

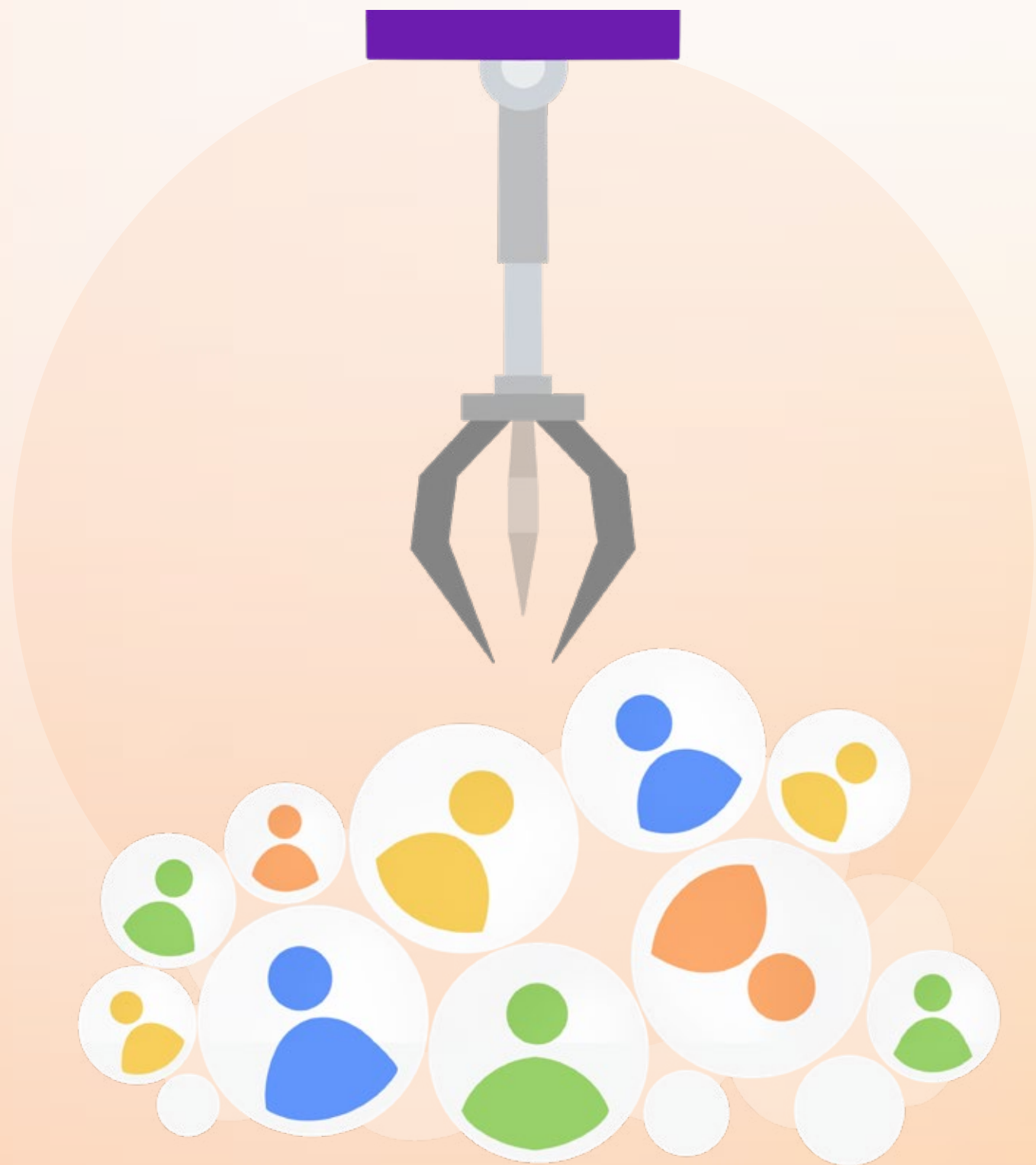
Bob & Miles both stressed that NCA is an advanced feature and probably isn't suitable for the majority of current PMax users, for several reasons:

- If you link a higher value to new customers, your total conversion value will be higher than your actual revenue. Your reports will give an inflated representation of your results.
- If a new customer comes back later and converts again, you are not able to deduct the already assigned extra lifetime value.
- Adding value to new customers does not automatically decrease value for existing customers. You'll have to adjust your ROAS targets (which is not easy to calculate).



WARNING

**With NCAs, it's very easy to think
your campaign is performing
much better than it actually is!**



02. Audience Signals

Audience Signals let you suggest audiences to Google’s machine learning algorithms to optimise conversions. It nudges your campaign in the right direction, namely, toward the audiences most likely to convert.

Bob and Miles noted it’s important to understand this is not targeting in the traditional sense. It’s merely a suggestion to the algorithm (many users tend to forget this). It’s up to Google to decide whether to follow your signals or not.

In all cases, you need to make your audience signals very specific. Otherwise there is a big risk PMax will go too broad and show your ads to a massive, irrelevant audience.

4 Key New Features of PMax Campaigns

Bob & Miles' Tips for Optimising Audience Signals

01. Firstly, understand that the more signals you use, the wider your audience.

02. Start with very specific signals, such as first-party data signals e.g:

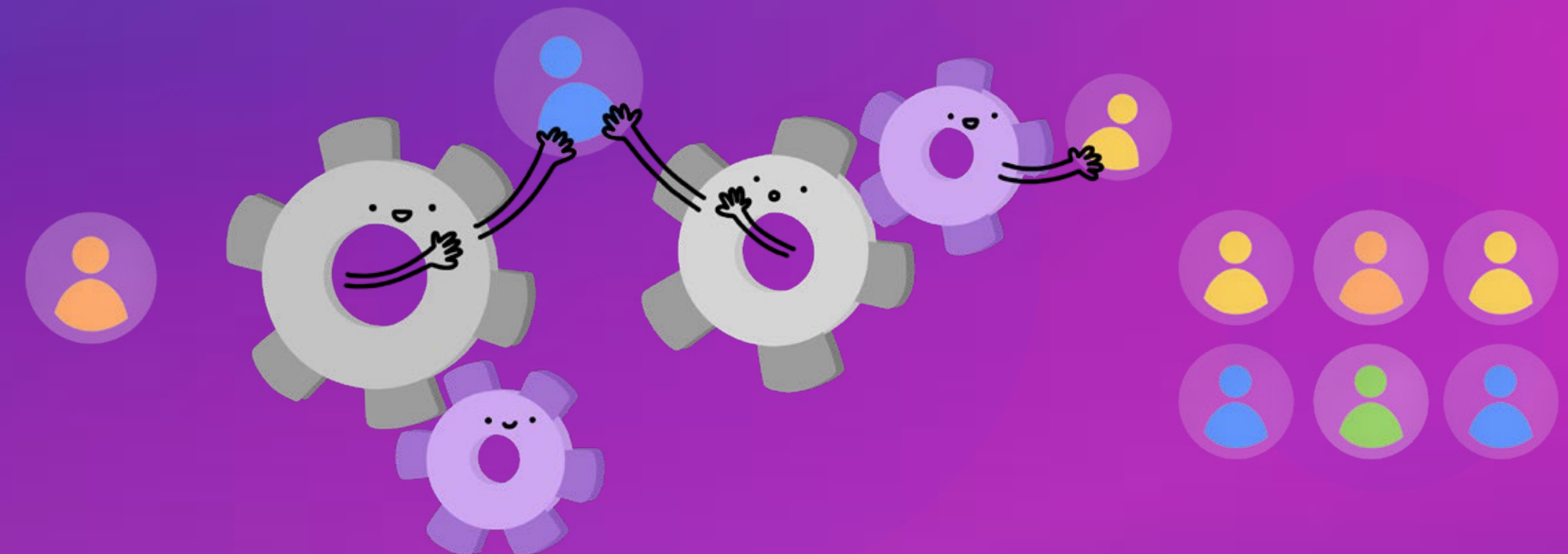
- New customers
- Repeat customers
- Low value customers
- High-value customers

03. Add a limited amount of (very) specific third-party signals.

People who searched for specific terms on Google (custom in market audience).
Your best performing search terms e.g. top 25-50 (custom in market audience).

