## 1-800-Flowers.com found their sales grew 600 percent with Google AdWords.



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Prakash Bharwani Senior Manager, 1-800-Flowers.com



## **ABOUT GOOGLE ADWORDS**

Google AdWords is currently used by thousands of businesses worldwide to gain new customers in a cost-effective way. AdWords uses keywords to precisely target ad delivery to web users seeking information about a particular product or service. The program is based on cost-per-click (CPC) pricing, so advertisers only pay when an ad is clicked. Advertisers can take advantage of an extremely broad distribution network and choose the level of support and spending appropriate for their business.

For more information, go to www.google.com/ads

Gift retailing is driven by the calendar. Holidays, birthdays, anniversaries and gift-giving occasions like Christmas, Valentine's Day and Mother's Day typically represent the bulk of the annual business for gift merchandisers like 1-800-Flowers.com. Since its launch in 1976, the business has grown into a public company with annual revenues in excess of \$500 million. A pioneer in e-commerce since 1992, today 1-800-Flowers.com provides customers with a wide range of gifts, including flowers, plants, gift baskets, candy and fresh-baked goods, collectibles and much more.

## **Approach**

Seasonal sales require year-round mindshare, and 1-800-Flowers.com faces another challenge in that its very name and history are rooted in the floral business. Prospective customers may not know of its extensive product line beyond bouquets.

Keyword advertising can solve both problems, because these ads are the most efficient way to target many product types to interested customers precisely when they are looking for them, and the ads can easily be adjusted by season or special offer.

This combination of timeliness and targeting is what led 1-800-Flowers.com to explore Google's advertising programs. For every new marketing initiative, the company measures three critical data points: increased revenue; greater market share; and new customer acquisition. "Everything we do is ROI-focused," says Prakash Bharwani, the senior manager for interactive marketing, adding, "We knew that keyword advertising offered us a way to meet these objectives." But the company needed to test this premise to see if such a campaign warranted becoming a permanent aspect of the marketing mix.

In February 2002, 1-800-Flowers.com initiated a one-month trial using Google AdWords™ over the critical Valentine's Day selling period. This test "had to demonstrate a measurable gain in revenue for us," Bharwani says. The resulting clickthroughs and conversion offered enough proof that the company extended its Google ad program for six more months.

## Results

The short, intense buying cycle around Valentine's Day resolved questions the company had about the ability of Google advertising to deliver timely and targeted messages. One key result: the clickthrough rate for the Valentine's campaign was significantly greater than the non-holiday keywords running on Google AdWords at the same time. "Buying keywords seasonally, and for a variety of products, works well for us as a gift retailer," says Bharwani. "Because we can test keywords and track their performance so exactly, we can promote products we aren't well-known for. We didn't have any idea that keywords like 'cheesecake,' or 'teddy bear,' for example, would perform so well."

"Buying keywords seasonally, and for a variety of products, works well for us as a gift retailer." Beyond simply running Google AdWords ad campaigns, Bharwani says, "We can optimize conversion and clickthrough by constantly revising messages to get the right message at the right time, with the right frequency." He notes that a year ago, the web team used just a few keywords. Within 12 months, they had added more than 10 times the original number. By employing more keywords and constantly optimizing them, he says, "We have increased impressions, clickthroughs and sales significantly – in fact, sales have increased sixfold so far, so we are very happy with the results."

Bharwani says his team looks at the ad performance reports "every day, every week, and every month to spot trends and make adjustments. And Google AdWords is so easy for our team to manage." He recalls that before advertising with Google, "we were rarely ranked in search listings for terms like 'tulips,' 'roses' or other single varieties of flowers, let alone gifts or holiday products. With Google AdWords, a new avenue opened for us to reach a previously unavailable segment of the market." He also notes that using Google has enabled the company to be smarter in its ad spending: "We can maximize our investment by tracking results so closely. Our additional learning helps us spend more money efficiently and continue to generate better results."

Regarding the Google ad support team, Bharwani says, "They're on top of their game, constantly asking the right questions, suggesting new keywords, being very responsive. I know that my team and our search marketing campaign are in the right hands."

