

## CASE STUDY

## REPLACEMENTS, LTD

Year-Over-Year Paid Search-Driven Sales Increase by More Than 30% in Six Months by Working with Efficient Frontier.

Replacements is the world's largest supplier of old and new china, crystal and silver dinnerware and collectibles. In business since 1981, Replacements has grown its inventory to over 11 million pieces in 270,000 different dinnerware and collectible patterns. Its Web site receives 2.3MM visitor sessions per month, with traffic growing at a compounded annual rate of 25%. The company's marketing efforts include traditional off-line marketing and online marketing programs that include paid search, portal advertising, shopping engines, co-marketing agreements, blogs, and more.

### OBJECTIVE

Experiencing initial success with its paid search marketing program, Replacements decided to broaden its campaigns by expanding from about 20,000 keywords to over 40,000. Bid management and scalability were key requirements to help meet objectives such as drive revenue and increase registrations at a constantly high ROI through paid search.

### CHALLENGE

A few years ago when Replacements first started using paid search marketing, campaigns were managed manually using spreadsheets, internally developed computer applications, and rules-based tools. This approach met immediate needs, but once Replacements decided to expand to over 20 thousand keywords, the company started hitting capacity issues in terms of platform infrastructure. The rules-based tool did not enable Replacements to scale or grow its paid search program.

### SOLUTION

After researching a number of search marketing agencies, Replacements decided on Efficient Frontier because of its advanced technology based on portfolio theory. Efficient Frontier's technology is able to automate bid management, enabling campaigns to scale effectively without having to set rules or use manual spreadsheets, thus allowing its team to focus on campaign strategy and growth.

Jack Whitley, Senior Vice President of e-Commerce at Replacements added, "We chose Efficient Frontier also because of its people. With the complexity of our business and paid search, I needed to know that there were smart people throughout their organization that I could trust to help us manage our very important online ad campaigns. The folks at Efficient Frontier understand paid search and know that there is much more to it than setting rules for keywords. We have validated over and over that it was the right decision for us to partner with them."

To kick off the relationship, the Efficient Frontier team went to the Replacements headquarters in Greensboro, North Carolina and met with its management and marketing teams. This face-to-face interaction allowed for a meaningful exchange and helped to formulate a customized search strategy and tactical plan.

### RESULTS

In the first six months working with Efficient Frontier, Replacements saw an increase in both online sales and registrations, and increased its keywords under management by 100 percent, from approximately 20,000 to 40,000 in this short timeframe. Today, Replacements has expanded to over 3 million keywords, while scaling its sales, efficiently managing costs, and beating return on investment targets. Whitley proclaims, "I don't see any other vendor who could support the number of ads we have, while also addressing our extremely complex buy and sell model."

Efficient Frontier's technology helps optimize Replacements' long tail keyword and ad inventory, which is extremely important in terms of driving business results throughout its very large product line. Efficient Frontier applied its portfolio approach based on Replacement's business metrics and desired budget spend. Through the Efficient Frontier system, Replacements was able to assign a value to a keyword based on both registration and sales values. By increasing keywords and creating a long-tail of performing keywords, Replacements was able to get lift on top of lift for its campaigns.

Whitley concludes, "Online advertising is inherently complex. It's going to take a company with sufficient intellectual capital to understand how complex it is in order to help an online retailer optimize revenue generation and spending. I would recommend Efficient Frontier to any company who wants to be effective online and in a large way."

