CASE STUDY

Luisa Via Roma Increases ROAS with Full-funnel Programmatic Strategy Using Combined DSP + DMP Approach and Premium Media Buys

MediaMath + ▲ LUISAVIAROMA.COM
Luxury Shopping Worldwide Shipping

Strength in Numbers

Luisa Via Roma Increases ROAS with Full-funnel Programmatic Strategy Using Combined DSP + DMP Approach and Premium Media Buys

LUISAVIAROMA.COM is a top online luxury fashion retailer with 5 million visitors per month and worldwide shipping. The website features an exclusive selection of new collections from 600 established designers as well as young emerging talents. The brand was founded in the early 1930s with the opening of the company's eponymous concept store in Florence. Online since 1999, the company attributes 90 percent of total revenue to online sales.

BACKGROUND

Luisa Via Roma's display advertising mainly consisted of direct buys managed on an IO basis. These campaigns were predominantly measured on CTRs, percentage of new customers and time spent on site, leading to a restricted view on performance. Although Return on Ad Spend performed well overall, the brand lacked a truly transparent solution that allowed them to learn in detail about the effectiveness of their targeting and messaging. LVR wasn't able to develop any expectations in terms of measurable sales performance, which kept them from scaling their marketing investments.

OBJECTIVE

LVR's goal was to build a transparent, global, full-funnel programmatic strategy, including branding and performance strategies. They also wanted to leverage their pre-existing relationships with premium publishers to make ad spend in these environments more profitable, while at the same time maintaining a relationship of mutual trust and content partnership as they had with their direct buys.

To extend the reach of their retargeting activities, LVR tested a couple of pure-play retargeters. Some lacked transparency in terms of site lists or frequency capping. As a high-end luxury retailer, LVR didn't feel comfortable trusting them with their brand image and user experience. Moreover, the partnership was almost completely based on the vendor selling campaign packages, while LVR was looking for a partner that could support them for their longer and broader vision. LVR also looked into data-driven prospecting with a fully-managed service offering look-a-like strategies and competitor keyword targeting. The fully-managed prospecting campaigns had the same flaw: not enough transparency. LVR was also unable to make deals with sites or publishers directly, which was high on their priority list as they sought direct buys for performance campaigns when PMPs weren't possible or didn't grant them added value.

LVR began engaging with MediaMath in Q1 2016. As the partnership strengthened and LVR took advantage of MediaMath's managed service option, LVR decreased the number of other programmatic partners with which they were working.

SOLUTION

LVR and MediaMath immediately kicked off the collaboration with a full-funnel programmatic campaign including a PMP with one of the most prestigious fashion publisher houses. They chose to launch the campaign in LVR's home base Italy and allocated 100 percent of the display budget there to MediaMath.

The brand relied heavily on MediaMath's consulting services, which consisted of education, consolidation of the tech stack, reporting and the creation of a joint data and media strategy. Components of the full-funnel campaign included:

- Utilizing MediaMath's supply partner team to obtain publisher guidelines and information for the PMP.
- Using a combined DSP and DMP approach to improve data consistency and basic usability using:
  - Adaptive Segments, which can define, analyze, optimize and activate granular audiences in real time to fuel more intelligent bids based on past purchase behavior or a user's average lifetime value.
  - Frequency capping to create more coherent messaging than simply hitting users with a bunch of banners hoping they will eventually convert.
  - Clustering and regrouping customers as LVR worked through different marketing strategies.
  - Activating ConnectedID, MediaMath's proprietary identity solution for recognizing users in cookie-based and cookieless environments and across devices, to understand the path a user takes from click to conversion.
- Attending New Marketing Institute courses on "Intro to Digital," "Programmatic 101," "Understanding Attribution" and "Audience Management," and having the programmatic and the SEM teams trained on the buying platform.
- Developing a consolidated desktop and mobile display strategy across multiple markets, leveraging the optimization capabilities from MediaMath's proprietary algorithm The Brain to help with frequency and recency.
- Creating prospecting strategies through the media buying platform and retargeting through a DCO partner.
- Using a customized reporting dashboard to simplify internal process and increase effectiveness for the team.

RESULTS

The campaign achieved all of the action points with which LVR entered the partnership, and more. Results included:

- Drove up to 11.7 times higher ROAS/ROI through Adaptive Segments.
- Launched real story-telling campaigns through the combination of CID and Adaptive Segments, which enables LVR to show users a new part of the tale they want to tell on every new creative they see.
- Multiplied marketing investments by several times, seeing results that exceeded expectation.

LVR plans to further fuel their campaigns with data and effectively measure their marketing investments. They are currently integrating their ESP and CRM tools with the MediaMath buying platform as a custom solution and have consulted with the technology company on selections for an ad server and an attribution vendor. In addition to the technology, it's MediaMath's consultative approach that encouraged LVR to seek out a long-term partnership with the company.

"A deciding factor when choosing MediaMath was the managed service option," said Véronique Franzen, programmatic marketing manager for LVR. "Being able to grow gradually, following the company's metaphor of crawling-walking-running, has been a key factor in our success. The dedication of our account team to relate to every level of the company's structure, from the CEO to junior marketing managers, has ensured a constantly relevant conversation at every decision level and has sped up some processes that previously had been more challenging and time-consuming."