

# Smart Search: Why top advertisers still dominate with search ads

Austin LeClear





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## Austin LeClear

- Co-founder of Grow My Ads, managing millions in monthly Google Ads spend
- Over 10 years of experience, previously worked in eCommerce
- Built a second agency after initial eCommerce work
- Shares weekly insights on YouTube
- Trains advertisers through PPC Copilot

# **Smart Search in 2025:**

Why top advertisers still  
dominate with search  
ads



# Sound Familiar?

❏ *"Austin, Google says our conversions are up, but our backend sales are flat. We're spending more but not seeing growth."*

I've talked to hundreds of companies with this exact problem

You're not alone - this is the #1 issue I'm seeing in 2025

Today I'll show you why this happens and how to fix it

# What You'll Learn Today:

1

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## **Why Search Ads Still Matter in 2025**

Understanding the Performance Max problem and why strategic Search is crucial

3

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## **AI Mode & AI Max**

Navigating the future of search with Google's newest AI technologies

2

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## **Correct Search Campaign Structures**

Winning with Search in 2025: What Google's algorithms want now

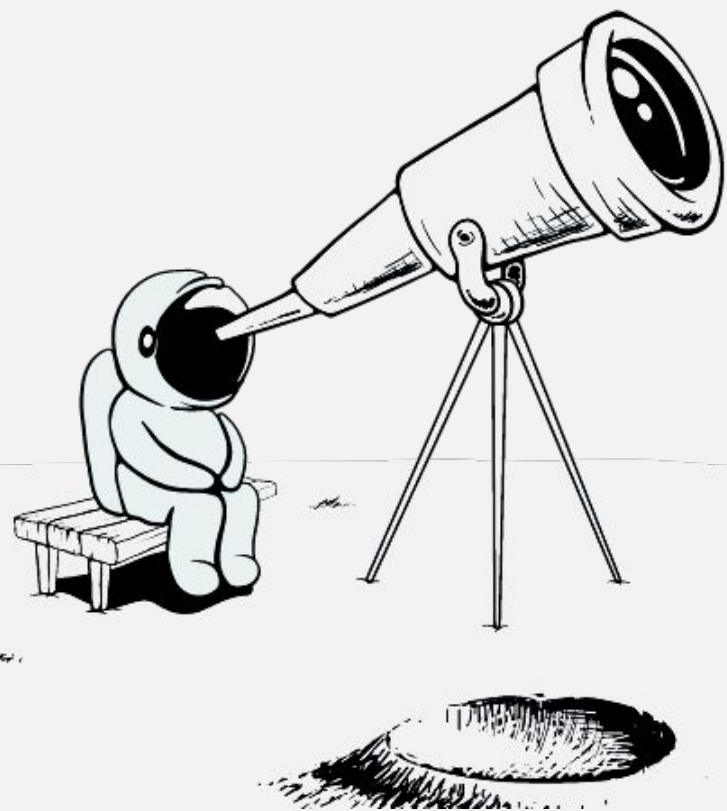
4

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## **Advanced Optimization Tactics**

Implementing the feeder strategy for peak performance

# Why Search Still Matters in 2025



# What I'm Seeing in 2025 Audits:

## **Over-Investment in PMax**

Companies have funneled almost all budget into Performance Max campaigns

## **Neglected Search**

Search campaigns are neglected, underfunded, or completely paused

## **"Easy Button" Focus**

Focus shifted to automated solutions (at the expense of strategy)

## **Lost Discipline**

Some companies have lost the discipline of strategic search campaign management altogether

These patterns emerge from auditing *hundreds* of companies in 2025

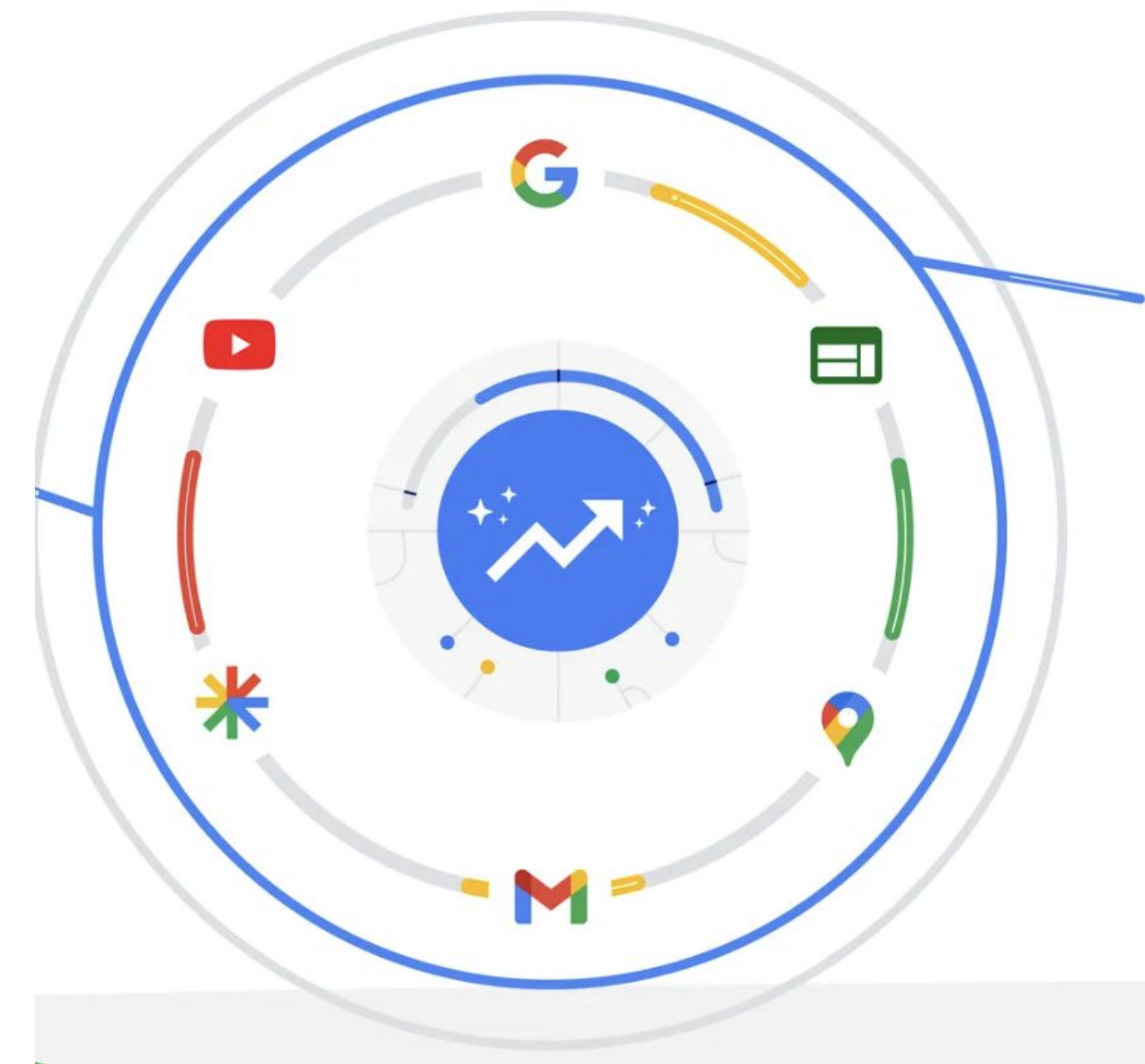
# Most Advertisers Have Gotten Lazy With Search