04. Interests and detailed demographics tend to go very broad.

So stay away from broad categories / interests / affinities initially until you're ready to widen your net.



03.

Asset Audience & Diagnostic Insights

These two new additional insights are designed to help guide your campaign optimisation:

Asset audience insights

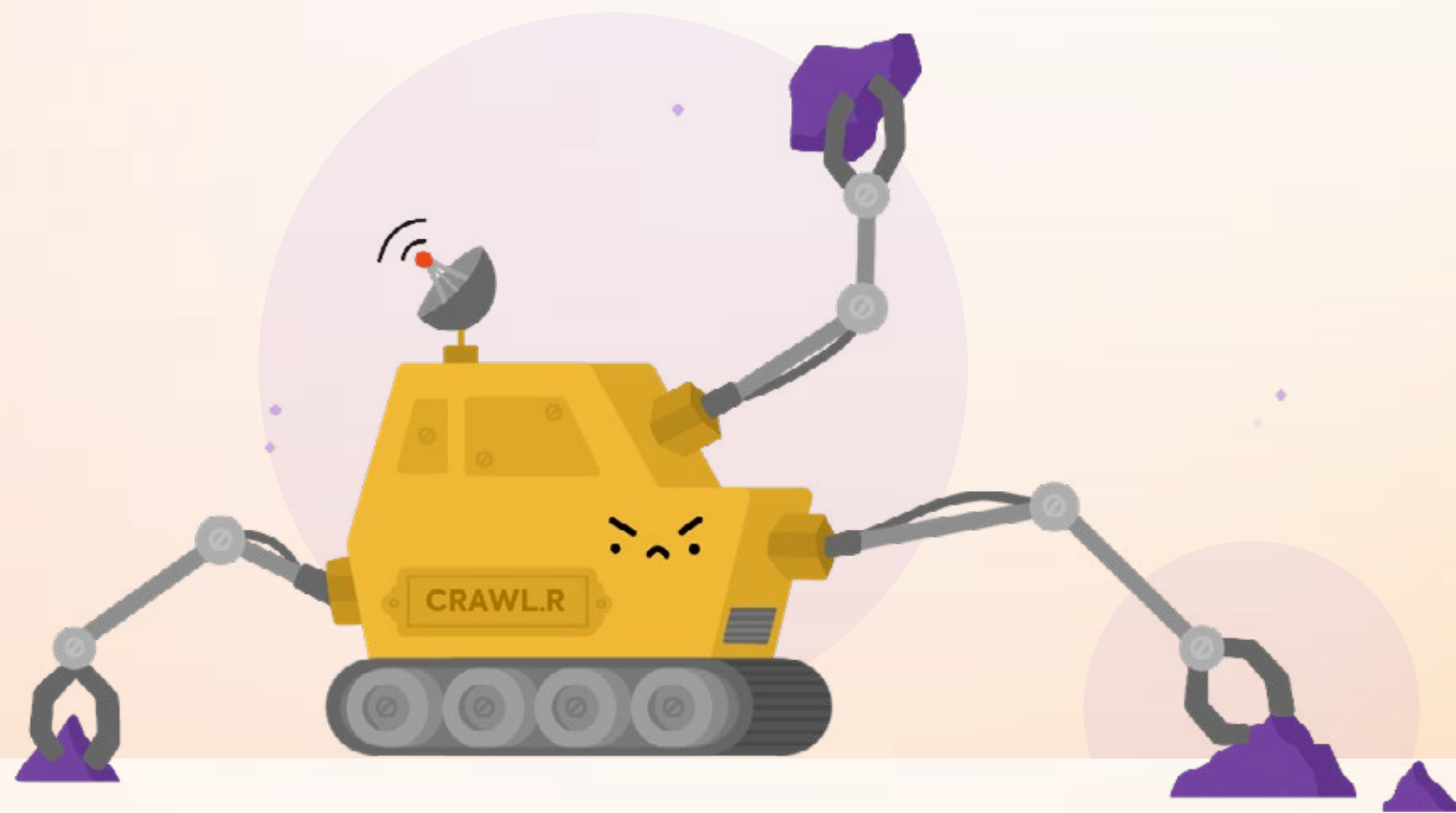
Find out how well specific customer segments respond to the copy, images, and video in your Google Ads. For example, if you’re running a Performance Max campaign to sell computers to gamers, you might find they respond better to ads with detailed product specs over flashy product images.

Diagnostic insights

Think of this as a troubleshooter that highlights setup issues that prevent your ads from showing (such as your ads being disapproved) while also providing suggestions on how to fix the problems.



4 Key New Features of PMax Campaigns



If you plan to use Final URL Expansion, you need to fully audit your website to exclude irrelevant URLs (i.e. those unlikely to generate high-quality conversions).

Bob recommends using the SEO site crawler tool [Screaming Frog](#) to conduct your audit.

Once you've added all irrelevant URLs as exclusions, you're good to go.



04. Final URL Expansion

By switching on the Final URL Expansion option in your PMax campaign, you're allowing Google to replace your Final URL with a more relevant landing page based on the user's search query and intent, and to generate a dynamic ad headline, description, and additional assets to match the chosen landing page content.

Bob noted he's already seen some good results using this feature. Essentially it allows you to reach more customers by matching your business to new relevant queries that may not be served through your regular campaigns. But again its use comes with an important caveat:

What Controls do PMax Campaigns Have?

When it comes to tailoring Performance Max to best fit your needs, there are quite a few options available including:

- **Budget**
After determining your conversion goals, set your budget accordingly.
- **Bidding strategy**
The available bidding strategies are limited. You can only select to Maximise Conversions (with optional target CPA) or Maximise Conversion Value (with optional target ROAS).
- **Location**
Specify where you'd like your ads to run.
- **Language**
What language is your campaign targeting?
- **Ad scheduling**
Choose your schedule and when you'd like your campaign to run.
- **URL options**
Choose whether you want Google to send traffic to what it deems to be the most relevant URLs on your site, or if you want traffic sent to only the URLs you specify.
- **Asset groups**
These are essentially your ads. They're easy to set up – simply provide the creative (i.e. logos, videos, headlines, etc.) and Google does the rest.
- **Audience signals**
These allow you to refine the automated targeting process.
- **Ad extensions**
Choose whether to use existing sitelink extensions or create sitelinks specific to your campaign.




How to Set up a PMax Campaign

01 Choose Your Objective


What's your campaign objective?

Choose your objective


Select an objective to tailor your experience to the goals and settings that will work best for your campaign

 **Sales**


Drive sales online, in app, by phone or in store

 **Leads**


Get leads and other conversions by encouraging customers to take action

 **Website traffic**


Get the right people to visit your website

 **Product and brand consideration**


Encourage people to explore your products or services

 **Brand awareness and reach**


Reach a broad audience and build awareness

 **App promotion**

Get more installs, engagement and pre-registration for your app

 **Local store visits and promotions**

Drive visits to local shops, including restaurants and dealerships.

 **Create a campaign without a goal's guidance**


Choose a campaign type first, without a recommendation based on your objective.

Cancel


Continue

02 Choose Performance Max Campaigns


Select a campaign type

 **Search**


Get in front of high-intent customers at the right time on Google Search

 **Performance Max**


Reach audiences across all of Google with a single campaign. [See how it works](#)

 **Display**


Reach customers across three million sites and apps with engaging creative

 **Shopping**

Showcase your products to shoppers as they explore what to buy

 **Video**

Reach viewers on YouTube and get conversions

 **Discovery**

Run ads on YouTube, Gmail, Discover and more

Cancel

Continue

03 Determine Budget and Bid Strategy

Performance Max

☒ Budget and bidding

☐ Campaign settings

☐ Asset group

☐ Summary

Budget and bidding

Select the budget and bidding options that work best for your goals

Budget

Enter the average you want to spend each day

£

For the monthly budget, enter a number up to twice the daily budget.

