

 promodo ²⁰¹³

Case
Study

modnaKasta

The screenshot displays the website's header with the logo and navigation links: [Женщинам](#), [Мужчинам](#), [Детям](#), and [Дом](#). Below the navigation is a contact number: **+380 44 355 5555** (круглосуточно) and user options: [Зарегистрироваться / Войти](#) and [Поддержка](#).

Happy Hours banner: **FASHION JEWELRY & ACCESSORIES**. Image of two women wearing jewelry. Text: **Happy Hours/Fashion Jewelry & Accessories**, Коллекция аксессуаров, **-55%**, 0 ДНЕЙ 02:24:01.

Быстро banner: Image of a clock face.

Отзывы section: **Юля, Киев**: Огромное спасибо за мобильное приложение!!!! Вы прямо угадываете что нам необходимо!!!! **Татьяна, Винница**: Очень довольна и настроена и в дальнейшем покупать в своем любимом интернет-магазине обновки для себя и своей семьи!

COLIN'S banner: Image of three people. Text: **Colin's**, Женская и мужская одежда и аксессуары, **-50%**, 1 ДЕНЬ 16:23:01.

Footer: [Посмотреть все отзывы о modnaKasta](#)

About the project

Shopping club modnaKasta is the first Ukrainian online shopping club.

It is a member of Allegro group Ukraine, a part of international media holding Naspers. According to Gemius modnaKasta occupies the sixth position on attendance among all Ukrainian e-commerce projects.

The shopping club was founded in 2010. By the end of 2012 the number of club members had exceeded 1.5 mln. users. In 2013 modnaKasta was recognized as a Breakthrough of the year in the category For Outstanding Achievements on the e-commerce market under the Ukrainian E-commerce Awards. Besides, the shopping club entered the shortlist of the X-Ray Marketing Awards.

Business model of modnaKasta differs from classic internet stores. The shopping club provides opportunity to buy the famous brand product at a discount during some limited period of time. On average the discounts on the products make from 20 to 90%. The goods of one or several similar brands are united in special actions with a limited duration: from 4 hours to several days. New actions start twice a day – at 6 a.m. and 12 p.m., and are announced by the members of the club by personalized email newsletters.

The main product range is clothes, footwear and accessories. Toys, household goods, alcohol beverages are also among the proposals of the shopping club. According to the internal statistics of the company the offers range of the shopping club totals 500 foreign and Ukrainian brands at the end of 2012. The particular supplement for devices on iOS and Android has been developed due to which users can shop using mobile gadgets.

Till November 2012 the shopping club was closed and only registered users could shop or even look through the product range. Today you need registration only to make a purchase.

« The idea of our model is very simple. We let the suppliers sell the remains of stock very quickly. For this we organized a number of people (more than 1.5 mln.) who get offers of discounts for brand products from us every day – it is a huge potential in purchasing power. Working with such volumes we of course can speak of great discounts with our suppliers.»



Andrey Logvin

General Director and co-owner of «modnaKasta»

The Task

Increasing sales by more quality and efficient attraction of target audience with the help of the main tools of e-marketing, gaining loyalty and strengthening the company brand.

The Tools

According to the strategic development plan in order to achieve the set goal the following tools of e-marketing were used:

- Search context advertisement in Google using Google AdWords;
- Media advertisement in Google Display Network using Google AdWords;
- Re-marketing;
- Search context advertisement in Yandex and advertisement in the Internet using Yandex.Direct;
- Reputational marketing;
- Search promotion and optimization of detailed structure of landing pages, brand pages, filter and blocks.

Key performance indicators (KPI)

To estimate performance the following indicators were determined:

- *An average check*
- *The number of registrations and transactions – the time period from the moment of registration*
- *Before the transaction moment*
- *Repeat purchases*
- *Changing dynamics of growing brand-queries*
- *The number of negative reviews in Search Results.*

At the moment when the advertising campaign started the shopping club was closed, that means accessible only for registered users, and the main KPI of the work was the cost of one user registration, which was \$2,5-3.

