Ecommerce Case Study

Company Profile

Ecommerce website selling health, wellness, and mobility products direct to consumer.

Business Situation

Google and Bing ad campaigns were significantly unprofitable. The client had been through 3 different unsuccessful PPC agencies and multiple in-house professionals in the past year of work before Vertical Measures was contracted. None have been able to successfully drive profitable sales. The account was extremely disorganized because of the hand offs that occurred multiple times.

Goal: Maximize Profit

Solution

Vertical Measures performed significant front-end research and analysis of product offerings, historical performance, and the competitive landscape prior to optimization. It was clear that this had never been done before with the client’s account, which resulted in disorganization and low quality scores.

Following the analysis period, the Vertical Measures team created, tweaked, and implemented our proprietary keyword bidding tool designed specifically for this client’s goal of profit maximization.

Because bulk orders were responsible for a large portion of revenue and some products were highly niche, we discovered that it was common for certain products to go 3+ months without a sale and that many highly profitable keywords were now offline due to poor optimization. 1000’s of profitable keywords were reactivated, while ad spend from unprofitable keywords was aggressively reduced.

Results

After only 4 months of management, net profit increased nearly $25,000/month. PPC Totals:

<table>
<thead>
<tr>
<th>Month</th>
<th>Avg. CPC</th>
<th>Conv. R</th>
<th>Net Profit (33% margin)</th>
<th>ROI</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>$0.42</td>
<td>1.6%</td>
<td>($10,171.73)</td>
<td>165.9%</td>
</tr>
<tr>
<td>February</td>
<td>$0.43</td>
<td>1.6%</td>
<td>$2,452.66</td>
<td>212.4%</td>
</tr>
<tr>
<td>March</td>
<td>$0.42</td>
<td>1.4%</td>
<td>($9,277.23)</td>
<td>169.1%</td>
</tr>
<tr>
<td>April</td>
<td>$0.40</td>
<td>1.3%</td>
<td>($2,327.08)</td>
<td>193.1% VM starts mid-month</td>
</tr>
<tr>
<td>May</td>
<td>$0.35</td>
<td>1.5%</td>
<td>$7,852.77</td>
<td>256.4%</td>
</tr>
<tr>
<td>June</td>
<td>$0.38</td>
<td>1.9%</td>
<td>$13,139.51</td>
<td>303.4%</td>
</tr>
<tr>
<td>July</td>
<td>$0.34</td>
<td>2.6%</td>
<td>$14,177.51</td>
<td>522.3% *partial month</td>
</tr>
</tbody>
</table>

Change since VM (March vs. July) -18.5% 86.7% $23,454.73/month 208.9%
Net Profit

Keyword bid optimization, campaign re-organization, and improved ad copy messaging have resulted in a $25,000/month increase in Net Profit.

ROI

Keyword bid optimization, mobile keyword bid adjustments, improved keyword selection, and improved ad copy messaging have resulted in an **208.9% increase in ROI**
Average cost-per-click

Keyword bid optimization, campaign re-organization, and improved ad copy messaging have resulted in an **18.5% reduction in cost-per-click**

![Graph showing average cost-per-click (CPC) reduction](image)

Conversion rate

Keyword bid optimization, mobile keyword bid adjustments, improved keyword selection, and improved ad copy messaging have resulted in an **86.7% increase in conversion rate**

![Graph showing conversion rate increase](image)