

How The Bike Shop Achieved a Revenue Growth of 130%

Monthly Ad Spend: \$7,000



Background

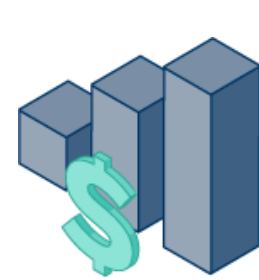
Since 1972, [The Bike Shop](#) (TBS) has been supplying Canadians with the best bicycles and equipment on the market. With 3 physical locations throughout Calgary and a mighty ecommerce presence, they supply an impressive selection of bikes, equipment, and apparel to riders at every level. Their knowledgeable staff is committed to finding the best solutions for their clients and supporting the broader cycling community at-large. Whether it's mountain, road, or a custom build, the experts at TBS are ready to keep riders rolling.

Key Metrics



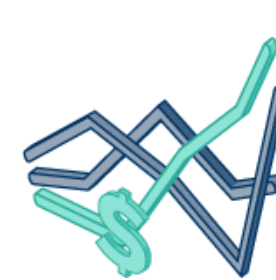
14x

ROAS



45%

Increase in Ad Spend

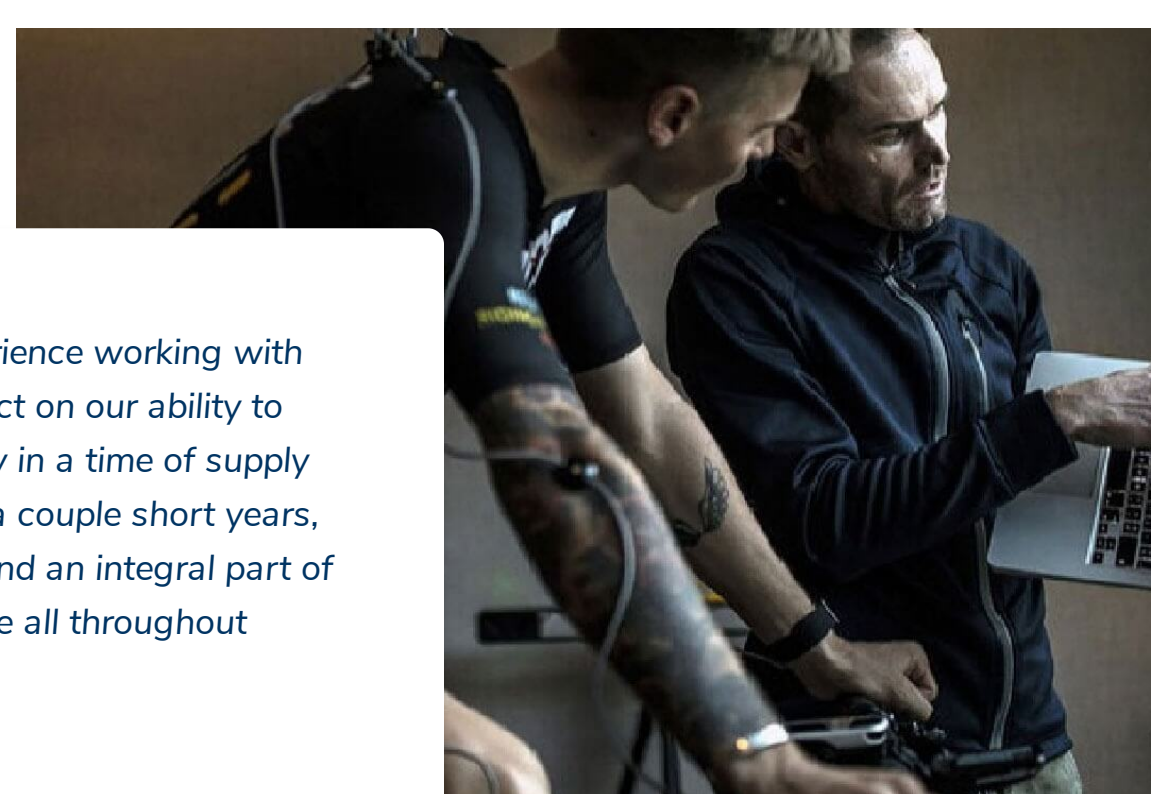


130%

Revenue Growth

"We can't say enough good things about our experience working with Logical Position. They've made a tremendous impact on our ability to grow various segments of our business sustainably in a time of supply chain disruptions and inventory turbulence. In just a couple short years, they've become an extension of our internal team and an integral part of our ability to sell bicycles and accessories at volume all throughout Canada."

— Jon O'Krainetz



Why Logical Position?

When The Bike Shop on-boarded with LP in June 2021 they'd been under PPC management with another agency that was acquired by a larger organization. This led to transparency issues and problems with communication. Upon digging into their pre-existing campaigns, our team found no proactive optimization in the account or even proper maintenance. The lack of attention had led to multiple ad set disapprovals and eventually their entire data-feed going down. We quickly stepped up to re-build and set strategic growth targets to put their Google Ads in gear!

