

Century-Old Lumber Company Grows Through Transition To Digital Marketing

Executive Summary:

Big C Lumber is a local, family-owned lumber company that has been serving the community since 1921. The company's focus is primarily on serving the professional contractor home builder, but it also caters to do-it-yourself homeowners, professional remodelers, and commercial contractors. Today, Big C Lumber operates 15 lumber yards across Indiana, Michigan, and Ohio.

The company specializes in lumber and building materials. Big C supplements its business with three facilities that provide custom manufacturing and distribution services.

The structural building components facility works with builders, architects and engineers to manufacture floor trusses, roof trusses, and wall panels that meet their specifications.

The custom cabinet and millwork facility manufactures unique pieces for commercial and residential buildings. They create anything from cabinets for any room to countertops, windows and doors, architectural millwork, molding, and beyond.

The window and door facility — like the cabinet and millwork facility — distributes custom doors and windows for commercial and residential use.

The Problem:

Big C Lumber is continuously trying to boost cash sales — what it defines as the do-it-yourselfer who walks into the store. Because of that, Big C was looking for ways to more directly target its audience. The company had been using traditional advertising like broadcast TV and flyers for years, but that became less effective as the world became more digital.

Big C wanted the ability to be able to promote specific products and ensure that the right audience was seeing their ads.

That meant creating awareness with contractors they work as well as DIYers about the different products and services Big C offers for remodeling and building new homes.



"I interviewed a total of five companies who all made presentations on digital advertising. I was most comfortable with Federated Digital Solutions because of their presentation and reporting methods — the tools that they have."

-Alan Town, Director of Marketing and Public Relations at Big C Lumber

The Process:

Big C Lumber partnered with Federated Digital Solutions in 2016 for a targeted display ad campaign. It was Big C Lumber's first foray into digital marketing.

"It was compelling to me that we'd be able to target our ads to people who were looking for the specific products that we sold," says Alan Town, Director of Marketing and Public Relations at Big C Lumber. "The idea of that 7 or 8 years ago was so foreign to us that we didn't understand it — we weren't aware of it.

By the next year, cash sales at Big C Lumber significantly increased, and Town attributed much of that success to the targeted display ad campaign. It was then that they decided to start moving away from traditional advertising and partner more with Federated Digital Solutions.

"We know that the flyers, the TV and radio advertising, any of the print advertising — you're sending that to everybody. It's not targeted. You're just hoping you're going to capture enough people who are interested in our products and services," Town says. "If I can deliver our ads to only people who are interested in our products and there's no waste, what could be better than that?"

As Big C Lumber strategically moved away from traditional marketing, it began to layer in additional digital marketing solutions with Federated Digital Solutions. With every new tactic, Town and the FDS team paid attention to the reporting numbers to ensure each new tactic was making an impact on Big C Lumber's goals of growing their cash sales and reaching the right audiences.

Federated Digital Solutions began managing Big C Lumber's social media pages, starting with Facebook and then layered in Instagram in 2020, as part of an overall branding campaign. The social media strategy for Big C focuses on post engagement with the company's target audiences — homeowners and tradesmen.

Materials and product availability updates are also promoted on Big C's social media platforms, but ultimately, the goal is to share engaging content to start a conversation with the audience.

"I consider all of the folks at Federated Digital Solutions as a part of my staff because I know I can count on them to navigate new forms of advertising."

-Alan Town, Director of Marketing and Public Relations at Big C Lumber

The intent is to keep Big C top of mind with the audience. They may not be ready to buy today, but when they are, they are more likely to think of Big C because they're engaged with the business on social media.

In 2020 and 2021, Big C added several specialized display ad campaigns for each of its locations across the Midwest. Specific products are promoted seasonally at each location targeted at contractors and the DIYer. During certain seasons, there is a more concerted focus on cabinets, windows, and decking. To add a layer of measurement, the ads were geofenced around competitors located near Big C Lumber's locations, including big box stores and local businesses.

Big C Lumber also layered in content marketing with its digital marketing starting in 2021. The blogs educate and entertain Big C's target audiences and position the company as the local leader for lumber and building supplies, both for contractors and DIYers. The blogs are distributed through targeted Facebook ads and shared organically on Big C's Facebook page.



