

# 211% Increase in Shopping Revenue

## THE TASK

Kitchen Warehouse's was struggling to scale Shopping revenue and felt opportunity was being missed. NZDMI were tasked with stemming the poor results and increasing revenue. They were also looking to increase footfall and revenue to their store locations.

This was even more challenging, as the product feed contained over 10,000 products, many of which were generating negative ROI. The client wanted to push towards growth and was willing to increase spend, as long as the profit growth remained scalable. Increasing investment had always been an obstacle, because the campaign was so volatile and had not proven to be consistently successful.

## THE PROCESS

Before the account takeover, we began working with the Kitchen Warehouse development team to create a in-depth automatic XML feed. We ensured that all specifications required, as well as many additional ones, were included to give us the best possible targeting and optimization options.

Understanding that Shopping targeting is much more difficult to harness, we created a strategy that promoted best sellers, brand, non-brand and specific products with high margins amongst others. This evolving structure was given time to allow the algorithm to work before we moved to detailed optimization. Adding negatives and implementing **priority grading** to the ad groups allowed us to be even more precise. We then became even more granular in our approach. Identifying best/poor performing products and shifting budget to/from them. We wanted to get the right product in front of the right person each time, to enhance their user experience.

**Shopping promotions** were then put in place to help drive free shipping and other deals. The perfect beta for Kitchen Warehouse, it worked seamlessly with the in-depth promotions we implemented weekly on the standard search side. **Customer product reviews** have also been introduced in order to further enhance the user experience.

The **Local Inventory Ads** came into beta to drive users in-store for the 7 Perth stores as well as the newly opened Brisbane and Melbourne sites. We worked closely with the Google Local Shopping team setting up new feeds and getting them into the physical stores over the busy New Year period. This has since been enhanced with **Store Visit** conversion tracking also.

## THE RESULTS

After the first 10 months of managing KWH shopping activity, the results have surpassed all client's expectations.

Not only have we proactively introduced new beta's to the account but Kitchen Warehouse are now one of a handful of brands in Australia to be using Local Inventory Ads, driving in-store revenue. Local inventory ads also increased in-store revenue by approx. \$145,000 from March to April.

Year-on-year, clicks increased by 248% ROAS was up 10% while revenue from shopping campaigns was up 211% - showing that with correctly structure feed, the activity can be a lot more scalable.

June'16 - April'17 vs. Previous Year:

CLICK VOLUME UP  
BY 248%

CPC REDUCED BY  
19%

SHOPPING REVENUE  
UP BY 211%

SHOPPING ROAS UP  
BY 10%