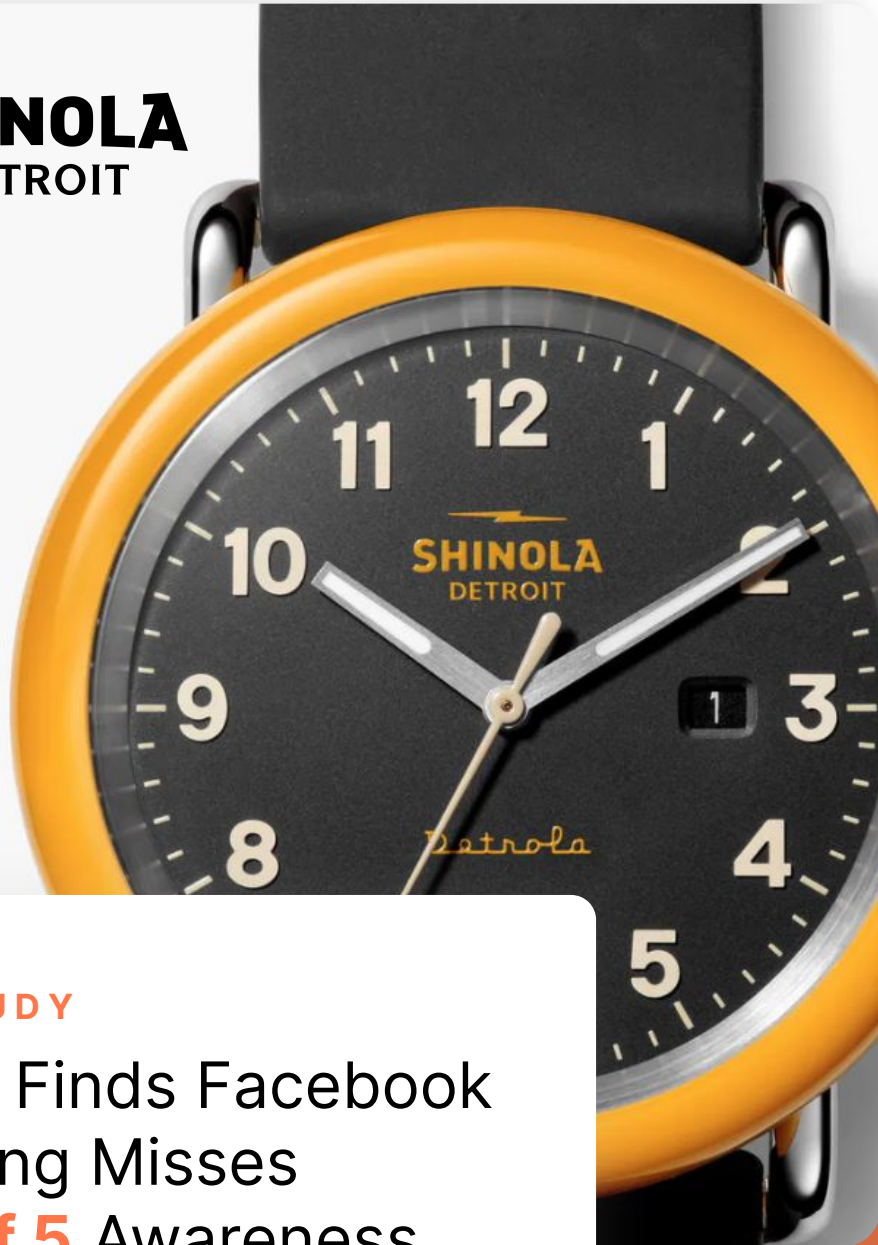


SHINOLA
DETROIT



CASE STUDY

Shinola Finds Facebook
Reporting Misses
4 out of 5 Awareness
Conversions post iOS
14.5



The Question

What is the true value of my Facebook prospecting campaigns?

