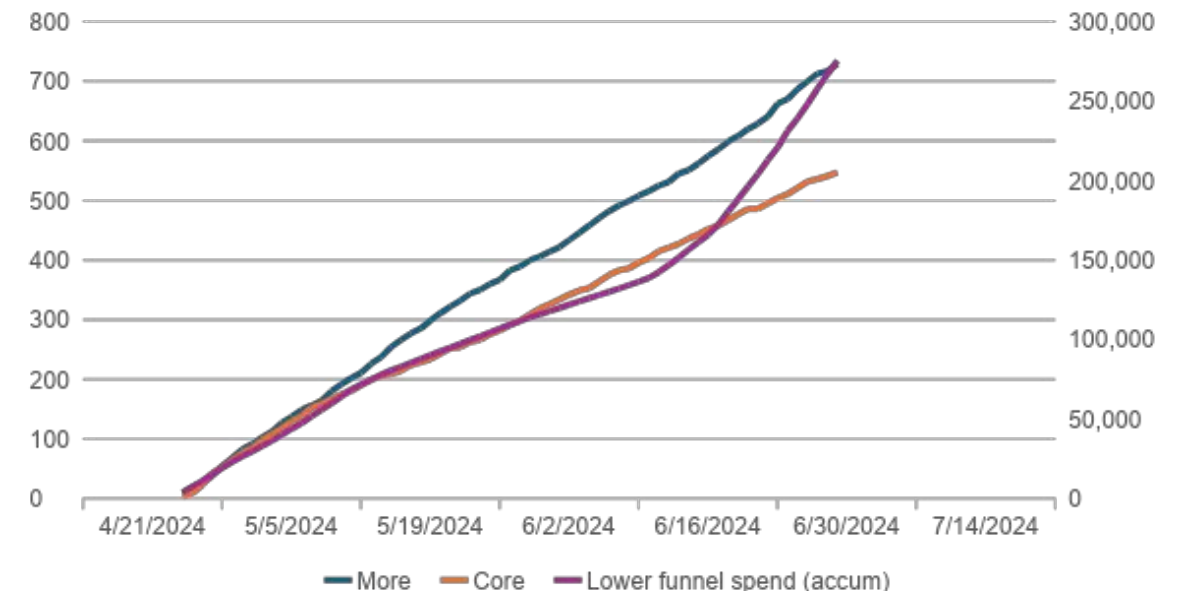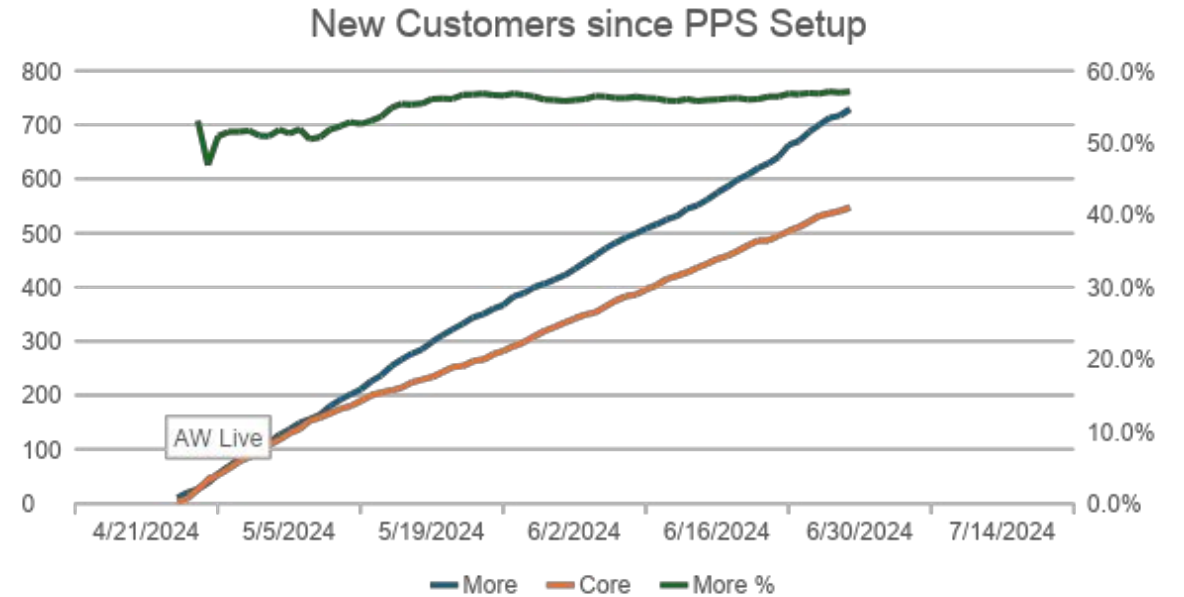# Core vs More

Methodology

- Took all PPS results by day and bifurcated between Core (Medxx) and More (everything else).
- Applied the ratio of responses against the total number of new customers acquired that specific day.
- There is likely a small bias towards Core given that Medxx followers tend to have a higher response rate, as our April Customer Survey and Existing Customer Survey results have shown.

