

CASE STUDY

Hewlett Packard

Rigorous SEM platform evaluation
leads HP and Optimedia to switch
to DoubleClick Search



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Goals

- Drive sales for HP Home & Home Office products such as computers, printers, and ink cartridges
- Efficiently respond in real time to paid search marketing opportunities across the globe

Approach

- Rigorously tested DoubleClick Search versus an incumbent SEM platform
- Implemented bid strategies in DoubleClick Search that use real-time data and bidding
- Set up inventory-aware campaigns to update search ads with real-time product information

Results

23% cost reduction and **16%** revenue growth

Improved the cost per order dollar by **33%** versus the incumbent platform

Saved **13 hours** per week

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— **Jay Dark**, Director of Search and Global Marketing, Hewlett Packard

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Investing in a real-time platform for driving ROI

Founded in 1939, Hewlett Packard (HP) is a global technology company that provides products, software, and services to consumers, small- and medium-sized businesses, and large enterprises. Paid search is core to HP's digital marketing operations. Nearly every campaign that goes out has a search component and search marketing often makes up the most significant part of the digital marketing mix. To run its search program globally, HP works with Optimedia, an integrated marketing communications agency that has a long history of working with HP.

For HP, it's critical to have a strong line of sight across all digital marketing disciplines. The company recently undertook a strategic shift to strengthen this visibility by getting closer ownership of data and by using data intelligence for reporting and optimization across the marketing mix. Jay Dark, Director of Search and Global Marketing at HP says, "We think ownership of our marketing data will be a strong advantage for the future, and the platform's unique capabilities in data and real-time action were a big part of why we looked at DoubleClick Search."

HP was interested in DoubleClick Search for its real-time bid optimization and cross-channel capabilities. Specifically, the Performance Bidding Suite (PBS) in DoubleClick Search automates bidding by collecting and acting on real-time data in order to maximize search campaign performance. The tool is designed to understand a marketer's unique goals, get conversion information in real-time, and regularly adjust bids throughout the day to meet those goals. Further, PBS enables a cross-channel approach by optimizing to real-time conversion data from other channels, including online and offline channels. Most importantly, the system reacts quickly to changes in campaign performance that may result from events like a new competitor entering the market, a change in budget, a big sale, or even external effects like the weather, in order to deliver ROI. This helps marketers respond in the moment and capture opportunities as they arise ensuring they are poised to maximize campaign performance.

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Testing for performance, investing in what works

Having experienced mixed results with other automated bidding platforms in the past, Maren Wesley, VP of Global Search, and the rest of the Optimedia team were initially skeptical of the results possible with DoubleClick Search. "We were previously using a different platform and it definitely was not meeting the needs and expectation of our HP programs. So when we started this initial test with DoubleClick Search, we weren't sure what to expect, and were careful to test thoroughly," related Wesley. The team set out to test and compare the DoubleClick Search Performance Bidding Suite with the bid optimization capabilities available through an incumbent SEM platform. "We were looking for proof that the performance for all areas of the program would improve with DoubleClick Search," said Maren Wesley, VP of Global Search at Optimedia.

In partnership with DoubleClick, the teams deployed a 2-phase test to compare campaign performance between DoubleClick Search and the incumbent SEM platform which the teams had been using for several years.

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Exceeding expectations: DoubleClick Search outperforms the incumbent SEM platform