The Brand

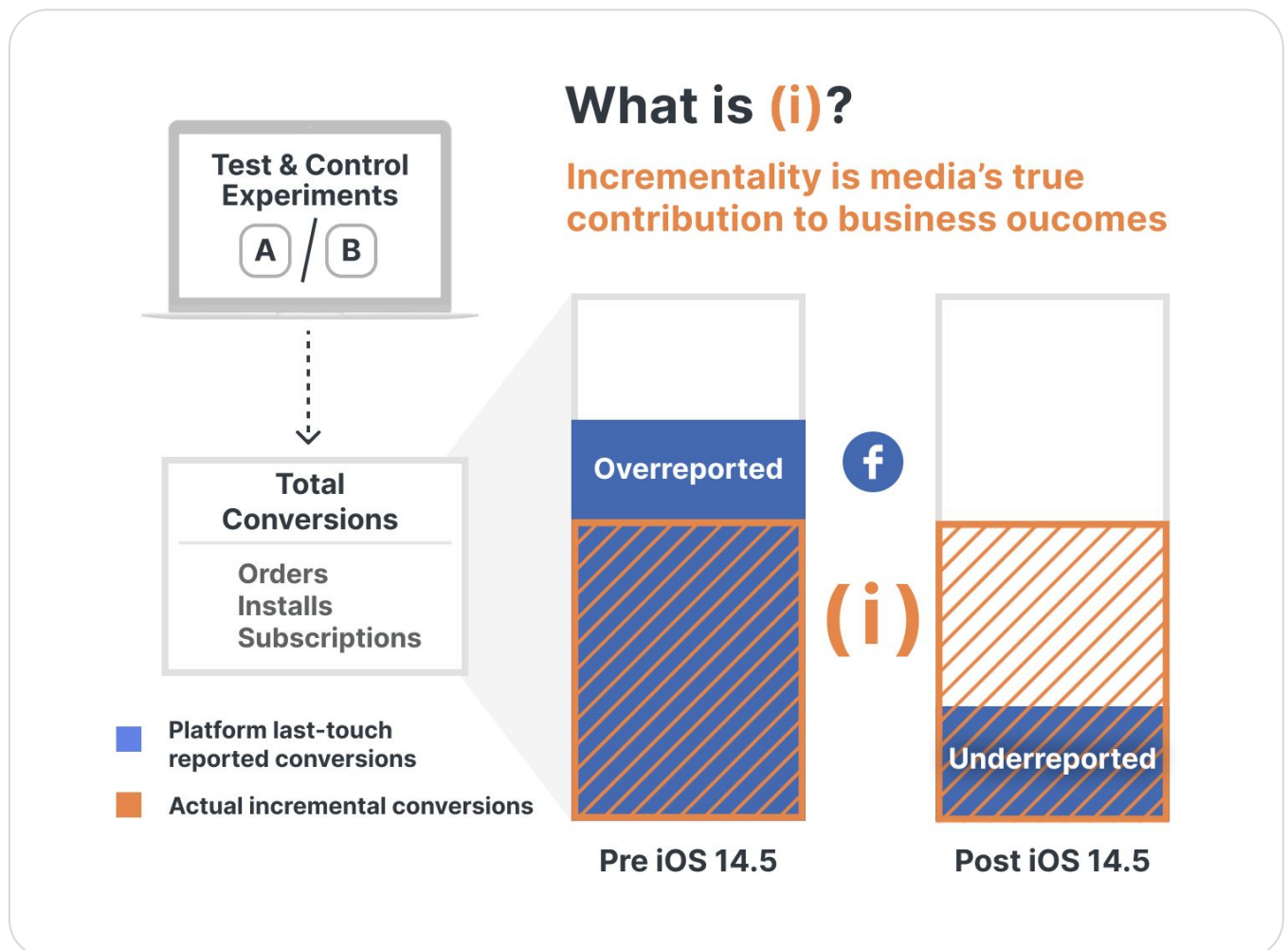
Founded in 2011, Detroit-based Shinola is a lifestyle brand that celebrates timeless design and thoughtful craftsmanship. Shinola watches, leather goods, bicycles, jewelry, and other products are sold both its own brick and mortar shops as well as luxury retail stores around the world. In recent years, the company has successfully reimagined the customer experience, building an engaging ecommerce store that acutely embodies the unique style and premium quality expected of the brand.

When the global pandemic saw consumer shopping shifting almost entirely online, optimizing ecommerce operations and digital marketing became a critical priority for every business. Joel Layton joined Shinola as the Vice President of Ecommerce to lead the digital transformation of the classic American brand. Responsible for all ecommerce, customer acquisition, and digital marketing, he needs ongoing, reliable insight into how Shinola advertising campaigns contribute to sales - so he can make informed media investment decisions that fuel growth for the brand.

The Challenge

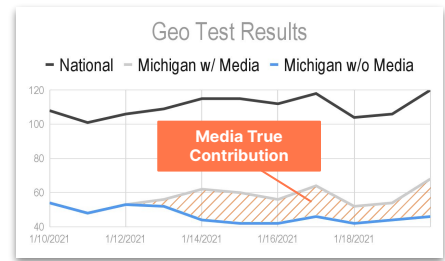
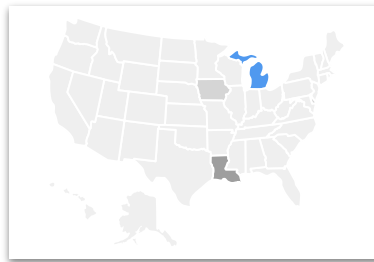
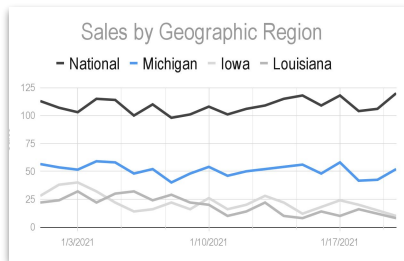
Shinola relies heavily on Facebook ads for acquiring new customers, but the introduction of Apple's ATT (App Tracking Transparency) and its associated data restrictions created accuracy issues for platform measurement and reporting systems. Significantly constricted attribution lookback windows and a lack of visibility into the actions of a large subset of users resulted in brands observing a sizable dip in the number of conversions being reported by Facebook.