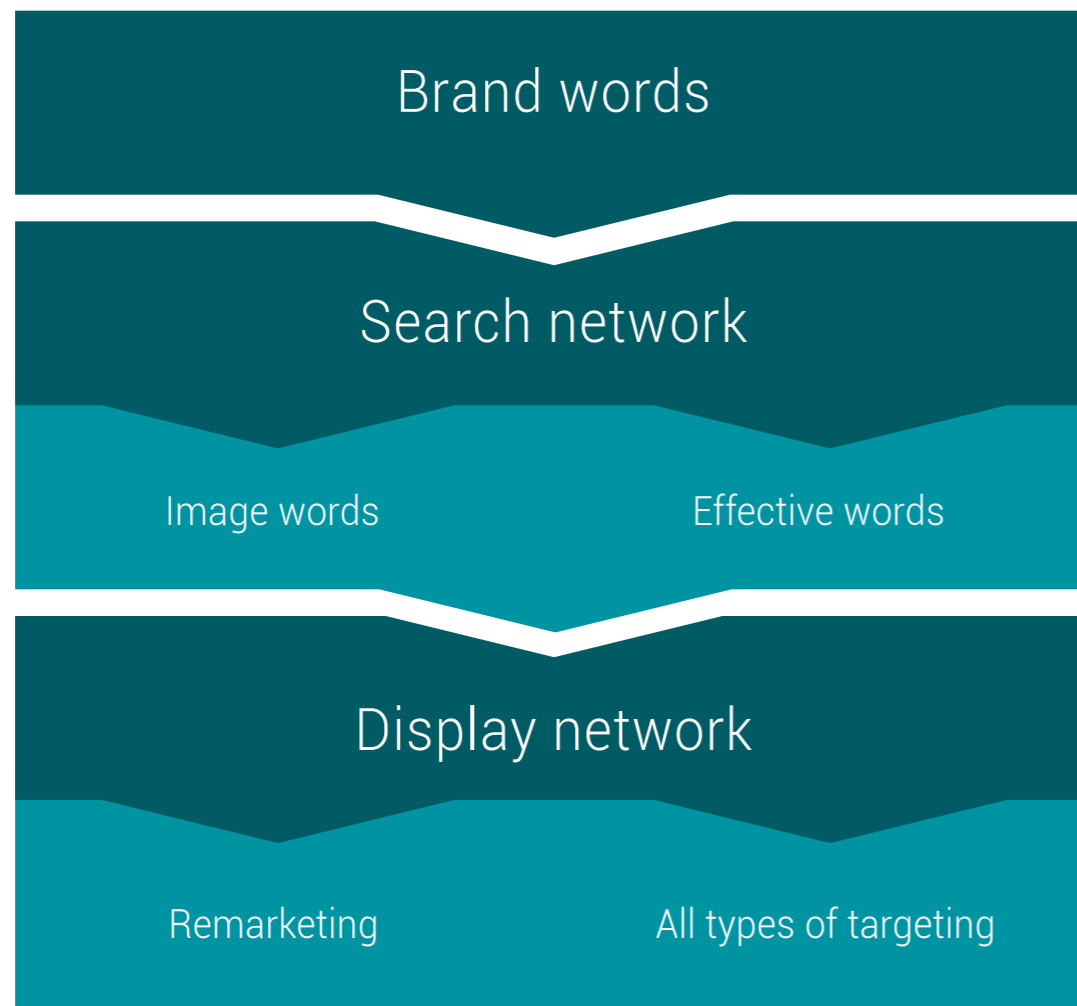
After November 2012 the shopping club moved to a new model «Login to buy» and the product range of the site was opened for all users. Transactions became the main KPI.