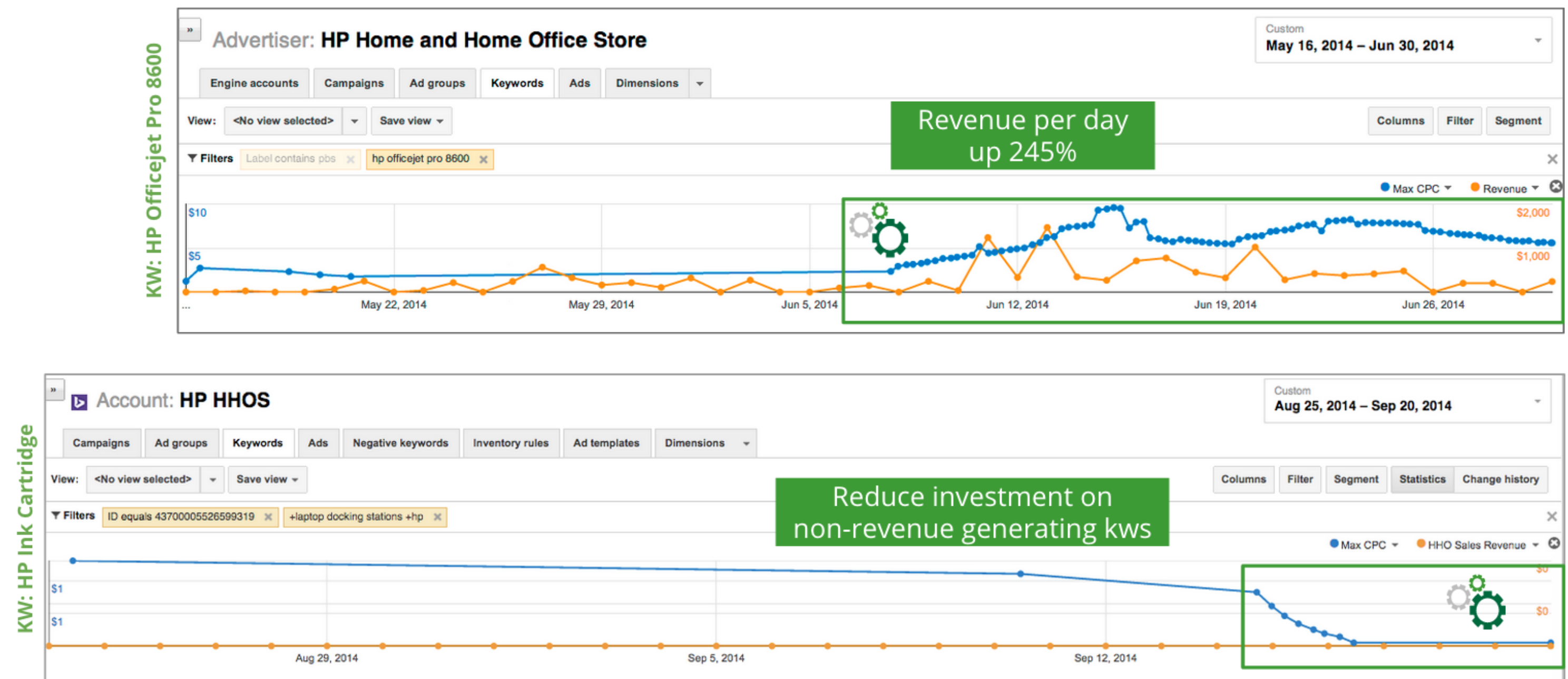
At the end of phase 1, DoubleClick Search bid strategies had reduced costs by 23% and increased revenue by 16%, resulting in a 33% improvement in cost per order dollar (CPOD) versus the incumbent platform. At the end of phase 2, DoubleClick Search bid strategies had reduced costs by 18% and maintained revenue at high levels, resulting in a 17% improvement in CPOD versus the incumbent platform. With these results, the HP and Optimedia teams realized the benefits of real-time data with the DoubleClick Search Performance Bidding Suite. "Bid strategies to the greatest extent, and inventory-aware campaigns also, both create ways for us to get real-time with data and decisions. We want to operate that way - as real-time as possible - and DoubleClick Search lets us do that." said Nick Swan, an account director at Optimedia working on the HP account.