Over the last couple of years, advertisers have *fully* invested in Performance Max

They stopped thinking about making search ads work

A "set it and forget it" mentality took over

**Result: Missing *massive* new customer acquisition opportunities**



# The 20% Rule That Winners Follow

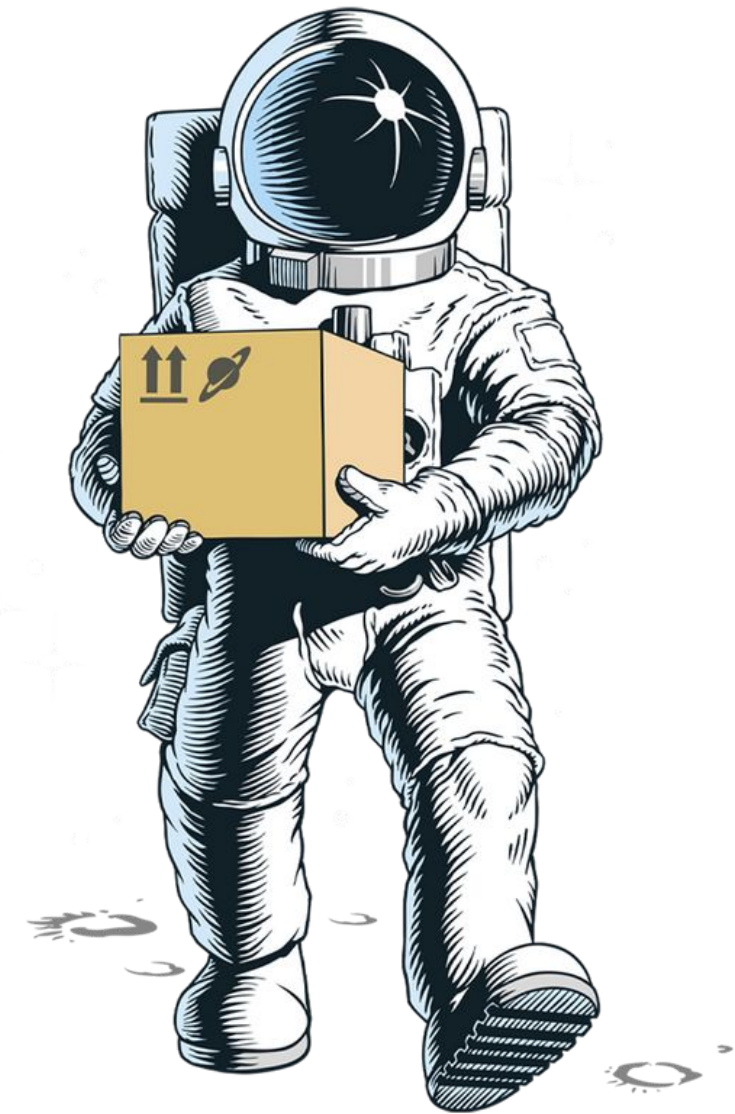
## The Goal

Big growing companies still make 20% of sales from non-brand search

## The Challenge

If you're under 20% non-brand search revenue, you're leaving money on the table

**Action Item:** Calculate your current percentage - where do you stand?



# Why I (Still) Love Search Ads

## Take Back Control of High-Intent New Customer Acquisition

1

### Control

Control over high-intent, non-brand targeting

2

### First-Click

First-click new customer acquisition

3

### Cold Traffic

Cold traffic generation (not warm audience recycling)

4

### Precision

Precision targeting that Performance Max can't provide

**Key Point:** This is your lever for continued growth

# The Performance Max Plateau Problem

⊗ *"Austin, We're Spending More But Getting Fewer New Customers"*

Google Ads continue to spend more

Decreased new customer acquisition on backend

Decreased overall sales despite higher spend

**The Core Issue:** Performance Max plateaus at a certain point - fine for getting started, but it stalls growth over time



# Why Performance Max Plateaus

## The Warm Audience Trap

### Easy Conversion Focus

Performance Max starts optimizing for easy conversions

### Warm Audience Targeting

Focuses on warm audiences and repeat customers

### Recycled Traffic

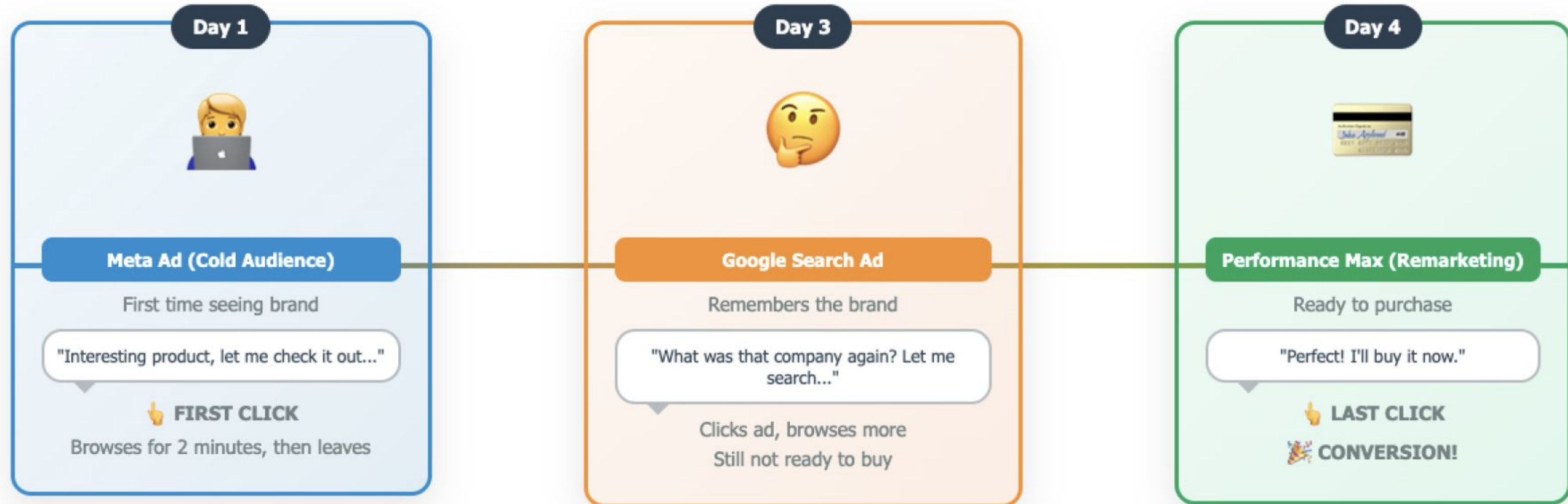
You spend more on current traffic you're already generating