Analysis

- Survey start coincided with AW Live 4/27-4/28.
- Initially Core and More growth paced at the same rate, but after about 10 days from the AW Live, the Core cohort began growing at a slower pace as the effects from the AW Live waned.
- More Cohort continued to grow at a steady pace even as we increased lower funnel spend in June.
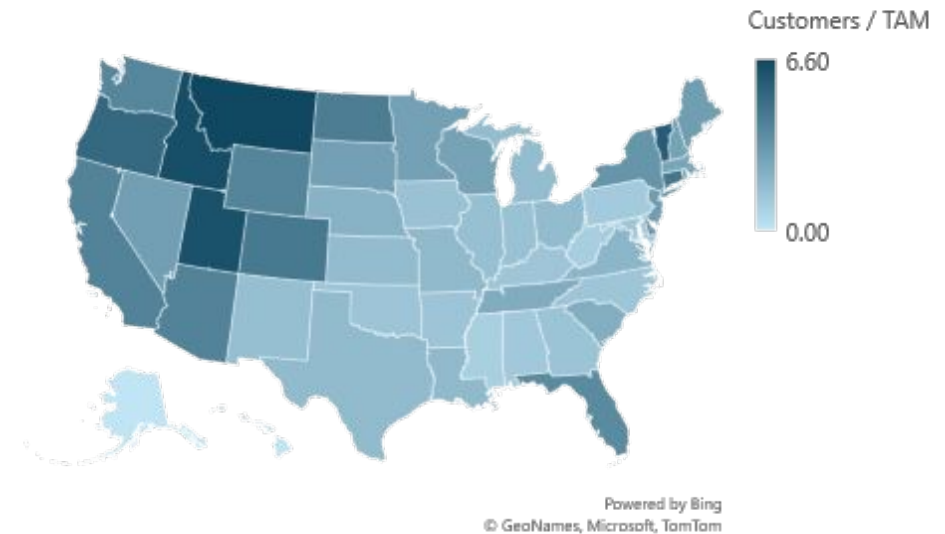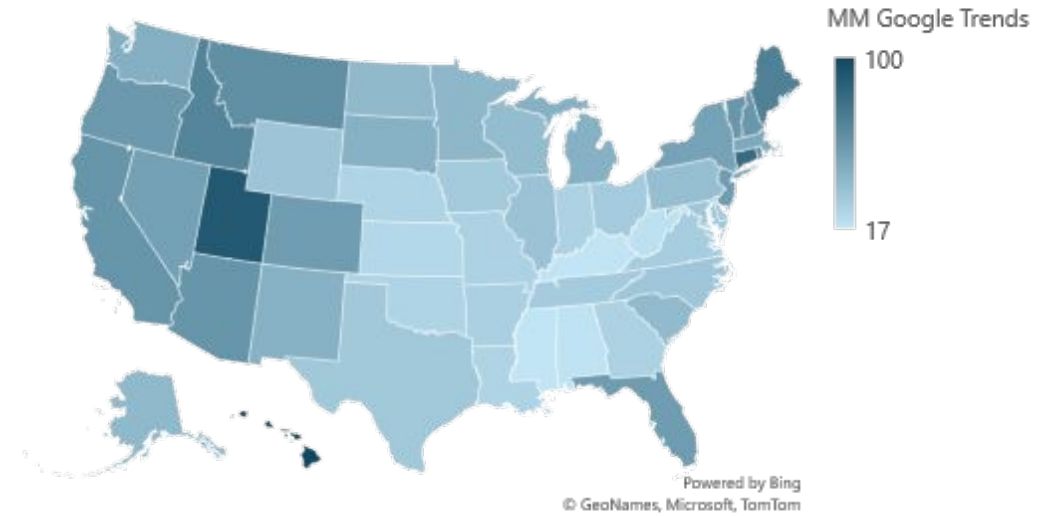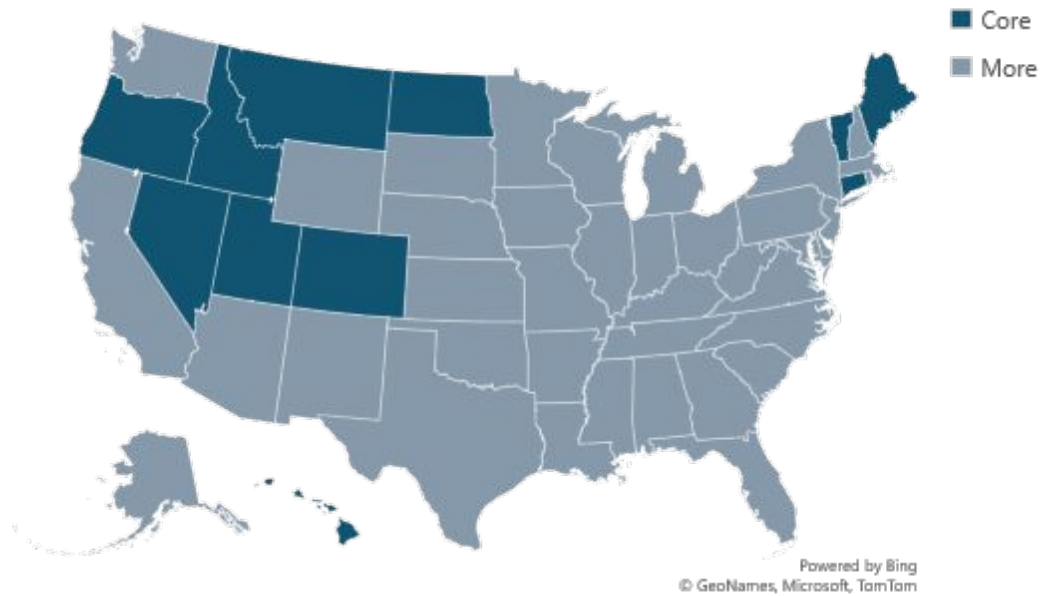

New Customers since PPS Setup

Analysis

- In June, we increased lower funnel spend in conjunction with the tentpole event.
- However, we have seen sharp diminishing marginal returns on New Customer Acquisition mostly due to challenges with converting consumers once on website.
- More consumers have a lower CVR and higher propensity to purchase on Amazon currently. We will need a stronger website experience to either increase CVR or increase the CLV with the lower CVR.
- Our current Bundle + Save approach increases CLV by encouraging high AOV, but not necessarily high repeat purchase rates. A stronger emphasis on Subscriptions could also increase CLV.
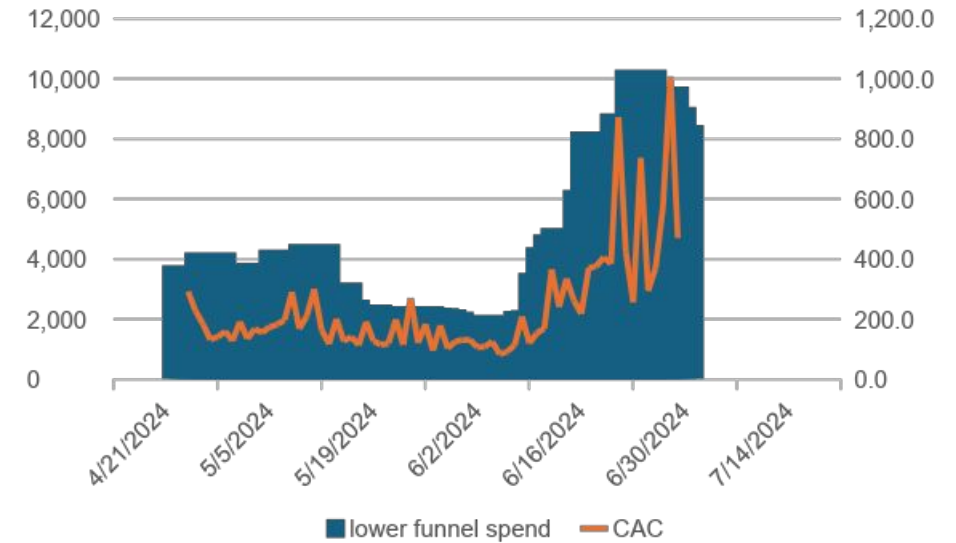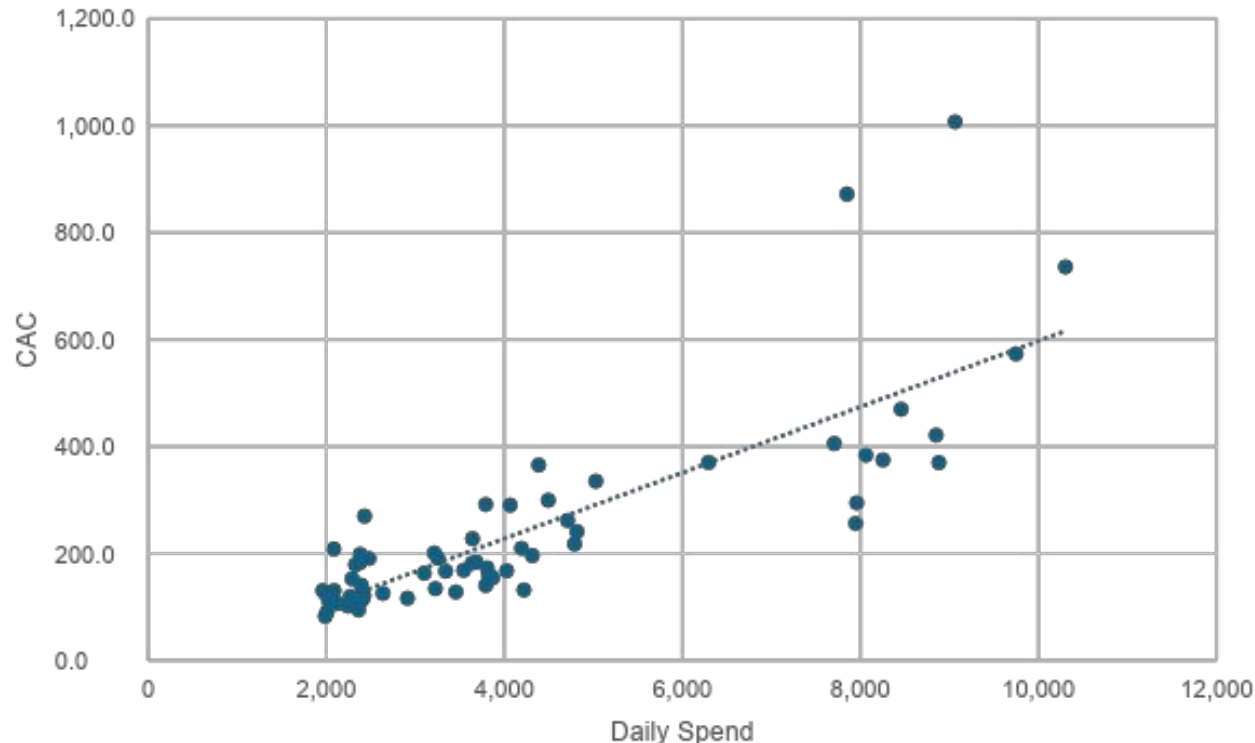
Core vs More

