

## Multichannel Retailer Uses Targeted Content to Segment Online Visitors and Improve Conversion Rates

Wholesale Tool's marketing team uses Sitebrand to customize the website experience for specific audiences and gain unprecedented control over what promotions are seen by each customer...with dramatic results...

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#### Location

- Headquartered in Warren, Michigan, USA
- Seven store locations: Michigan, Indiana, North Carolina, Oklahoma, Florida, Texas, and Massachusetts



#### Key challenges:

- Offers intended for specific market segments were seen by all website visitors
- Inability to launch helpful campaigns to help "stuck visitors" (and reduce shopping cart abandonment)
- Need to integrate direct marketing initiatives such as (email and catalog marketing) with special online offers

#### Solution:

- Using Sitebrand to launch various campaigns that accurately targeted specific visitor segments

#### Results:

- Complete control over what campaigns are seen by different visitor segments
- Measurable increases in conversion rates
- Tremendous insight to what marketing campaigns work best for different visitors
- Creation of an online experience that mirrors a friendly, helpful in-store experience

Established in 1960 Wholesale Tool provides a full supply of name brands and quality imported tools for consumers and industry. With seven stores strategically located across the United States the Company is as good an example of a multichannel retailer as you are likely to find. Stores are supported with bi-monthly flyers and a massive 860+ page mail order catalog with over 50,000 items.

In 1999, Wholesale Tool launched a simple website to extend its marketing reach to all buyers across the United States. Today the Company's site features 100% of its product inventory and a:

- Live chat option, enabling online buyers to immediately talk to a knowledgeable customer service representative
- Smart, third-party search engine to help visitors find relevant products more quickly and easily

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***Jason Cherwak, Marketing Manager,  
Wholesale Tool***

### The need for better marketing control

Although Wholesale Tool's website provides access to its full product line, the company's marketers lacked the ability to precisely target specific customer segments with relevant content. Special incentive promotions intended for first time visitors were seen by everyone. Jason Cherwak, Marketing Manager for Wholesale Tool comments on the growing problem: "We ran different types of promos for our online customers that we had absolutely no marketing control over. Returning customers were clicking on our 'first time



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Jason Cherwak, Marketing Manager, Wholesale Tool

visitor’ promotions and trying to get the discount. Having special offers seen and clicked on by the wrong audiences started to become a real marketing management issue.”

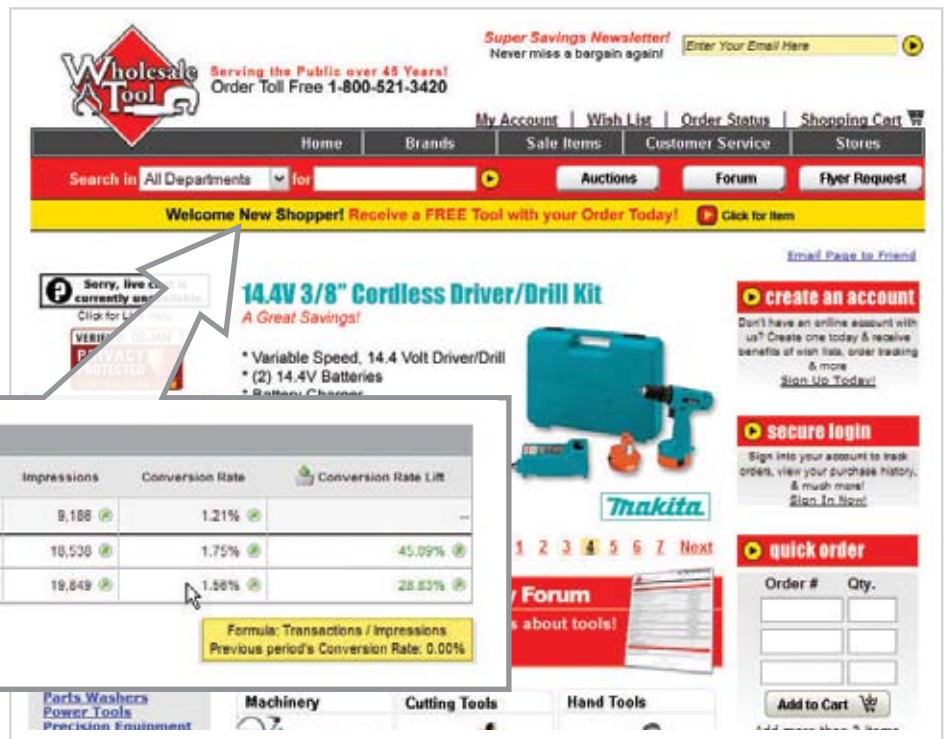
## A ‘phenomenal’ segmenting solution

The search for an e-Commerce solution that would enable the marketing team to easily and accurately target specific customer segments with special promotions led Wholesale Tool to Sitebrand. “I did a lot of research for a new eCommerce type solution. Other vendors offered similar features to what Sitebrand has but those solutions were extremely expensive and seemed better suited to Fortune 500 companies. By comparison, Sitebrand is very affordable...and the visitor segmentation features are phenomenal. You really get a good bang for the buck, plus the customer service is just over the top,” says Cherwak.