The Decision

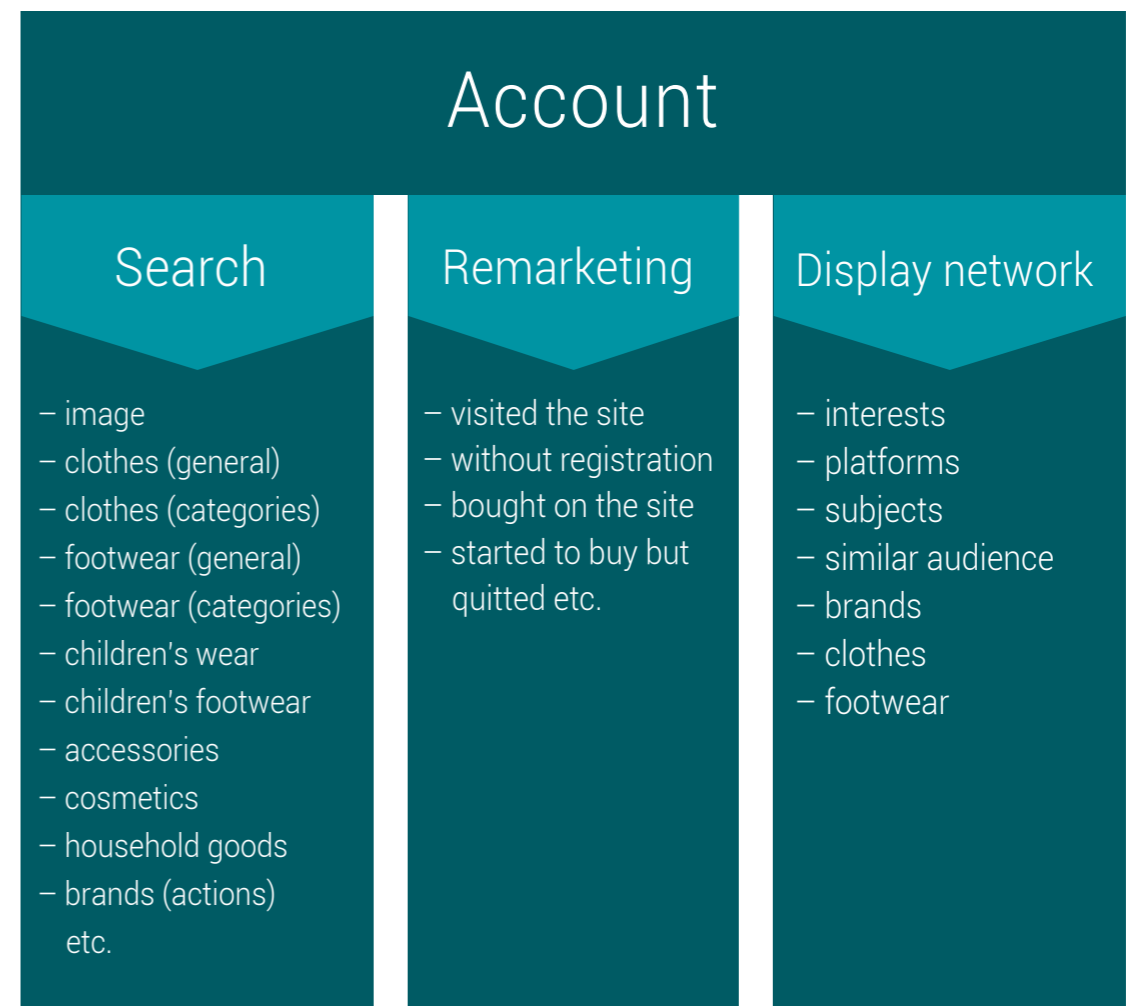
The decision was made to reform the structure of Google and Yandex advertisement accounts and customize the own unique remarketing lists.

Besides, it was decided to use the landing pages structure of brands, filters and blocks for search promotion.

Semantic structure of the account



Physical structure of the account



Such changes helped revise the whole advertisement campaign and achieve the goals set. While customizing the new structure of advertisement accounts remarketing was included and this also allowed achieving tangible results.

Remarketing or retargeting is a function which allows turning to the users who visited the site before. The announcements can be shown to such users when they visit other sites in the Google Display network.

Remarketing audience was created by the following criteria:

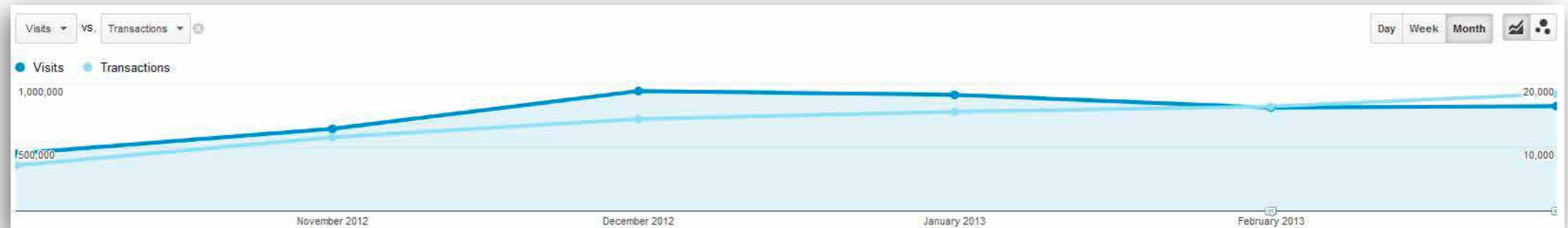
- Users who visited the landing pages and left them;
- Users who started to log in but didn't confirm their account from their e-mail;
- Users who visited the site but didn't buy;
- Users who bought on the site;
- Users who started to buy but quitted.