Methodology

- Because we did not have the PPS last year, to better isolate Core vs More consumer CVR behavior YoY, we divided states into top MM affinity states (Core) vs bottom MM affinity states (More).
- Using Medxx Google Trends data by state overlayed with VimXXX BDI (Customers / TAM Capita), we were able to isolate the strongest Core states.
- These states largely overlapped with our Upper Funnel tentpole states, with the addition of Hawaii.


MM Google Trends
100
17

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■ Core
■ More

Powered by Bing
© GeoNames, Microsoft, TomTom

Customers / TAM
6.60
0.00

Powered by Bing
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Core vs More

- Core states, unsurprisingly, have a higher conversion rate – but we have been seeing that gap widen.
- Specifically, we have seen an increasing delta between Session and ATC while ATC to Purchase ratio has stayed close.
- More consumers need more compelling reasons to stay on site, research, and purchase rather than the easier and more transactional experience of Amazon.

Session to ATC
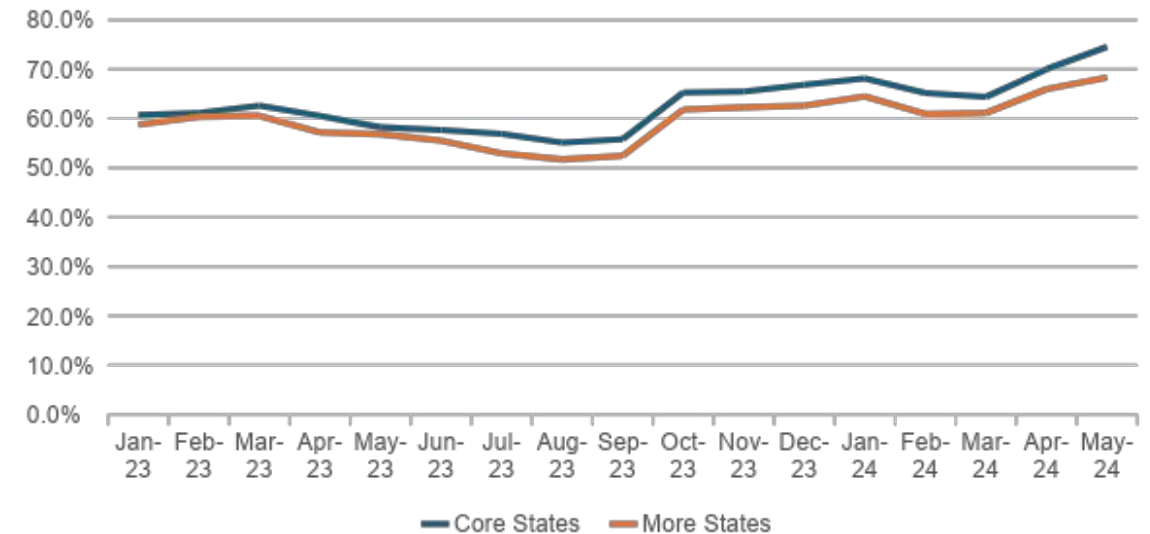

Conversion Rate
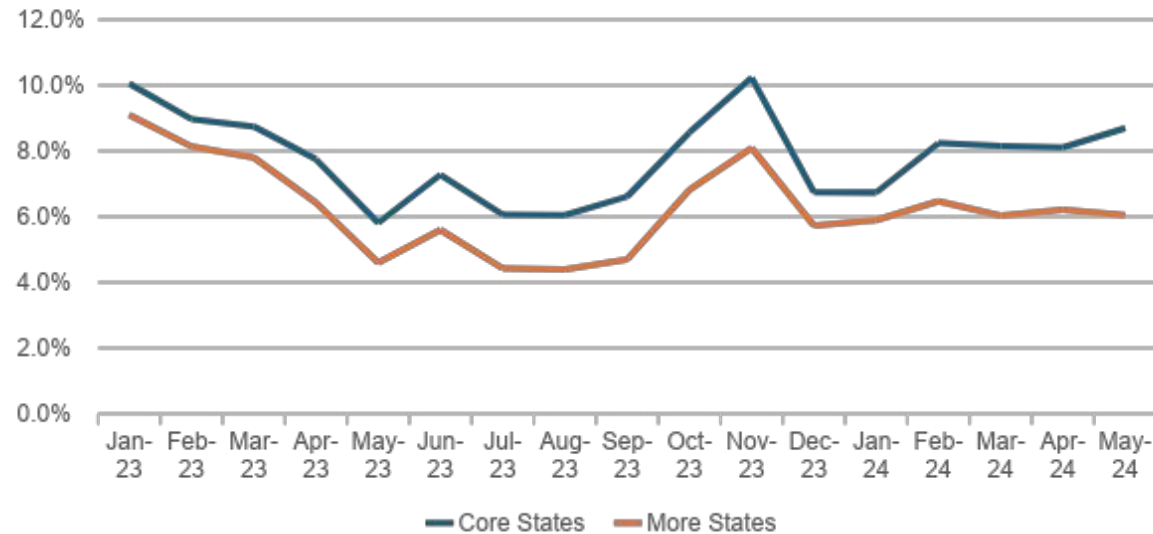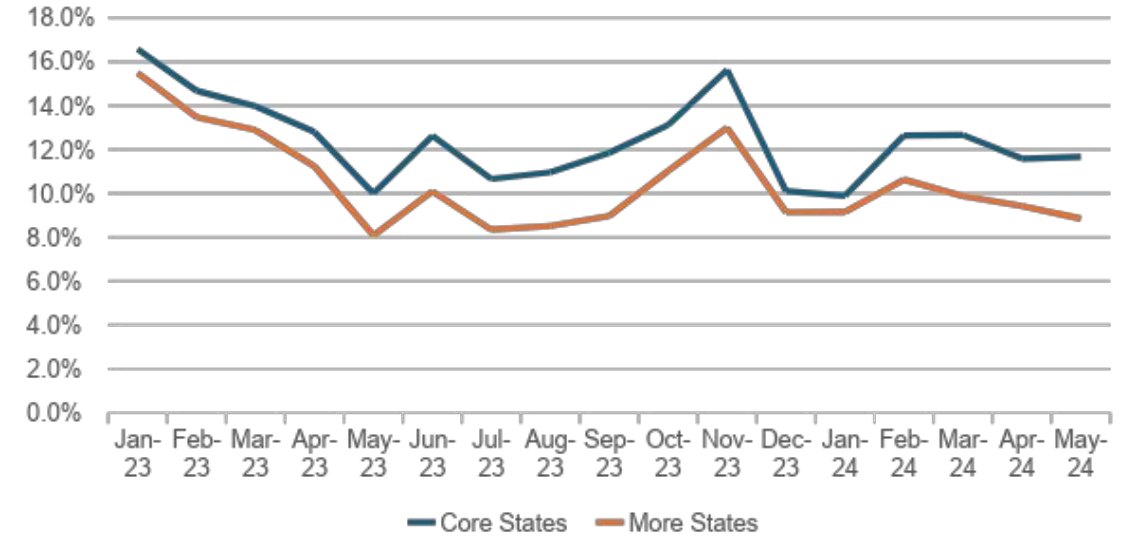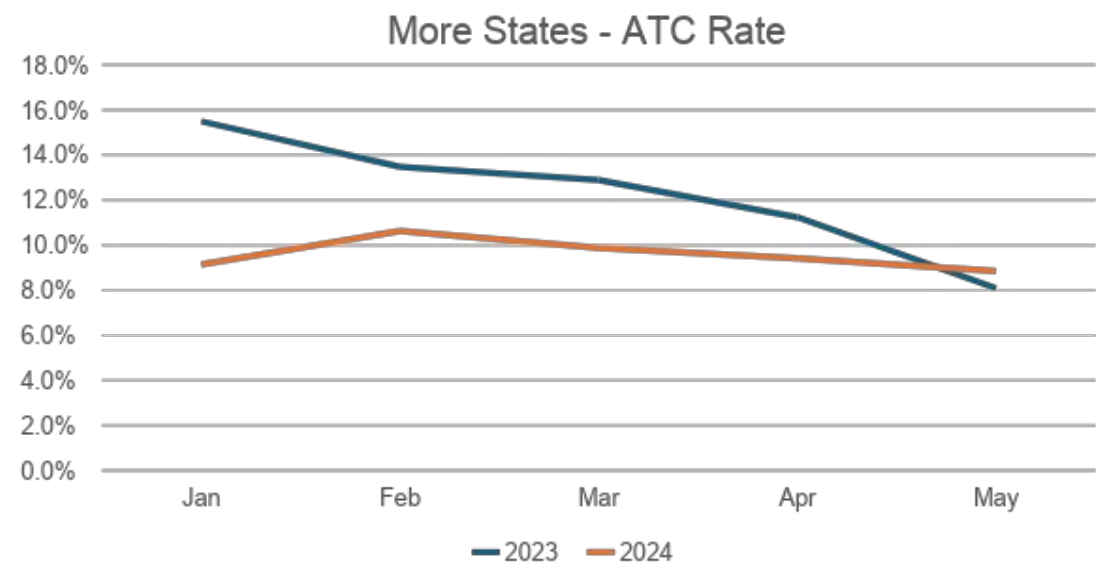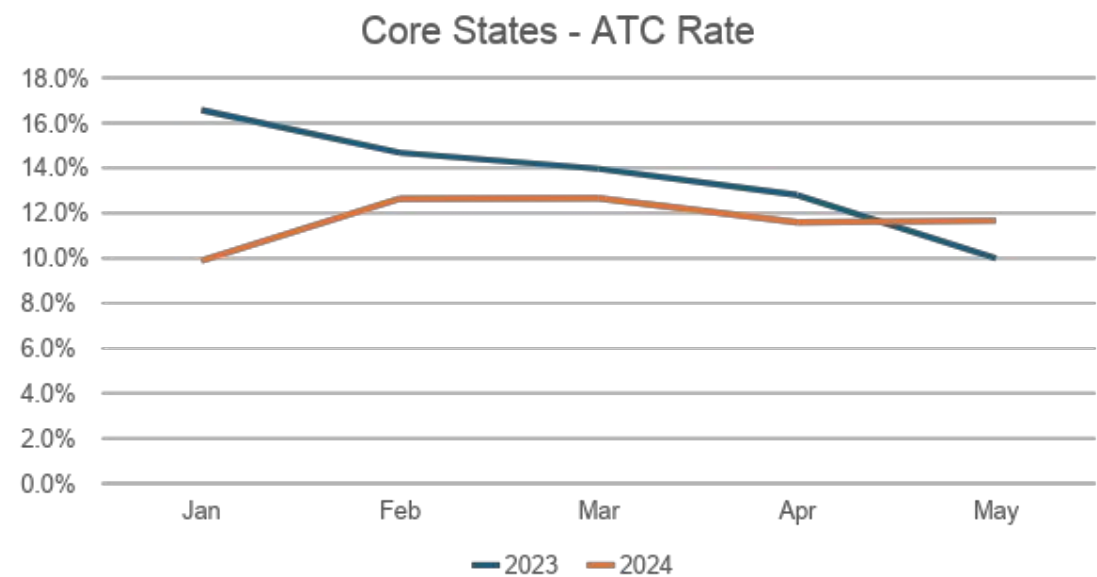

ATC to Purchase Rate

Core vs More

Analysis

- We have seen much more growth on Amazon in the More States vs the Core States.

Core States - ATC Rate

Amazon Growth YoY (Orders)

More States - ATC Rate

June-July Tentpole Plan (Jun 10, 2024 – Jul 19, 2024)

Purpose

- Validate new 'pulsing' media strategy by creating a tentpole recruitment event with testing around branding messaging.
- Understand baseline costs and performance metrics in anticipation of greater brand push in Aug-Dec.

Media Deployment

**Upper funnel [Increase brand awareness via growing Reach and Video Views]: $170k**
- Meta campaigns over 10 states accounting for ~15% of revenue
- Establishes baseline metrics for the Aug-Dec brand media deployment
- Consumers who are "health conscious"; 10 states; $75k+ annual HHI
- Intend to reach 80% of consumers at least once, and 56% of consumers at least three times. Minimum 1.5 frequency per week.
- 10 states were chosen based on highest Brand Development index. Specifically, this was calculated from Prior 12 Months New Customer Orders and Customers per TAM Capita.

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■ On
■ Off

Content

- Existing and new UGC
- Product messaging focused on MicroXXX (hair, skin, nail benefits) + TotXXX
- Attempted to enlist AW support for a Live event during this period without success.