### Stagnant Growth

You're not actually expanding your customer base

**Result:** Higher spend, same customers, no growth

# The Customer Attribution Journey Trap



**Key Point:** This is exactly why Performance Max looks so good in your reports

# The Data That Proves It

<u>Campaign name</u>	<u>Total Sales</u>	nRevenue	rRevenue	<u>Total Revenue</u>
 PMAX   All	228	\$5,348	\$6,750	\$12,098

**Contrast:** Non-brand search campaigns don't have this problem - they drive new customers

Source: Wicked Reports data from actual Performance Max campaign

# The Data That Proves It Sales



Download CSV		Total Sales <b>228</b>		Subscriptions <b>0</b>		One-Time Sales <b>228</b>	
<u>Order Date/Time</u>	<u>Amount</u>	<u>Order ID</u>	<u>Email</u>	<u>First Name</u>	<u>Last Name</u>		
2025-07-27 15:35:39	\$23.94	612412 One-Time	[Redacted]	[Redacted]	[Redacted]	Repeat Customer	
2025-07-27 15:15:38	\$56.61	612409 One-Time	[Redacted]	[Redacted]	[Redacted]	New Customer	
2025-07-27 14:47:07	\$19.97	612408 One-Time	[Redacted]	[Redacted]	[Redacted]	New Customer	
2025-07-27 14:10:24	\$53.92	612403 One-Time	[Redacted]	[Redacted]	[Redacted]	Repeat Customer	
2025-07-27 13:55:47	\$53.92	612398 One-Time	[Redacted]	[Redacted]	[Redacted]	New Customer	
2025-07-27 13:27:38	\$23.94	612396 One-Time	[Redacted]	[Redacted]	[Redacted]	Repeat Customer	
2025-07-27		612393	[Redacted]	[Redacted]	[Redacted]		

# Google's Own Documentation Proves Search Control

How Performance Max works with Search campaigns and keywords ^

- Performance Max complements existing Search campaigns and respects your keyword targeting.
- If the user's query is identical to an exact match keyword in your Search campaign, the Search campaign will be prioritized over Performance Max.
- Search themes have the same prioritization as phrase match and broad match keywords. [Learn more About keyword prioritization within a Google Ads account.](#)

Source: Google's official support documentation

# My Framework for 2025

## **Search Ads & Shopping**

A great lever for new customer acquisition.

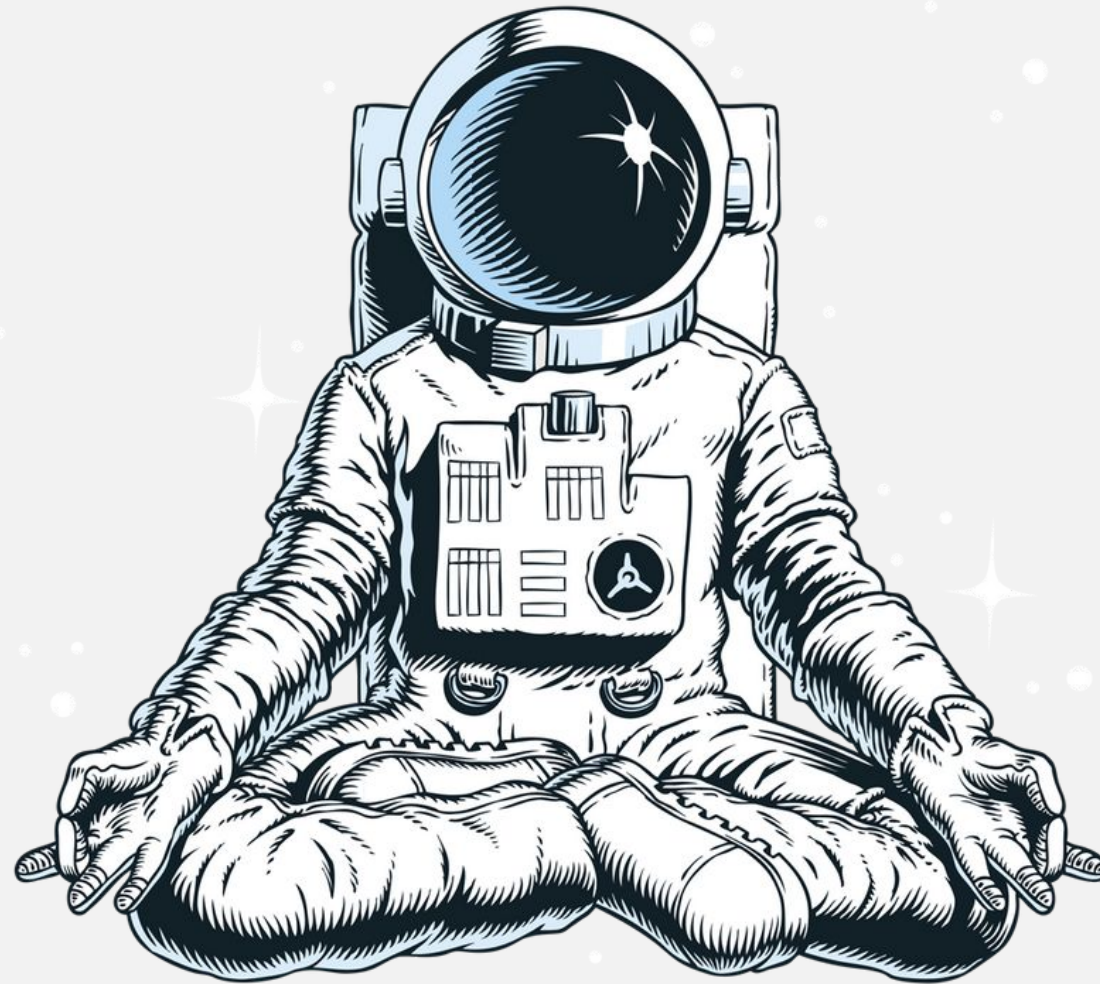
## **Performance Max**

Acts as remarketing on steroids. Leverage its automation to re-engage warm traffic across Google's entire network

## **True Business Data - New Customers & nCAC**

Cross referencing with true backend data on new customer acquisition and nCAC.

# How to Structure Modern Search Campaigns



# How Keywords Work Today vs Yesterday

Keyword matching in Google Ads has evolved similarly. We used to match searches to keywords based on **syntax—matching the specific words within each search**. Now, the same technology that is used to understand search intent is employed in keyword matching. That's how we can match user searches to keywords based on **semantics—the meaning conveyed by the search**—in addition to the syntax.

