



BULLISH ON DIGITAL: BOOSTING AN ONLINE LUXURY MARKETPLACE TO NEW HEIGHTS



1stdibs, the global destination for the best in design, fine art, vintage fashion and jewelry, is revolutionizing this traditional high-end dealer-based industry by partnering with some of the world's finest dealers and connecting them with discerning buyers – online.

The 1stdibs business model offers an enticing platform and has turned the industry on its head, capitalizing on and pushing the limits of digital. Key to this success is using online data to understand and accommodate a growing clientele, and analyzing that data to inform business decisions. As a result, 1stdibs has created a bridge between a sophisticated old-world industry and a cutting-edge ecommerce based marketplace.

Objectives

- Enable growth by tying business objectives to the specific Key Performance Indicators (KPIs) that help to measure success and failure
- Collect the data required to understand the customer and make improvements to enhance and experience
- Gain a holistic view of the customer experience across digital assets and devices
- Get the right information to the right people at the right time, in the right format, so they can make high-impact business decisions

Results

- Informed by analytics, paid media campaigns had a 47% lift in transactions and a 10% gain in overall return on ad spend (ROAS)
- Data-driven approach to email marketing strategies led to a 34% increase in email click-through rate
- Thanks to a deeper understanding of purchase paths, an aggressive A/B testing strategy & redesign of the Product to Checkout experience led to a 24% increase on conversion quarter over quarter
- Data analytics success led to quadrupling the number of digital team members... and growing!

Getting data to play a bigger role in the business

As their business was rapidly growing, 1stdibs realized that they would need a broader picture of their opportunities by gaining a deeper understanding of their customers, the marketplace, and the web and app platforms of the 1stdibs ecosystem.

“When I came to 1stdibs a few years ago, we were using data, but it was early-stage. In order to be a high-growth company, I knew we needed to put ourselves in a position where data and analytics would drive our decision-making. You can only go so far on gut feelings. At some point, to sustain and accelerate growth, you need the science.”

Adam Karp

CMO, 1stdibs

For 1stdibs, this meant building up a scalable, robust infrastructure to collect, process, store, and visualize the data; recruiting and onboarding the analytics talent that would use it; and building a culture in which data is at the heart of the business.

A fast track to the next level

Cardinal Path was brought in to provide a fresh perspective and the industry expertise to guide and accelerate the process of getting 1stdibs to their desired goal of driving their strategy from their data and analytics. The first step was to explore and document the true business requirements that the various stakeholders at 1stdibs needed to meet. Through this process, they determined frameworks and established (KPIs) to holistically measure the success or failure of the organization.

1stdibs was already gleaning some insights from its data, but this formal structure provided the foundation from which to move forward. “Cardinal Path helped us move through this process faster and more efficiently than if we’d done it all ourselves. We know our business as well as they know theirs, so it’s been a partnership built on mutual benefit and respect from the beginning,” explains Karp.



Working hand in hand with 1stdibs to design a solution that would span the business intelligence technology stack and position 1stdibs to compete and win on digital, Cardinal Path assisted in the strategic planning, technology selection, and deployment of a custom solution that included much of the Google solution suite, including Google Analytics Premium, Universal Analytics, Enhanced Ecommerce, BigQuery and Google Tag Manager.

Google Analytics Premium

Although 1stdibs was already using Google Analytics to collect and analyze data, the organization knew they were only scratching the surface. For example, the marketing team didn't have a solid attribution strategy, and as a result, didn't know what it cost to acquire a customer or how effective the programs being deployed across a number of channels were.

Leveraging the full feature set of Google Analytics Premium gave the team a wide-angle lens into their business.

Universal Analytics

As part of the Google Analytics Premium upgrade, a redeployment using Universal Analytics allowed 1stdibs to take advantage of a suite of new features.

“Essentially, now that we’ve implemented the advanced features of the tools through a rigorous process, not only do we trust the data we’re seeing, we’re able to identify and benchmark acquisition costs - even across different segments - and determine how we’re going to get the best return from our media planning. That’s power we’ve never had before.”

Anna Ivnitskaya

Manager of Analytics, 1stdibs

The expanded limits on custom dimensions meant that 1stdibs was able to inject dozens of customer, session, and product attributes into the Google Analytics data set, allowing them to explore segments and cohorts like never before. “We were finally able to define different visitor and customer groups by new attributes and compare them against each other. Ultimately, this lets us understand what problems different groups are having so we can fix them, or which types of visitors are likely to be the most valuable to the ecosystem,” says Jung Lee, Head of Analytics for 1stdibs.



“This custom data has become directly actionable in not just understanding our existing customers better, but helping us to identify new prospects as well.”

Leveraging dedicated mobile application tracking, Cardinal Path helped 1stdibs to design and deploy a Google Analytics mobile measurement solution for their iOS app, which included tracking users across not just touchpoints, but the multiple devices they use for a more holistic view of the customer experience.

