

eBay Enterprise Helps Retailer Alex and Ani Increase ROI by 80% for Facebook Ads through Kenshoo

BACKGROUND

ALEX AND ANI

Facebook has grown to become a vital part of the digital marketing mix for brands and has proven itself as a powerful direct response channel for marketers, driving significant sales, revenue, and ROI. Over the past several years, Facebook advertising has contributed greatly to the growth of eco-friendly jewelry retailer Alex and Ani. The company is in a “hyper-growth” mode – exploding from fewer than 30 employees to almost 1,000 and witnessing growth of 3,569% with sales exceeding \$200 million.



CHALLENGE

In 2013, Alex and Ani began to really focus on and refine its Facebook advertising efforts. Marketers have embraced social media as a way to grow brand awareness and engagement, but still, many have struggled to monetize this channel. Vice President of Digital Strategy at Alex and Ani, Ryan Bonifacino, and his team turned to eBay Enterprise to ultimately help them drive sales and achieve higher ROI through Facebook ads.

SOLUTION

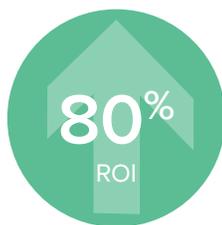
The eBay Enterprise team offered strategic guidance on how to best maximize Alex and Ani's paid social efforts on Facebook. eBay Enterprise recommended that Alex and Ani run a test through Kenshoo, an advanced technology platform to automate the creation, management, and optimization of highly-targeted social marketing campaigns.

After seeing the results of testing scenarios through Kenshoo, the team at Alex and Ani discovered that Facebook could be a scalable, revenue-generating channel.

For Bonifacino, it was important to not only engage existing customers via Facebook ads, but also tap into new audiences. To achieve this, Tara Siegel, Supervisor of Paid Search and Delivery Operations at eBay Enterprise, knew it was crucial to take advantage of the more sophisticated targeting features offered through Kenshoo and Facebook. By leveraging Custom Audiences, the team could find the brand's offline audiences among people who are on Facebook. To amplify this further, the team layered on Lookalike Audiences – thus combining the information on Alex and Ani's existing customers with Facebook data on demographics, location, and interests. This allowed them to reach a completely new audience who shared much in common with the retailer's existing customers.

In addition to these more granular targeting tactics, Siegel and team also utilized Unpublished Page Post Ads to create customized messaging for specific target audiences. The advantage of this ad type is that these posts are used solely for advertising purposes and are not published on the brand's official Facebook page, allowing Alex and Ani to maintain a streamlined voice on its page.

Through Kenshoo's Demand-Driven Campaigns™ (DDC), the eBay Enterprise team could automatically create and manage product-specific advertising on Facebook based on Alex and Ani's product feed. This dynamic ad creation enabled product-specific ads to launch quickly, while prioritizing top-performing products based on demand and performance signals – both improving performance and better optimizing spend.



RESULTS

Shortly after coming onto the Kenshoo Suite, Alex and Ani began to see positive performance from its Facebook ads, and this performance would continue to skyrocket into the peak end-of-year shopping season.

From the period between Thanksgiving and Cyber Monday, Facebook ads drove a staggering **\$1.6 million dollars in revenue**. On Thanksgiving alone, Facebook ads generated more revenue than the retailer's paid search campaigns through Google with an impressive **73.14% higher Return on Ad Spend (ROAS)** on Facebook – all while spending less on the channel. On one peak day, Alex and Ani drove more revenue through Facebook than they did during the previous year entirely! During this time, the biggest challenge for the Alex and Ani team was keeping up with the pace of the high demand.

For the eBay Enterprise team, Kenshoo's suite ensures optimal results for clients. "Because we specialize in search for commerce driven brands like Alex and Ani, we utilize cross-

channel teams that enable us to rapidly move funds between media like Google and Facebook," said Jorie Waterman, Head of Performance Channel Delivery. "This approach lets us get the most effective ROI and efficiency out of our clients' media dollars. With Kenshoo's tightly linked, highly advanced paid search and paid social advertising platforms, our team can always drive the best possible results."

When comparing performance of Facebook ads for the 6 months before launching on Kenshoo to the 6 months after, Alex and Ani and the eBay Enterprise team noted significant performance gains. Over this time period, **ROI increased 80%** while **revenue saw an unprecedented 44x boost**. Additionally, average order value (AOV) rose from approximately \$14 to over \$75 – an **increase of 434%**. These gains are attributed to the adoption of more sophisticated and relevant targeting recommended by the eBay Enterprise team and as well as the ability to efficiently scale afforded by the Kenshoo Suite.

“The strategies and best practices championed by the eBay Enterprise team helped drive insights that refined our Facebook advertising program, making it a driving force for our direct response goals. The Kenshoo Suite, coupled with our team at eBay Enterprise, gave us the horsepower that allowed Alex and Ani to come out of the gate strong during the second half of 2013, and we plan to continue to scale our investment in Facebook advertising as a result of the performance we have seen.”

— Ryan Bonifacino, Vice President of Digital Strategy, Alex and Ani