

How SIM Supply Achieved A 15x ROAS

Ad Spend: \$15,000



Background

SIM Supply is a wholesale distributor of a wide range of office supplies, furniture, and hospitality products. The B2B company places an emphasis on customer satisfaction and prompt shipping, and their vast inventory makes them a go-to choice for businesses of all sizes. SIM Supply also does product sourcing, so if a client can't find something on their website or a product is out of stock, SIM Supply will source the product elsewhere on behalf of their customer.

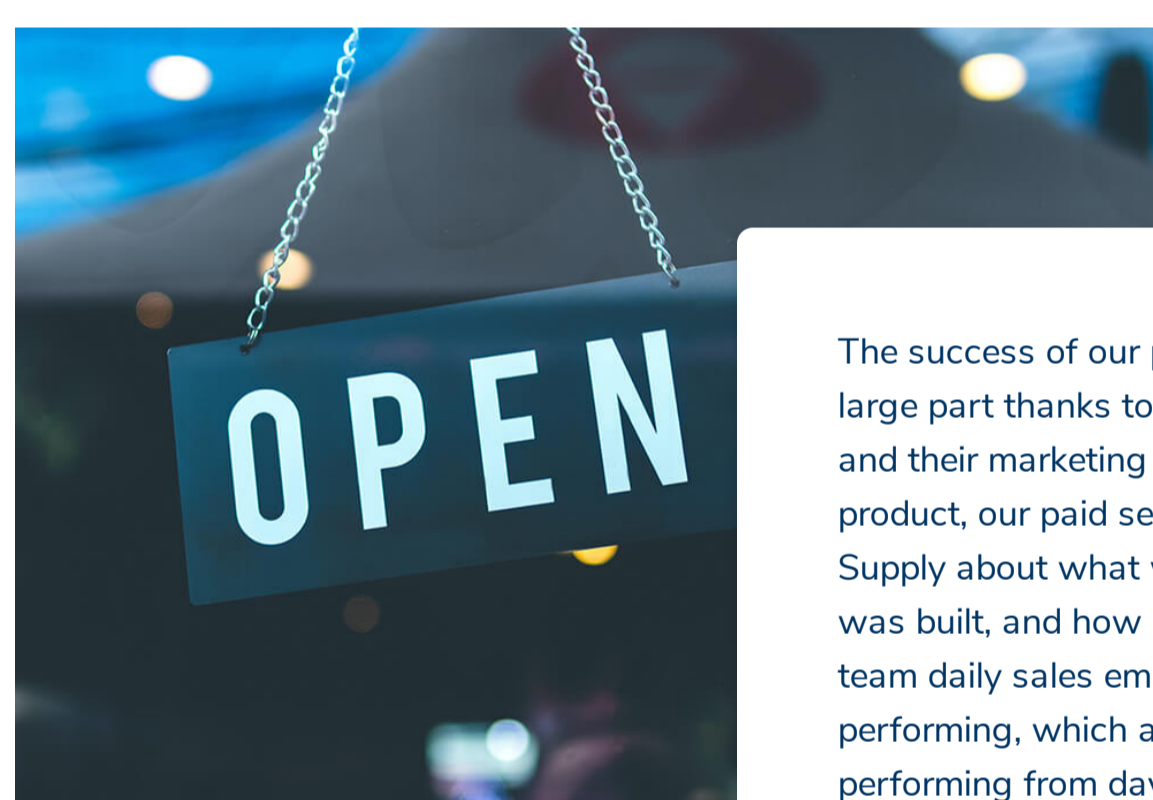
Key Metrics



What Strategy Was Used?

SIM Supply came to Logical Position (LP) to increase revenue and drive brand awareness. The supply company started with paid search, and was hoping to see a minimum of a 10x return on their ad spend. Our team started by breaking our campaigns into Single Keyword Ad Groups (SKAGs) and Single Product Ad Groups (SPAGs). This type of campaign structure allows our team to see what's working well and what's not, and shift the bidding accordingly. Breaking our campaigns into SKAGs and SPAGs proved to be vital with the onset of the COVID-19 pandemic in March of 2020—it was next to impossible to predict what kinds of products people would be buying (who knew there would be a toilet paper shortage in the United States?), so being able to see how each product was performing in Google Ads allowed us to make decisions in real time with the most up-to-date information available.