Despite the decline in performance that appeared on platform attribution reports, Shinola knew that Facebook prospecting efforts were still driving sales for the brand - but it was impossible to understand the incremental contribution of media campaigns, without accurate measurement from a trusted provider. Shinola hired Measured to reveal the true contribution of Facebook media investments through unbiased incrementality testing and experiments.



The Solution

Shinola deployed a zip code-level geo-matched market test with Measured to determine how many incremental conversions could be attributed to the brand's Awareness and DABA (Dynamic Ads For a Broad Audience) campaigns running on Facebook. Geo experimentation was selected because it can be run independent of platform reporting and doesn't rely on user-level data to uncover reliable incrementality results. While most geo tests are conducted at the state level, Shinola was able to take advantage of Measured's zip code-level market selection in order to improve accuracy and further reduce business risks associated with a media holdout.



1 Market Selection:
Identify optimal test markets with high correlation to national sales

2 Run Test:
"Holdout" media from selected market

3 Measure Incrementality:
Observe sales impact in transaction data during holdout period

By withholding media spend from a highly correlated test market and observing the business impact, Shinola uncovered the true contribution of the media spend.

**State-level Geo test shown for illustration purposes.*

By withholding the ads from a segment of the target audience (in this case defined by a series of zip codes, or "geo") a test and control experiment can reveal what percentage of conversions would have happened anyway and what percentage can be attributed to the media in question. For the Shinola experiments, geo market selection was very carefully considered at the zip code level, to ensure the audience cells being tested were scientifically significant and accurately represented nationwide performance.



“

Facebook is a critical channel for building awareness and attracting new customers, but after the Apple tracking restrictions went into effect, attribution reports from the platform didn't look right. Measured revealed that our Facebook campaigns were indeed still delivering strong results and showed us how to allocate our budget for maximum contribution to sales.”

Joel Layton

VP Ecommerce, Shinola

The Results

Across both DABA and Awareness campaigns, the drop off in sales for geos where ads were withheld indicated the incremental contribution of the media was 14.3% - and that Facebook was underreporting the total performance of Shinola prospecting campaigns by 413%. The results also indicated that the impact of awareness campaigns in particular was being vastly underestimated by Facebook attribution.

Conversions (Reported by Ecom platform)



Facebook
Prospecting
Holdout

Predicted Conversions

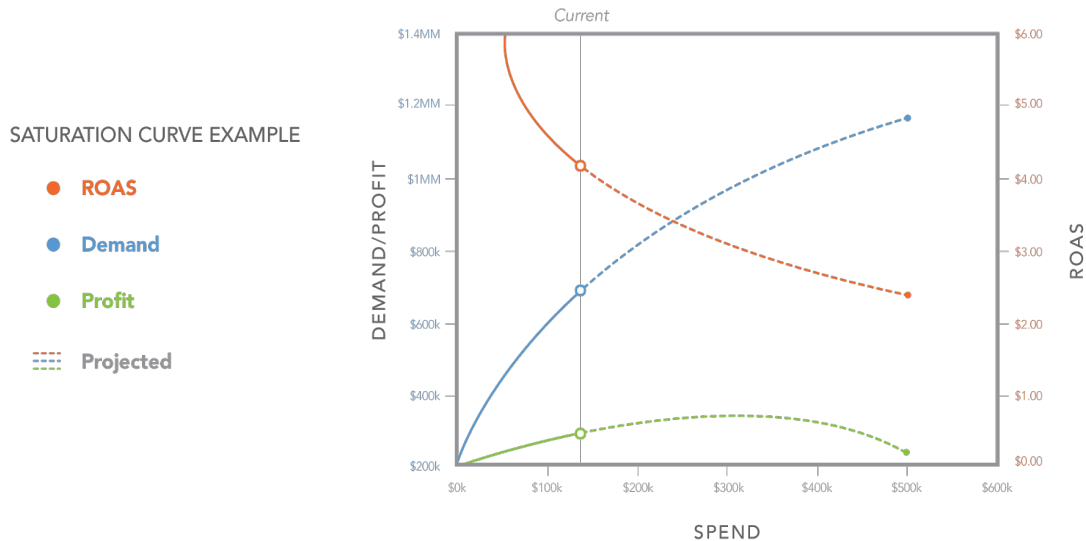
Observed Conversions

14% Incremental
Contribution



What's Next for Shinola

With the trusted results delivered through geo-experimentation, Shinola can make informed decisions about the brand's Facebook advertising strategy. Applying the latest insights to future experiments and testing will yield ongoing opportunities for Shinola to optimize media strategy and continuously improve results.



Measured deploys scale testing to simulate 2x – 10x investment. The dotted lines illustrate what happens to demand, profit and ROAS when spend is scaled on a channel, tactic or audience.

After learning that high-performing awareness campaigns are delivering valuable results for prospecting, the team wanted to learn how much Shinola can profitably scale into the channel while maintaining ROAS targets. The brand is now running a Measured scale-testing experiment that simulates various increases in ad spend to plot diminishing return curves and identify saturation points. The results from scale-testing will enable Shinola to allocate spend in that channel for maximum return on Facebook investments.

Interested in learning more?

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