**Bottom Line:** Keywords are now intent signals, not exact word matching

# The Old Way

## **Keyword Stuffing**

Add lots of keywords to fill in "keyword gaps"

## **SKAG Structure**

Single Keyword Ad Groups for granular control

## **Alpha/Beta**

Alpha/Beta campaign structures for testing

## **Match Type Separation**

Match type ad groups (exact, phrase, broad separated)

## **Hyper-Granular**

Super granular: lots of keywords, lots of ad groups, lots of campaigns

**The Problem:** You're fragmenting data and hurting machine learning

# The New Way: Intent-Based Consolidation



## Themed Campaigns

Consolidated by intent, not syntax



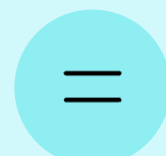
## Themed Ad Groups

Based on user intent



## Focused Keywords

5-15 related keywords per ad group (not hundreds)



## Match Combination

Broad + Exact match combination with smart bidding



## Consolidation

Consolidation is key - let machine learning work with more data

**Modern Approach:** Feed Google's AI with consolidated, intent-focused data

# Campaign Architecture Example

## ✗ THE OLD WAY

### KEYWORD HUNTER MENTALITY

#### 🔍 Keyword Volume Strategy

2,847 Keywords

plumber	[plumber]	"plumber"	emergency plumber	plumber]
"emergency plumber"	local plumber	[local plumber]	"local plumber"	24 hour plumber
[24 hour plumber]	"24 hour plumber"	plumber near me	[plumber near me]	"plumber near me"
best plumber	[best plumber]	"best plumber"	cheap plumber	[cheap plumber]
affordable plumber	plumbing service	plumbing company	+ 2,825 more...	

✗ Add 1,000s of keywords to avoid "gaps"

✗ SKAG structure (Single Keyword Ad Groups)

✗ Every match type for every keyword

✗ Trying to control every search query

✗ Segments data that Smart Bidding needs

✗ Limits AI to syntax matching only

## ✓ THE NEW WAY

### AI TRAINER MENTALITY

#### 🎯 Intent Signal Strategy

23 Keywords

- 🔧 Emergency Plumbing Ad Group**
  - emergency plumber
  - [emergency plumber]
  - 24 hour plumber
  - [24 hour plumber]
- 🚽 Toilet Repair Ad Group**
  - toilet repair
  - [toilet repair]
  - toilet installation
  - [toilet installation]
  - toilet replacement
  - [toilet replacement]
- 🏠 General Plumbing Ad Group**
  - plumbing service
  - [plumbing service]
  - + 3 more themed

✓ Fewer consolidated keywords per themed ad group

✓ Broad match + Exact match + Smart bidding

✓ Keywords as intent signals to Google's AI

✓ Uses all signals: landing pages, location, previous searches

✓ Semantic matching (meaning) not just syntax (words)

✓ Aggregates data for Smart Bidding optimization

# Campaign Structure Impact on Google Ads Learning

## Segmented Campaigns



**Slower Learning**  
(Limited data per campaign)

## Consolidated Campaign



**Faster Learning**  
(More data for optimization)

## Benefits of Consolidation

- ✓ Faster Algorithm Learning
- ✓ Better Budget Optimization
- ✓ More Reliable Smart Bidding
- ✓ Clearer Performance Trends

# Case Study: From 20 Campaigns to 2

-	\$0.00 (0.00%)	0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00	0.00	0.00	0.00%	0.00
-	\$0.00 (0.00%)	0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00	0.00	0.00	0.00%	0.00
-	\$0.00 (0.00%)	0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00	0.00	0.00	0.00%	0.00
-	\$0.00 (0.00%)	0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00	0.00	0.00	0.00%	0.00
-	\$0.00 (0.00%)	0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00	0.00	0.00	0.00%	0.00
-	\$0.00 (0.00%)	0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00	0.00	0.00	0.00%	0.00
\$1.35 (+12.50%)	\$174,855.62 (+27.11%)	1,297.09 (+107.68%)	\$134.81 (-64.90%)	0.98% (+236.51%)	649,812.39	355,539.10	294,273.28	+82.77%	3.72
		1,297.09 (+107.68%)	\$134.81 (-64.90%)	0.98% (+236.51%)	649,812.39	355,539.10	294,273.28	+82.77%	3.72



🚀 Increased Revenue \$290k+ and Doubled ROAS in 120 Days

👤 YouTube Video:  
<https://www.youtube.com/watch?v=D0aOHgSbOi8&t=240s>

**GROW MY ADS**

# My 2025 Campaign Build Process

## Analyze Existing Data

Analyze Performance Max and Shopping campaign data

## Identify Winners

Identify high-performing search terms/categories

## Build Consolidated Campaigns

Build consolidated search campaigns around these proven terms

## Start Precise

Start with exact and phrase match (no broad yet)

**Key Insight:** Build on data you've already collected, not guesswork



# Why I Start with Exact Match & Phrase Precision Targeting That Overrides Performance Max

## **Override Control**

Exact match keywords override Performance Max  
(Google's documentation)

