

FOUNTAINHEAD^{ME}

ECOMMERCE: CONSULTING + DEVELOPMENT

1100 Broadway, Santa Monica, CA 90401 (844) 691-1363

- 363% PPC Revenue Increase
- 425% increase in PPC orders
- 58% increase in total orders

Success: From Forecast to Sales

After 25 passionate years of educating the world about the healing power of natural remedies, Dr. Richard Schulze brought a lifetime of knowledge to market in 1994. After years of consistent growth and success Dr. Schulze's had reached a point many businesses only dream of, consistent years of multi-million dollar sales and predictable month over month growth.

Then, in the middle of 2018, the bellwether of a decline in sales reared its ugly head, the dreaded plateau. After experiencing several months of flat sales without a tangible explanation as to why, the marketing team at Schulze's reached out to a handful of consultants looking not just for solutions to the stagnation, but for a team with the ability to accurately estimate and forecast the impact of the scope of work would have on sales over the last 4 months of the year. After visiting the FountainheadME offices, the decision was made.

The Crystal Ball

Forecasting and predicting future results is something that most consultancies steer clear of. However, the top priority of the Schulze's team was to accurately predict their final sales numbers for the year. Major decisions about marketing spend, hiring, and other operational matters simply could not be made without an estimate of final sales numbers, and these decisions could not wait until 2019, and important stakeholders wanted an answer.

After performing a comprehensive audit of the detailed and extensive sales history present within Amazon, and identifying shortfalls in the effectiveness of PPC campaigns and estimating the impact of proposed changes, FountainheadME confidently presented the team at Schulze's with their 'crystal ball' figures. After taking into account variables ranging from daily budget to individual keyword bids, and analyzing paid and organic historical search data, FountainheadME predicted that their proposed changes and ongoing management through the balance of 2018 would lead Schulze's to \$3.4M in sales. Schulze's gave FountainheadME the green light. Final sales for 2018 were \$3,418,764.60.

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PPC. It's not Rocket Science. Or is it?

The PPC campaigns were in desperate need of major reconstructive work. This was not simply a case of adjusting bids and budget. The FountainheadME team reorganized similar products into one campaign, differentiated by ad groups. Then, after removing low-performing brand-based keywords, more general keywords from historical search terms present in the account history were implemented. Experimentation raising CPC bids was performed in order to gauge total available market share. After seeing initial improvement, Schulze's authorized an increase in PPC budget from \$18,000/month to \$40,000/month. Expectations were set that ACoS would temporarily increase, but remain profitable. Continued improvement in sales and a reduction in ACoS continued through the month, giving Schulze's the impetus to not only maintain the increased spend, but to increase it by an additional 10% in the following month. The next 2 months (November & December) yielded the best PPC performance Schulze's had ever experienced, with \$59,000 spent and \$211,000 in sales. Historically, December sales numbers had always been less than November's sales number. Under FountainheadME's management, December was the best month on record, not just based on total sales, but by every possible metric measurable:

- December 2018
 - \$334,585.20 Total Revenue
 - \$111,048.23 PPC Revenue (\$34,828.20 spend)
 - 8,856 Total orders
 - 2,799 PPC orders

- December 2017
 - \$210,554.79 Total Revenue
 - \$23,978.50 PPC Revenue (\$4,337.10 spend)
 - 5,631 Total orders
 - 533 PPC orders

- Comparative metrics, 2018 vs. 2017
 - Increase of revenue by 59%
 - Increase of PPC revenue by 363%
 - Increase of total orders by 36%
 - Increase of PPC orders by 425%

In all, the success was largely attributed to the immense improvements to the PPC campaigns, which were the majority of the focus of FountainheadME's strategy.

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The graph below illustrates PPC spend and PPC revenue for 2017 and 2018. FountainheadME was engaged in Q3 of 2018