Bidding

What do you want to focus on? [?](#)

Conversions

☐ Set a target cost per action (optional)

✔ This campaign will use the **Maximise conversions** bid strategy to help you get the most conversions for your budget

04 Campaign Settings

Performance Max

☐ Budget and bidding

☒ Campaign settings

☐ Asset group

☐ Summary

Campaign settings

To reach the right people, start by defining key settings for your campaign

Locations

Select locations to target [?](#)

☒ All countries and territories

☐ United Kingdom

☐ Enter another location

Languages

Select the languages that your customers speak. [?](#)

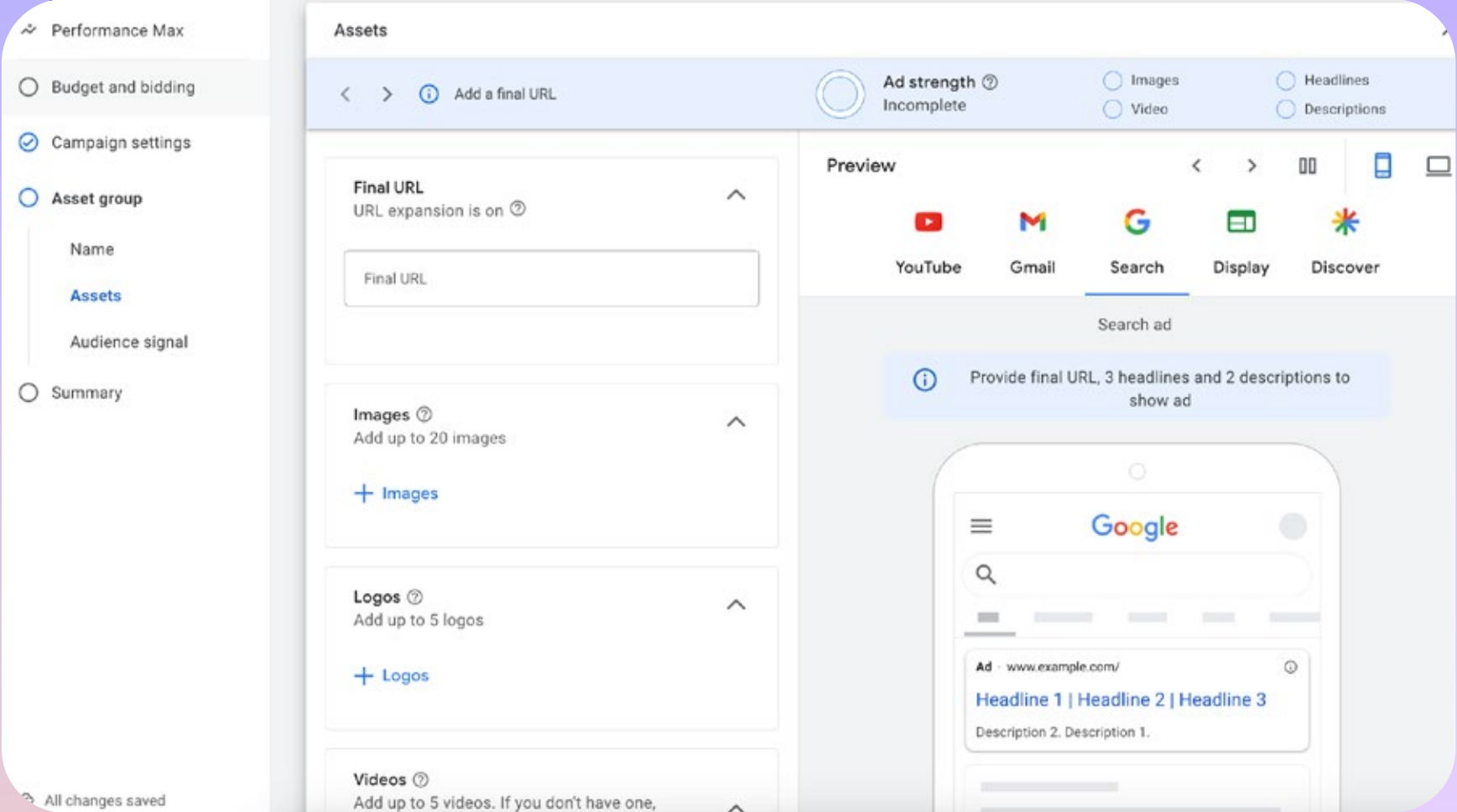
Start typing or select a language

English

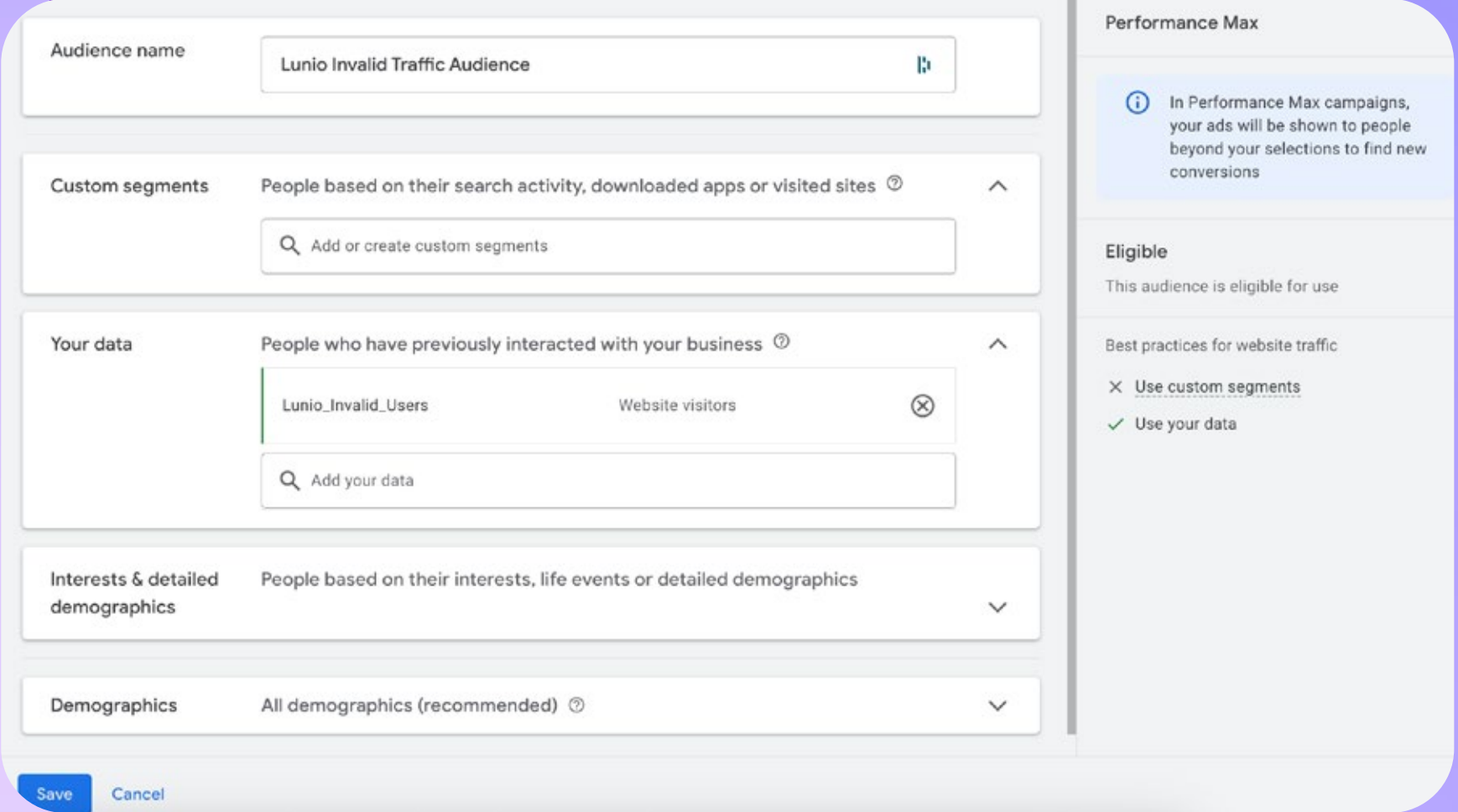
[More settings](#)

