GMO Nikko Increases Revenue for Clients by 40% Through Facebook Advertising Whilst Reducing Costs

BACKGROUND

GMO NIKKO is a leading internet advertising agency in Japan and is part of the GMO Internet Group. GMO NIKKO provides cutting edge digital marketing solutions to help brands keep up with sophisticated and discerning consumers in a complex digital landscape. GMO NIKKO developed a unique know-how into performance marketing by utilizing the best-in-class social advertising technology from Kenshoo to ensure brands can seamlessly engage with their consumers online.

CHALLENGE

GMO NIKKO was managing an increasing amount of social advertising campaigns for brands in Japan and the incumbent solution was not adequately keeping up with the volume and speed at which these campaigns needed to be set up, managed, and reported on. The in-house creative team was not being effectively utilized as creative submission was very time consuming, and they needed a solution to be able to streamline this process. Additionally, the impact of social campaigns on conversions was not accurately being measured due to a dated last click attribution model.

GMO NIKKO turned to Kenshoo for a sophisticated, yet agile and easy-to-use, marketing solution that could help their clients scale and manage a growing volume of social spend more efficiently to drive higher performance and more accurately assign attribution. The team wanted to work with a partner that fully understood the requirements and pain points of a busy agency and could respond quickly to their brands demands for new features and developments in social advertising, such as Instagram ads.

SOLUTION

Kenshoo was able to provide GMO NIKKO with a powerful social advertising solution to manage their clients' Facebook campaigns more efficiently with more accurate attribution of performance.

Increased Performance and Time Savings through Automation

For many, the only option available to optimize social advertising efforts is a manual, cumbersome process, adjusting bids and reallocating budgets to achieve performance goals. GMO NIKKO used Kenshoo to reduce time, resources, and any room for potential human error by automating optimization efforts with a highly sophisticated algorithm and rules-based processes to achieve the highest ROI for its brands. GMO NIKKO used Kenshoo's Automated Actions to create and schedule rules and recurring actions for bids, budgets, and status at the ad set level to auto-optimize based on the particular performance goals for each client. This saved the GMO NIKKO team hours of time by eliminating repetitive tasks from daily workflows and by replacing manual bidding.

Improved Measurement and Reporting using Multi-Touch Attribution

Multi-faceted advertising campaigns cannot be properly evaluated by single-point measurement techniques such as last click, which credits the entire value of a conversion against the last ad exposed to the consumer. To overcome this misallocation, GMO NIKKO used one of Kenshoo's several multi-touch attribution models. The "divide equally" model ensured that not just the final touch point was valued as an influencer to action.

In addition, GMO NIKKO helped its brands implement the Kenshoo Pixel to accurately track conversions. GMO NIKKO conducted research that indicated that when using the last click model, the wrong adverts were given sole credit for a conversion, but with the divide equally model, more ads that were influencing action could be valued. As a result, ads weren't automatically disregarded if they weren't the last exposure.

Detailed Audience Targeting and Easy Advert Creation with Kenshoo Personas

Targeting particular audiences based on interests or demographics is one of the main benefits of advertising on Facebook, but GMO NIKKO was able to take this a step further for its clients by using Kenshoo Personas to save target audience segments as templates. This saves time and also allows brands to target their most profitable consumers by shifting from buying ads to buying audiences on Facebook.

GMO NIKKO was able to easily mix and match new creative and audience segments for its brands using a handy drag-and-drop feature. As a result, the team could better test and analyze performance by audience segments to determine what combinations drive the most conversions. GMO NIKKO increased the ROI for clients by spending more budget on the personas that drove the most value. To further maximize results, GMO NIKKO executed A/B testing and used the Kenshoo bulk upload feature and naming templates to gain efficiency and reduce manual processes.

RESULTS

GMO NIKKO was able to reduce the cost of social advertising on Facebook by 30% and increase the revenue generated through Facebook by 40% through the power of sophisticated algorithms, adjusting bids to optimize to the times of day when the conversion rates were highest and reducing bids when conversion rates are lowest.

The agency also saved around 45% on agency staff hours by using time saving features like bulk upload and automating campaign changes, increasing advertising effectiveness by 15%. On average, the agency reduced campaign creation time from 150 minutes to approximately 80 minutes, and Kenshoo Personas has decreased campaign audience set up from 20 minutes to 2 minutes.

In addition, adopting a more sophisticated attribution model has allowed GMO NIKKO to more accurately assess what the Cost Per Acquisition (CPA) is for its brands ads and optimize based on true performance data.

40%
increase in revenue with Facebook

15%
increase in advertising effectiveness

30%
decrease in advertising cost