

Finding Leads That Work, Before the Work Begins

Building material wholesaler BuildDirect uses the Google Display Network to drive 10% of its revenue. Here's how the company does it.



About BuildDirect

BuildDirect® offers laminate flooring, hardwood floors, carpet, tile, decking and more at great prices.
www.builddirect.com

Goals

- Create brand awareness
- Reach new customers

Approach

- Ran Dynamic Remarketing campaigns to show custom ads based on items the viewer has seen or bought in the past
- Used Similar Audiences to find new prospects online who share the same interests
- Optimized with the Display Campaign Optimizer, which manages targeting and bidding for GDN campaigns automatically, finding conversions based on BuildDirect's preferred cost per acquisition

Results

- Increased leads by 15%
- Increased revenue by 10%

The company

BuildDirect was founded in 1999 on a big idea: What if builders and homeowners could have flooring and heavy building materials sent to them directly, without suppliers, wholesalers and big-box stores in the middle?

Today BuildDirect is a successful direct-to-customer business with headquarters in Vancouver, British Columbia. Its clients save up to 80% on building materials shipped from 12 warehouses across North America.

"We sell high-value products, so most people don't order in one visit. We use all the features of display to pique their interest before they hit paid search or SEO, before they actually realize exactly what they're looking for."

—Tyler Vautier, display media manager, BuildDirect

The goal

BuildDirect needed to create brand awareness and reach new customers. "Our business model is working," says Tyler Vautier, display media manager at BuildDirect. "But not enough people know who we are yet. We're working to become a household name."

The approach

To get the job done, BuildDirect turned to the Google Display Network. It has embraced the full range of GDN and remarketing tools, including:

- Dynamic Remarketing, which creates custom ads automatically based on items the viewer has seen or bought in the past on BuildDirect.com. Many of the ads have the very latest prices pulled daily from the company's database.
- Similar Audiences, which looks at data for BuildDirect's remarketing audiences and then finds new prospects online who share the same interests.
- The Display Campaign Optimizer, which manages targeting and bidding for GDN campaigns automatically, finding conversions based on BuildDirect's preferred cost per acquisition.

"We sell high-value products, so most people don't order in one visit," notes Vautier. "We use all the features of display to pique their interest before they hit paid search or SEO, before they actually realize exactly what they're looking for."

It's no accident that BuildDirect has tested the full variety of GDN features. "With GDN you have lower risk," says Vautier. "You can start with CPC and easily control your costs, and there's no monthly minimum spend. It makes it easy to jump in and say 'Let's try this; let's see what happens.'"

The ad combinations have been potent. "Display overall is great for targeting people as they enter the funnel," says Vautier. "But Dynamic Remarketing ads are the real winners in terms of conversions. We've been testing remarketing lists for search ads (RLSA), with some pretty impressive results. As for Similar Audiences, they convert at twice the rate of regular lead generation display media. Our only problem is with the scale: It works so well that we want more and more of it!"

Measuring success

If ads for laminate flooring work better in Texas than in Wyoming, or if display does better than paid search in certain regions of California, or in Spanish language ads, BuildDirect knows it.

The team uses AdWords multi-channel tracking and Google Analytics to do heavy analysis of all display ads, running a daily report of all conversions that come through display. "The ability to track every single thing in AdWords is one of the strongest values to our business," says Vautier. "It's where we learn who our customers are and how they look for us."

BuildDirect has tried other vendors for remarketing, "but they haven't been ideal," says Vautier. "There's no transparency or ability to see into campaigns. GDN gives us more control and transparency and better margins."

"With other advertising networks, one day my campaign will spend \$2,000 and another it will spend \$20. With GDN, if I set a mark of \$500, it will spend \$489 one day, \$502 the next. So it's easy to predict your spend and the results you'll get."

Results

Eighteen months after BuildDirect began running ads on the Google Display Network, those display campaigns now generate an impressive 15% of the company's leads and 10% of its revenue. Similar Audiences ads drive 7% of overall display impressions but 10% of display revenue "just because they are that much more qualified," says Vautier. Together, display and paid search drive 30% of the company's business.

Remarketing is the hero of display, driving 68% of all BuildDirect's display-based revenue. That revenue lets BuildDirect use display to widen the pool of future customers and help grow the company. "Remarketing is five times as profitable as any other piece of display that we do," says Vautier. "It's what funds our lead generation program across the entire funnel."

Other advantages of working with Google? "Our team at Google is amazing," says Vautier. "Their dedication just blows me away. They're always bringing new betas to us, helping us become early adopters."

BuildDirect isn't finished, not by a long shot. Spend on display advertising is growing 20% per quarter. "Natural search, as great as it is, is very difficult to scale," says Vautier. "Display and paid search is where we're growing. Google is now the main driver in how we reach new customers."

