

Roomify Looks to Effective Spend to Grow with Amazon Sales



BACKGROUND

Roomify came to Effective Spend with the goals of scaling sales and increasing market share with college undergraduates, graduates, and young professionals looking to furnish their dorm or first apartment. Initially, Roomify planned to budget for media spend on search and social advertising campaigns to drive sales on their ecommerce website. Effective Spend helped Roomify alter its strategy by demonstrating how the Amazon Marketplace, with its dominant position with Millennials, presented significant opportunity for incremental sales growth beyond what was achievable on their own website.

CHALLENGE

As a rapidly-growing startup, Roomify executives have high-growth forecasts but are often stretched for access to resources that easily create and maintain organized marketing plans for each sales channel. And while the executives understood the massive opportunity that Amazon Marketplace presents, they also needed a full-service team with the expertise, technology, and a proven track record to effectively leverage it. To find success on Amazon, brands need to create and execute an expansion strategy also addressing quickly growing sales during their peak sales season.

SOLUTION

Product Listing Page Optimization: Effective Spend worked with Roomify to evaluate each product listing page in relation to competitors and Amazon best practices. We generated a comprehensive strategy to improve each page with the goal of driving higher conversion rate and increase rankings in Amazon Search. Optimizations entailed a number of tactics, including expanding high-quality images, optimizing descriptions with target keywords, and optimizing product parent-child relationships.

Positive Feedback: An email drip campaign was a key component to generating positive seller feedback, product reviews, and preventing negative feedback. It's important to keep in mind that Amazon has very strict policies regarding direct communication with customers. Following best practices, we were able to develop an email drip campaign that resulted in more product reviews and reduced negative feedback, while remaining in compliance with Amazon's policies.

Sponsored Products: Effective Spend developed a Sponsored Product Advertising strategy that achieved Roomify's growth goals. The sponsored listing strategy not only expedited initial sales by putting ads on the top of the search results pages, but the high CTR and conversion rate of those ads also helped to increase "seller rank," thus boosting organic search rankings as well.

RESULTS

By partnering with Effective Spend, Amazon sales increased by 273% over the first three months. By the third month, Amazon generated half of the revenue that Google and Bing search ads generated combined on a ROAS more than double that of search. Amazon ROAS came in at over double the projected goal after only three months of management, setting the stage for future growth while ensuring the channel is ROI positive. Performance overall has exceeded Roomify's expectations, and the team is now looking to double spend in 2018.

273% Increase in Total Revenue

80% Increase in Sponsored Products Revenue

50% Decrease in ACoS

“Effective Spend has been crucial to our success on Amazon. With their partnership, we were able to exceed our growth goals this year, and plan to double the Amazon budget next year.”

Shanil Wazirali, CEO of Roomify