## **Precision Control**

Gives you precise control over high-intent terms

## **Prevent Cannibalization**

Prevents PMax from capturing your best converting  
keywords

## **Message Control**

You control the message and landing page experience

**Starting Point:** Exact and phrase match for proven terms only

# The Volume Ramp Strategy



## Step 1: Historical Search Terms

Focus on historical top performing search terms



## Step 2: Max Conversion Value

Start bidding with Max Conv. Value



## Step 3: Volume

Get to 30-50 conversions per month

**Goal #1:** Get to 30-50 conversions per month

**Key Point:** Feed the machine learning with conversion data first

# The Bidding Evolution Process



## Step 1: Max Conversion Value

Focus on volume building



## Step 2: Target ROAS

Switch once you have  
volume/confidence



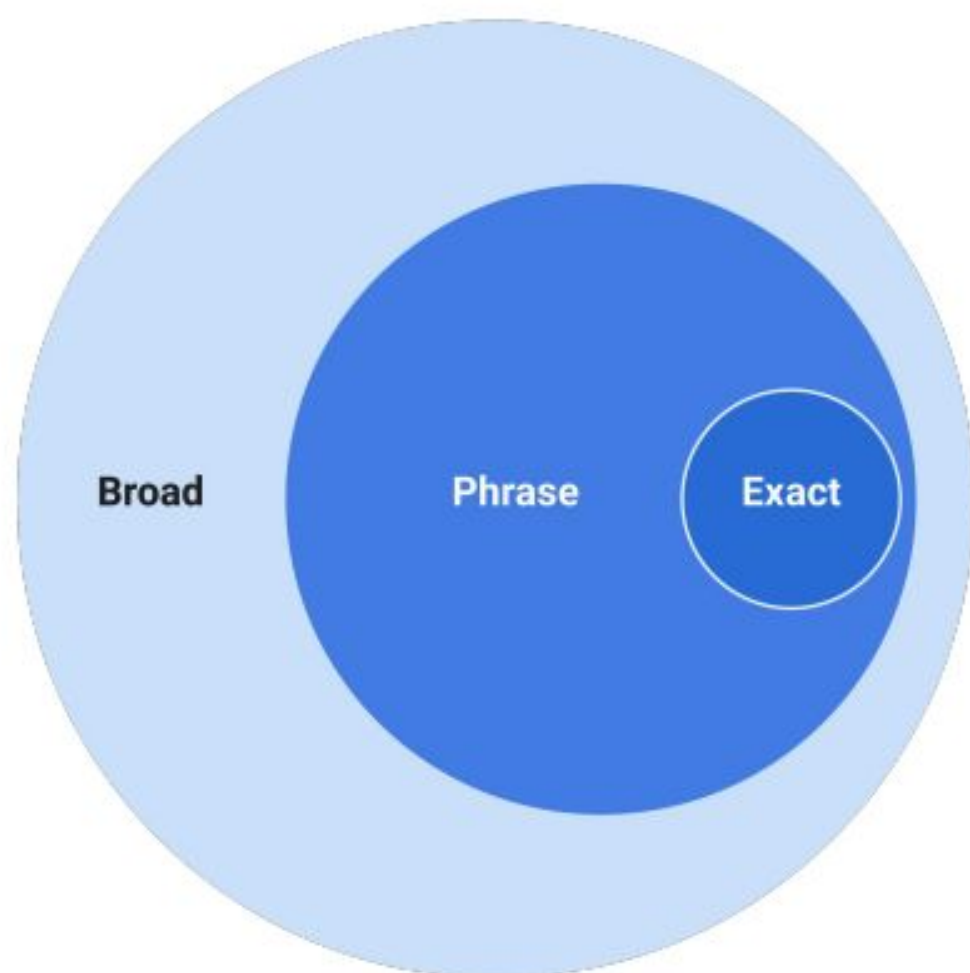
## Step 3: Add Broad Match

Layer in broad match keywords for  
expansion

**TROAS Setting:** Use last 30 days performance as baseline

- Historical 200% ROAS → Set 200% (or 190% aggressive, 210% conservative)

# When and How to Add Broad Match



*Note: not to scale*

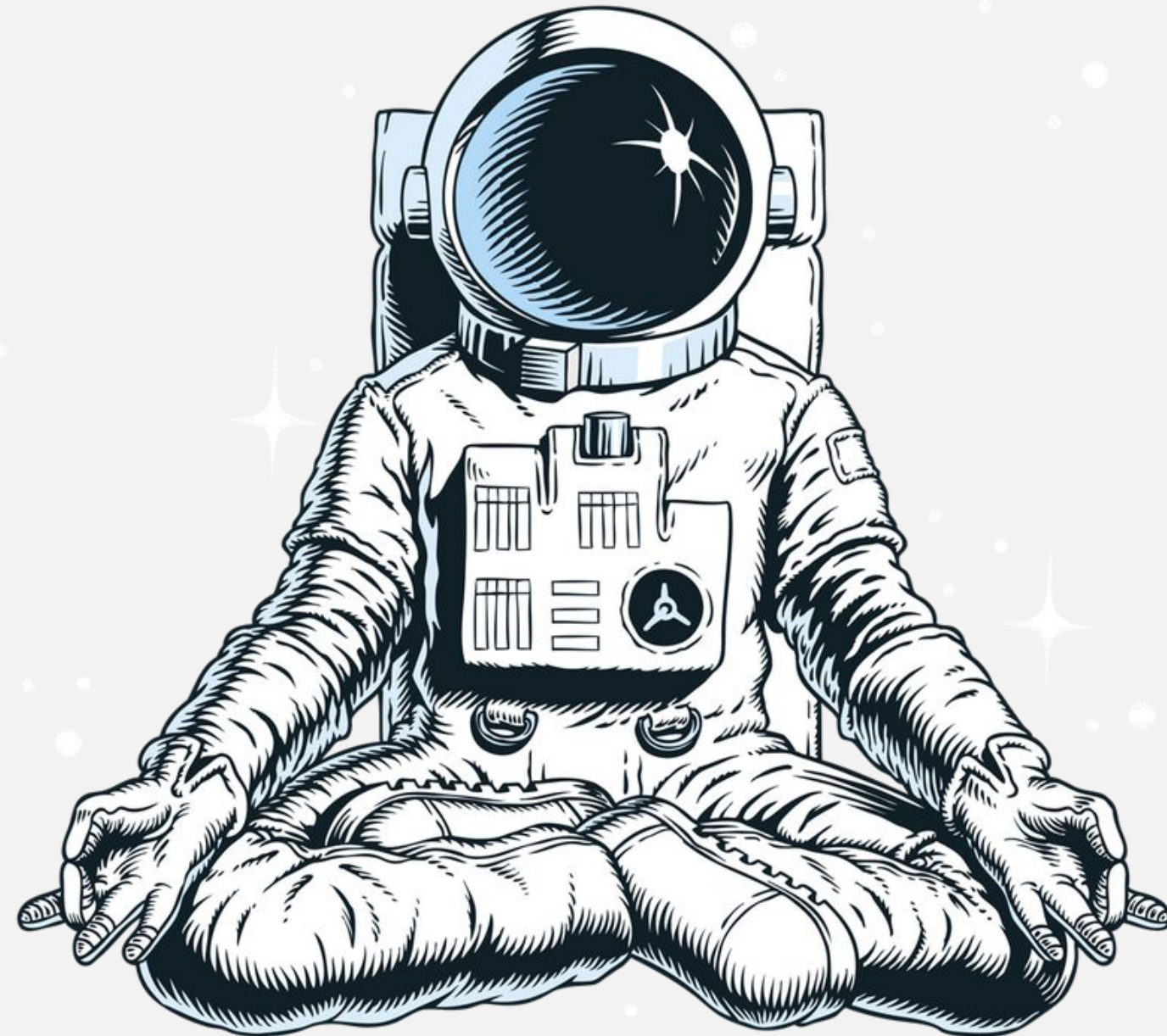
## Timing Requirements:

- 30+ conversions per month
- Target ROAS bid strategy active
- Performance stabilized and predictable

## Required Bid Strategy:

- Must use TROAS or TCPA (never with Max Conversions, Max Clicks, or Manual CPC)
- **Why:** Broad match needs governance - it's too loose without smart bidding goals

# The Future of Search with AI Max



## Meet AI Mode

Ask detailed questions for better responses

Ask anything



- 🔄 Help me find intro offers for popular gyms and workout classes
- 🔄 Make a table comparing memory foam vs hybrid mattresses
- 🔄 What are some staycation things I can do this summer?

