



Search Innovation Case Study

KITCHENTIME

www.kitchentime.se

Prepared by Finch - Automate. Simplify. Perform.



www.finch.com

EXECUTIVE SUMMARY

KitchenTime, an online shop based in Sweden, sells a variety of cooking equipment, accessories, and lifestyle products. In 2014, when they were just starting out in a highly competitive market, they partnered with Finch for paid search. Since then, with the help of Finch's proprietary technology, KitchenTime has grown fast—increasing their market share and expanding to Denmark, Finland, and Norway. Through account-specific measures enabled by Finch, the company saw a dramatic increase in their 2017 performance.

RESULTS OVERVIEW*

Compared YoY Q4 2016 & Q4 2017

| SWEDEN TOTAL | | |
|------------------|----------|---------|
| Revenue | +123.08% | |
| ROAS | -3.14% | |
| SWEDEN SHOPPING | | |
| Revenue | +249.21% | |
| ROAS | -14.67% | |
| SWEDEN SEARCH | | |
| Revenue | +72.98% | |
| ROAS | +9.43% | |
| ALL ACCOUNTS | Revenue | ROAS |
| Denmark | +137.33% | +13.49% |
| Finland (Search) | +62.56% | +11.31% |
| Norway | +137.12% | +50.17% |
| Sweden | +123.08% | -3.14% |

CHALLENGE

With a small staff, KitchenTime has always automated as much as possible. They also set ambitious growth targets for paid search—even though their cost target was zero. Their partnership with Finch exceeded all expectations.

In addition to improving their paid search performance in Sweden, we guided their expansion to Denmark, Finland, and Norway. With automation in place and dynamic keyword feeds created, the data showed consistently high performance in every market. But both, KitchenTime and Finch saw more potential for growth.

The challenge for Finch was finding new ways to optimize an already high-performing system. So, how did we do it? We went deep into the details, using our expertise and innovative technology to identify new levers that would enable more growth for the business.

SOLUTION

1. The Finch Platform

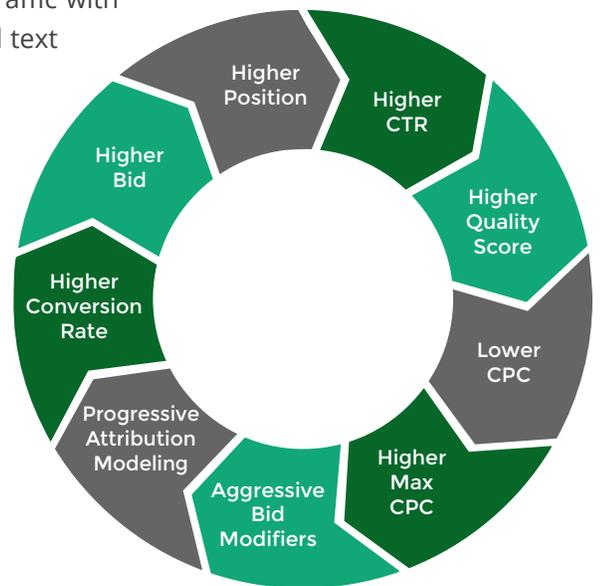
As with every Finch customer, during the initial phase of our partnership with KitchenTime, we paused their existing campaigns, then recreated them automatically to achieve maximum granularity. We gave each keyword or product its own ad or product group with its own corresponding bid and

conversion history, device modifier, and remarketing audience. All of this information can be used for every isolated data point, which makes bidding more accurate.

With this new structure in place, we pursued an exact match strategy to find as many relevant search queries as possible. We used broad match modified keywords sparingly to drive search term discovery, then used proprietary Dynamic Search Term Insertion (DSTI) to methodically build exact matches from converting queries. This creates high-quality keywords in the account by converting search queries and traffic with a negative keyword strategy. It also ensures that highly relevant paid text ads are displayed for search terms that led to past purchases.

By purchasing more exact match terms and being more aggressive on both bids and budget, we kick-started the “Google Wheel of Goodness.” When done correctly, this increases ad spend on highly relevant terms, driving up ad rank and increasing conversions while dramatically decreasing cost per conversion. *See wheel image to right.*

By positively influencing Quality Score, the most relevant keywords or products in the account can afford to bid higher max CPCs but are actually rewarded with lower CPCs and higher conversion rates.



2. Manual Interaction During Specific Sales Periods

Finch created new growth potential for KitchenTime by implementing an advanced campaign structure with a “backdoor” for manual interactions. With their new campaigns, we bundled brands and categories for easier intervention, which resulted in ad optimization and more precise landing pages.

Why did we do that? Because, in collaboration with KitchenTime, we defined specific sales periods and promotions, then analyzed the existing keyword set to identify VIP keywords, which represented 1% of the entire keyword set.

Our next step: During those select sales periods and promotions, we bid VIP keywords manually, which is why we needed the preserved campaign structure. The rest of the keyword set was then increased 50% with a bid modifier and optimized by the Finch platform.

Having the ability to dramatically increase the quality score during a limited time frame made this approach extremely successful. Although we used manual optimization to achieve a higher performance level, we relied on automation to identify the VIP keywords.

As Finch’s Lead Technical Analyst, Mathias Falkenberg, said, “The implemented structure gives KitchenTime the ability to have their own Black Friday on a special category or brand every month.”

“As a growing company that sees technology, automation and in-depth knowledge of our marketing channels as key points for success, our Finch collaboration has shown to be successful in all those areas. Not only does their technology enable us to act and move fast with kept control over profit but they also bring high-level competency to the game through their skilled account managers.”

Mats Söderberg, Head of Online Marketing



In addition to accomplishing their original goal of improving performance in Sweden, KitchenTime expanded to Denmark, Finland, and Norway—then improved performance again in all four countries.

3. Remarketing Perfection

A key element of Finch's strategy for every account, remarketing for search follows this principle: The more a user has already interacted with a page, the more likely they are to convert, and the more you can bid on a user's click. This is how the Finch platform calculates the perfect adjustment for each ad group (keyword match type level).

In September 2017, we took KitchenTime's remarketing lists to a new level. We expanded their lists for granularity and excluded RLSA lists from each other, so every user can now be assigned to the list, which comes—according to their visitor history—closest to the conversion. The new RLSA structure enables more specific targeting and uses the lead funnel in the best way.

To keep up with KitchenTime's growth targets, we meet with them bi-weekly where we analyze results from AdWords, review implementation needs, and plan future strategy.

OUTCOME

Year-over-year growth for KitchenTime's campaigns was measured by comparing Q4 2016 to Q4 2017. During that time, the company saw a dramatic increase in performance across all markets.

Looking specifically at Sweden, both their search and shopping campaigns show strong results. In one year's time, KitchenTime SE saw a 123.08% increase in revenue from both search and shopping.

During the same period, the ROAS was reduced by only 3%. Clicks and impressions grew 85.96% and 111.23% respectively, but CTR decreased 11.96%. Even though CTR was lower, the overall conversion rate increased 18.60%. (It should be mentioned that KitchenTime's performance in 2016 was already strong in terms of spend, revenue, and ROAS.)

The renewed success of the campaigns can be attributed to the long-term effect of Finch's Dynamic Search Term Insertion feature, which ensures that the keyword set becomes more efficient the longer the optimization runs. Also, the results reflect our implementation of the advanced campaign structure, which enables manual interaction, as well as the optimization of RLSA lists.

*All data for cost, clicks, impressions, and conversions gathered from Google AdWords