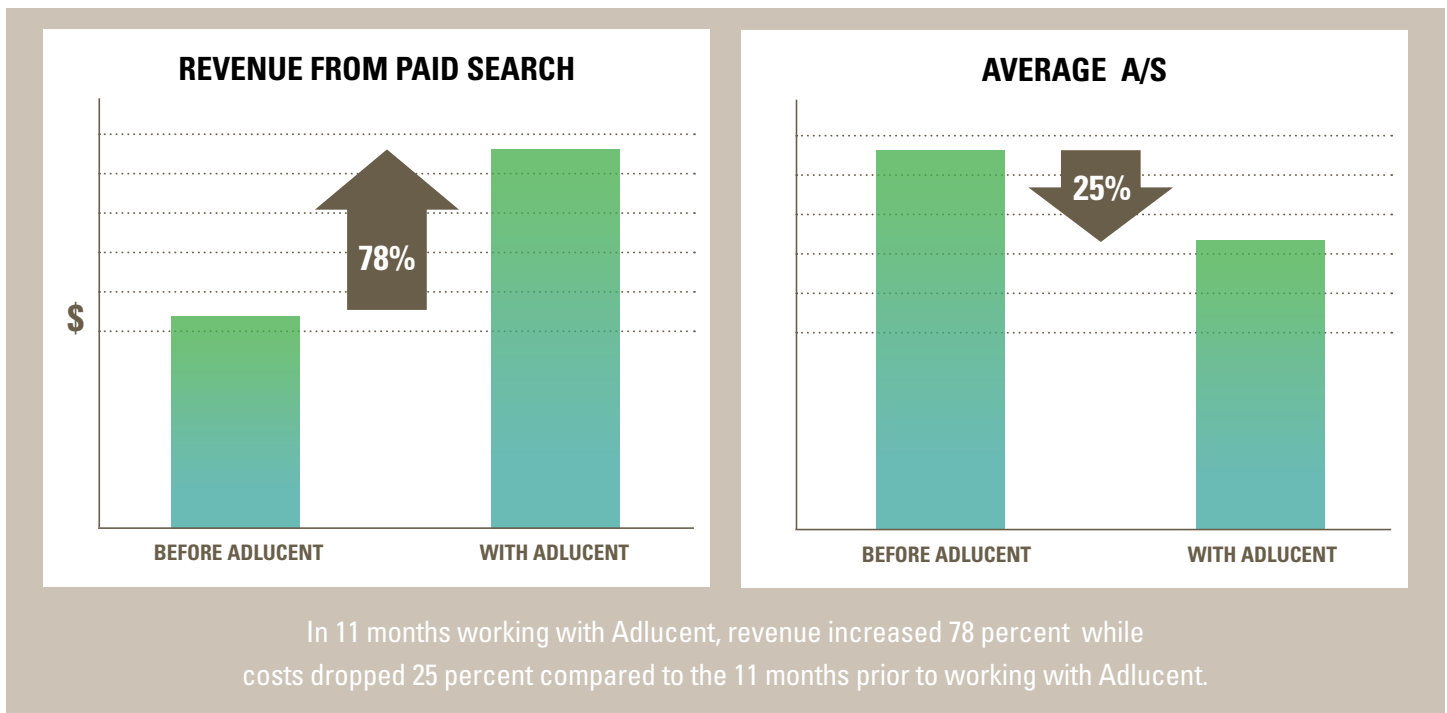


Driving Profitable Revenue Growth—Quickly

“Adlucent delivered **78%** revenue growth for us in less than a year, at a **25%** lower cost of sales.” - **Craig Shields**, Vice President of E-Commerce at JTV



JEWELRY TELEVISION (JTV)

JTV is the largest retailer of loose gemstones in the United States. Paid search had long been a critical customer acquisition strategy for JTV. Eventually, however, JTV found that its revenue from paid search activities had hit a plateau. As Craig Shields, Vice President of E-Commerce at JTV explains, “The problem was inefficiency. We suspected we could grow revenue without spending proportionately more on ad spend, but we didn’t know how.”

JTV began searching for a completely new approach to growing its revenue profitably using paid search. The company partnered with Adlucent, intrigued by Adlucent’s dedicated focus on working with leading retailers and its unique pay-for-performance compensation model.

DRAMATIC, RAPID RESULTS

Within just three months, Adlucent was able to help JTV increase year-over-year revenue from paid search by 53 percent. And in less than a year, revenue from paid search soared 78 percent, while margins (A/S ratio) improved 25%.

Adlucent employed two principle strategies to help JTV drive revenue and improve efficiency. The first was to increase the relevancy of ads by significantly expanding and restructuring JTV's online advertising accounts. Over 51,000 keywords were added, along with more than nine times as many campaigns and 10,000 more ad groups. By organizing an expansive array of keywords into tightly-focused ad groups, ad copy became more relevant to online shoppers' search queries, leading to higher click-through and conversion rates. In addition, this approach allowed negative keywords to be appropriately implemented, reducing wasted ad spend.

The increased relevancy from account restructuring also helped boost by 32 percent the number of keyword Quality Scores at seven or above. This in turn resulted in higher ad placement ranks at a lower cost per click, further driving revenue and cutting expenses.

A second strategy was more active bid management. Using its retail-optimized Deep Search™ software platform, Adlucent was able to make more frequent bid changes in response to real-time campaign performance data. Rapid, efficient and effective bid optimization is central to reducing wasted ad spend.

ADDITIONAL INSIGHTS AND BENEFITS

By restructuring JTV's accounts, JTV was able, for the first time, to understand their paid search initiatives at the category level, item level, and the intersection of the two. As Mr. Shields explains, "Before working with Adlucent, we knew how campaigns for gemstones like sapphires were performing, and we knew how campaigns for jewelry types like rings were performing. But we couldn't determine how well the intersection of the two—say, sapphire rings—were performing. By working with Adlucent, now we can."

This granular level of reporting shows JTV where they can realize the greatest efficiencies on their ad spend. It also enables JTV to use paid search to better understand consumer demand, evaluate product pricing and demand elasticity, and assess merchandising efforts.

ABOUT JEWELRY TELEVISION



JTV.com is Jewelry Television's® online shopping destination. Today, it is the largest retailer of loose gemstones and one of the top four electronic jewelry retailers in the United States. Since 1993, our mission has been to open the world of fine jewelry and gemstones to everyone.

ABOUT ADLUCENT



Adlucent partners with leading online and multi-channel retailers to maximize profitable revenue growth and improve business performance using paid search. Our personalized approach to client success reflects that retail is different. Adlucent's solution combines our proprietary, retail-optimized Deep Search™ software platform, retail industry expertise, and a unique performance-based compensation model that aligns our goals with yours. For more information, visit www.adlucent.com or follow us on Twitter (@Adlucent).