“We have a wealth of data around the attributes and behaviors of someone who might benefit from what 1stdibs is doing, and that means we can start to adjust our media plan accordingly. It means we can provide just the right message to just the right person at just the right time and really be effective with our marketing dollars.”

Jung Lee

Head of Analytics, 1stdibs

For example, 1stdibs didn’t know if people would actually buy on their new app or just use it to browse, returning later to purchase on the website. By tying together cross-device sessions with the User ID feature, 1stdibs can answer these kinds of questions and see how people are moving between the app and the website and what those experiences look like. These translate directly into customer value and help react to and plan for customer behavior.

This level of analysis has been instrumental not just in making 1stdibs a better platform for its end users, but also in providing the value to its network of dealers that is paramount to the business model. “The ability to share these insights with our partners gives dealers what they need to improve and benefit even more from our platform,” says Lee.



Enhanced Ecommerce

Taking advantage of perhaps one of the most impactful Universal Analytics features for ecommerce providers, 1stdibs designed and implemented a full Enhanced Ecommerce solution across both their web and app experiences, gaining tremendous visibility into the product interactions that happen before a purchase, the shopping experience and the checkout process.

With Enhanced Ecommerce, 1stdibs can better understand which products are most popular for browsing, how best to promote merchandise through product lists and promotions, and which are added to or removed from shopping carts. This has given 1stdibs a new set of powerful online retail tools that have netted them some valuable results:

Product List Performance

Now, the marketing team can better understand the value and potential of their merchandising efforts by analyzing different product recommendation and promotion lists' click-through rates, resulting product interactions, cart adds, and checkout process steps.

Knowing which of these formats perform the best for particular customers and product categories has had a tangible impact on the bottom line and strategic planning. This has led to more personalized messaging with 1stdibs' customers, including emails targeting a user's primary category of interest, which has improved email open/click-through rates and ultimately, ecommerce conversion rates. This data will be used to dynamically populate items featured throughout the site.



Shopping Cohorts

Being able to see the full experience from product interactions through the checkout process across the various shopping stages, and segmenting all of that data by customer type allows 1stdibs to perform advanced analysis.

For example, by looking at different user groups, 1stdibs discovered that visitors from promotional emails view very few products but have one of the highest ecommerce conversion rates. Using this information, the team can create focused and targeted email experiences that reflect and support user behaviors while supporting goals and projections.

Checkout Behavior

The expanded visibility into all of the various steps of the checkout process provides a new understanding of which areas are working and which may be causing the greatest issues and/or abandonment. And once again, the ability to view this data in user segments is enlightening.

By comparing new and unregistered users with returning and high value customer segments, unique behaviors can be analyzed and experiences can be tailored to give everyone a better experience.

“We understand the checkout process much better now that we can see where they drop and what they like. This means we can adapt to the specific needs of specific groups of our customers.”

Anna Ivnitskaya

Manager of Analytics, 1stdibs



Socializing results and building a data-driven organization

The Google platform, through APIs and BigQuery, gave 1stdibs a scalable path to quickly integrate their newly enhanced web and mobile application data with their extensive back-end data sets. This allows them to join a wealth of online data with a diverse pool of customer, platform, and product information that Google Analytics doesn't see. The combined data sets provide the basis for a host of analysis and traditional data science initiatives as well as a unified, "single source of truth." This single source is the base from which reporting, dashboarding, and data visualization techniques can be used to deliver not just an in-depth understanding of the holistic platform and its users, but also to socialize what all of that means across the various stakeholders in the organization.

According to Jung Lee, the 1stdibs analytics journey is moving forward in step with business growth: "We're now using Google Big Query to extract all this data and integrate it with our other large back-end systems so we can continue to join with more data sets for a big picture view. We are now working with Cardinal Path to bring in some really robust data visualizations to replace traditional reporting with always-on datasets and dashboards that give people across the enterprise a near real-time look at what's going on."

With their analytics strategy squarely in place and the snowballing benefits from their investments, 1stdibs CMO Adam Karp knows that it's been worth the effort: "You only need to look at the growth of our data and analytics team – which has quadrupled in the past year – as evidence of the critical role data plays in our business while we continue to unlock more and more value from our digital data assets."

About 1stdibs

1stdibs is the world's leading online marketplace for rare and desirable objects. By bringing together more than 2,000 of the world's finest dealers specializing in furniture, fine art, and collectibles the website offers an exclusive, curated inventory that is not available anywhere else online.

Compete and win on digital.

Call Cardinal Path to find out how.

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Cardinal Path is a premier digital data analytics firm that works with the world's most prominent organizations to create, implement and action advanced analytics. Named **Most Influential Agency/Vendor of the Year** by the Digital Analytics Association in 2015, Cardinal Path is known for its industry leadership and for tools such as the Online Analytics Maturity Model, a framework for assessing enterprise-wide analytics maturity. With dedicated teams of award-winning analysts, statisticians, data scientists, developers, and many of the top minds in the digital marketing space, we help our clients unlock the value of their data, sharing all that we know and empowering people to make confident business decisions for sustainable growth.