TULA

Using Performance Branding to Sell More at the Top of the Funnel

CLIENT

TULA is a probiotic skincare brand based in New York. They specialize in high-end products that utilize natural probiotics, healthy superfoods, and targeted safe ingredients to refresh and revitalize skin.

CHALLENGE

Buyers today are fairly particular about the skincare brands they use and tend to be loyal to brands once they find a good fit, so enticing users away from other products is a hurdle for any new name in the space. At the same time, the industry is exploding with innovative lines and skincare regimen trends, saturating the market with options. TULA aimed to overcome those hurdles by offering a low-cost, negative-margin trial kit to help introduce the brand to new users. Potential buyers are more amenable to purchasing the trial kit due to the low sunk cost, as well as the perceived benefit of discovering their next beloved product.

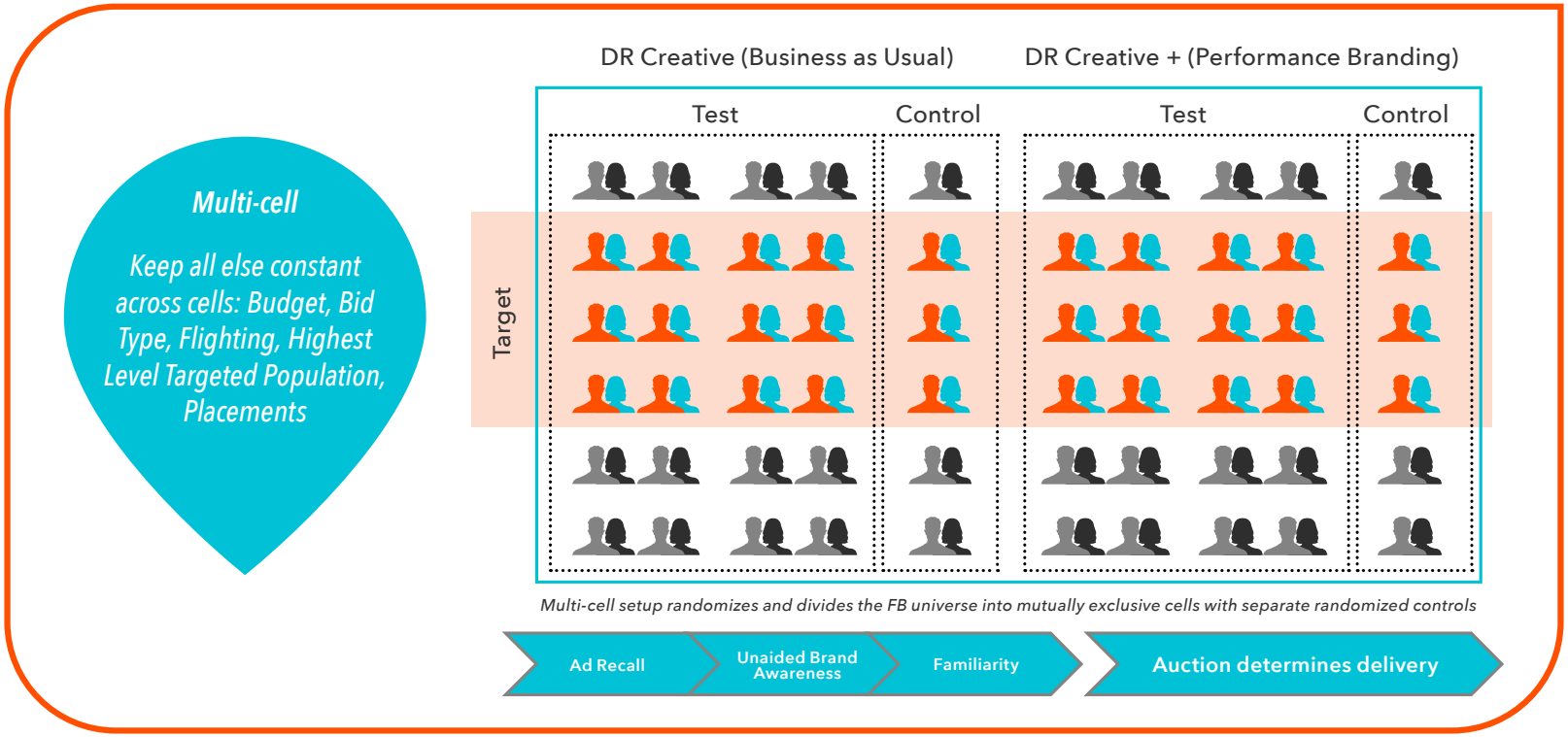
The trial kit saw strong acquisition sales, but also had a disappointing post-trial kit purchase rate (of full-size products) and a low overall ROAS. On the other hand, TULA's ads for their full-size products achieved successful margins in retargeting and retention campaigns, but when it came to acquisition campaigns they delivered a high CPA and a low ROAS.

