Case Study: Performance Marketing for a New Range of Basketball Products

Objective:

Drive maximum online sales for a new range of basketball products during a 2-month launch period co-created with the NBA. The products are primarily basketball, jerseys and shoes.

Budget : 25 lacs

Channel Spend Allocation

1. **Search Engine Marketing (SEM):** Allocate 40% of the budget here due to high intent- Google Ads
2. **Social Media Advertising:** Allocate 30% of the budget. Utilise Facebook, Instagram, and Twitter for brand awareness and consideration.
3. **Affiliate Marketing:** Allocate 10% to partner with basketball-related websites and influencers.
4. **Email Marketing:** Allocate 10% for building and nurturing your subscriber list.
5. **Content Marketing:** Allocate 5% for creating engaging content around the products.
6. **Display Advertising:** Allocate 5% for retargeting ads.
7. **Re-marketing:** Allocate 5% for dynamic remarketing on Google Ads.

Bidding Strategy:

Search Engine Marketing (SEM)

1. Target a mix of high-volume and long-tail keywords related to basketball products, such as "basketball shoes," "NBA jersey," and "basketball sale."
2. Use a variety of match types, such as broad match, phrase match, and exact match, to ensure that your ads are seen by a wide range of potential customers.
3. Use a mix of manual CPC bidding for better control and Smart Bidding strategies like Target ROAS (Return on Ad Spend) to maximise revenue.

Social Media Marketing

1. Target ads to basketball fans on platforms such as Facebook, Instagram, and Twitter.
2. Use a variety of ad formats, such as image ads, video ads, and carousel ads, to create engaging and visually appealing ads.
3. Use automatic bidding options to allow the platform to optimise for conversions.

<u>Display Advertising</u>

1. Target ads to basketball fans on high-traffic websites and apps.
2. Use a variety of ad formats, such as banner ads, native ads, and video ads, to reach your target audience with relevant and timely ads.
3. Use Cost-Per-Thousand Impressions (CPM) bidding.

<u>Affiliate Marketing</u>

1. Set up performance-based commissions to motivate affiliates.

Target Audience & Custom Segments:

- Basketball enthusiasts, NBA fans, and amateur players.
- Target each market- Geo segments (Bangalore, Delhi/NCR, Pune, Mumbai) separately.Create custom segments for basketball fans in each of your target Geo-segments.
- Segment by age, gender, and interests to tailor ad copy and creative.You can use a variety of data sources to create these segments, such as website visitors, social media followers, and email subscribers.
- Use lookalike audiences and retargeting lists for a more targeted approach.

Campaign Structure:

<u>Search Engine Marketing SEM</u>

Ad groups: Product categories (e.g., basketballs, jerseys, shoes) and brand names (e.g., NBA)

<u>Social media advertising</u>

Ad groups: Age groups, gender, and interests

<u>Display advertising</u>

Ad groups: Product categories, brand names, and interests (e.g.,

basketball, sports, fitness)

Geo Targeting:

This budget allocation is based on the population and potential in each city for the new product range. However, the actual budget allocation may be adjusted based on the results of the campaign.

- Mumbai: 35%
- Bangalore: 25%
- Delhi/NCR: 25%
- Pune: 15%

Key Performance Indicators (KPIs):

- Website traffic
- Click-through rate (CTR)
- Conversion rate
- Cost per acquisition (CPA)
- Return on ad spend (ROAS)

Communication and Creative Strategies:

- **Search Engine Marketing(SEM)**- Create compelling ad copy and landing pages that highlight the unique features and benefits of the new product range.
- **Display advertising-** Use eye-catching visuals and relevant keywords to target potential customers who are interested in basketball.
- **Social media advertising-** Create engaging content and run targeted ads to reach NBA fans and people who are interested in sports and fitness.
- **Affiliate marketing-** Partner with relevant websites and blogs to promote the new product range and offer exclusive discounts and promotions.

Optimization Plan:

- Monitor campaign performance closely and make adjustments based on real-time data as needed to improve results.
- Use Google Analytics and other tracking tools to identify which keywords, ad groups, and channels are driving the most traffic and conversions.
- Continuously A/B test ad copy, visuals, and landing pages for better conversion rates.

- Implement negative keyword lists to reduce irrelevant traffic.
- Use demographic data to fine-tune audience targeting.
- Implement cross-device tracking to optimize the mobile and web user experience.
- Regularly assess the performance of affiliates and replace underperforming partners.

Additional Considerations:

- **Seasonality:** Basketball is a seasonal sport, with the NBA season running from October to June. It is important to take seasonality into account when planning the campaign budget and schedule.
- **Competition:** There are a number of other companies that sell basketball products. It is important to differentiate the new product range from the competition by highlighting its unique features and benefits.
- **NBA partnerships:** Leverage the NBA partnership to promote the new product range. For example, you could offer exclusive discounts to NBA fans or partner with NBA players to create promotional materials.

Conclusion:

App & Web traffic is 50:50
On app, our conversion rate is around 3.5%
On web, our conversion rate is around 2%

Based on the information provided above and with an average order value of 1,000 INR, the expected revenue for the campaign is 12.5 lacs. This is calculated as follows:

(0.5 * 0.035 * 12.5 * 1000) + (0.5 * 0.02 * 12.5 * 1000) = 12.5 lacs

The first term in the calculation represents the expected revenue from app traffic, and the second term represents the expected revenue from web traffic.

It is important to note that this is just an estimate, and the actual revenue may vary depending on a number of factors, such as the quality of the ads, the effectiveness of the landing pages, and the overall market conditions.

Performance marketing is an iterative process, and ongoing analysis and adjustments are crucial to achieving the best results. The success of the campaign will depend on the ability to adapt and optimize based on real-time data and feedback.