# Google's AI Mode Ads Are Coming

### ⚠️ Breaking News (August 2025):

- Google briefing agencies and brands on AI Mode ads ahead of Q4 rollout
- Over 100 million users already engaging in AI Mode
- Ads set to expand before Q4 holiday season

**Source:** Internal Google document reported by Ad Age & Search Engine Land

**Key Point:** This is happening NOW, not in the distant future

# What Google Says AI Mode Is

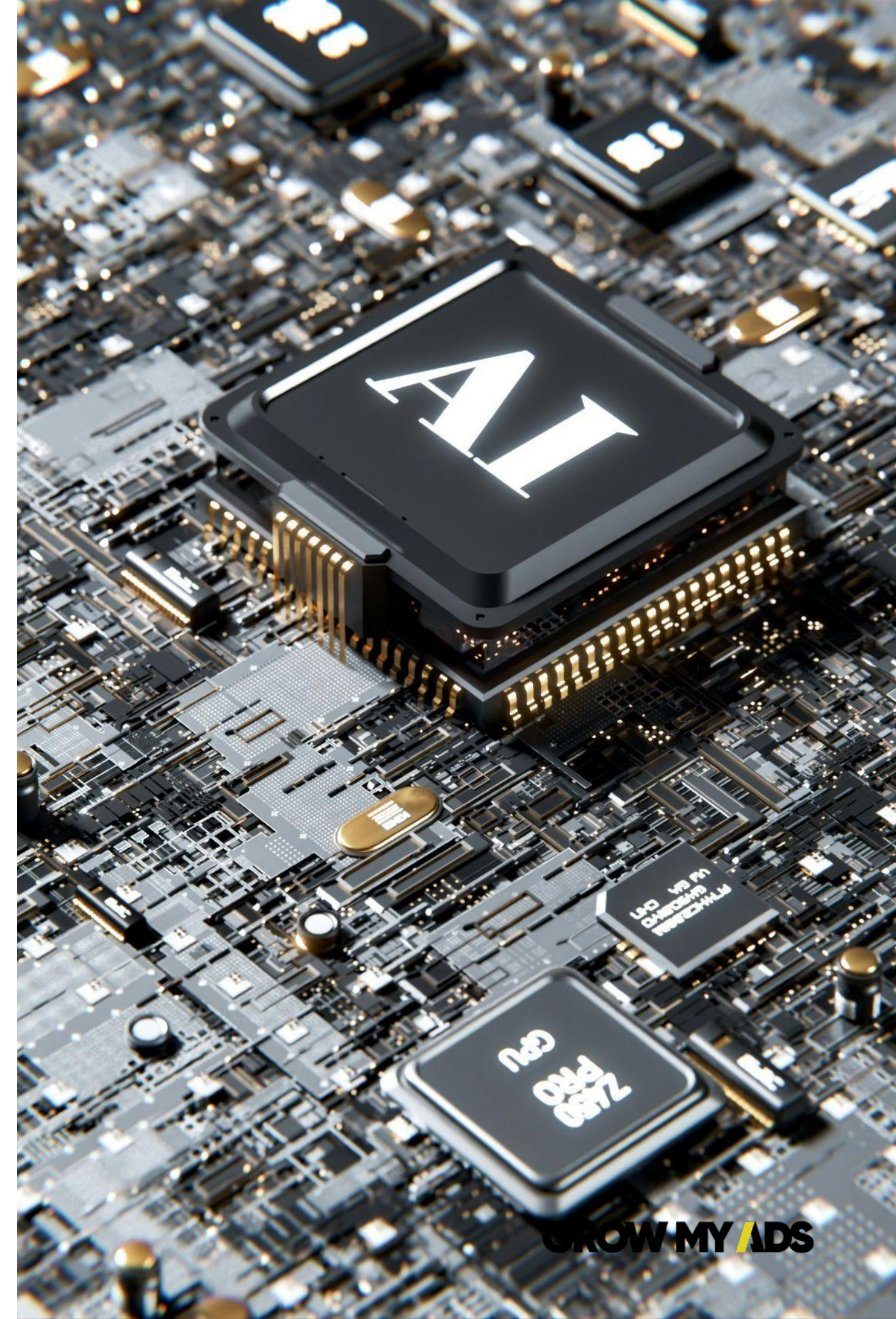
"Most powerful AI search with advanced reasoning"

"Ability to go deeper through follow-up questions"

"Users asking queries 2-3 times longer than traditional search"

"End-to-end AI Search experience"

**Key Insight:** People are using AI Mode for exploratory and open-ended questions



# "The Big Shift Is from Queries to Conversations"

## **Contextual Targeting**

Ads targeted on entire AI conversation context, not just keywords

## **Complex Queries**

Targeting based on exploratory and complex user queries

## **Conversational Experience**

Conversational AI responses similar to ChatGPT experience

## **Advanced Intent Understanding**

Google can "understand & predict intent like never before"

**Impact:** Traditional keyword-based targeting is evolving rapidly

# Requirements to Show in AI Mode:

To show ads on AI powered Search experiences,  
you need AI-powered Targeting Solutions

Broad match on Search campaigns

Comprehensive keyword coverage with better intent & language understanding

AI Max for Search (beta) / Performance Max / Shopping

Fully automated solutions that including keywordless targeting to uncover additional queries

For retailers

Feed hygiene is critical; ensure your shopping feed is as up to date as possible

Source: Internal Google document reported & Search Engine Land

# What Is AI Max?

## Broad Match Enhancement

Uses existing broad match technology with AI signals

## Text Customization

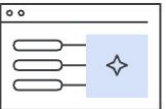
Automatically created assets (rebranded existing feature)

## Final URL Expansion

Sends traffic to different landing pages (like DSA)

**Bottom Line:** Existing features packaged together

### AI Max for Search campaigns



#### Get the best AI-powered performance on Google Search

Advertisers that activate AI Max in Search Campaigns will typically see 14% more conversions conversion value at a similar CPA / ROAS

- Engage more customers and boost performance. Easily expand your keywords with broad match technology and let Google AI match content from your landing pages and assets to help you show up on more relevant searches. New ad group settings help you guide which customers you reach.
- Tailor your ads and keep them fresh. Use Google AI to serve the most relevant ad copy and landing pages to each customer based on their unique interest and intent.
- Take charge and understand how the newest and best Google AI is working for you. You'll get new actionable insights in search term reports that show how AI Max improves performance.

