Multinational **Electronics Company**

Using algorithms to expand audiences beyond business rules and execute advertising campaigns in the most cost effective way possible.

BACKGROUND

Our client, one of the largest manufacturers of consumer electronics worldwide, uses retargeting campaigns to engage prospective customers and increase conversions.

Before working with Syntasa, the company employed rules-based retargeting, which creates audiences based on which users view certain products, add products to cart, or take other relevant actions. To further expand their potential audiences, the company also used lookalike models generated by Adobe Audience Manager (AAM).

CHALLENGE

Rules-based audiences typically perform quite well in retargeting efforts, as these users have already demonstrated substantial interest in a company's products (e.g., they've viewed products multiple times or even gone as far as to add an item to their shopping cart). However, these audiences are limited to those users who have previously engaged with a company's online channels, and can be difficult to scale while maintaining conversion rates. The company was currently using the AAM lookalike models to attempt to expand their reach, but while these audiences performed well on a CPA (Cost Per Action) basis, they were not very large and did not provide as many impressions as the company was hoping for.

The company was eager to find another, cost-effective way to expand the reach of their retargeting efforts to additional visitors with a high propensity to purchase.

SOLUTION

The company engaged Syntasa to expand their audiences using custom machine learning models which algorithmically determine the propensity-to-buy. The company activated audiences using these models, in addition to the existing rules-based and AAM lookalike models.

Using clickstream data from Adobe Analytics, Syntasa built nine custom algorithmic models for the company. Syntasa configured and pushed the model-driven audiences into AAM in just three weeks' time.

Key Facts and Results

✓ 9 custom algorithmic models launched in **3 weeks**

✓ Conversion rate for Syntasa audiences were **twice those of rules-based audiences**

✓ Campaign achieved **42% spend savings** vs. forecast

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RESULTS

The rules-based system produced the most impressions of the three models, followed by Syntasa's custom algorithms and then the Adobe Audience Manager lookalike audiences. Although the audiences generated by Syntasa had fewer overall impressions than rules-based, they were much more effective than the other two in generating conversions, as shown in Figure A.

And when comparing conversion rates directly, it becomes clear in figure B that the conversion rates for Syntasa's segments were twice as high as the rules-based segments.
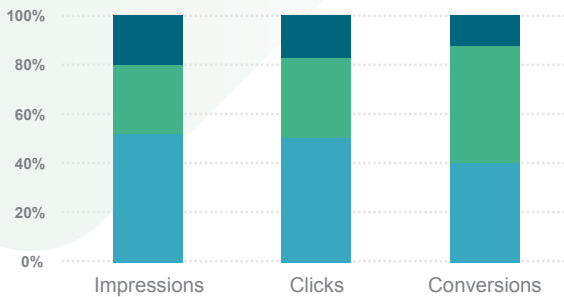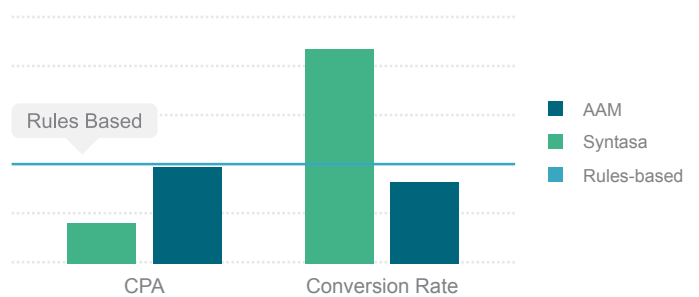
Figure A: Marketing Activity Share

Figure B: Performance Comparison

Legend: AAM, Syntasa, Rules-based

Syntasa greatly increased reach while achieving a lower Cost Per Action (CPA) than the company's baseline segments. The CPA for the Syntasa audience was 57% lower than the baseline segments. And 64% lower than AAM segments.

With the help of Syntasa's custom models, the overall retargeting campaign achieved 98 percent of forecast conversions, while spending only 42% of the company's budget. The overall CPA was 42% lower than the original forecast (Figure C).

Figure C: Overall Retargeting Spend

Company forecast

Syntasa custom model

42% savings in advertising spend **vs.** company forecast

FUTURE

With the success of their retargeting advertising campaign – powered by the algorithmic audiences built with custom AI models – the company is now exploring how they can activate those same audiences across their other channels, like social media, app notifications, and email.

> **"The results of external (Syntasa) segments are very good. Especially their reach, while maintaining low CPA. My rating is very high and the recommendation is to use them in subsequent campaigns."**
>
> *— Company's Advertising Agency*
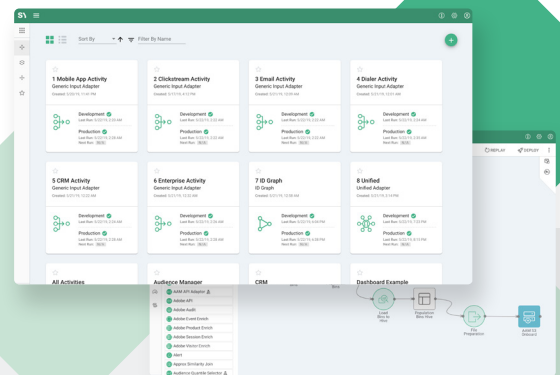
GET STARTED QUICKLY

Our team of experts are here to assist. We will be your guides. You'll deliver new campaigns in weeks and iterate new experiments quickly

START MY FREE TRIAL

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