How to Set up a PMax campaign

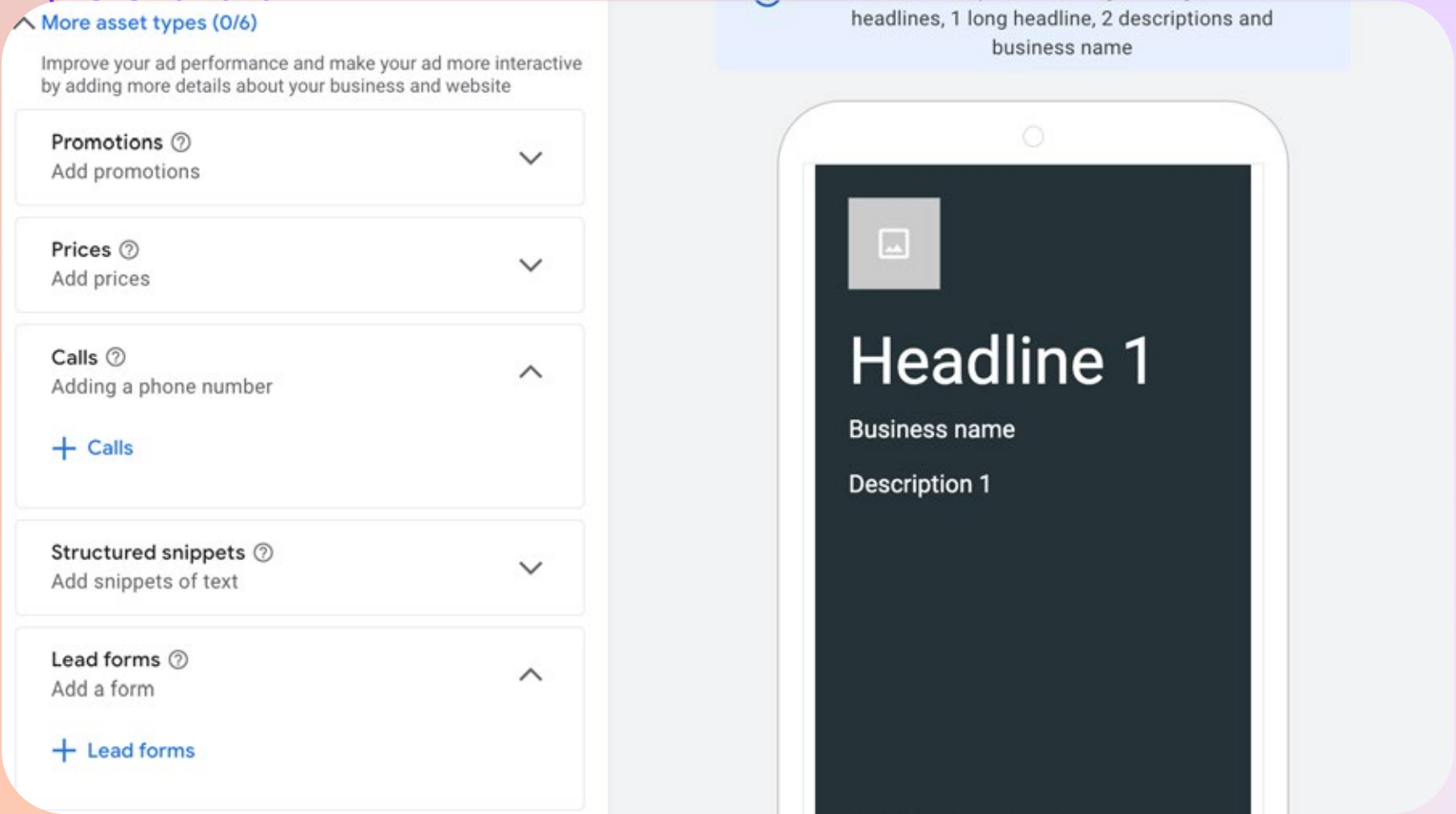
05 Create an Asset Group



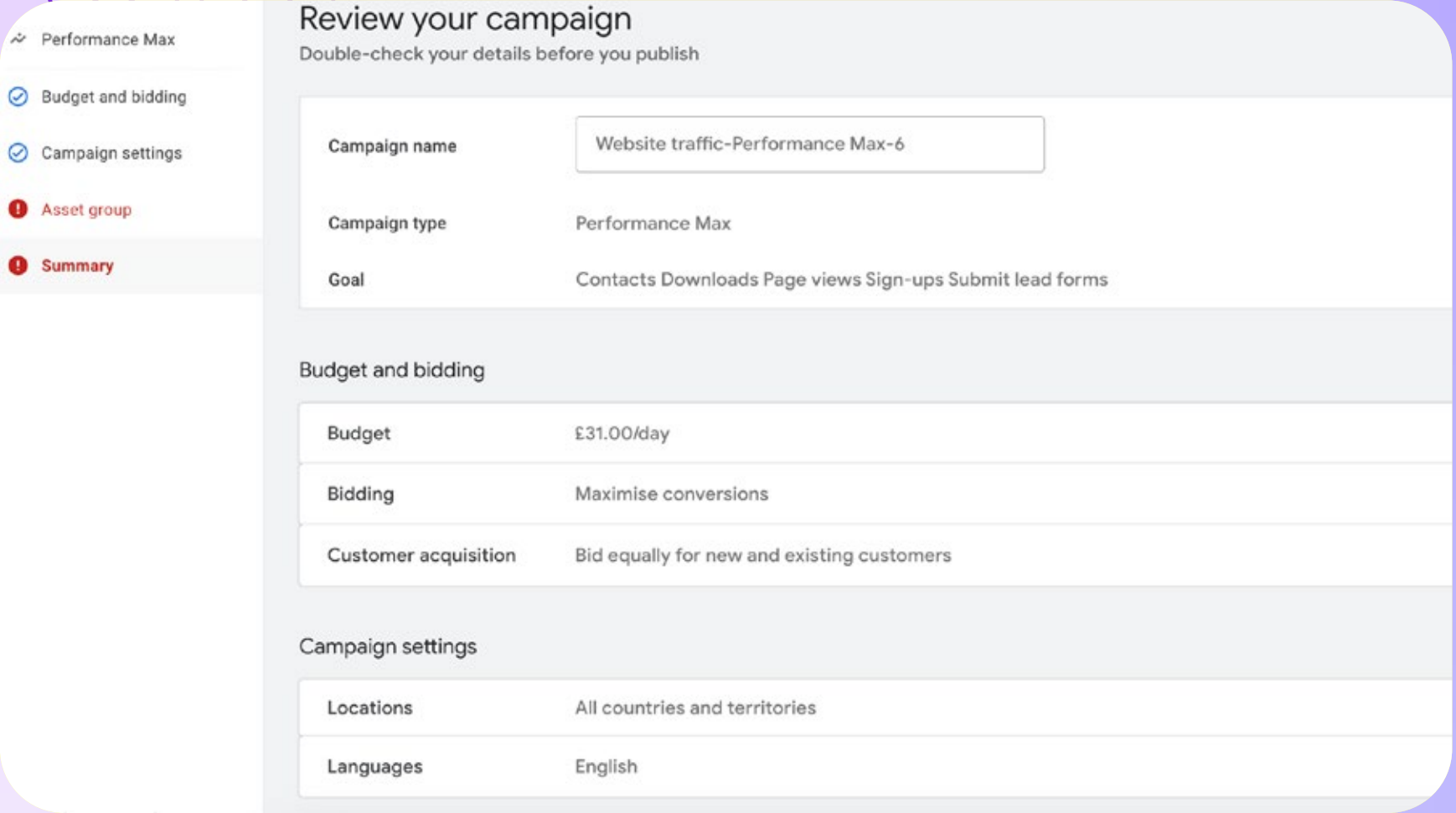
06 Input Your Audience Signals



07 Create Ad Extensions



08 Review Your Campaign Summary



Conversion Tracking for PMax

Conversion tracking is always important in a Google Ads account, but it's even more important in Performance Max. When working with an automated system, the principle of 'garbage in, garbage out' always stands. So if the conversion tracking data you're relying on isn't up to par, you're inevitably going to see lacklustre results.