Could their full-size products achieve acquisition campaign success like the trial kit, hitting target CPA/ROAS? Working together with the Facebook Data Science team, 3Q sought to hit top-of-the-funnel goals with direct response ads.

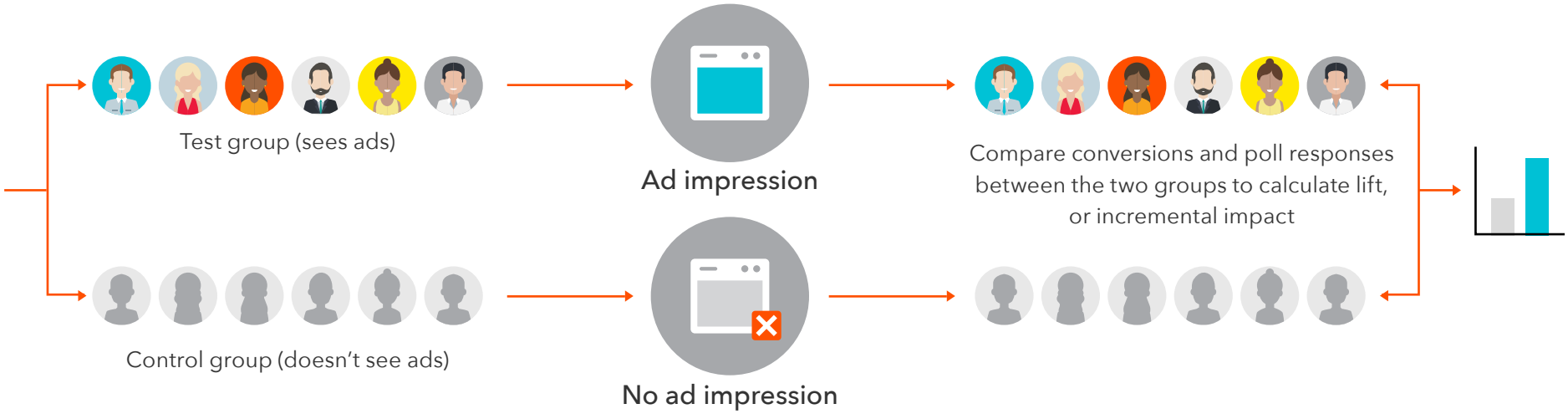
SOLUTION

Working in tandem with Facebook, we ran a performance branding test. This consisted of running more direct response-focused creative at the top of the funnel, and brand-focused creative at the bottom. Together, this was an effort to drive more conversions throughout the entire funnel rather than just relying on sales of the full-size products solely at the bottom.

Facebook helped the team design a multi-cell hold-out lift test, which combined Facebook's brand lift test with a conversion lift test. The goal was to use the combined lift tests to quantify TULA's incremental return on investment for both direct response action and ad recall, unaided by brand awareness, and familiarity.



For the duration of the test, everything remained constant in both cells, with the exception of the acquisition-focused creative. Budgeting, bidding, targeting, etc. were all aimed at top-of-funnel delivery. In the first test cell, we ran our business-as-usual ad creative that focused on the low cost, low barrier-to-entry, trial kit. In the other cell, we ran a variety of ads focused on TULA's full-size products. Within each cell there was a test and a control group; the control group was 30% of the total reach, or 15% for each cell. For each cell there was also a target group that received brand lift study questions, which ask users if they recall seeing specific ads from a number of brands in the past 24 hours.



RESULTS

After comparing conversions and poll answers between the two cells, we found that the direct response + performance branding cell had a 331% higher lift in conversion from people who saw the TULA ads than the direct-response control comparison. We also found that our direct response + performance branding strategy for the full-size product ads resulted in a 37% incremental lift in conversion and a 30% lift in a users' likelihood to view additional products.

Incremental CPA for the direct-response "business as usual" strategy ended up being more efficient for the trial kit, but incremental ROAS was slightly better with the performance branding strategy applied to the ads for the full size products, likely due to price point differences. We also found that the full-size product strategy built significant brand awareness (up to 3-4x the norm) when creative best practices are followed with strong branding, video, and a strong call-to-action. Lastly, the full-size direct response + performance branding prospecting drove greater ad recall than the trial size strategy.

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