



Who they are



www.evesaddiction.com
Deep River, Connecticut
18 employees
Online silver jeweler

What they needed

- To get their new business off the ground
- To develop a house list
- To maintain their target cost per conversion

What they did

- Launched their site and **Google AdWords** campaigns simultaneously
- Set up **Google Analytics** on their site
- Used data from AdWords and Analytics to evaluate and improve their marketing campaigns and website
- Drove holiday sales with seasonal keywords and ad text
- Place ads on the content network to reach a wider audience
- Spend 80% of their advertising budget online, of which 65% is allocated to AdWords

What they accomplished

- **Established company:** Successfully built a multimillion-dollar business
- **Increased revenue:** Sales increased by 400% from 2004 to 2005 and by 50% from 2005 to 2006
- **Holiday boost:** Doubled traffic and sales during the December holidays
- **Expanded reach:** Grew their house file enough to launch a catalog

Turning Silver into Gold

Online silver jeweler Eve's Addiction used Google AdWords to build a multimillion-dollar business from scratch in two years.

A girl's best friend

Ray Galeotti has spent the last 12 years heading full-speed down the information superhighway. After working for a wireless company, he ran an Internet service provider in the late 1990s and went on to open his first online store, where he sold rock and roll memorabilia to a growing throng of young web users. In 2003, Ray was looking for inspiration for a new Internet business and found it through his 12-year-old daughter. "She's a great fan of bling," says Ray, "so I researched the silver jewelry market and saw enormous opportunity." From the day he launched Eve's Addiction in April of 2004, he used GoogleAdWords™ to drive traffic to the site.



Initially, the company specialized in sterling silver jewelry, including some designer-inspired pieces, and offered 150 items on its website. But one day Ray noticed a certain O-shaped necklace was selling like hotcakes. "Suddenly, we started getting all of these orders for this O necklace. Well, two days later my wife tells me Oprah Winfrey wore it. And then Katie Couric was wearing it. That's when the light bulb went off. And that's when I got caught reading things like *Us Weekly* and *Star Magazine*."

The Eve's Addiction site now features 2,500 items, many of them inspired by what celebrities are wearing. "We've got a team of fashionistas that scour the



latest magazines in search of hot jewelry trends," Ray explains. The company has also sold to property masters who outfit a number of movies and television shows. "I can't tell you who's wearing what, but if you watch TV, chances are you've seen our stuff."

A sterling opportunity

From the outset, Ray dreamed up his venture with AdWords in mind. "Eve's Addiction was really started based on AdWords," he says. "We knew we didn't have to wait two years to start getting traffic. And sure enough, we were filling orders within 24 hours of going live. You start adding those keywords and literally in minutes you're getting qualified traffic."

Ray still considers AdWords his most effective advertising method. "The clickthrough rate makes all the difference," Ray explains. "With AdWords, you're rewarded for how your ads perform." The company also sends out a catalog to existing customers and website visitors who request it. "Thanks to Google, our house file got big enough for us to launch the catalog."

Nowadays, Ray spends about 80 percent of the company's advertising budget online, and 65 percent of that is allocated to Google AdWords. "We've gotten a lot bigger," he says, "but we've stuck with what works. AdWords got us off the ground, and AdWords keeps helping us grow."

About Google AdWords

Google AdWords™ is a performance-based advertising program that enables businesses large and small to advertise on Google and its network of partner websites. Hundreds of thousands of businesses worldwide use AdWords for text, image, and video ads priced on a cost-per-click (CPC) and cost-per-impression (CPM) basis. Built on an auction-based system, AdWords is a highly quantifiable and cost-effective way to reach potential customers. For more information, visit <http://adwords.google.com>.

About Google Analytics

Google Analytics™ is a free, powerful web analytics tool. It precisely tracks visitors, referrals, search engine performance, email promotions, and even offline initiatives. Featuring visually enhanced reports, Analytics helps users focus their marketing resources, improve site navigation, and achieve a higher ROI. It measures the success of both AdWords and non-AdWords advertising campaigns, revealing which ads and keywords convert the best. For more information, visit <http://www.google.com/analytics>.



Putting on the Ritz

Ray has learned to make the most of his AdWords account by writing targeted ad text and evaluating the success of his campaigns. He relies on conversion tracking to compare keyword performance and to allocate his budget more effectively. “I know exactly what my return on investment is,” he says. “You see impressions, you see clicks, you see how many conversions you’ve got, and what the cost of conversion is.” More recently, Ray has begun using Google Analytics™, a free tool that works with AdWords to track how visitors arrive at and interact with the Eve’s Addiction site.

When holidays like Christmas and Valentine’s Day roll around, Ray decks out his AdWords account with seasonal campaigns and ads. “Because the system is so easy to use, we can set up campaigns with holiday-centric ads and have them go live immediately. In the past couple of years, our traffic and conversion rate

“If I had to cut everything else out and use one method of advertising, it would be Google AdWords.” Ray Galeotti, founder, Eve’s Addiction

for AdWords have doubled during the December holidays. In other words, we get more than four times the orders while cutting our cost of customer acquisition in half!” Ray also highlights special offers such as AdWords-only coupon codes right in his ads to catch the eyes of shoppers hungry for a deal.

In addition to displaying his ads alongside the search results on Google.com, Ray targets millions of potential customers surfing Google’s network of news pages, websites, and blogs. “The content network is great,” Ray says, “especially since we can set separate bids for it.” He has also experimented with site-targeted campaigns, running ads for Eve’s Addiction on high-traffic sites like www.washingtonpost.com and www.latimes.com. “It’s an excellent way to get lots of exposure without losing the ability to measure effectiveness.”

A bright and shiny future

Today, 45 percent of Ray’s business comes through Google AdWords. While AdWords primarily serves as an acquisition tool for Eve’s Addiction, the company sees high reorder rates from customers who click on sponsored links. “Google is by far not only our biggest net,” Ray says, “but also our lowest cost of customer acquisition. I get eight times more traffic from Google than from the next largest competitor. If I had to cut everything else out and use one method of advertising, it would be Google AdWords.”

Ray’s little project just turned three, and in between basketball games and barbecues on the patio of its Connecticut office, the company has managed to grow into a multimillion-dollar business with 12 full-time and six part-time employees.

“Our sales went up 400 percent from 2004 to 2005,” says Ray. “Then they jumped 50 percent from 2006 to 2007. We’re pretty thrilled with these numbers. It’s all mostly thanks to Google AdWords, which is still our most effective and least costly channel of distribution by far.” He expects this growth to continue as the company steps up its marketing efforts and broadens its customer base. “Unless, of course, celebrities stop wearing jewelry,” Ray reflects. “But chances are that won’t happen anytime soon. Though I guess then I could go back to reading *Sports Illustrated*.”