Measurement

- Creative performance will be evaluated based on Video View rates.
- Business health will primarily be measured by comparing New Customer Orders and Brand Lift between our On and Off states.
- Secondary metrics measured include Direct/Organic Sessions, Amazon Revenue, Brand Impression volume.
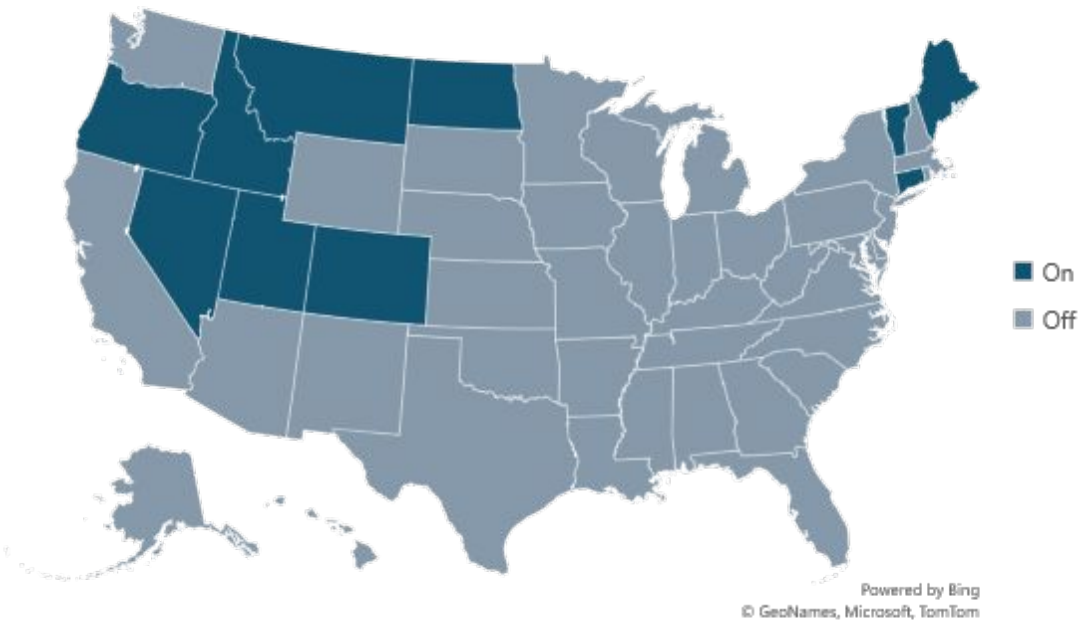
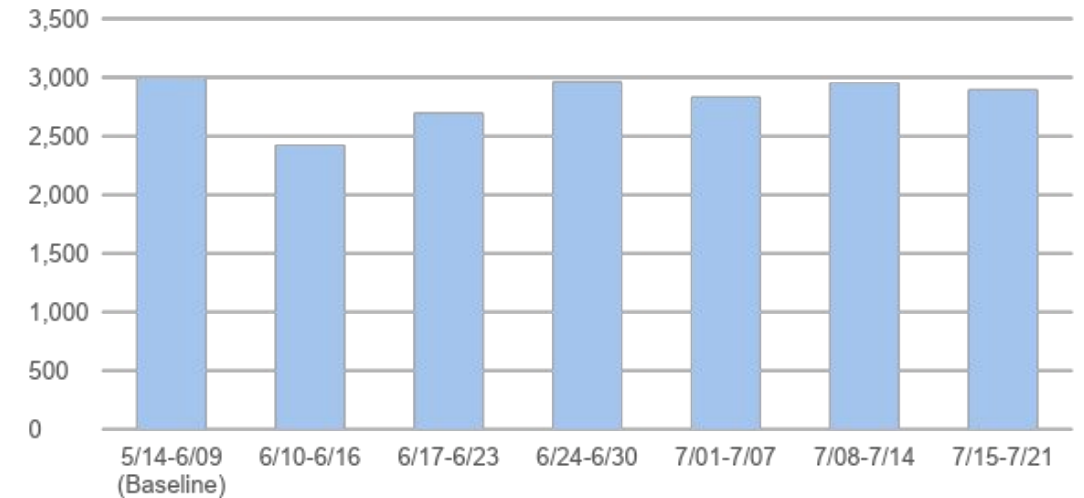|	Jun/Jul Flight
Audience Size	1,500,000
Reach 1+ (%)	78%
Reach 3+ (%)	56%
Reach 1+ (#)	1,170,000
Reach 3+ (#)	840,000
Total Weeks On Air	5
Avg. Weekly Freq	1.6

Source: Nielsen & Meta Media Planner
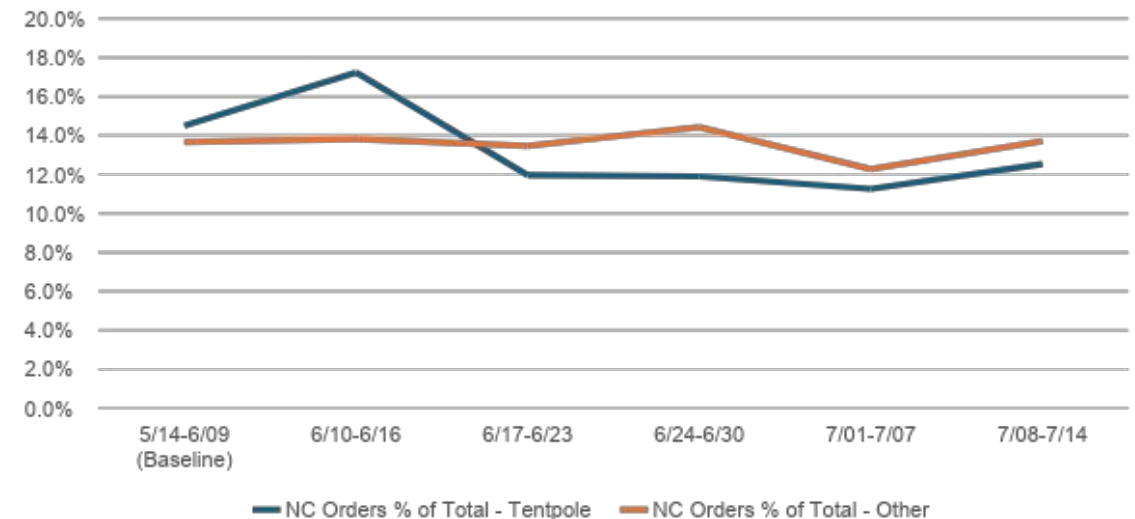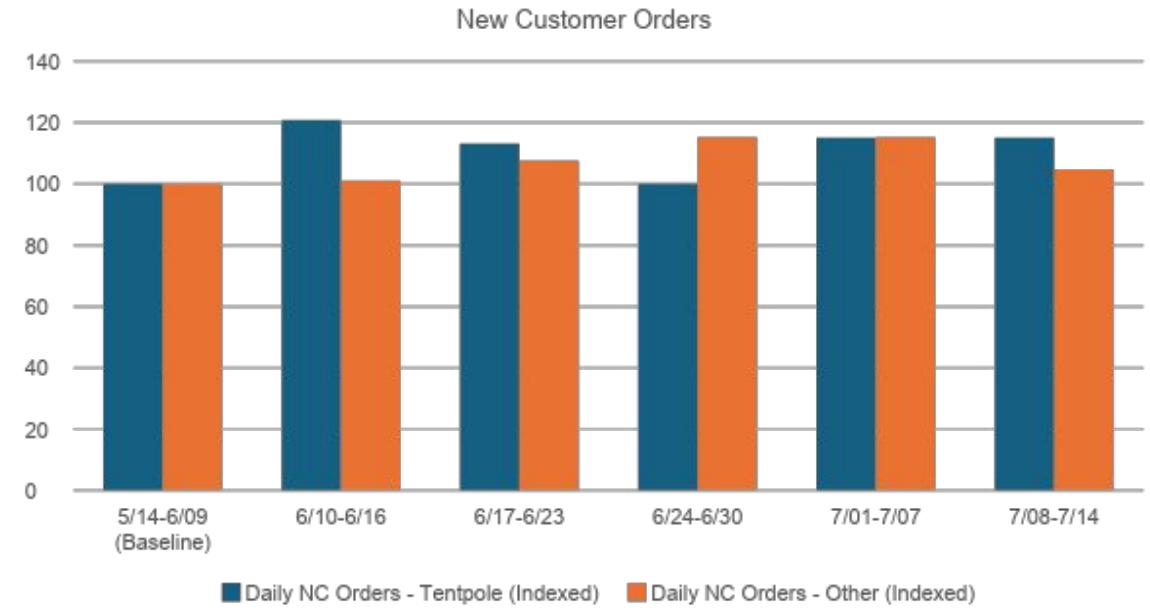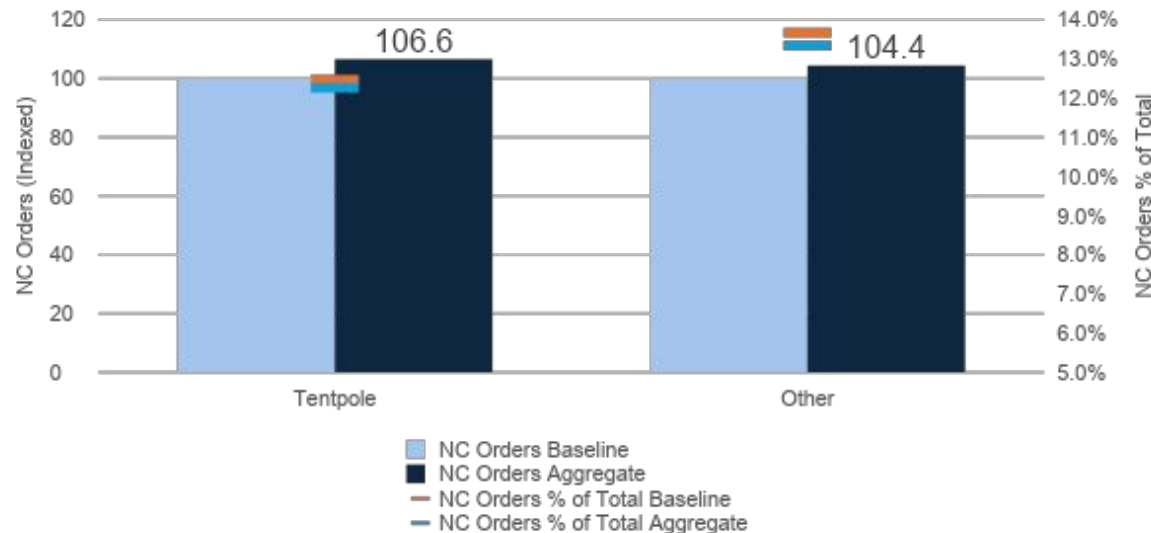
Tentpole

