



With insights from Google Analytics, BuildDirect increases sales by 50 percent

About BuildDirect

- www.builddirect.com
- Headquarters in Vancouver, B.C
- Operating internationally
- Leaders in the supply of flooring, tile, decking, kitchen and bath surfaces

Goals

- Efficiently scale ad spend amidst rapid growth
- Help customers find the products they're looking for
- Improve email marketing ROI
- Cut shopping cart abandonment rate

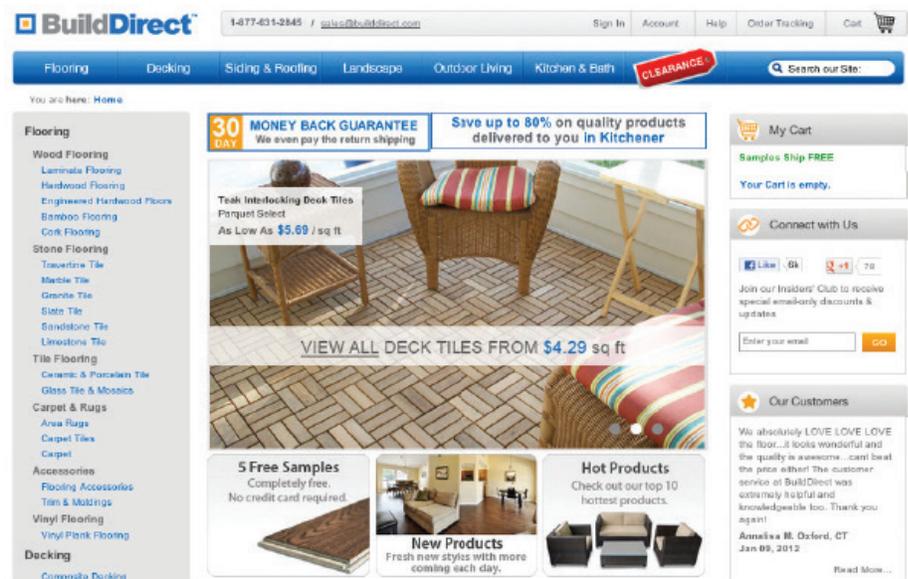
Approach

- Integrated Google Analytics with AdWords account
- Applied testing data to website design improvements
- Deployed campaign tagging and advanced segmentation to identify customer demographics
- Used site overlay and funnel report insights to simplify purchase flow

Results

- Increased search conversions by 37%
- Doubled email marketing conversion rate
- Achieved 100% increase in sample orders

BuildDirect does business in more than 100 countries with an expanding portfolio of building materials including flooring, roofing, siding, decking, kitchen and bath, and landscaping. As an entirely virtual organization, the company credits much of its success to savvy use of online marketing and advertising.



Challenge

Though the company was growing rapidly, management was eager to improve the efficiency of its online spending – especially with a marketing budget that approached \$1 million per quarter in the first years of operation. BuildDirect had a good marketing mix that combined search advertising, email newsletters, and online customer signups. The challenge was to improve performance by discovering which tactics worked and which didn't. When BuildDirect turned to Google Analytics (GA) to replace an existing analytics package, the company began to see benefits almost immediately.



Results

“Web analytics are essential for any online company, and they have been key to dramatically improving our operation,” says Dan Brodie, Vice President of Information Technology. Through GA, he could see how effective advertising, newsletters, and site design were in driving sales. “Our online sales volume increased 50 percent in a matter of months – all without anyone picking up the phone. This is a tribute to BuildDirect’s continual site design and market testing, as well as the actionable information GA provides.”

Better results from search advertising

BuildDirect optimized advertising spending and immediately saw conversions increase by 37 percent. The company used GA to refine its paid search strategy around long-tail keywords, which also boosted conversions. Now, long-tail keywords perform three times better than regular keywords. “With up to 5,000 SKUs within a category, it becomes important for us to get users to the page they need in the fewest clicks possible,” Brodie explains, “not only to achieve the highest conversions but also because we really want the customer to find the product they’re looking for.” And as GA functionality continually expands, greater transparency equals increased efficiency as well as cost savings. “We were spending on average \$100,000 per month for a third party to manage our Google AdWords,” Brodie reveals. “With the AdWords linking functionality we were actually able to bring it in-house for one-eighth of the cost. That’s a direct outcome of the innovation of GA.”

More effective email advertising campaigns

GA also helped BuildDirect judge the effectiveness of email campaigns. Sending 800,000 emails at a time to “confirmed-interest” home renovation prospect lists delivered low ROI. But with campaign measurement through GA, BuildDirect doubled its conversion rate. “Once we began using GA’s cross-segment performance reports to identify our customer demographics, we were able to design specific creative tailored to our buyers,” says Brodie. Rather than generic mass emails, the company now sends highly relevant messages specifically suited to users’ interests.

Improved customer engagement through deep insights

Through GA reporting, BuildDirect found that sample purchases were a powerful way to drive more sales. “Home buyers who purchase a sample have a 60 percent likelihood of returning to the site within the next 30 days and placing a full order,” says Brodie. In addition to tailoring messages to each customer segment, BuildDirect uses GA’s A/B testing capabilities to perfect its marketing approach. “We test different versions of creative on each newsletter and track results using GA, so we know the open rates, clickthrough rates, and conversions for everything we try.”

Streamlined site design

Finally, BuildDirect optimized site design based on GA data, which revealed valuable insights about traffic sources, landing pages, and navigational paths. The Site Overlay feature contributed to greater usability throughout the site, helping the team to understand what content users were actively engaged in, what content should be prioritized, and what could be improved or eliminated. GA tools also contributed to refining the checkout procedure. "Using the Site Overlay and the Defined Funnel Report, we found we were losing almost half of our customers on the three-stage process between cart and payment confirmation," Brodie says. "We reduced this process to one step. By simplifying to a single page, we increased sample orders by 100 percent."

With new features and reporting on additional platforms and channels in GA, BuildDirect continues to test and monitor all its digital marketing programs. Representing 12 percent of total traffic, mobile is increasingly important to the business, with conversions on that platform jumping 40 percent in the last 16 months. Social media – virtually nonexistent in BuildDirect's marketing plan three years ago – accounts for 10 percent of traffic today. "Before Google Analytics, we basically guessed how we should be spending marketing dollars. We now know how much campaigns pay off, and how well they work," Brodie says. "Google Analytics has had a huge positive impact on our business."

About Google Analytics

Google Analytics is the enterprise-class analytics solution that gives companies rich insights into their digital audiences and marketing effectiveness. With features that are powerful, flexible, and easy-to-use, companies large and small can measure engagement to create more effective marketing initiatives, improve user experience, and optimize their digital strategies. Sophisticated conversion attribution and experimentation tools help savvy marketers determine the best allocation of media and resources to drive results. For more information, visit google.com/analytics.

