Vertbaudet Brings Search in House and Boosts Sales With Kenshoo

BACKGROUND

Vertbaudet is a leading online retailer in France, selling children's fashion, maternity wear and toys. The company has a 40 year retail heritage which also includes 64 bricks and mortar stores nationwide.

CHALLENGE

Search advertising is the primary marketing channel for Vertbaudet's online retail business, helping to generate sales for upwards of 5800 items, many of which change every season. In order to retain better control over this strategically important area and to improve performance as activity scaled, the company decided to switch from using an external agency to managing search in-house at the start of 2016. As well as wanting a smooth transition, Vertbaudet also had some tough initial goals:

- Increase overall customer orders without increasing Cost per Acquisition (CPA)
- Improve the performance of Google Shopping Campaigns
- Grow its overall customer base by increasing orders from new customers who it could then harvest for repeat business in future

SOLUTION

Vertbaudet chose Kenshoo as its search partner to optimise bids, automate programme management and reporting and identify and maximise opportunities. Kenshoo’s easy to use technology, powerful bid optimisation engine, automation and time saving features and history of innovating to help clients improve performance, including the integration of search with other digital and offline marketing activity was exactly what it needed.

Vertbaudet was also convinced Kenshoo’s highly responsive and knowledgeable team would minimise the learning curve to manage search in-house. Working with Kenshoo, the retailer rolled out a search advertising strategy based on the following key elements:

- It automated and optimised bids for 200,000 keywords, using sophisticated statistical modelling through Kenshoo Portfolio Optimizer (KPO), a proprietary solution for model-based portfolio bid optimisation. Significantly, this included optimising bids on the large number of long tail keywords for which there is often little available performance data.
- A bigger part of the search budget was allocated to Google Shopping Campaigns. Vertbaudet restructured the campaigns and created a dedicated portfolio to work on each category with its own targets. Management and performance of Shopping Campaigns was improved using Kenshoo’s customised Product Listing Ads (PLA)-specific bid policy. Kenshoo also enabled Vertbaudet to split out high performing products into their own Google Shopping Campaigns product groups to allow for more granular bidding and optimisation.
- New customers to the Vertbaudet website are identified using a pixel and retargeted with ads on Google using Google Remarketing Lists for Search Ads (RLSA). For instance, expectant mothers who had the potential to become long term customers.
- The program budget was made to work harder by supporting Vertbaudet’s paid search activity on Bing to take advantage of the high ROI ad inventory. Kenshoo Campaign Mirroring ensures any change to the Google campaign is now automatically applied and synchronised to Bing, saving time and eliminating duplicated effort.
- Kenshoo’s detailed cannibalisation reporting revealed instances where Vertbaudet was overspending on broad match keywords. Budget was then used more efficiently by restricting those bids to exact match keywords.
- Spend was more effectively controlled using Kenshoo’s Halogen predictive modelling engine. This used past campaign performance and a wide variety of market data to provide forecasts and scenario plans that were automatically applied to in-market campaigns. For example, it was able to identify the specific level of spend to achieve optimal results while minimising CPA.

"Kenshoo enabled us to build a successful search advertising strategy. As a result, we enjoyed a significant uplift in sales, including those from new customers, without increasing acquisition costs,” said Marie Mooney, SEA & Social Ads Manager from Vertbaudet. “The automation capabilities meant our in-house search manager could work efficiently, with time to think, plan and take advantage of opportunities.”
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**RESULTS**

Even during the potentially disruptive changeover of moving paid search in-house, Vertbaudet was able to generate significant performance improvements. Year-on-year gains for the six month period, July to December 2016 included:

- Traffic increased by 30%, while impressions grew 63%
- Cost per acquisition remained the same
- 20% increase in orders from Search advertising
- 16% increase in orders from new customers
- 12% decrease in cost-per-clicks

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