Analysis

- Tentpole went live 6/10 and is on pace to achieve 80% penetration with at least 1.5 Weekly Frequency.
- Impact was immediately noticeable on Daily Sessions within our Tentpole States.
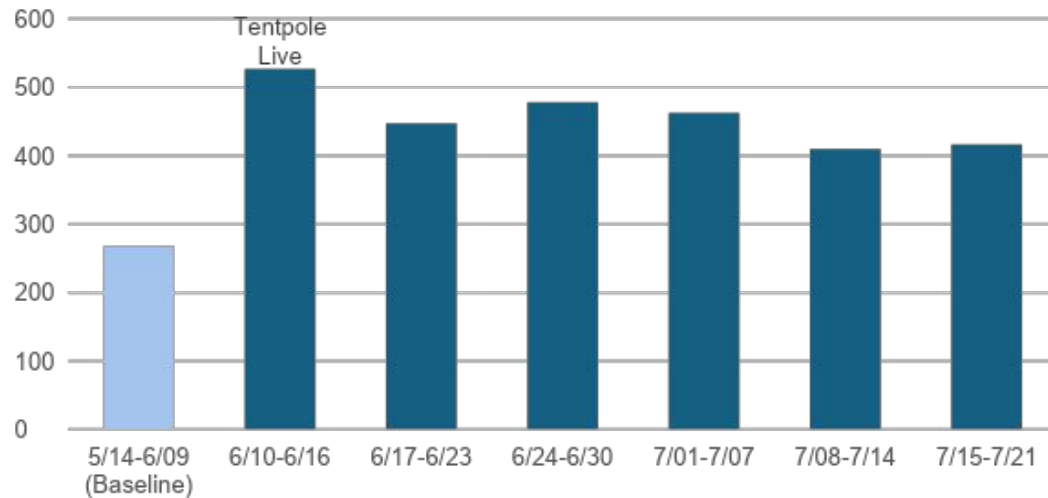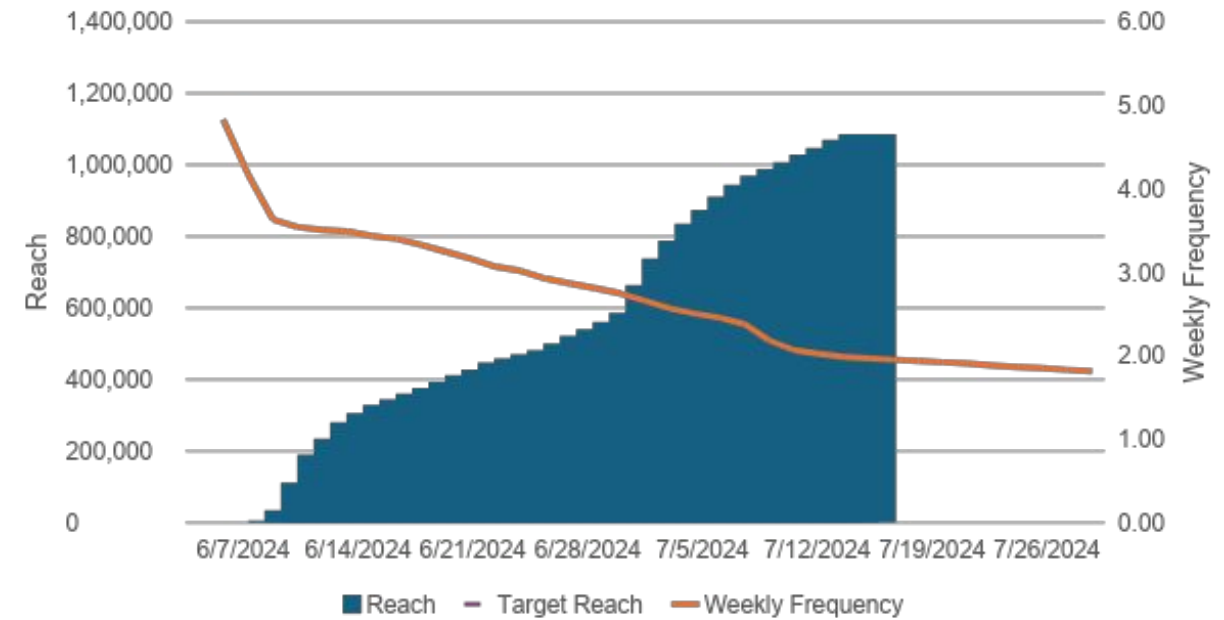
Tentpole

Analysis

- Initial New Customer impact was very strong with +20% New Customer Orders and a +2.7% increase in NC Order %.
- In subsequent weeks, the effectiveness of upper funnel media in driving immediate New Customers waned.
- We were initially able to reach the consumers in our addressable market that were both in market and amenable to purchasing VimXXX.
- Consumers reached in subsequent weeks were not necessarily in market but still amenable to purchasing VimXXX, based on Brand Survey Results.
- This was also observed in our Prime Day (7/16-7/17) results as we saw more consumers purchase within our Tentpole states.

New Customer Orders

Legend: Daily NC Orders - Tentpole (Indexed) ; Daily NC Orders - Other (Indexed)

Legend: NC Orders Baseline ; NC Orders Aggregate ; NC Orders % of Total Baseline ; NC Orders % of Total Aggregate