When it comes to eCommerce, accurate conversion tracking is a bit easier. But it gets much more challenging for B2B lead gen businesses, many of whom have struggled with lead quality when using Performance Max. So while it's important for all businesses, B2B brands need to pay special attention to conversion tracking before pumping money into an automated campaign.

Rather than a failing of Performance Max itself, it's simply a clear reminder of the importance of tools like enhanced conversions, offline conversion tracking, and CRM integration. If you've been avoiding your conversion tracking challenges, now's the time to step back and fix them.

One other point to note is the way Performance Max logs conversions in the Insights tab. It includes actual conversions, and expected conversions based on the last seven days of campaign data. For example, if it says you've got 50 conversions, you might only have 40 and Google is adding in another 10 because they think people are going to convert later on.



Conversion Tracking for PMax

Bob & Miles' Top Tips for Conversion Tracking

01. Leverage the Google Ads conversion tag to track more conversions (this allows you to track view-through, engaged-view and cross-device conversions). Lots of advertisers still use goals imported from Google Analytics, but these actually don't allow you to track those additional conversion actions.
02. Implement **Enhanced Conversions** to improve tracking and attribution. It encrypts first-party information left on your site and sends it to your Google Ads account, meaning conversions can be traced back to the original ad if the user returns at a later date to make a purchase.
03. Use a third-party tool to sync offline conversion data with Google and track conversions you'd otherwise miss. We recommend the Conversion Booster feature from [ProfitMetrics.io](https://profitmetrics.io)
04. Provide new customer data to analyse the impact of new versus returning customers. You can set up a custom variable in your conversion tag that allows you to see the split in Google Ads between new customers and returning customers to analyse which PMax is focusing on.

05. Use **data-driven attribution**. This gives credit for conversions based on how people engage with your various ads and decide to become customers. It uses data to determine which keywords, ads and campaigns have the greatest impact on your business goals.
06. If you have multiple primary conversions (i.e. purchases, lead form submissions, phone calls etc), work with campaign-specific goals to ensure you're tracking the right goals.
07. Use **Lunio** to eliminate junk traffic, gain more transparency over traffic sources, and minimise discrepancies in click and conversion volumes between Google Analytics and your CRM.



Performance Max Campaign Structure

Unlike Smart Shopping, Performance Max allows you to create multiple asset groups per campaign. This opens the door to having a single campaign, but building out multiple assets groups to target different parts of your product catalogue. But what's the right approach?

Bob & Miles have 3 golden rules:

- 01 Keep it simple –**
don't overcomplicate things.
- 02 Try to keep as much data in one campaign as possible –**
don't over segment.
- 03 Only segment if you have enough data or good reasons to do so –**
this fragments data and can limit the algorithm's ability to optimise for your goals.

You should only split into multiple campaigns when you need to do so for location targeting or budget allocation. And since there is no reporting on the Asset Group level, you might want to break out different products/services into separate campaigns for reporting purposes.

Suggested PMax Campaign Structure for eCommerce

Miles outlined the typical campaign structure he uses for his eCommerce clients:

I typically use a structure where you've got two or three base layer campaigns segmented by value for your business. High value products are grouped together in one campaign. And low value products are in another. On top of that, you can then layer on additional 'building block' campaigns for things like your best sellers or seasonal products you want to push within a given time period



PMax Asset Groups

Similar to ad groups in traditional Google Ads campaigns, asset groups keep your campaigns organised by categories (e.g. themes or audience-types). Made up of a collection of “creatives” (images, videos, headlines, long headlines, and descriptions), asset groups are used to assemble ads and build an inventory for all applicable ad formats for your chosen objective.

With Performance Max, you give Google everything it needs to create different types of ads and it does the rest – mixing, matching, and testing different combinations of creatives to hone in on those that convert best. As a marketer, you’re no longer responsible for the ad creation process.

Traditional ad groups rely on keywords for targeting, but asset groups work differently. Rather than keywords, asset groups are tied to audience signals for targeting. Audience signals are your way of telling Google about the type of audience you want to target. Google then uses this profile to find similar audiences to serve your ads to.

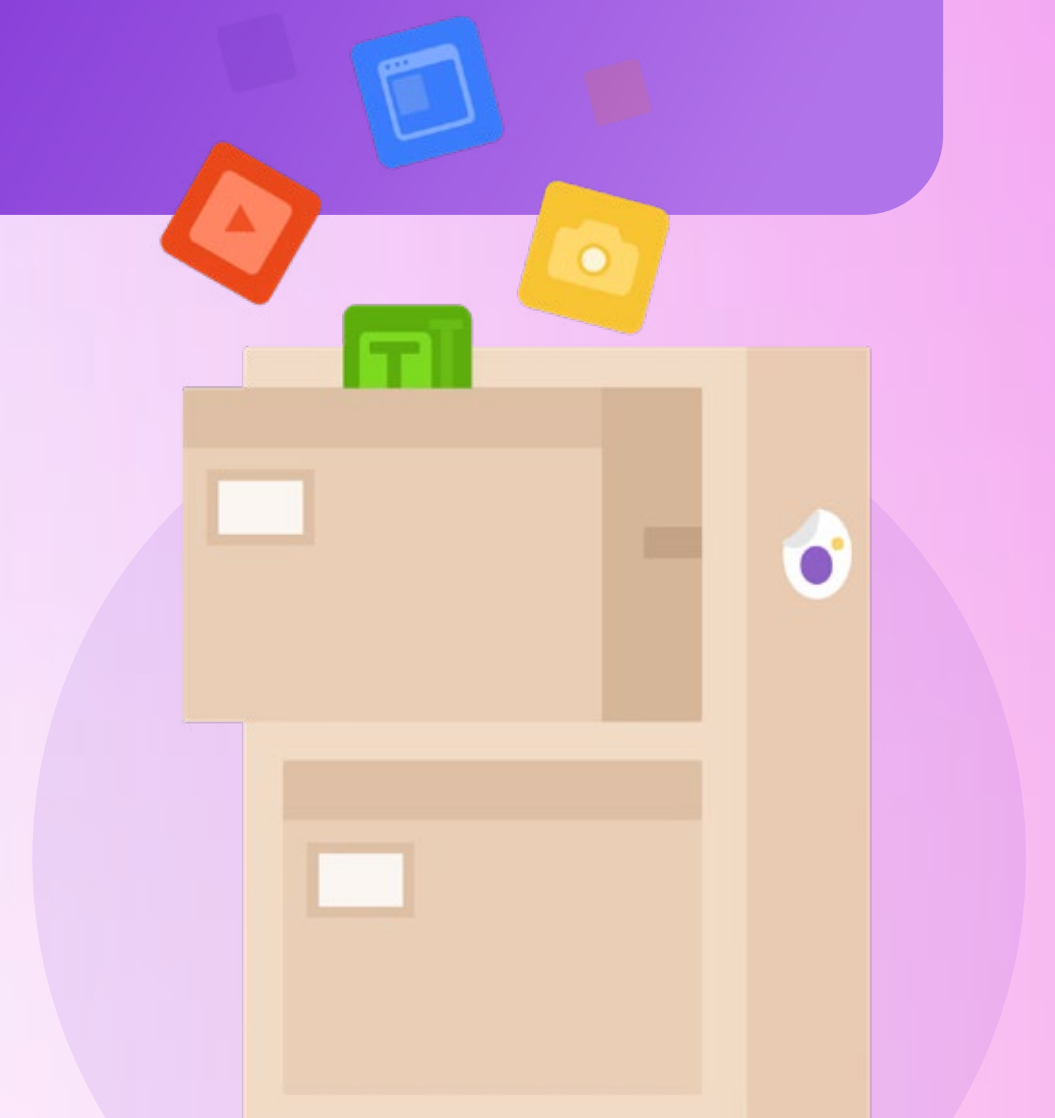
When you create and use an asset group, Google automatically evaluates all your creatives and gives each asset one of four values so you can identify areas for improvement:

Pending: Not enough data yet (you’ll need > 5000 impressions per asset).