[Learn more](#)

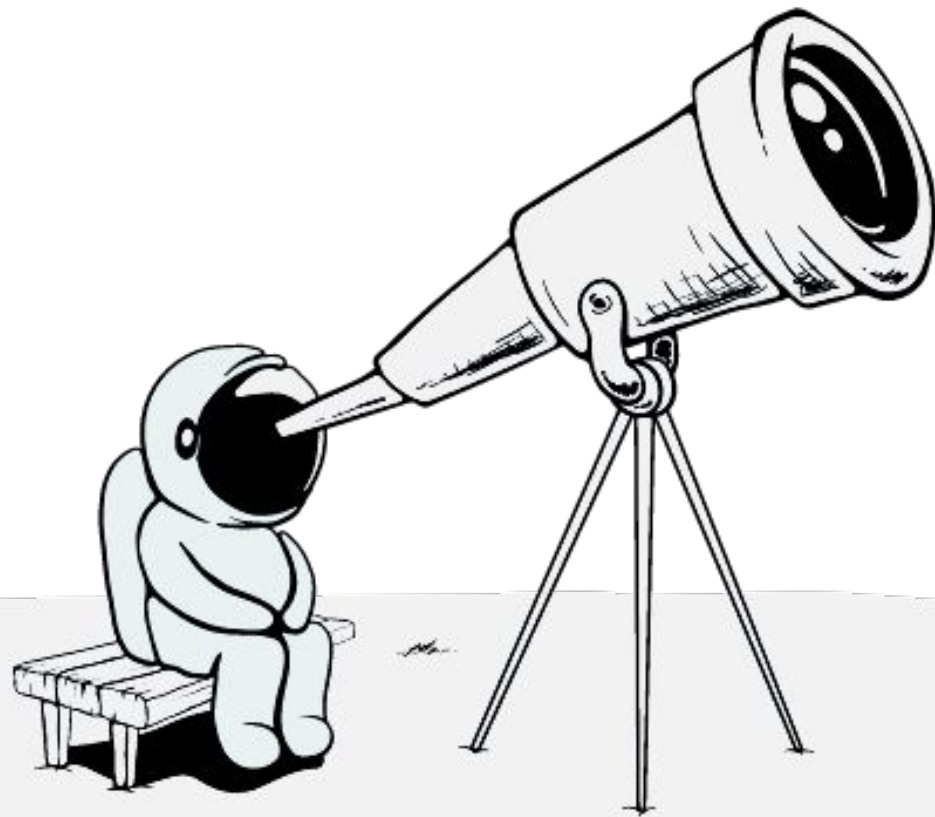
Optimize your campaign with AI Max BETA

# AI Max: How Broad Is *Too* Broad (Real Example)

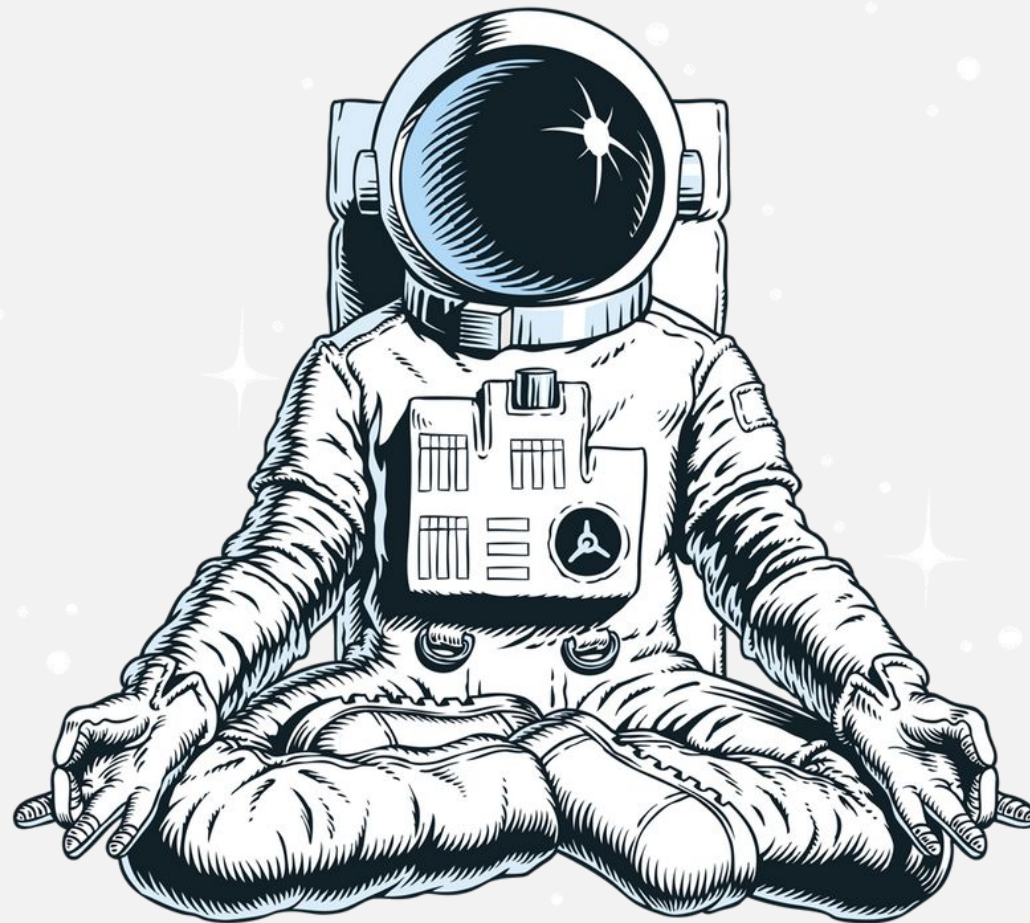
<input type="checkbox"/> Search term	Headline	Landing page
Total: Filtered search terms		
<input type="checkbox"/> home	Build Your Own Modular Sofa   Made For Action, Kids & Pets	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> home design websites	Build Your Own Modular Sofa   Made For Action, Kids & Pets	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> home store	Build Your Own Modular Sofa   Made For Action, Kids & Pets	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> home	Build Your Own Modular Sofa   Made For Action, Kids & Pets   Made In USA	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> buy england furniture online	Build Your Own Modular Sofa   Made In USA	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> home	Build Your Own Modular Sofa   Pet-Friendly & Kid Proof	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> american home furnishings	Build Your Own Modular Sofa   Shop family-friendly furniture	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> fulton home sectional	Build Your Own Modular Sofa   The "No-Worries" Modular Couch	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>
<input type="checkbox"/> home	Build Your Own Modular Sofa   The "No-Worries" Modular Couch	<a href="https://www.homerreserve.com">https://www.homerreserve.com</a>

# My AI Max Recommendations:

- Works well with larger accounts already using lots of Broad match keywords.
- Smaller accounts that are not using broad match yet - avoid.
- If you are going to test it, I recommend running a 50/50 experiment.
- Make sure to keep an eye on landing pages, search terms, and ad copy.
- Try to let it run for a few weeks without touching anything.



