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CASE STUDY

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Moving a water treatment company from a negative marketing ROI to a 10x ROI in less than 6 months



All numbers are pulled directly from our client's Google™ and Facebook™ ad accounts.

THE PROBLEM...

\$387 Cost/Lead
\$1000 Cost/Sale

This client came to us with a very typical problem. Their current marketing efforts online weren't generating very many leads, and when they calculated the cost per lead, it was staggering - to say the least. When they added up agency fees, website hosting, and Google costs, they paid \$387 on average for each lead and they were closing in on \$1000/sale, leaving them with a negative ROI (return on investment).

They came to us stressed out and skeptical, but they were ready to work with a company who tracked results, generated consistent leads, and would be transparent with their marketing efforts so they could know what was working.

THE BEGINNING

Gaining a Clear Understanding of:

- Their business strategy
- Their product mix (sales vs. rentals)
- Local variables such as water quality, demographics, and competitors

The first month with the client was spent analyzing previous data to better understanding their business, product mix, and local variables such as water quality, demographics, and competitors. This client had served their local area for over 20 years and built a reputation as an excellent water treatment company with a focus on service.

Our team launched a new Google Ads strategy with the initial ad spend set at \$2000/month as well as a Facebook Ads campaign, which ran at \$1000/month. After working nearly 10 years with clients who have ad spend budgets of \$500/mo or more, this budget was considered an optimal place to start for their market size and water quality.

We launched in early October 2018, coming into Q4, which had been a slow quarter for leads and sales in previous years for them.

1. ADWORDS STRATEGY

For any one of our water treatment clients, we are bidding on over 3,000 keywords. Each market is different, which is why we typically start with every keyword running – so we can determine without bias what works in that market - before we begin optimizing. We connect Google Analytics to AdWords, in order to track each inquiry back to the Keyword, Ad, Ad Group and Campaign, when someone fills out a

form or calls their tracked phone number.

Typical marketing agencies don't know if a web contact is a current customer, a lead, or a vendor.. This is why we have created ways to work with our clients, so we can track web form submissions and phone calls, leading all the way to the sale.

The results are quite astonishing.

1

Tracking leads and sales back to the keyword in AdWords, which initiate the inquiry, is imperative to know what's working and what's not.

2

Audience, offer, image, and copy testing using rapid-fire experiments weeds out the good from the bad and allows for improvements, much faster than sequential testing.

2. FACEBOOK STRATEGY

Over the years, we've had the opportunity to take over many Facebook ad campaigns from other agencies when a client switches to Lamplight Digital. We typically see boosted posts and efforts to get "likes" to the client's Facebook Fan Page - neither of which typically result in cost-effective leads.

Our strategy is quite different, as we employ what we call rapid-fire experiments to quickly learn which audiences, offers, images/videos and copy work best in our clients' markets to get real leads & sales.

THE RESULTS - THE 99/1 RULE

The 80/20 rule (aka the Pareto Principle) is outdated when it comes to technology and digital marketing. Now it's the 99/1 rule.

The image below shows that out of all the keywords we're bidding on for this client, there are just a handful generating real revenue.

Frequent communication with our client allowed us to know exactly which keywords were performing well and which weren't. Then, knowing which ones were generating revenue, we adjusted the

bids and budget to get the most out of the best performing keywords.

We also cut back on the keywords that generated contacts but didn't turn into real leads and sales. This helped qualify the best leads and maximize our client's return on their marketing spend.