Low: Low performing against all other assets of the same type across properties.

Good: Assets perform well enough.

Best: One of the highest performers of all assets.



PMax Asset Groups

Bob and Miles' Top Tips for Asset Groups

01

Group assets for specific products/services together so your ads are always relevant.

02

Test out different asset group structures e.g. Shopping-only assets vs all assets.

03

Do not use stock images or videos in your asset groups. Many brands default to using these, meaning your ads won't stand out. Use your own visual assets that fit well with your brand.



Miles also gave some helpful advice when it comes to designing your creative:

“Always tie your ad copy to the product and the image / video you’re using. Google is going to combine your headlines and images and put them anywhere they can, so they need to be tailored to your specific product or service. Make sure your product is always very central in any images you’re using to avoid display issues. And don’t forget to optimise everything for mobile too, as sometimes that goes overlooked”

Performance Max Reporting

The reporting capabilities of Performance Max are pretty limited. But they're getting better each week with the addition of new features and updates. So far, the lack of insights into what's going on behind the scenes of a campaign has been a source of frustration for many marketers.

If you click into the Insights tab of a live campaign, you can select either a week-over-week or month-over-month view and you'll see a table below populated with conversion value, cost, ROAS and conversions for your selected period. Currently, there is no way to see results over longer and shorter time periods. For example, if you want to see what kind of search categories you were found for 2 months ago, that's not possible.

If you scroll down further on the Insights tab you can see search terms grouped into categories and the number of searches that have occurred within each category for the period, along with the corresponding conversion value and a rough estimate of search volume.

Can You See Campaign Split Across Channels?

No. With the current version of PMax, you won't be able to see the campaign split between Search, Display, Discovery, YouTube and Shopping. Being able to differentiate between channels is something most users really want, but it remains to be seen whether Google will add in this functionality.



Performance Max Bidding Strategy

Just like reporting, the available bidding strategies for Performance Max are very limited. After setting a daily campaign budget, you can only select to Maximise Conversions (with optional target CPA) or Maximise Conversion Value (with optional target ROAS).

If your account already has lots of historical data, you can jump right into target CPA/ROAS. With a new account, start with Maximise Conversions so the system can gather data. Later on, once you're seeing steady conversions, switch to tCPA or tROAS to hit your goals.

The only way you can set a bidding strategy is on campaign level. So if you're working with multiple asset groups for different services or product categories, you're essentially saying 'this is my target for all of my asset groups', which is often too broad. That's why you need to group related products together in separate campaigns.



Bidding Strategy & Risk Appetite

Before setting your bidding strategy, know your risk appetite. This will vary significantly from company to company depending on budget availability. There's always a learning phase with smart bidding. And the more budget you have, the faster you can progress through it, because you can get a lot more conversions in a short timeframe.

Some brands have a lot of money and are willing to spend it on learning as fast as possible. But other brands have a much lower risk appetite. So this needs to be factored into the bidding strategy you're using.



Bidding Strategy & Risk Appetite

Bob and Miles' Top Tips for Bidding Strategy

01

For eComm: generally maximise conversion value with a tROAS is the way to go, for lead gen it's maximise conversions with a tCPA

02

Don't adjust your CPA/ROAS targets too often as this can upset the algorithm.

03

If you're running a new PMax campaign and you have no historical data, we suggest not using a tCPA/tROAS target until you reach around 20-30 conversions.

Just be mindful that the only goal for maximise conversions/ maximise conversion value is to spend your daily budget. So pay close attention to how you set your budgets. After you switch to tCPA/tROAS, the main goal will be to get as many conversions and spend as much as possible within that set target.

04

Set realistic targets. For example, if your historical lead CPA is £75, don't set it to £15 just because you "like" £15 leads. That's wishful thinking.

Maximise conversions or conversion values?



PMax Testing & Optimisation

There's a simple mantra to remember when using Performance Max:

Test
Test
Test

Don't copy what someone is telling you to do because it's working for them. Run your own Performance Max experiments to find what works for your business.

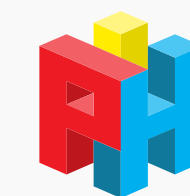
Of course, Performance Max automates the traditional A/B testing of your creative. But there are plenty of other campaign variables worth tweaking to assess their impact on your results.

Bob and Miles advise you:

01. Test different campaign structures i.e. Which products do you group together?
02. Test asset group structure i.e. Which creative do you connect to specific products?
03. Test different types of assets (e.g. video and images)
04. Test final URL expansion
05. Test different audience signals

Bonus Tip for EU Accounts

Use a Comparison Shopping Services (CSS) partner to get a 20% discount on clicks on Google Shopping. **We recommend ProductHero.**



PRODUCTHERO

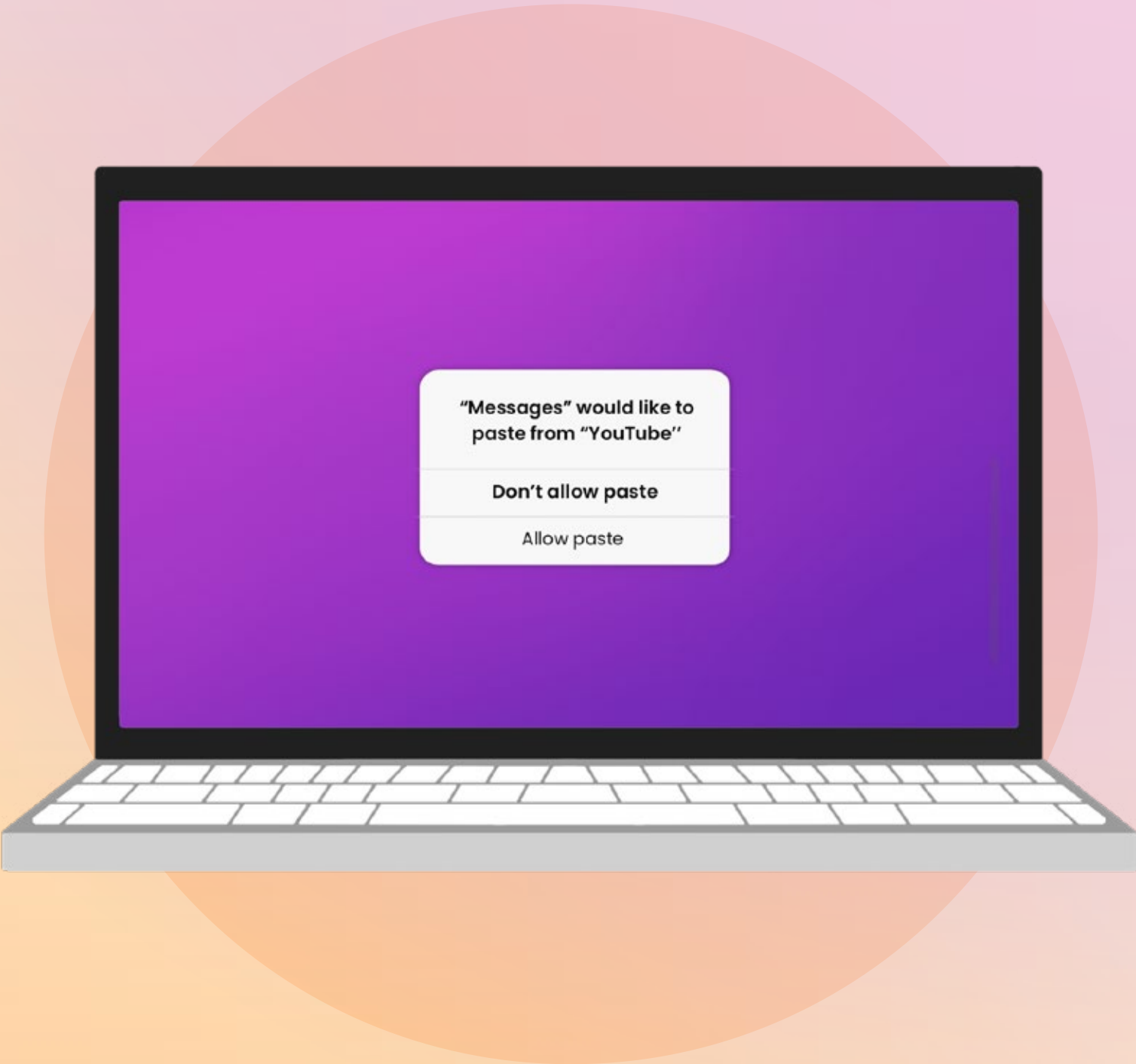
4 Common PMax Pitfalls & How to Avoid Them

