

How Performics helps major retail clients increase online conversion.



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Vice President, Partner Services
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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

Founded in 1998, Chicago-based Performics is an online marketing services company that optimizes online customer acquisition for a wide range of retail clients. Their performance-based services include affiliate programs, and search-based and e-mail marketing. Clients include nearly 200 major retailers and consumer brands such as AOL, Eddie Bauer, Kohl's, CompUSA, PC Connection, Spiegel, Bose, and RedEnvelope.

Approach

Typically, Performics' client contacts oversee e-commerce and affiliate marketing programs for their respective companies. The firm manages various client campaigns that must quickly yield data and deliver results. Given the nature of direct online marketing, Performics is paid by clients solely on metrics such as clickthrough rates (CTR), transactions, registrations or other similar responses to calls to action. “Our incentive is aligned with our clients' goals,” says Performics' Vice President of Partner Services, Stuart Larkins. “We have to add real value and grow sales in order to grow our revenues.” This performance-based model demands that the company stay abreast of products and strategies best suited to the needs of multichannel retailers.

In the fall of 2001, Performics signed up for Google advertising on behalf of a single client. That first experience was impressive, says Tim Burger, who manages Performics' search marketing programs. Performics saw a dramatic increase in the client's clickthrough rates using Google advertising. The results demonstrated that consumers found relevant offers through Google search results – and Performics found a new source of sales for its client. Based on this positive experience, Performics was eager to get more clients involved with Google ad programs.

Performics now reports more than 50 clients are running Google AdWords™ campaigns, including Spiegel.com, Kohl's, Road Runner Sports, and J. Jill, all maximizing their reach and exposure through Google advertising.

“Google really separates itself from the competition,” says Burger. “These advertising programs offer a comprehensive interface and multiple tools that we can use to maximize and optimize campaigns for each client.” He notes that large catalog companies know how to do creative testing and optimizing in print, but doing it online can present a challenge to businesses used to the slower pace of quarterly or seasonal tracking.

Since the Internet is built for speed, Burger says Google advertising enables Performics and their clients to stay ahead of the market. “I especially like Google's ability to provide creative testing and make changes on the fly,” says Burger. “Our clients can test one-day or one-week promotions and see the results immediately.”

Results

By combining Performics customer acquisition expertise with Google's campaign optimization techniques, this online advertising strategy continues to yield substantial results for clients.

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“Google has consistently produced strong ROI for our clients across all key metrics,” says Larkins. He cites as examples several campaigns yielding dramatic upticks in conversion to sales and other transactions.

For example, Performics tracked the combined clickthrough for several Google ad campaigns for clients over a four-month period. During the first month, clickthrough was a healthy 6.8 percent. By the end of the fourth month, Google clickthroughs had increased to 9.7 percent. In another test, Performics tracked CTR and conversion for different clients. In the first month, Google AdWords ads had a respectable 3.5 percent CTR and conversion rates of 2.11 percent. By the end of month four, Google AdWords performance had jumped dramatically: Performics clients were seeing on average a 5.8 percent CTR and 6.5 percent conversion rate.

Burger and his staff of i-SEARCH specialists also praise the Google advertising support team. The Creative Maximizers, for example, have researched keyword expansion extensively in order to motivate more shoppers for more products among Performics clients. “They’re very accessible and always offer strategic suggestions,” he says. “Google has become an important partner for us and our clients.”

At Performics, a business that specializes in helping major clients reach customers directly, the target is results. “Compared to every form of transaction marketing we know – and we know them all – Google performs great for Performics and leads to high conversion rates and more sales,” adds Larkins.

