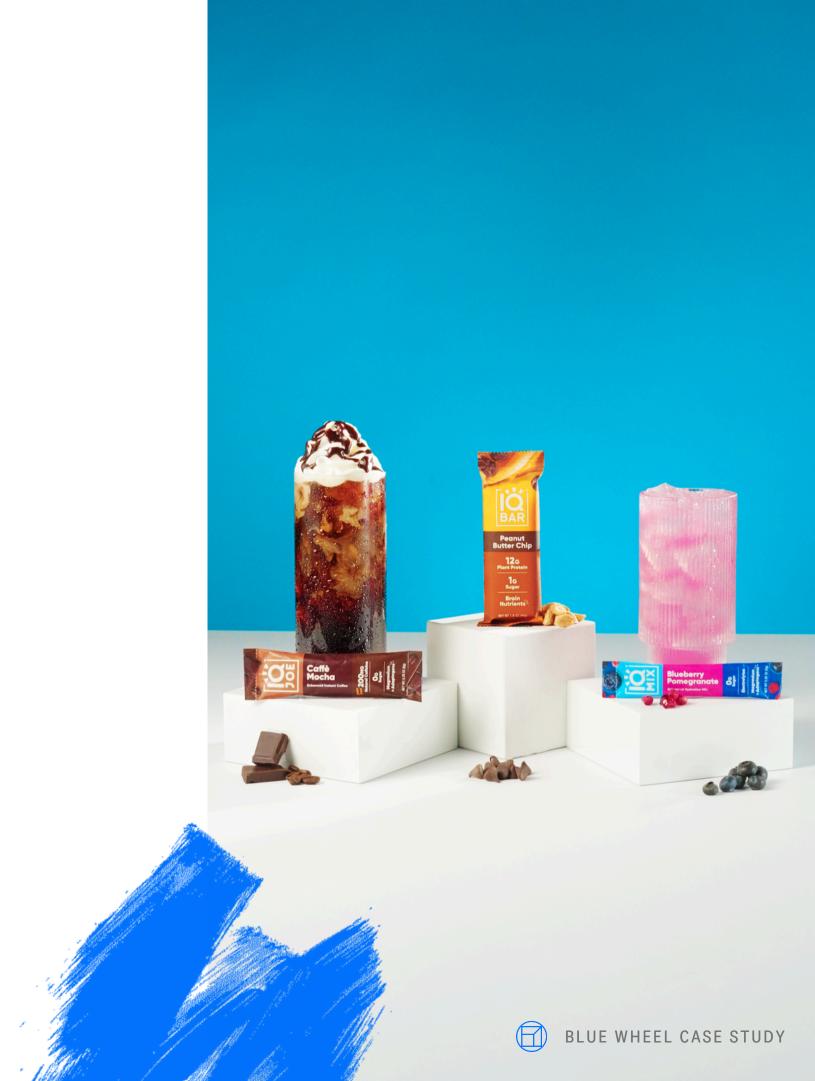


#### BLUE WHEEL CASE STUDY

## IQBAR

<u>IQBAR</u> meticulously formulates IQBAR plant protein bars, IQMIX sugar-free hydration mixes, and IQJOE adaptogen instant coffee around functional brain and body nutrients.

The brand name is derived from its mission to center products on functional nutrients shown across the scientific literature to benefit the brain.







### Contents

The IQBAR case study is split into four sections, each showcasing different aspects of our team's strategic efforts and accomplishments.





# The Challenges & Goals

IQBAR, a CPG brand in the health food/fitness vertical, was happy with their returned investment while working with Blue Wheel, and challenged the team to achieve an NCAC (New Customer Cost per Acquisition) goal of \$30.

Since many customers who purchase IQBAR's products sign up for automatic deliveries, it was crucial to focus on the cost per new customer according to our strategy.

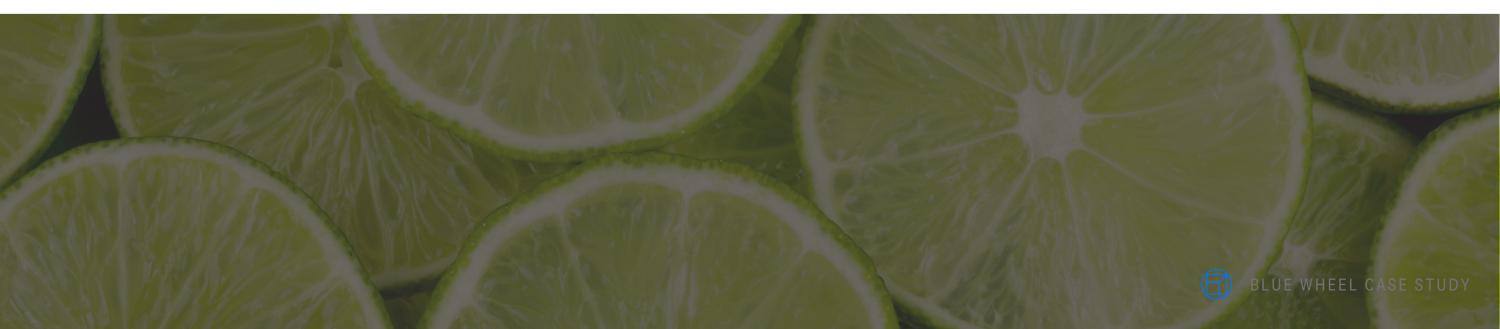
The client wanted to continue leveraging its channel diversification on TikTok. However, for the brand's NCAC goal, we needed to explore different opportunities on the platform to lower the costs to achieve it. This led us to test TikTok Shop.