01. Copying & Pasting Campaign Structures From Other Advertisers

To try and give themselves a head start and save time during the set up and testing phases, some marketers are opting to simply replicate the campaign structures of other similar brands. In some cases this may work reasonably well. But it’s never going to drive optimal performance. Even businesses selling the same products in the same industry are still unique from one another in other key aspects. For one thing, the financial position of each business is going to vary widely, which has huge implications for campaign objectives and bidding strategies.

That’s why Bob & Miles advise:

“Test and find what strategy and tactics works best for you and your business. Don’t blindly copy other people’s fancy sounding strategies”





02. Using an Over-Simplistic Campaign Structure

Sure, Performance Max will allow you to put all your assets for all your products into one campaign and set it live. It certainly saves time and makes campaign management easier. But it's almost never a good idea. You need to think carefully about the best ways to segment out your various products into different campaigns.

The goal is to achieve the best results possible with the fewest number of separate campaigns. Again, Miles recommends going with two base layer campaigns segmented by value for your business. High value products in one campaign. And low value products in another. You can then layer on additional 'building block' campaigns for things like your best sellers or seasonal products you want.

4 Common PMax Pitfalls & How to Avoid Them

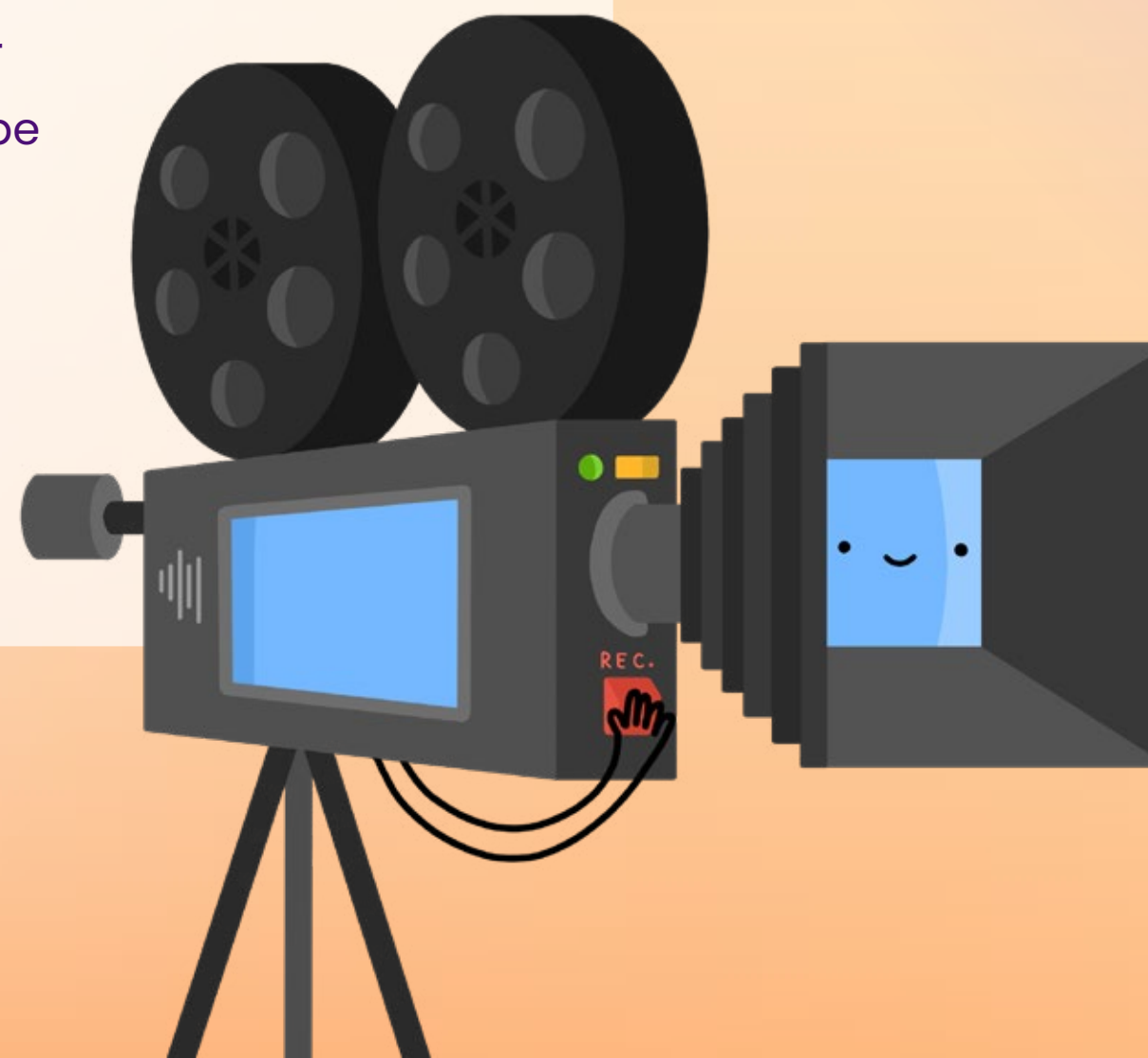
03. Not Adding Video Assets

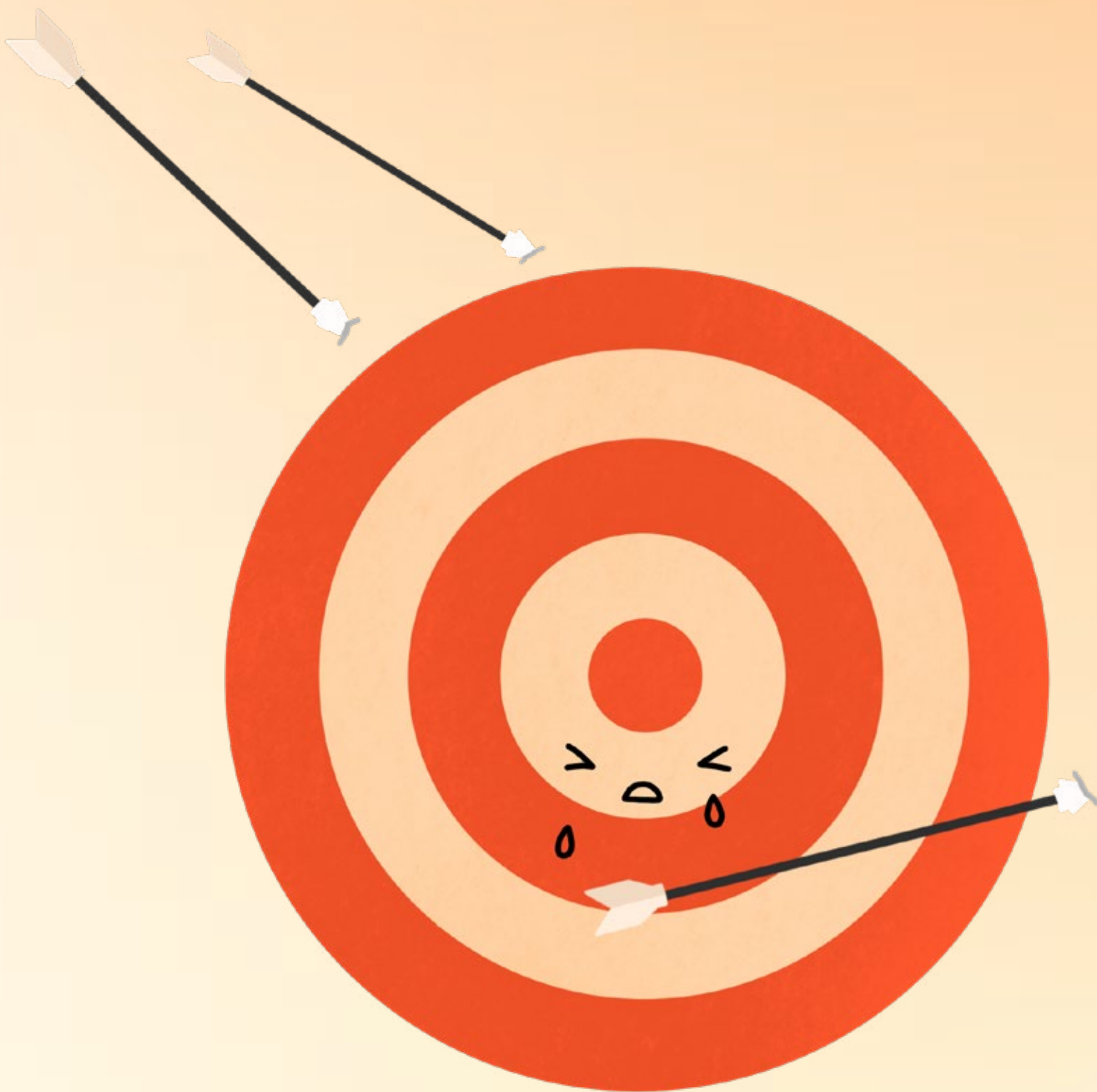
Bob and Miles' both noted they've come across a lot of brands who aren't creating specific video assets for their Performance Max campaigns. When you don't supply your own video, Google will pull images, headlines, and logos from your asset groups and automatically create a video for you. This should be avoided at all costs. To be blunt, the automated videos created by Google currently look awful. The animations are weird. The flow of content is incoherent from start to finish. And the background music used is the worst of all. Trust us, you do not want any potential customers to associate your brand with one of these automated videos!

If you don't have the skills and resources in-house to create your own product promo videos, Bob and Miles recommend working with a freelancer through [Upwork](#) or [Fivver](#) to create one. The videos can be fairly straightforward and only need to be about 15 to 20 seconds in length, so they shouldn't cost too much to create. The aim should be to hook the viewer in the first two seconds and get to the point asap. Lastly, if you've got a tight budget, you can create your own product videos in [Google's Ads Creative Studio](#).



Example video created by Google





04.

Not Setting a ROAS or CPA Target That Fits Your Goals

If you don't specify a target ROAS or CPA, Performance Max is going to mix and match higher and lower value conversions to generate more overall volume. This means a lot of your ads will be placed into upper funnel networks, where conversions may not translate into much meaningful revenue for your business.

The only time you should be running a campaign without a target ROAS or CPA is when you don't have any historical conversion data to work with. With a new account, start with Maximise Conversions so PMax can gather data. Later on, once you're seeing steady conversions, switch to tCPA or tROAS that fits with your goals. For eComm, maximise conversion value with a tROAS is generally the way to go, for lead gen it's maximise conversions with a tCPA.

11 PMax Best Practices

Use these 11 quick tips from Bob & Miles for better PMax results:

01.

Use first party data in your audience signals.

For eComm that should include new and repeat customers as well as high and low value customers. For lead gen its low and high intent leads as well as high and low CLV clients.

02.

Exclude brand search terms and catch them with a Standard Shopping campaign.

People searching your brand will have outrageously good conversion rates compared to almost any other traffic, and this will contaminate the Performance Max conversion data.

03.

Test a feed-only vs all assets structure.