GOALS

📈 Maximize Revenue

📈 Grow ad spend and ROAS

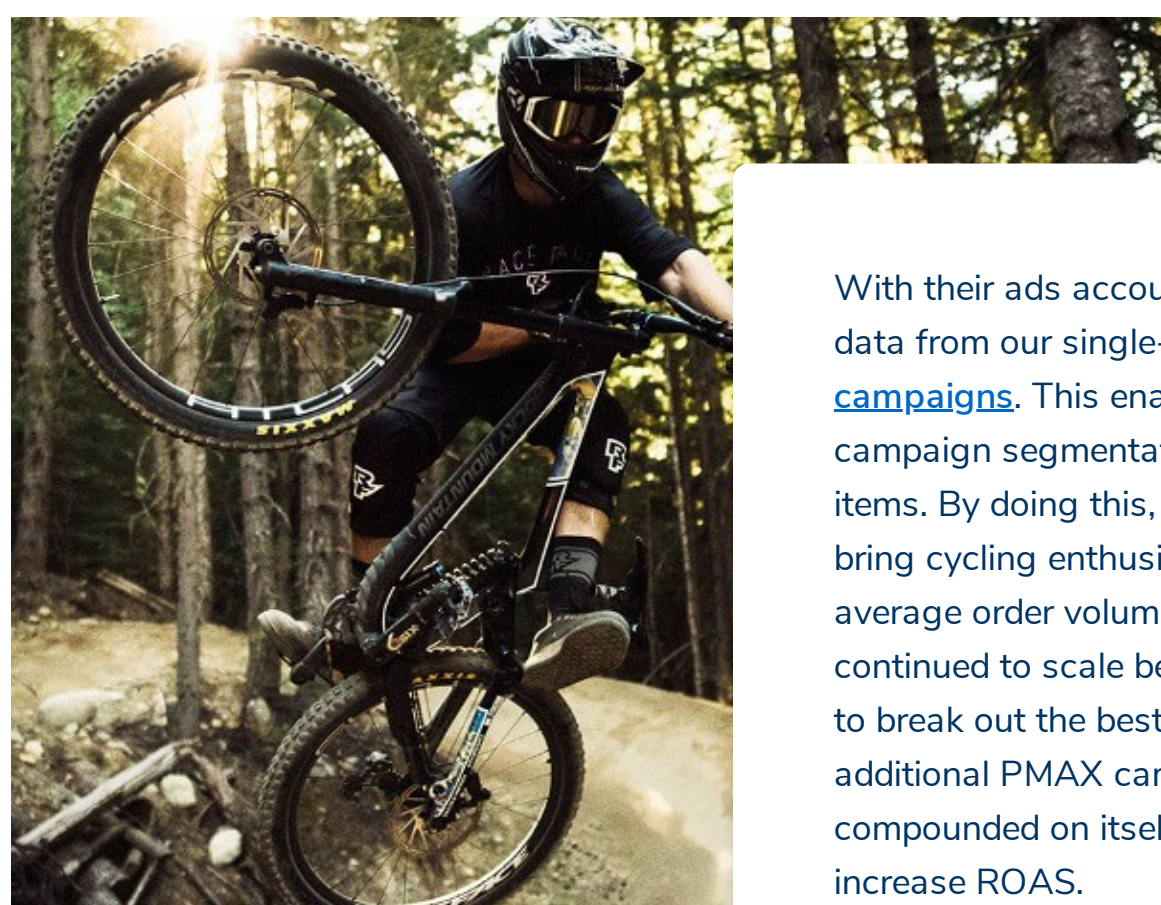
🎯 Drive brand loyalty

Paid Search Strategy

Getting to Know the Account

After reviewing historical data and past account performance in our full-site diagnostic, our team got to work further segmenting their campaigns by product type to find additional opportunities to scale. With more than 20,000 product SKUs available, we used manual account builds to enable granular insights into profit margin by product category, allowing us to bid up more aggressively on well-stocked items. This segmentation by product type and brand restored balance to The Bike Shop's ecomm business, allowing the account to ebb and flow naturally based on market demand and availability.

Gearing Up Optimizations



With their ads account stabilized, we leveraged the historical account data from our single-product ad groups into new [Performance Max campaigns](#). This enabled us to use algorithmic automation in specific campaign segmentations to drive first time buyers to their best selling items. By doing this, we were able to bid up on specific promotions to bring cycling enthusiasts to their site, which would result in increased average order volume and lifetime value with each transaction. Next, we continued to scale best sellers by harnessing ongoing performance data to break out the best-performing brands and product lines into additional PMAX campaigns. Leveraging the campaigns this way compounded on itself allowing the account to simultaneously scale and increase ROAS.

Bicycles, Accessories, Components, oh my!

We continued to expand our reach with PMAX by adding additional assets in specific brand campaigns for industry leaders, such as Fox, Shimano, Sram, etc. This allowed us to populate throughout the entire suite of Google Advertising products like Display, Gmail, YouTube and more, along with our product listing ads on Google Shopping! Further, we used targeted return on ad spend bid strategies to initiate product bids when there was opportunity, all while capping bid limits on certain product sets to keep the automation tools triggering right in the sweet spot.

With their tuned up Google Ads account performing extremely well, The Bike Shop's next area of untapped potential is a newly overhauled website that will add a fully mapped out UX interface to guide the onsite buying experience.

The path ahead looks smooth for The Bike Shop!

Pedaling up Winning Results

With a powerful mix of Performance Max and campaign segmentation by product, our team has delivered unparalleled results on behalf of The Bike Shop through both manual and automated strategies. We have maxed out their monthly allotted ad spend budget, while simultaneously scaling their ROAS higher, an impressive result that some may consider unheard of.

- 45% increase in ad spend
- 140% increase in clicks
- 116% more conversions
- 130% more revenue
- 57% increase in their return on ad spend

If you need a marketing partner to pump up your tires, reach out to Logical Position for a complimentary, no obligation account review.

Ready to Find Out What Makes Us Different?



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