## The Challenges & Goals

The objective of launching TikTok Shop for the brand was to complement the current campaign, aiming to lower the cost per purchase and achieve the NCAC KPI. TikTok Shop is a relatively new opportunity with limited historical insights. To ensure success, we needed to align on our approach and metrics from a holistic perspective, given the uncertainty of initial results for IQBAR on this isolated platform.

Content is key to success, and TikTok Shop campaigns have specific creative requirements. Ads must run as Sparked content from the brand's organic profile and link exclusively to the TikTok Shop's destination. This setup simplifies the checkout process by keeping users within the TikTok app, reducing the need for website navigation. However, it also limits users' ability to explore and learn more about the brand before purchasing.

To succeed, we needed content that met these requirements, looked native to the platform, and included sufficient brand and product information. We worked closely with the client to select the best videos showcasing these elements, ensuring users felt confident buying without the additional information typically found on a website.



### The Actions

Faced with the challenge of achieving a blended \$30 NCAC through our DTC advertising initiatives on paid search and social platforms (including Meta, TikTok, Google, and Bing), we identified TikTok Shop as a valuable opportunity to reduce costs while maintaining TikTok within our media mix.

While our existing strategy on the platform generated sufficient revenue, it didn't always yield the strongest results for acquiring new customers, which was our new primary goal.

TikTok Shop is leading the way for "Shoptainment", where content and commerce converge to deliver results for sellers.

This platform-optimized checkout experience creates an integrated and seamless discovery-to-purchase journey, further expanding brand accessibility and supporting new customer acquisition strategies to maintain NCAC.

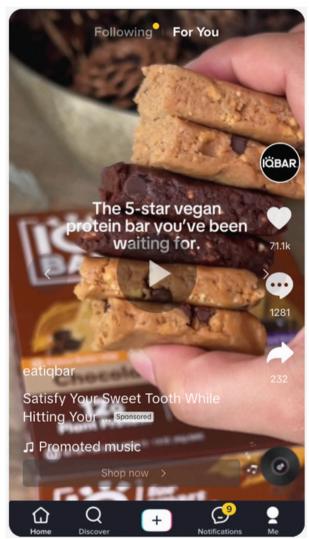
TikTok Shop began as a small-scale test with a limited budget. Despite initial concerns about scalability and user motivation driven by discounts, its strong performance has made it a crucial part of our brand strategy for IQBAR.



## Creative Insights

Blue Wheel utilized a diverse mix of UGC-style and product content for this campaign, while product-focused videos resulted in the highest overall performance. When analyzing collection performance, IQMIX achieved the highest revenue with the lowest CPP, demonstrating significant scalability. IQBAR followed closely, delivering a slightly higher ROAS. Although IQJOE struggled to scale and generated the lowest revenue, it achieved the lowest CPP and highest ROAS and had the longest watch time among the three. Identifying the right creative that resonates with a new customer audience results in lower purchase costs, thereby enhancing the efficiency of the NCAC.





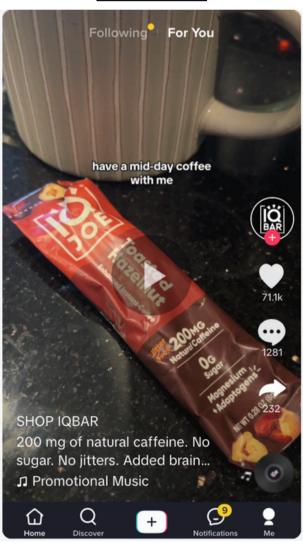
Original Video Link





<u>Original Video Link</u>





Original Video Link



#### The Results

Since launching our initial TikTok Shop test, we've successfully scaled ad spend and revenue and acquired new customers comprehensively. With the TikTok Shop destination campaign, we've maintained an NCAC at or below our \$30 goal while scaling the business.

- IQBAR saw a 68% increase in New Customer Orders and a 74% growth in New Customer Revenue within the first two months of the TikTok Shop launch.
- Nearly 1k New Customer Purchases attributed to TikTok Shops were seen within the first 3 months. With the TikTok Shop launch, quarter-over-quarter, we continued to scale spending from Q4 investment, resulting in a 722% increase in revenue.
- Our CPP efficiency increased with the scale and launch of the TT Shop campaign resulting in a 47.2% decrease in CPP, quarter-over-quarter.
- Website campaign, quarter-over-quarter, decreased with campaign efficiencies optimizing for broad targeting with a 28.8% decrease.
- ROAS for the website campaign increased quarter-over-quarter by 52% even with the scale jumping from 0.21x to 0.32x. The newly launched TikTok Shop campaign resulted in a 0.50x ROAS.

+68%

New Customer Orders +74%

New Customer Revenue

+722%

Increase in TikTok Revenue QoQ **47%** 

Decrease in CPP QoQ

+52%

ROAS from the website campaign QoQ

0.5x

ROAS from the TikTok Shop campaign





### The Conclusion

Integrating TikTok Shop into our comprehensive media strategy has enabled us to leverage TikTok as a social platform while achieving our client's NCAC goal of \$30.

TikTok is rapidly emerging as a powerful platform for brands, making it crucial to maintain a strong presence and stay updated with its innovative features. Through our TikTok Shop strategies, we not only maintained efficiency but also surpassed previous performance metrics.



# About Us

#### Blue Wheel

We're a new breed of eCommerce agency, supporting brands through marketplace management and performance advertising. With over \$1B in revenue managed for our clients, we'll help your brand from click to ship, scaling your brand's sales across DTC, Amazon, Walmart, eBay, and retail.

CONTACT US