## **NXT**DRIVE<sup>™</sup>

### CASE STUDY

Unlocking New Markets: How Furniture Retailer, American Furniture Warehouse, Boosted Sales By 55% Through Data-Driven Expansion With NXTDRIVE™



#### CHALLENGE

American Furniture Warehouse, a lifestyle furniture retailer, sought to expand its customer base beyond its traditional area, especially in Texas and Arizona. Despite a strong local reputation, they needed to harness data to target new regions and boost revenue. The objective was to gauge both immediate and future revenue potential by diversifying their digital media outreach in these areas.

#### SOLUTION

To tackle this challenge, Vericast implemented a comprehensive strategy using our Customer Data Marketing Platform, NXTDRIVE. At the foundation of our approach was a highly consultative layer that worked closely with the client to obtain their critical KPIs. We enriched the retailer's first-party customer data with information from Consumer Graph<sup>™</sup> and our proprietary audience modeling. This combination revealed an overlooked opportunity. Vericast recommended that the furniture retailer in Texas and Arizona extend their standard 20-mile trade radius. The goal was to pinpoint and engage premium look-a-like audiences within an expanded 40-mile radius. Emphasizing learning, Vericast believes that analyzing performance is an essential cornerstone of every campaign we execute.



By reaching out to the broader 40+ mile geographies, the retailer witnessed a substantial 50% customer lift across all segments.



#### REVENUE BOOST VIA TRADE AREA EXPANSION

# 55%

SALES LIFT

Expanded radius test geos sales lift increase over control geos

\$352K REVENUE INCREASE

Expanded radius test geos sales lift increase over control geos

> **7:1** ROAS Expanded radius ROAS on a \$50.8K estimated budget

#### RESULTS

The expanded targeting strategy proved invaluable. By reaching out to the broader 40+ mile geographies, American Furniture Warehouse witnessed a substantial 50% customer lift across all segments. This strategy brought in more customers and led to a 55% boost in sales. Additionally, the insights and learning from this campaign not only equipped the client with the knowledge to iterate their future media executions but also offered robust strategic evidence underscoring the benefits of continued investment in media channels, particularly Connected TV.

#### IMPACT

The success of this strategy had reverberating effects on the retailer's overall marketing approach. Built on a virtual learning cycle, which is foundational to every NXTDRIVE implementation, insights gathered from this campaign shaped subsequent discussions on media recommendation and strategy for Q4. As a result, there were significant shifts in budget allocation, particularly favoring highperforming media types such as Connected TV. The retailer, now equipped with data-driven insights and a proven strategy, looked forward to further expanding its reach and capitalizing on untapped market potential.

Many variables impact marketing campaign success. Information on earnings or percentage increases contained within this case study is provided for demonstrative purposes only. Vericast does not guarantee or warrant earnings or a particular level of success with a campaign.

© 2024 Vericast / CS2474 NXTDRIVE and Consumer Graph are trademarks of Vericast. All rights reserved