A key performance-driving aspect of the real-time capabilities in DoubleClick Search lies in its ability to spend intelligently across low- and high-performing keywords to maximize performance. For example, the system can find efficient bids across low revenue-driving keywords, and automatically reallocate the savings to increase bids on high revenue-driving keywords.

All the while, the system is designed to simultaneously achieve the marketer's business goal - for HP this was CPOD. Even long-tail keywords with very low traffic are frequently evaluated throughout the day, ensuring the system doesn't miss out on any opportunity when new data is available. During the trial, an estimated 22 million bid evaluations were made by DoubleClick Search. The immediate effects of enabling DoubleClick Search bid strategies can be seen in FIGURE 1 above.

FIGURE 1

For the high-performing keyword 'HP Officejet Pro 8600' keyword, revenue per day increased by 245%, compared with the performance of the incumbent platform. For the low-performing keyword 'HP Ink Cartridge', costs per day decreased almost 100%, compared with the performance of the incumbent platform.



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Another aspect of the real-time capabilities in DoubleClick Search is how aggressively bids can be changed, compared with optimization tools lacking the ability to ingest data - or react - in real-time. This is particularly valuable for reacting quickly to new trends in data (as mentioned above), or, in cases where an aggressive bid proves wrong, it can be quickly revisited by a system that can react to the outcome quickly. In contrast, systems that don't operate on a real-time basis cannot correct bids as quickly, and must act on predictions more conservatively as a result.

Beyond bid decisioning, the HP and Optimedia teams extended real-time capabilities to the campaign creative as well. To do this, they implemented inventory-aware campaigns in DoubleClick Search, which made it easy to populate ads with real-time product information from HP's Google Merchant Center Feed. This ensures that ads always contain real-time details such as product pricing. Inventory-aware campaigns also pause ads for products that are out of stock. "It's a much more automated way to make sure that we're completely buttoned up and that the products that we're running are all for products that are currently available on the site," said Wesley.

Making real-time a part of HP's digital future

DoubleClick Search proved its ability to deliver the capabilities that HP and Optimedia are looking for. The strong results the teams saw from their SEM platform comparison led them to fully migrate to DoubleClick Search as the platform of choice, and as a proven way to realize their real-time and cross-channel goals. Jay Dark, Director of Search and Global Marketing at HP says, "The positive results allowed us to make the decision to switch to DoubleClick Search and because of that decision, we are doing a global rollout across both our B2B and B2C businesses."

As the rollout continues, the resulting cost savings, revenue uplift, and time savings will allow budget and resources to be invested in other areas. For example, DoubleClick Search drove an estimated 13 hours of time savings per week in the testing phase. Now, that time savings can be applied toward higher value activities. Wesley says, "We put up a rigorous test over several months, and really dotted our i's and crossed our t's; we were impressed with the marked performance increase

DoubleClick delivered. Outside of that, we're now discovering that DoubleClick's global support structure and reporting advantages are giving us time savings and efficiencies. It's been a great outcome."



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About DoubleClick Search

DoubleClick Search is a search management platform that helps agencies and marketers efficiently manage some of the largest search marketing campaigns in the world, across multiple engines and media channels. Streamlined workflow and powerful reporting features enables buyers to efficiently run campaigns, while strategic bid optimization improves campaign performance. Native integration with the DoubleClick platform allows buyers to manage and track digital campaigns across a single platform, enabling rich, cross-channel buying, reporting and attribution.

About Optimedia

Optimedia is a media agency that specializes in strategy. Its proposition is summed up in the expression “Never Settle, Never Stop.” Optimedia is an agency that loves to challenge. Optimedia is owned by Publicis Groupe, the largest media agency services group in the US. It is part of the ZenithOptimedia Worldwide Network.

About Hewlett Packard

HP creates new possibilities for technology to have a meaningful impact on people, businesses, governments, and society. With the broadest technology portfolio spanning printing, personal systems, software, services, and IT infrastructure, HP delivers solutions for customers' most complex challenges in every region of the world.