106.6   104.4

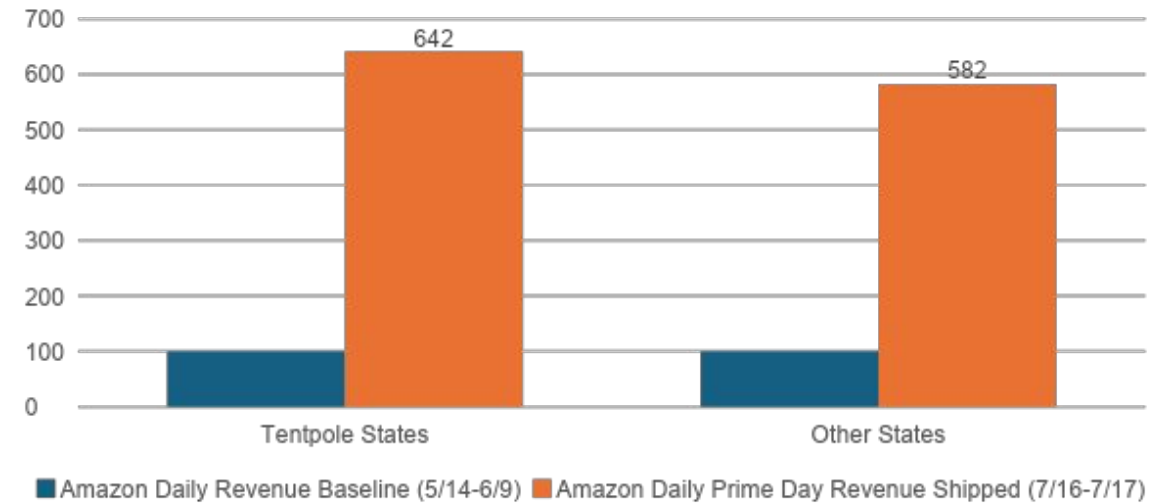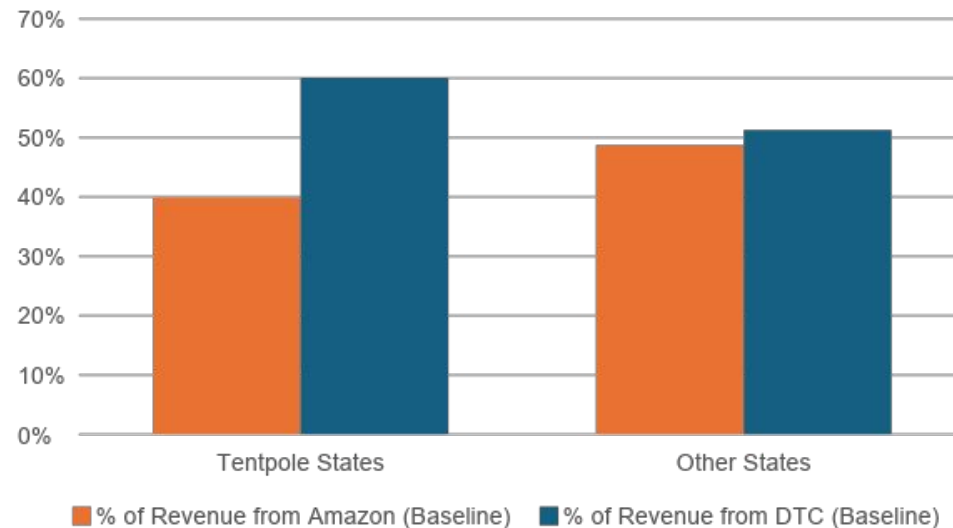Legend: NC Orders % of Total - Tentpole ; NC Orders % of Total - Other

Tentpole

Analysis

- During Prime Day, states that were exposed to tentpole media generated +60% more revenue compared to other states. This is a net gain of +31.56k revenue.
- However, we cannot determine whether this revenue lift comes from existing customers purchasing on Amazon, or new customers exposed to our upper funnel media ads.
- Historically, tentpole states indexed higher on DTC revenue. If current customers maintained this pattern during Prime Day, this would suggest we attracted more net new customers with brand media.
- The Brand Lift Survey results corroborate this as well – we are seeing a +6.9% Purchase Intent lift, if the consumer is in market. Prime Day serves as a reason to be In Market.

Amazon Prime Day Revenue (Indexed)

Tentpole States: 642
Other States: 582

■ Amazon Daily Revenue Baseline (5/14-6/9) ■ Amazon Daily Prime Day Revenue Shipped (7/16-7/17)

% Revenue Contribution (Baseline)

■ % of Revenue from Amazon (Baseline) ■ % of Revenue from DTC (Baseline)

Prime Day Revenue - Tentpole

52,696   31,560

■ Prime Day Revenue without Tentpole Media ■ Prime Day Revenue lift from Tentpole Media
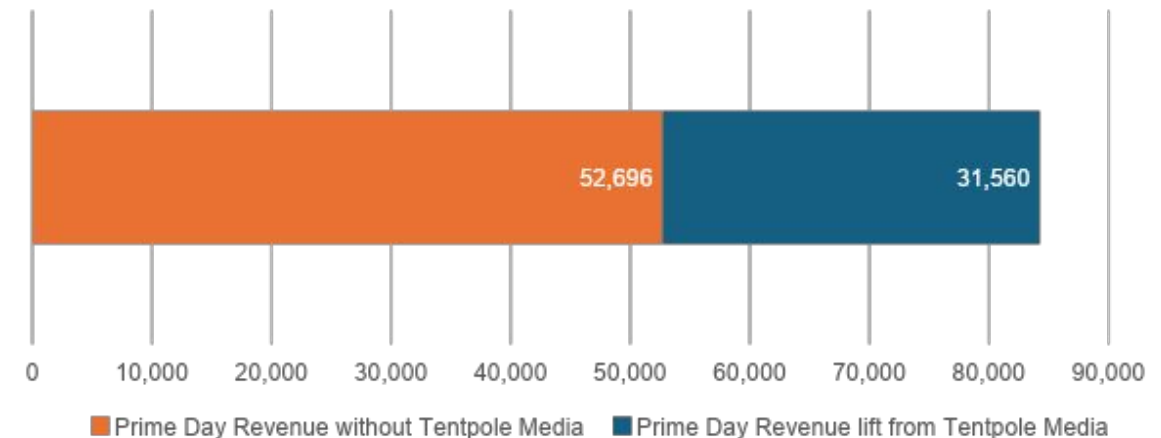
Note this is shipped Revenue only as of 7/18 morning

Brand Lift Survey

- With the Tentpole, we concurrently conducted a Meta Brand Lift Survey test.
- Ad viewers exposed to ads were shown three survey questions, with a 6% holdout within each audience not exposed to ads.
- Two audiences were included in test – Happy for Healthy within 10 states, and General US Population across 50 states.
    - General US Population was specifically included as a separate cell to determine the relative strength of our Happy for Healthy audience.
- Only Question 2 (Purchase Intent) and Question 3 (Recommendation) had 65%+ significance as of meeting date. Final results will be available July 31.

Facebook would like to hear from you.
Advertiser-sponsored poll

Do you recall seeing an ad for VimXXX online or on a mobile device in the last 2 days?
Choose an option

Yes ○

No ○

Not Sure ○

Facebook would like to hear from you.
Advertiser-sponsored poll

If you were in the market for Health Supplements, how likely would you be to purchase **VimXXX**?
Choose an option

Very likely ○

Somewhat likely ○

Neutral or not in the market ○

Somewhat unlikely ○

Very unlikely ○

Facebook would like to hear from you.
Advertiser-sponsored poll

Will you recommend VimXXX to a friend?
Choose an option

Yes ○

No ○

Not Sure ○

I'm not familiar with this brand ○

Brand Lift Survey

- Users exposed to add were +3.5% more likely to purchase VimXXX,, if they were in market for supplements.
- Compared to the Whole US cell, this was a +6.9% Lift – which is comparable to the +6.6% lift we saw in immediate New Customer Orders during this Tentpole event.