Keyword	Campaign	Ad group	Status	Max. CPC	Impr.	Clicks	CTR	Cost	Avg. CPC	Conversio	Cost / conv.	Conv. rate	↓ Conv. value
Removed keywords					44,141	1,147	2.60%	\$7,813.15	\$6.81	202.03	\$38.66	17.64%	36,490.29
water softeners	LDM Mobile	Softener	Eligible	\$10.00 (enhance)	2,452	94	3.83%	\$895.87	\$9.53	18.00	\$49.77	19.15%	5,719.00
water softener	LDM Desktop	Softener	Eligible	\$8.09 (enhance)	5,528	170	3.08%	\$1,727.19	\$10.16	10.53	\$164.05	6.19%	5,365.29
[redacted] reverse osmosis	Maximize Conversion Desktop	Reverse Osmosis	Eligible	—	3	1	33.33%	\$8.34	\$8.34	2.00	\$4.17	200.00%	5,325.00
[water purification companies]	LDM Desktop	Purification	Eligible	\$10.00 (enhance)	5	1	20.00%	\$3.21	\$3.21	4.00	\$0.80	400.00%	4,255.00
+water +softener	LDM Desktop	Softener	Eligible	\$6.80 (enhance)	1,693	38	2.24%	\$250.84	\$6.60	3.00	\$83.61	7.89%	3,700.00
"water softener systems"	LDM Mobile	Softener	Eligible	\$29.50 (enhance)	17	1	5.88%	\$2.82	\$2.82	4.00	\$0.71	400.00%	3,610.00
water softener system	Maximize Conversion Desktop	Softener	Eligible	—	761	30	3.94%	\$337.76	\$11.26	13.00	\$25.98	43.33%	3,150.00

★ Instead of looking for a needle in the haystack, now the needle jumps out of the haystack and says, "Here I am!"

THE Q1 2019 FINALE

\$75.89 Cost/Lead
\$241.58 Cost/Sale
9.62x ROI

At the end of the first quarter of 2019, we totaled the major performance metrics and calculated the client's ROI. This includes all online spend, including the monthly investment with Lamplight Digital as well as Google AdWords and Facebook Ads costs.

Metric	March '19	February '19	January '19	Q1 2019
New CA Visitors	1001	932	1016	2,949
Total Spent Online	\$5,583.94	\$4,215.55	\$4,695.18	\$14,494.67
Total Leads	70.00	44.00	77.00	191
Investment/Lead	\$79.77	\$95.81	\$60.98	\$75.89
Sales from Online	\$65,425.00	\$38,467.00	\$50,032.00	\$153,924.00
Return on Marketing Spend	10.72	8.13	9.66	9.62
Investment/Sale	\$206.81	\$324.27	\$234.76	\$241.58

While we obviously have no control of the appointment setting or closing ratios of our clients, sending quality leads and improving our client's digital marketing ROI is at the core of what we do. For this client, we were able to generate a 10x ROI in less than 6 months time.



OTHER VARIABLES

It's important to note, we were simultaneously running scientific a/b tests on the client's website to improve the conversion rate and work to get them more leads, without spending more money. While none of the tests reached statistical significance during this quarter, it is still worth mentioning as a variable to success. We go through this process of testing for most of our clients.

SEO (search engine optimization) also played a role in their digital lead generation strategy. We work continuously to ensure our clients' rankings improve for high-value keywords and we also optimize their presence in online directories and Google Maps.

Email marketing was used to nurture and educate prospects about our client and their products and services.

The client was not running any offline marketing such as TV or radio during this time-frame.

READY TO LEARN MORE?

We offer free **45-minute strategy sessions** to help you identify the biggest areas for improvement in your dealership.

The first step to improving your leads and marketing ROI is to understand where the "holes" are in your marketing funnel. We can help you identify those holes and create a strategy to fix them.

Book Your Free Strategy Session at
ScheduleWithLDM.com

1

Our team will work with you to identify the biggest areas for improvement in your marketing strategy.

2

We'll create a high-level plan with action steps you can take to improve your marketing ROI.

3

If you'd like to work together we can discuss options, however, there's no obligation or pushy sales rep - just us geeks.

"Amanda has gone far beyond our previous experiences with other marketing companies. Her attention to detail and personal touch with our account has yielded tremendous results for us. If you are having issues with quality leads or feel like you are paying for a service where you feel disconnected, reach out to Lamplight Digital and watch your marketing dollars earn the returns you are expecting."

Paul G.
Sales Manager

