



## With Visual IQ, BuildDirect Nets a 20-to-1 Return on Investment in Just Four Months

MARKETING OPTIMIZATION

CASE STUDY

### Situation:

BuildDirect is one of the fastest growing home renovation materials companies in the world. As advertising spend grew to keep pace with business growth, marketers at the company began to suspect that the current method they were using to measure performance was flawed. To improve marketing ROI, the company needed more accurate metrics upon which to base their planning and optimization decisions.

### Challenge:

Historically, BuildDirect leveraged a rules-based measurement methodology to understand the effectiveness of its marketing ecosystem in generating online requests for product samples (their version of a lead), online sales, and inbound call center purchases. This ecosystem included online display advertising, paid and organic search, email, online shopping engines, and affiliate marketing. A technical limitation, combined with long conversion cycles, meant that only 40% of their customer interaction data was being fed into their rules-based system. This data gap prevented them from accurately tying early marketing activity to the final sale, especially those sales that occurred within their call center. Moreover, these limitations were leading to considerable marketing inefficiencies – which was estimated to be at least \$7 million in lost revenue. The company needed a better method for tracking all of their marketing touchpoints, assigning the proper conversion credit to each, and taking accurate and appropriate steps toward optimization.

### Goals:

Close the projected \$7MM revenue gap by using their marketing and media channels more effectively and allocating their marketing dollars more efficiently to optimize overall performance.

### Solution:

Visual IQ began by collecting and integrating all of BuildDirect's disparate marketing data into a single interface and defining a shared set of key performance indicators (KPIs) so that marketing performance could be accurately measured and compared across channels. This consolidation increased the amount of customer interaction data available to inform decision-making from 40% to 100%.

Next, BuildDirect used the algorithmic **TrueAttribution** model in Visual IQ's **Marketing Intelligence Platform** to produce a set of TrueMetrics insights that accurately reflected the impact of each channel, campaign, and tactic on the other and on the performance of its overall marketing ecosystem. For the first time, BuildDirect was able to gain insight into the entire customer journey from first touch through to final conversion, regardless of whether the conversion occurred online or via their call center.

Using the platform, BuildDirect was also able to uncover the unexpected importance of certain channels. For instance, marketers at the company were able to identify the true impact of their online display advertising in driving new and returning visitors to the site, and optimally allocate their budget across the top-performing publishers. Most notably, one Demand Side Platform (DSP) was slated to be cut off, until Visual IQ's TrueAttribution process revealed it to be one of BuildDirect's most profitable acquisition channels. Based on this insight, the company instead doubled its investment in the channel, and is now dedicating as much marketing spend to it as possible.

The team was also able to uncover the significance of its affiliate channel in contributing to sales. Prior to implementing Visual IQ's Marketing Intelligence Platform, the company's affiliate marketing program had been in maintenance mode. When the platform revealed the channel was being significantly undervalued, the company not only increased its investment in the channel, but also assigned a member of the team to focus on its growth.

From a paid search perspective, BuildDirect was able to understand the true performance of their pay-per-click (PPC) efforts in driving leads, conversions and revenue. Using budget control data provided by the platform's predictive analytics capabilities, the company was able to set CPA targets for its keyword level bidding strategies that contributed to decreased costs and increased conversion rates.

### Results:

As a result of the holistic, centralized view of performance and improved accuracy of analysis provided by Visual IQ's Marketing Intelligence Platform, BuildDirect was able to yield a 7% increase in total revenue and recognize a 20-to-1 return on investment in just four months. Intra-channel optimizations also produced significant performance improvements, including:

- A 13% increase in leads, 53% increase in revenue, and an 8% decrease in cost through changes to online display advertising
- 5X more margin per dollar spent on affiliate marketing efforts

**Watch this video** to learn how Visual IQ is helping BuildDirect increase revenue and uncover which of their marketing efforts are delivering the most value.

"We are impressed with the results we've realized from using Visual IQ's solution. It gave our team the correct signal to pursue, while exposing those programs that were underperforming and the places where we could invest much more. During our initial months, we had a sense that it was working, but it wasn't until we did an analysis on the lift that we realized just how big an impact it had."

Iain Rutgers, Marketing Analyst, BuildDirect