# Advanced Optimization Tactics



# Advanced Optimization Prerequisites:

- ✓ Search campaigns built using Section 2 methodology
- ✓ Progressed through all phases: phrase/exact → volume ramp → smart bidding
- ✓ Successfully utilizing broad match keywords
- ✓ Tested AI Max (optional but recommended)
- ✓ Backend tracking for new customer acquisition cost (NCAC)

**If You Don't Have These:** Go back and complete the foundation work first

# The Feeder Strategy



Shout Out John Moran & Caden Thompson 🍷

# How the Feeder Strategy (Actually) Works

## Aggressive First Touch

Feeder campaigns aggressively bid on high-intent, first-time traffic

## Browsing Phase

Most people don't buy same day - they browse and leave

## Warm Audience Capture

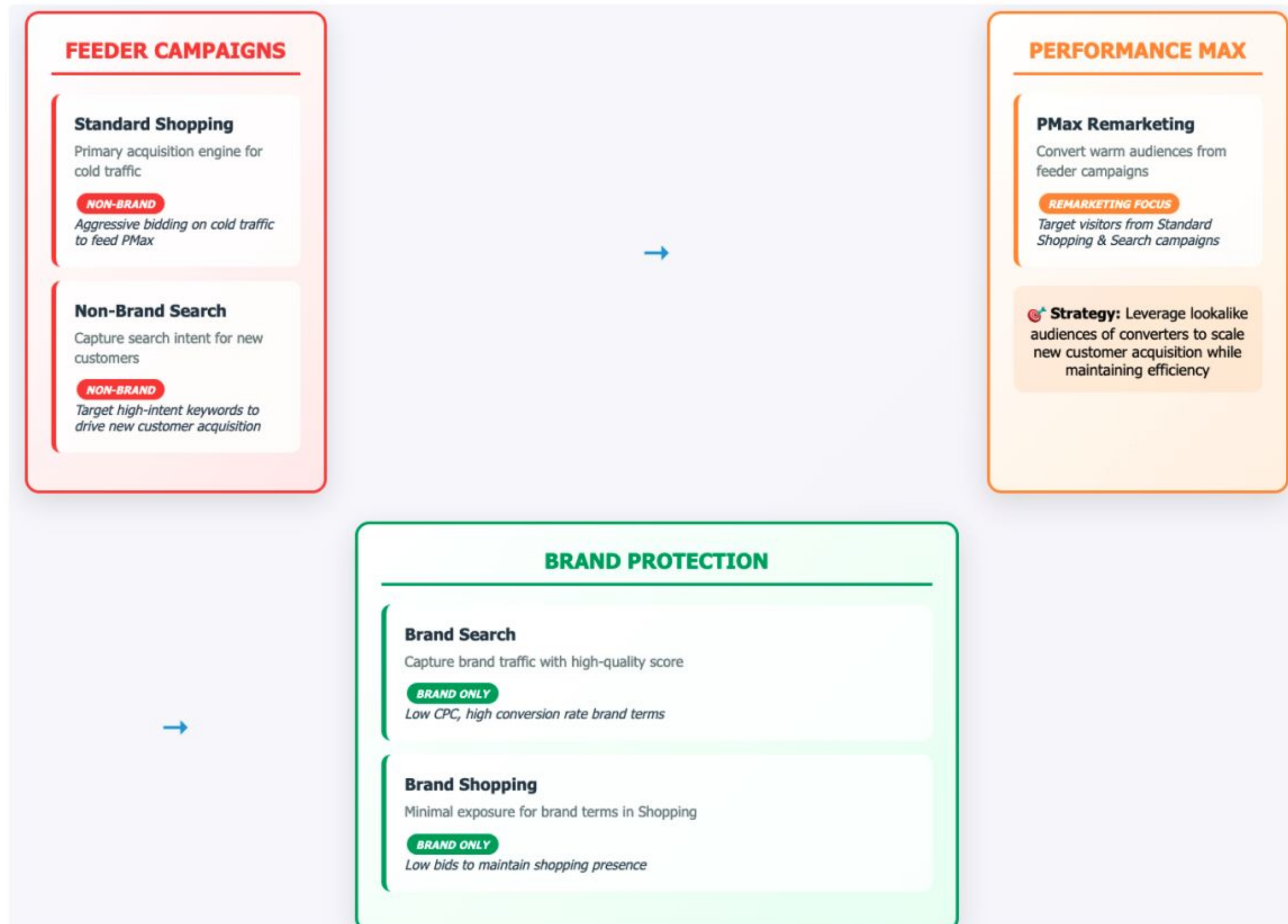
Performance Max picks them up as warm, high-intent audiences

## Conversion

PMax remarketing converts the pre-qualified traffic from feeders

**Strategy:** Attack the auctions aggressively for new traffic, let PMax handle the follow-up

# The Feeder Strategy Architecture



# Backend Validation Is Everything



## NCAC

New Customer Acquisition Cost - your true north star metric



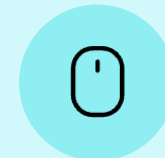
## Backend Sales

Backend sales tracking - what's actually happening to your business



## Third-Party Attribution

Wicked Reports



## First-Click Attribution

First-click attribution when possible to see true acquisition sources

**Warning:** Don't run this strategy blind - you MUST have backend validation

# Case Study: +109% Sales in 22 Days

Compared: Mar 31 – Apr 21

Search Segment Columns

Conversions (by conv. time)	4/22/2025–5/13/2025	3/31/2025–4/21/2025	Change	Change (%)	Conv. value (by conv. time)		
75.10 (+58.07%)	33,462.29	30,784.75	2,677.54	+8.70%	48.31% (-8.37%)	–	–
25.98 (+1,198.93%)	21,641.78	333.68	21,308.10	+6,385.79%	27.65% (+21.20%)	–	< 10% (0.00%)
20.02 (+110.87%)	8,010.82	1,239.61	6,771.22	+546.24%	28.91% (+43.95%)	–	–
8.91 (+122.75%)	7,406.97	1,429.13	5,977.84	+418.29%	100.00% (+2.27%)	100.00% (+2.27%)	100.00% (+2.27%)
130.00 (+106.35%)	70,521.87	33,787.17	<b>36,734.70</b>	<b>+108.72%</b>	33.78% (+11.26%)	100.00% (+2.27%)	–
130.00 (+106.35%)	70,521.87	33,787.17	36,734.70	+108.72%	33.78% (+11.26%)	100.00% (+2.27%)	–

Subscribe

🚀 Increased Revenue \$109% (+\$37K) in 22 Days

👤 YouTube Video:  
<https://www.youtube.com/watch?v=tTPN2DNphrw>

**GROW MY ADS**

# Key Takeaways

1

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**20% of your Google Ads revenue should come from *non-brand search*** - this is what winning companies do

3

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**Exact match keywords override Performance Max** - you still have control when you need it

5

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**AI Max is now important due to AI Mode integration** - test it *strategically* with 50/50 splits

7

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**Backend validation is everything** - focus on new customer acquisition and nCAC, not just ROAS

2

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**Performance Max plateaus** - it becomes a repeat customer machine, *not* a growth engine

4

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**Build campaigns using proven data** from your existing PMax/Shopping campaigns

6

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**Test the feeder strategy** - aggressive search campaigns feeding remarketing to Performance Max

8

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**The future is conversational search** - but execute on what works today while preparing for tomorrow

# Next Level eCommerce is powered by...