Next, our team utilized Dynamic Search Ads (DSA) campaigns which allowed us to target specific verticals and categories, while keeping better control over our budget. Since SIM Supply sells such a wide array of products, we knew that paid shopping was going to be important for them. We began opening up the search volume to mobile and tablet users, something we normally bid down on it, because the clicks were cheaper—only \$0.10—and we were seeing qualified traffic coming in. In August, our team launched Microsoft Advertising for SIM Supply, a key platform that our team knew the company should have a presence on. Microsoft Advertising users tend to fall into an older demographic, which is exactly what our target audience looks like: people who are more established between the ages of 55-64. We're targeting people on Microsoft Advertising who are homeowners, business owners, or who are responsible for placing large supply orders for their company.



The success of our partnership with SIM Supply can be attributed in large part thanks to the open lines of communication between our team and their marketing department. When SIM Supply launches a new product, our paid search team has in-depth conversations with SIM Supply about what we did, why we did it that way, how the campaign was built, and how it's performing so far. In return, our client sends our team daily sales emails about how all of their different channels are performing, which allows our team to see how each different platform is performing from day to day.

With paid search performing at optimal levels, SIM Supply incorporated Logical Position's email marketing service to capitalize on customer lifetime value. A combination of automated and manual emails to their email subscriber base kept customers aware of new products and sales through monthly newsletters, while consumer actions and interests informed custom-built workflows (such as an abandoned cart flow) to increase email open rates.

How Did BigCommerce Play A Role?

SIM Supply has over 160,000 SKUs and the company heavily relies on BigCommerce's highly-customizable and secure platform. The BigCommerce platform is trusted in the marketplace for its security and ease of use. Plus, their ready-made templates enabled our client uniformity across the board. BigCommerce makes plug-ins and tracking codes easy to place on a website, and this customization is invaluable for companies that are looking to scale. Having an eCommerce platform that can handle a heavy load of category pages and product pages set our paid search campaigns up for success.

SIM Supply's Google Shopping ads played a vital role in their online sales, so our team needed to ensure the company's product feed in the Google Merchant Center was optimized and running perfectly. BigCommerce's Channel Advisors helped our team gather necessary feed attributes such as color, size, and GPC, while checking GCLIDs and GTINs for accuracy. The Channel Advisor also expedited any product feed issues for minimal performance impact. SIM Supply's hundreds of thousands of high SKUs count made small disapprovals easier to miss, so BigCommerce's additional assistance helped our team and SIM Supply cover all our bases.

One feature our team loves about the BigCommerce platform is its ability to handle an increase in site traffic while still maintaining performance. In April, SIM Supply's website had 15,000 users. In May, that number jumped to 82,000 users, with the conversion rate increasing from 1.32% to 3.28%. Not all eCommerce platforms are able to handle such large increases in traffic and transactions, but BigCommerce navigated this seamlessly.

What Were The Results?

Our paid search and email marketing campaigns have been instrumental in moving the needle for SIM Supply. We've continued to beat SIM Supply's goal of a 10x return on ad spend, hovering closer to a 15x—meaning for every \$1 SIM Supply spends on paid search, they're making \$15 back. In 3 months, we've made SIM Supply almost \$413,000 in revenue, for a total of 7,580 conversions. In a comparison of August 2019 to August 2020, SIM Supply's paid search costs decreased 12%, while revenue from Google Ads went up 68%—from \$86,771 in 2019 compared to \$145,679 in August 2020—even despite the fact that we're in the middle of a global pandemic, and most office workers are currently working from home. Their average cost-per-click is under \$0.10, making paid search a cost-effective way to drive new users to SIM Supply's website.

We've vastly exceeded SIM Supply's goal of driving stronger brand awareness, with paid search alone bringing in 194,000 new users to the website in 3 months. Our email marketing campaigns are seeing great results so far as well, and have been driving additional revenue and brand awareness for SIM Supply. SIM Supply has been working towards an international expansion and, due to the improved revenue from paid search and increased lifetime value from email marketing, the company will be able to expedite their global expansion to 2021.

Ready to Find Out What Makes Us Different?

GET STARTED NOW



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