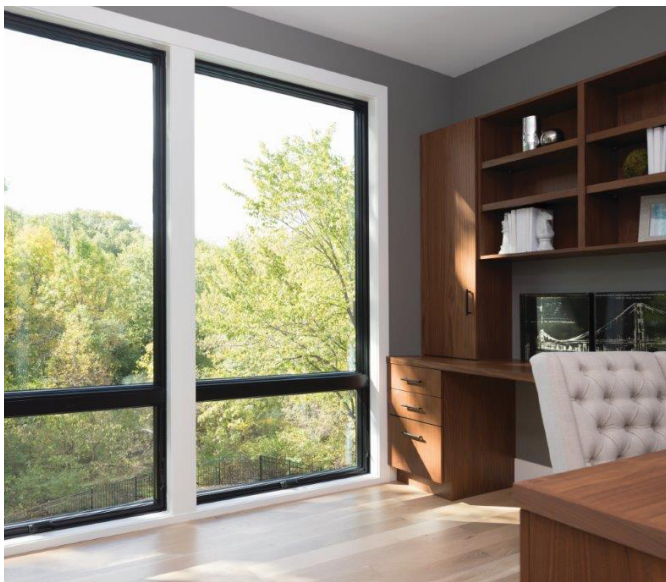
The Process (cont.):

In the summer of 2021, Big C layered in Search Engine Management (SEM) and Over The Top (OTT) in its digital marketing plan.

The goal of the SEM is to generate leads and drive traffic to the website when consumers are ready to make a purchase, using keywords of Big C's products and industry.

Because more consumers are watching less traditional TV and spending more time watching streaming services, Big C Lumber decided to shift their traditional television budget to OTT streaming video ads. Big C knew their OTT ads would be seen by more of their target audience compared to traditional television.

"It's been incremental steps through the years to add all of the services we use," Town says. "Federated Digital Solutions has been very instructive and allowed us to take our time to understand everything before we move on to the next phase."



The Result:

Throughout 2021, display ads were delivered nearly 17 million times, an increase of about 2.5 million impressions from the year before. Overall total actions saw a massive 31.5% increase in the same period.

The frequency of nearly all of the display ad campaigns was phenomenal, as ads were served to the same individual an average of 6 times. That's great news for Big C Lumber's goal of staying top of mind to their target audience.

Geofenced ads were also incredibly effective in 2021. There were 849 people who had not been into a Big C Lumber location in the past 30 days who were served an ad and then later walked into a store. That was a 36.9% increase from the previous year.

SEM was layered into Big C's marketing strategy half-way through 2021. It was strategically targeted to cover almost the entirety of northern Indiana and southwest Michigan, as well as parts of north-western Ohio. Impression shares were an average of 30%, with the most successful campaigns in the 40% range.

The Result (cont.):

Across all categories, 11,902 people clicked to visit Big C's website. Overall, the SEM click-through-rate for Big C was 5.95%, significantly higher than the national average of 1.91%. CTRs were high among all SEM categories, which means that the ads were interesting enough for the audience to take action.

Like SEM, OTT was layered into Big C's strategy part way through the year. Unlike traditional television that Big C had used previously, ads served through OTT are unskippable.

OTT ads for Big C were clicked on 2,678 times during that period, with half of those clicks coming from mobile devices. Of the OTT ads delivered, 36% were on mobile devices, 45% were on Connected TV, and the rest were on computers, tablets, or unknown devices.

The social media strategy was updated during the pandemic in 2020 to focus on engagement, which continued through 2021. Posts included more questions and other prompts to encourage Big C's audience to leave comments and engage the company in conversations. This allows Big C to build relationships with its audience, instead of simply telling the audience to visit them if they need materials.

In fact, one of the most popular posts shared by Big C in 2021 asked people what toppings they put on their hotdogs. Other posts included advice and tips on projects for homeowners and tradespeople. Occasionally, posts will include promotions of materials and product updates, but the overall focus is about connecting with the audience.

In 2021, Big C Lumber averaged 121 comments and 895 reactions each month on Facebook. The overall engagement rate was 6.1% on Facebook, with 1% being the industry standard for a successfully engaging post. Instagram also saw successful engagement and growth.

From targeted display ads to content marketing and OTT, Big C Lumber is all-in when it comes to digital marketing. Shifting to digital can be a big leap, but this century-old company has seen the importance of staying up-to-date and relevant in the changing marketing landscape.

"It seems like things are changing every day and Federated Digital Solutions keeps up on those changes and keeps us informed and helps us make better decisions," Town says. "It's benefitted Big C Lumber in ways I've never even dreamed of."

