

Online grocery brand rings up growth and protects margin with Tradeswell

As this online grocery brand was looking to enter the market against giants, they turned to the Tradeswell AI to boost growth without increasing ad spend.



171%

top-line growth

92%

net-margin growth

The objective

To boost sales growth without increasing ad spend.

The context

Even before the pandemic, a growing number of consumers were placing their grocery orders online. During the pandemic, online grocery delivery and pickup has become the norm for many. Grocery is a competitive market, with giants like Amazon, Walmart, and Target dominating sales of the approximately \$38 billion market.

The approach & insights

In order to boost sales, the Tradeswell platform recommended running online advertising campaigns targeting non-branded search behavior, the goal of which is to acquire new customers with a potential of lifetime sales. ROAS for such campaigns is misleading because it doesn't measure the impact to total sales. The brand needed to measure both sales and profit margin trends as opposed to just ad efficiency metrics like ROAS.

In addition, prior to the campaign launch, we curated branded campaigns with high average selling price (ASP) and profitable ASINs (Amazon Standard Identification Number — its version of a SKU) to protect branded search and drive profitable sales.

The results

By leveraging the Tradeswell algorithms, the brand was able to meet all of its aims including:

171% increase in top-line growth

92% net-margin growth

Top-line sales and profit increased while utilizing the same budget previously given to an ad agency.

What's next

The brand will continue to recalibrate their search advertising strategy based on holistic business performance, and look to spin up a customer acquisition strategy (targeting shoppers higher in the funnel) based on Tradeswell's Customer Lifetime Value reporting.