Sitebrand enables online marketers to quickly and easily establish campaigns for different audiences based on a range of criteria including: referring domains, key word searches, returning customer, geo location, and more. “Getting control over what marketing campaigns our visitors saw was a dramatic improvement, but there are many different types of targeted marketing initiatives that you can do with Sitebrand,” notes Cherwak. “Just the idea of being able to present a special campaign to a specific visitor segment that you marketed to through other marketing channels such as email, a flyer promotion, or the catalog is powerful. For the first time, we are able to tie all these marketing tactics together [using Sitebrand] to create an integrated, holistic program.”

**Figure 1:**  
Marketers can simply ‘point and click’ to evaluate conversion lift

The partial screen capture of the home page (right) highlights one of two creative offers targeting first time visitors. Both campaigns were monitored over a 30 day period and compared conversion results to generic control content. The tests reveal that a free knife order is a more compelling incentive to first time visitors than a 5% discount. First time visitors that saw the knife offer had a 0.54% higher conversion rate than visitors that only saw control content, and a 0.19% higher rate of conversion than those visitors that saw the 5% discount offer.





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Jason Cherwak, Marketing Manager, Wholesale Tool

## Quick ramp-up

Sitebrand's *Blueprint for Success* services guided the entire implementation. This is a comprehensive, 90-day program that includes an initial assessment to determine areas of the site where visitors are abandoning their search, recommendations on how to introduce Sitebrand, immediate best campaign practices to run for quick time to ROI, and ongoing training from analytics savvy customer services representatives. “The customer service part is worth every penny. You just don't get that everywhere,” says Cherwak. “You really get a lot of help that ensures you are going to get the full use of the tool – and that you are going to be able to market to every type of customer that comes to your site,” he adds.

## Top conversion campaign

One of the first marketing campaigns implemented by Wholesale Tool targeted first time visitors with persuasive new content. Cherwak describes how this marketing initiative works: “If the customer has never been to our site before, we show them a special marketing banner that gives them a discount on their first order or a free tool offer if they purchase from us during that visit.” These continue to be among Wholesale Tool's top performing online marketing campaigns. “The conversion from that [first time visitor] campaign was half-a-percent (0.5%) greater when compared to the control banner,” reports Cherwak (see figure one for a screen capture of actual campaign test results).

## Instantly see ROI

Sitebrand comes standard with *Reporting Manager*, an intuitive dashboard style analytics tool that enables marketers to quickly and easily evaluate the conversion lift from all campaigns. Conversions are always compared to a control campaign that presents generic content. Figure one illustrates the type of data marketers like Cherwak have fingertip access to using Sitebrand's *Reporting Manager*. “I really love the features that this tool comes with,” comments Cherwak. “Sitebrand has awesome analytics that allows you to quickly view the ROI of certain ads. You can see instantly what ads are working and what ads aren't. Plus it is really easy to use their tool to set up these different banners. And of course you have their customer service if you ever need any help.”

## Geo targeting drives in-store traffic

Geo-targeting to drive more customers into retail stores was also one the first types of campaigns run by Wholesale Tool. “The idea came up because a lot of customers were leaving comments [on the website] that they didn't know that we had a store near them,” says Cherwak. Using zip codes, Sitebrand enabled Wholesale Tool to target customers that lived within a 25 mile radius of any store. “I would fire a banner that would say ‘Hey, we are just around the corner from you, why don't you stop in?’ We immediately saw the comments about not knowing we had a store in those locations drop,” says Cherwak.



## About Sitebrand

### Retail focus

Eight-year track record of helping E-tailers and multi-channel retailers convert more visitors into online or in-store buyers.

### Unique real-time technology

Solutions use advanced predictive technology to personalize the website experience of every visitor in real-time.

### Comprehensive services

Solutions are backed by professional services to ensure fast time to ROI.

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## Creating an “in-store” experience – online

Wholesale Tool also uses Sitebrand to create a friendly “in-store” type of experience for web visitors. This is accomplished by presenting helpful suggestions to visitors in much the same way that an in-store product consultant would to an in-store visitor. In so doing, marketers are able to ensure greater brand continuity through a common user experience, regardless of whether the customer shops online or in-store. An interesting example of this is a “stuck shopper campaign” ran by Wholesale Tool using Sitebrand. If a visitor clicked through a certain number of pages and still hadn’t purchased, they would trigger a special banner promoting the search feature. “From that banner we got a 0.45% increase in the conversions over the control banner: ‘Welcome to Wholesale Tool, we hope you have a great day!’ says Cherwak.

## The direct marketing future looks bright

Going forward, Cherwak is very excited about integrating Sitebrand with other elements of Wholesale Tool’s direct marketing program. “We plan to integrate Sitebrand with various marketing channels by displaying custom messages to people that received an email or catalog and welcome them in a unique way. I can’t wait to dive into that capability!” says Cherwak.

## Other Experts Say...

*Daniel Shields, Chief Analyst/Co-Founder for Wicked Business Sciences, a strategic consultancy that provides expert services in analytics, testing and optimization, comments on the Wholesale Tool strategy:*

“Segments play a crucial role in successfully moving to act on data from analytics. Wholesale Tool knew they had to speak directly to those segments in order to make any use of their data.

Sitebrand simply provided them with a means to identify the types of people who visit their site. Once that was done, it was a matter of analyzing what motivated each of those segments to act. By making improvements based on their analysis they were able to create a dialog and more appropriately open their brand.

It’s a great testament to the skills of the folks at Wholesale Tool as well as the services provided in the new Sitebrand solutions.”