



With over 550 stores on the High Street and 490 stores at airports, train stations, hospitals and service stations, WHSmith is one of the UK's leading retail groups, and a household name.

Equi=Media were brought on board to take a holistic view of the overall online marketing strategy for WHSmith.co.uk and develop a cost efficient **paid search** campaign to increase the volume of online sales and maintain the net profit margin, particularly in the 6 week run-up to Christmas 2010.

The Brief...

WHSmith.co.uk sales are typically strong at Christmas, and Equi Media were asked to come up with a long term solution to winning a larger share of the total online Christmas gift market as cost efficiently as possible, and maximise cost efficient sales throughout the year. This was a tough task in a highly cost sensitive, competitive market with low profit margins across the majority of the product range.

There were both long and short term objectives for the campaign:

- **Long term objective:** To improve the cost efficiency of paid-for online book and stationery sales via the WHSmith.co.uk website
- **Short term objective:** To drive profitable book and stationery sales in the pre-Christmas 2010 period and maximise cost efficient sales *volumes*.

Client Quote:

“The F.R.E.D. feed, which matches our spend to the margin we can afford to pay for a sale, has been critical to improving the efficiency of our marketing spend and ensuring that we are not delivering unprofitable sales. This approach has enabled us make a strong case for the need for online marketing spend to grow our sales.”

- Angus Hayman, WHSmith.co.uk

The Strategy...

Bespoke Product Feed (FRED) and generic PPC Campaign

WHSmith have between 150,000 to 200,000 book titles and stationery items available to purchase online. Prices, promotional offers and availability change constantly, so traditional paid search "bid management tools" are unable to process all the data accurately whilst "manual" (i.e. human) management cannot physically keep up with the number of changes required day to day.

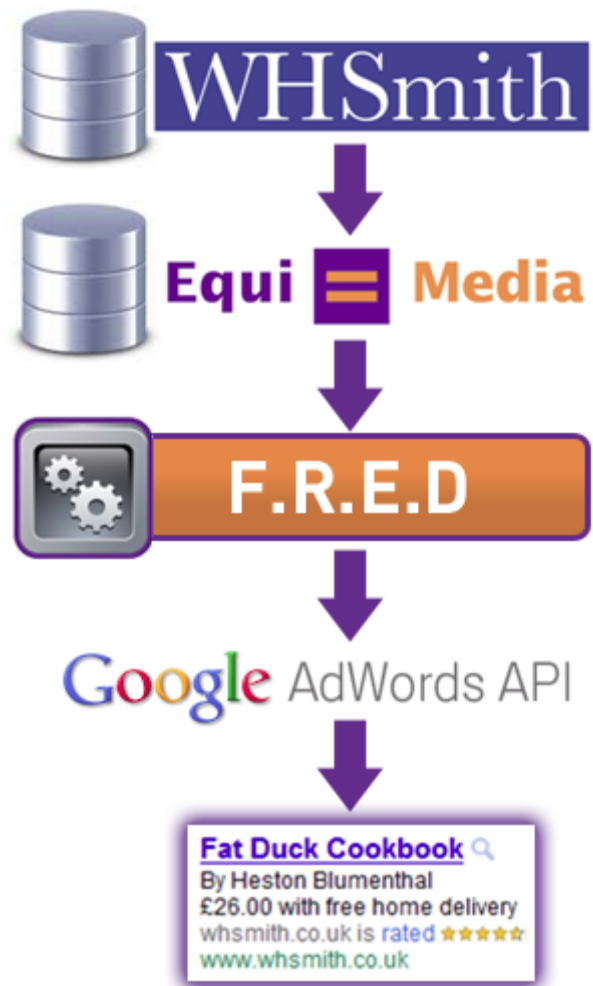
In order to improve the long term efficiency of online sales Equi=Media built a bespoke feed management database F.R.E.D (Feed for Retail E-commerce Direct sales) complemented by a tightly controlled generic search campaign.

A regular feed which features stock availability, product name or book title and author, URL for the product page, current cost and profit margin is provided by WHSmith.co.uk and is uploaded into **F.R.E.D.**

F.R.E.D. splits all products into tiers by profit margin, book genre or product type and then uploads the information automatically into multiple Google Adwords accounts, creating skeleton copy and bid controls.

When a customer searches on a specific book title or product the **F.R.E.D.** powered PPC ad will appear if the item is in stock. The ad will feature the book title or stationery item name

and the current on site price. If the user clicks the ad they will be taken directly to the product page in the WHSmith.co.uk site.



Ads only appear for items in stock, reducing budget waste, and showing correct price information, which helps improve conversion.

The profitability tiers allow Equi=Media to adapt the bid strategy for each tier and balance the overall strategy to achieve maximum ROI - sales volumes are driven cost efficiently reflecting *profit made* on sales, not just revenue generated.

The feed taken from F.R.E.D enables WHSmith to bid efficiently on a huge number of specific book titles and stationery items and capitalise on the massive increase in product and book title specific searches in the run up to Christmas, which helps balance both **high volume sales** with **profit margin driven efficiency**.

Generic Search campaign

The bespoke F.R.E.D. feed PPC campaign was complemented by a generic search campaign where the number of active keywords were expanded from 5,000 to over 30,000, designed to exploit long tail searches and ensure maximum visibility for WHSmith.co.uk.

The bid strategy for this campaign was tightly controlled to complement with the efficiency of the F.R.E.D. campaigns.

The results...

- **F.R.E.D.** feed helped Equi=Media to **exceed the revenue** target for Christmas campaign 2010 by **42%**
- Whilst *under spending* the WHSmith.co.uk budget by **12%**
- Volume of **F.R.E.D.** feed sales for the 6 week Christmas period increased by **460%** on **2009** volumes
- Click Through rates (CTR) improved year-on-year for the same 6 week Christmas period from 0.7% (2009) to **1.9%** (2010)
- Conversion rates improved year-on-year for the same 6 week Christmas period from 1.5% (2009) to **6.4%** (2010)
- The strategy improved on the overall cost efficiency target **by 60%**

The Client is delighted!