Run a before and after test on a single campaign. If a feed-only structure outperforms all assets structure, it's an indication there's more work to be done to improve your PMax strategy.

04.

Segment bestsellers into a separate campaign.

This works very well for eComm as it gives you control to push harder or slower when you need to. You can also segment new products into a campaign to push them more aggressively.

05.

Protect your campaigns against fake and junk traffic.

Use Lunio to concentrate 100% of your ad spend on users likely to convert by eliminating both non-human traffic and worthless traffic that offers no value to your business.

06.

Optimise your product feed.

Include as much information as possible – images, titles, and prices are super important.

11 PMax Best Practices

Use these 11 quick tips from Bob & Miles for better PMax results:

07.

Add your own videos or Google will create yours (and they suck).

Use Ads Creative Studio to make your own videos or work with a freelancer from Upwork to create them for you at relatively low-cost.

08.

Don't invest in big video productions before you've tested different angles.

Test which messaging and imagery in your videos converts best before committing resources to a more professional production through a video agency.

09.

Write compelling ad copy – don't just take your text ad copy.

Focus on benefits to customers, try headlines of varying lengths, tie your ad copy to your keywords, and try to avoid using generic language if possible.

10.

Set up conversion tracking with the Google Ads Tag so you can measure view-through, engaged view, and cross-device conversions.

Lots of advertisers still use goals imported from Google Analytics, but these don't allow you to track those additional key conversion actions.

11.

Don't make too many changes too often, the PMax system is easily shocked.

Every time you make a change, the algorithm needs time to gather data and adapt in order to optimise performance.

What Should You Do When PMax is Underperforming?

Oh the irony. What steps can you take when Performance Max isn't performing?

Well for starters, there aren't too many levers you can pull to change things. A lack of control is one of the most notorious (and complained about) issues with PMax. But that said, there are still a few things you can do to try and course correct.

Here are Miles suggestions:

- First, analyse your account and try to understand what's going on – Is it a campaign-specific issue? A macro issue affecting all campaigns? Is your conversion tracking still working properly? Is there anything out of the ordinary going on inside your account? Dig around and try to get a handle on the situation before attempting a fix.
- If the issue seems to be PMax itself, then work on further optimising your assets. Improving the quality of your assets is the thing that's likely to have the biggest impact on your overall campaign performance.
- Consider your campaign structure. Are your products grouped together correctly? Do certain products have very low conversion-rates relative to others? If so, investigate those further to see if you can understand what might account for the difference.
- Experiment with Final URL expansion if you haven't already done so.
- Try pausing specific products that don't seem to be converting and see what happens.
- Don't spend too much time refining your Audience Signals. They have a relatively weak influence on the algorithm and are unlikely to move the needle of overall performance.

If PMax isn't working, adopt a scientific approach. Develop plausible hypotheses as to why you aren't seeing the results you want. Then test each hypothesis to try and confirm any potential weak points in your campaign.

Useful PPC Resources

Use these to take your PMax knowledge to the next level, enhance your audience targeting, and drive greater paid media efficiency across all campaign types.



60k Exclusion List



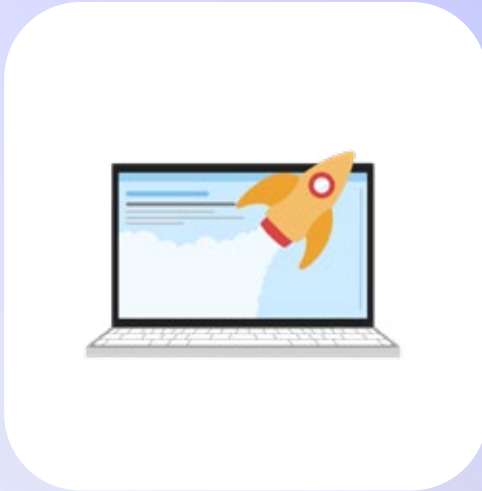
The State of PPC Global Report 2022



Click Fraud Calculator



PMax Mastery Course



Lunio PMax Webinar



Bob & Miles Newsletter

Drive More Profitable PMax Growth With Lunio

Ads are for humans, not bots. Save up to 25% of your advertising budget by automatically eliminating invalid traffic and fake leads across Performance Max campaigns. See it in action today with a customised demo and free trial – no obligation to purchase.

Request a Demo

