

Success Story



How KLM Royal Dutch Airlines increased bookings and decreased costs with Adphorus' DPA Solutions



KLM Royal Dutch Airlines is one of the most customer-centric, innovative and efficient European network carriers in the sky today, with flights to more than 135 destinations worldwide. By merging with Air France, KLM gained a leading position in the international airline industry, pioneering smart partnerships and new destinations.

While KLM is the oldest airline in the world, they are widely recognized for being on the forefront of 21st century travel and marketing. KLM believes they should always be relevant and where their customers are. Facebook's Dynamic Product Ads (DPA) is a perfect addition to KLM's social strategy.

Goal

KLM continuously aims to:

- Increase relevancy for customers
- Increase bookings
- Lower CPA

Challenge

KLM strongly believes that high personal relevancy in social advertising is key to success. In order to achieve this, KLM wanted to use Facebook as the first social channel within their dynamic retargeting strategy. They utilized DPA to roll-out retargeting campaigns based on destinations search.

Solution

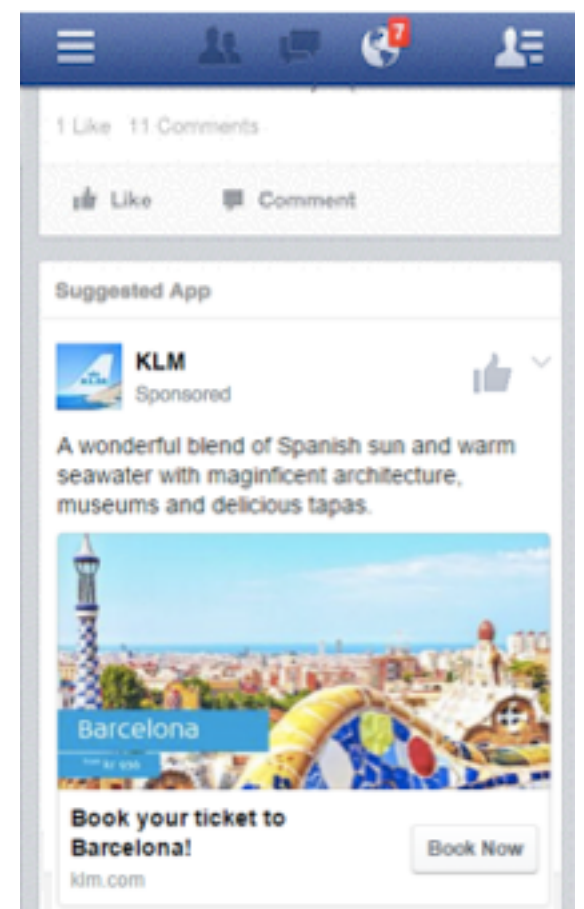
1. Implementation of Dynamic Product Ads for an airline company

DPA works great for e-commerce advertisers; however, an airline company requires working out a different framework to adapt an airline's user funnel and "product" definition into DPA.

KLM, Storm Digital (agency) and Adphorus teams worked together closely in order to set up an effective DPA structure by implementing and adapting Facebook's default DPA setup to KLM's business model.

2. Customize creatives by using Dynamic Creative Template

KLM also utilized Adphorus' Dynamic Creative Template (DCT) to customize each of their images used for DPA. This way they dynamically added the logo, destination and fare on each destination image.



Solution

3. Scale spend and maximize return by using Adphorus' algorithm Marvin

Marvin is a predictive optimization algorithm that manages bids and re-allocates budget to better performing ad sets. KLM let Marvin manage its DPA campaigns and this played a leading role in scaling ad spend and lowering CPA.

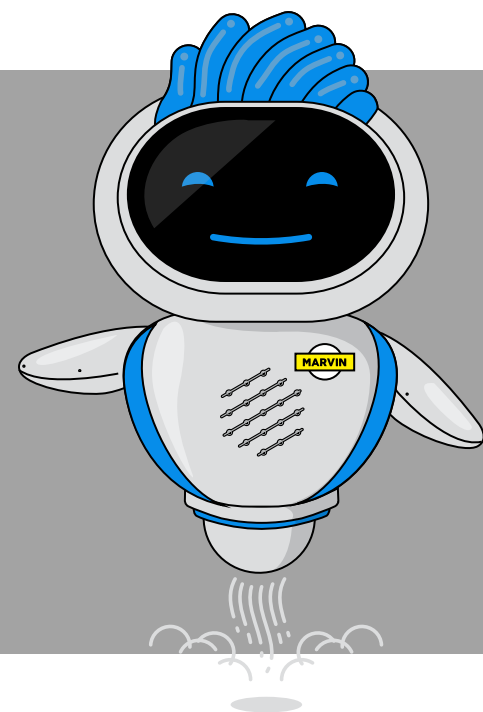


Optimization by Marvin

Bid Management and Budget Allocation

Bid Management: Marvin determines the optimum bid for each Ad Set.

Budget Allocation: Marvin distributes your campaign's budget among Ad Sets by prioritizing the better performing ones.



Results

KLM saw 554% more Bookings and achieved 62% lower CPA with DPA compared to static re-marketing campaigns for the same market.

+554%
of bookings

-62%
CPA

"The pro-active approach of Adphorus as well as their very specific DPA knowledge helped us in a quick set-up and smooth implementation. Being the first airline to implement DPA required some specific adjustments within the set-up, which Adphorus facilitated in a prompt way. Their assistance with the campaign optimization definitely contributed in reaching our KPI's."

Christiaan van de Koppel
Social Commerce Manager,
KLM Royal Dutch Airlines