At the stage of introducing advertisement campaign the following users were also included in remarketing audience:

- Users who visited particular site sections: clothes, footwear etc.;
- Users who visited the single brand page. These users were informed about the start of a new brand action by media advertisement.

The results

Due to the complex usage of different tools of e-marketing we have managed to increase the traffic, sales volume and number of transactions. The average check has also grown.



The graph of the change in traffic amount and Google transactions

x2

The traffic doubled: from 447 249 in October
to 925 216 in December

+ 226 %

Sales volume grew by 226 %

X 3,5

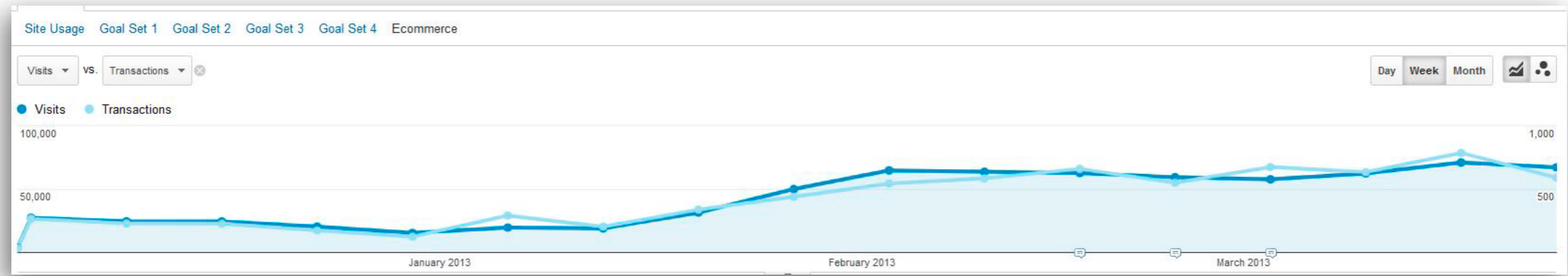
The number of transactions increased more than 3.5-fold: from 3 838 in October to 14 048 in December

30%

The average check grew by 30%

The results

Due to the complex usage of different tools we were able to increase the traffic, sales volume and the number of transactions and also decrease the cost of attracting one user.



The graph of the change in traffic amount and Yandex transactions

Yandex

x3

The traffic increased more than three-fold:
from 157 143 in December/January 2012/2013
to 526 249 in March/April 2013

+ 273 %

Sales volume grew by 273 %

x 3.5

The number of transactions increased more than 3.5-fold:
from 1 583 in December/January 2012/2013
to 5 911 in March/April 2013

-34%

The cost of attracting one customer reduced by 30%

Reputational Marketing (SERM)

Due to the complex of measures on Reputational Marketing the following indicators were achieved:



The number of positive reviews grew from 26 to 31



The number of negative reviews in Search Results was reduced 6.5-fold: from 53 at the start point to 8 at the current stage



The number of neutral reviews in Search Results increased almost 3-fold: from 11 at the start point to 32 at the current stage

Brand queries

Due to optimization of the landing pages structure we managed to increase the number of visits and transactions on brand queries from the Search Results:



At the same time the graph of the number of visits and transactions with Google AdWords without brand queries but considering media advertisement has also changed:



Thus, we managed to make context and media advertisement more effective.

The total result of advertising campaign



Increase of monthly traffic by 200%
(about 800 thousand visitors)



An average cost of transfer to the shopping club site
reduced two-fold



The volume of monthly sales grew more than two-fold
from 8 645 to 19 463 units of products



The average check grew from \$58 to \$65

What is next?

Promodo company and the shopping club modnaKasta are not going to rest on their laurels. Currently the work is done on three fronts:



PPC: Revision of site structure, introduction of static landing pages of catalogues and brands. Specification of search campaigns, work with narrower remarketing audiences. Attraction of new registrations using special landing pages, search remarketing in the network.



Reputational marketing (SERM): monitoring customer's reviews, work on reducing amount of negative in the internet.



Search promotion: adding landing pages to search promotion, work on promoting blog and brand pages.

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