Facebook would like to hear from you.
Advertiser-sponsored poll

If you were in the market for Health Supplements, how likely would you be to purchase VimXXX?
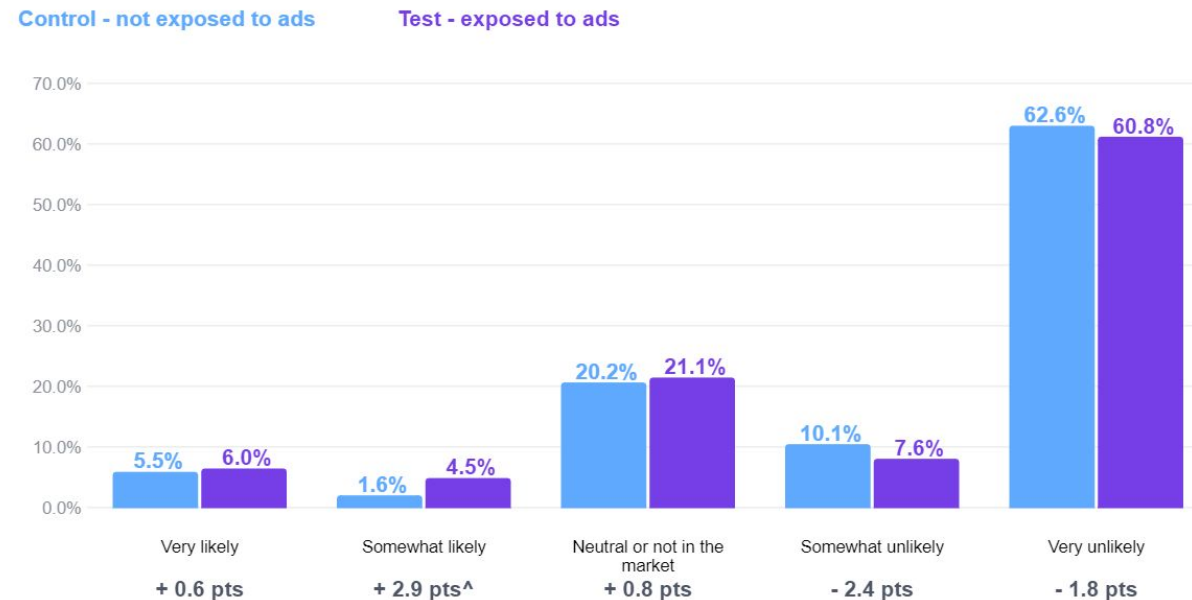Choose an option

Very likely ○

Somewhat likely ○

Neutral or not in the market ○

Somewhat unlikely ○

Very unlikely ○

Control - not exposed to ads   **Test - exposed to ads**

	Very likely	Somewhat likely	Neutral or not in the market	Somewhat unlikely	Very unlikely
Control	5.5%	1.6%	20.2%	10.1%	62.6%
Test	6.0%	4.5%	21.1%	7.6%	60.8%
	+ 0.6 pts	+ 2.9 pts^	+ 0.8 pts	- 2.4 pts	- 1.8 pts

*Chance of brand lift is 90% or greater | ^Chance of brand lift is 80% or greater

Brand Lift % - Very likely or Somewhat likely

Happy for Healthy - 10 State

6.9%
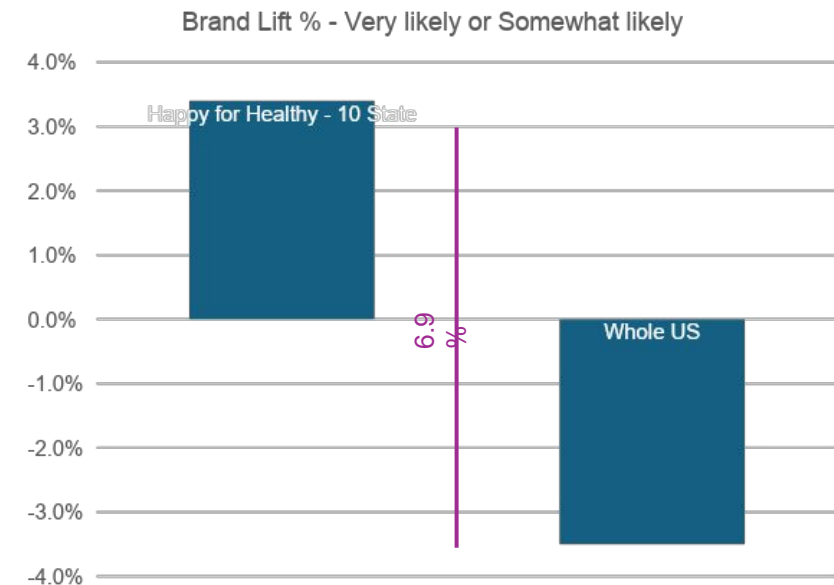
Whole US

Tentpole

Brand Lift Survey

- Users exposed to add were +0.8% more likely to recommend VimXXX.
- Compared to the Whole US cell, this was a +1.5% Lift.
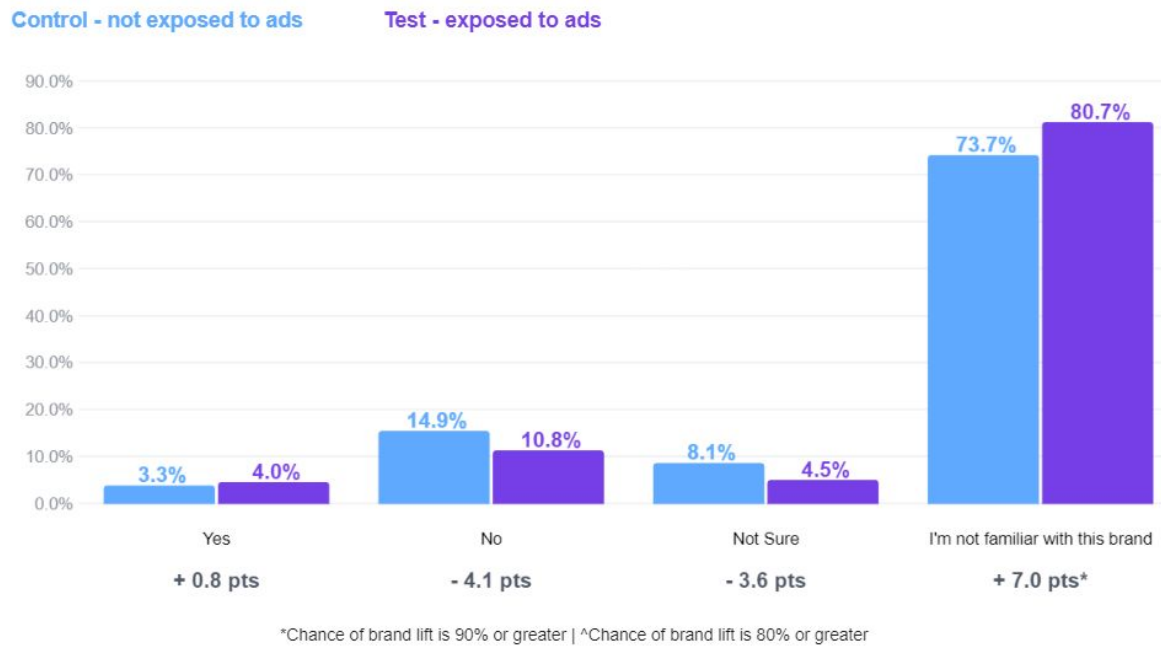
Facebook would like to hear from you.
Advertiser-sponsored poll

Will you recommend VimXXX to a friend?
Choose an option

Yes

No

Not Sure

I'm not familiar with this brand

Control - not exposed to ads   Test - exposed to ads

Yes — 3.3% / 4.0% — + 0.8 pts
No — 14.9% / 10.8% — - 4.1 pts
Not Sure — 8.1% / 4.5% — - 3.6 pts
I'm not familiar with this brand — 73.7% / 80.7% — + 7.0 pts*

*Chance of brand lift is 90% or greater | ^Chance of brand lift is 80% or greater

Brand Lift % - Yes

Happy for Healthy - 10 State
1.5%
Whole US

Case Study

Analysis

- With other NE clients, we see notable new customer differences 6+ months out.
- For this NE footwear brand, we shifted to a 14-state awareness targeting approach around May 2023.
- Since then, we've seen the ratio of New Customers between the two cohorts diverge with the effects being most noticeable 6+ months out.
- Awareness accounts for approximately 40% of total media spend.

12-Month Rolling Avg. New Customer

Legend: Awareness — Non Awareness — % Difference