



TUIfly.com improves advertising efficiency with Criteo's new engine and Engine Optimized Segments

The results

-14%

Cost of Sales (COS)

+9%

Average Cart Value

-5%

CPC

TUI Travel PLC is one of the world's leading leisure travel groups, with more than 220 trusted brands serving 30M customers.

The company has been working with Criteo since 2012 to promote its TUIfly.com flight portal, a partnership that has paid off in steadily improving performance marketing results. In fact, the share of TUIfly.com sales generated by Criteo has increased by nearly 10% over the past year¹.

1. 1H 2013 to 1H 2014



Continual optimization is vital to our marketing efforts, and with Criteo, we always have an opportunity to try something new and to continually innovate in performance display, a very important channel in our mix."

Gretlies Ringe,
Marketing Campaign Manager, TUIfly.com

The Challenge

With a very progressive approach to marketing, TUIfly.com is always looking for better ways to improve advertising efficiency and effectiveness. Its marketing teams track virtually every KPI available across multiple channels, from social to paid search, eNewsletters and offline marketing. Performance display is a vital part of the mix – enabling it to promote how it makes “every travel experience special” in a highly personalized and relevant way.

Until 2014, TUIfly.com had been using conventional segmentation strategies to manually optimize its performance display marketing - with good results. But multiple campaigns with diverse goals added complexity to its marketing programs. Plus, it was always looking for performance improvements.

As a result, the TUIfly.com team was keen to try out Criteo's new Conversion Rate Optimizer (CRO) with Simple Segments when the solutions launched in 2014. The company is committed to making data-driven marketing decisions and ran an A/B test during April, 2014, to contrast the results of the old and new methodologies. The benefits of combining CRO and the Simple Segments methodology were clear.

The solution

Criteo's new CRO made the entire bidding process more efficient and lucrative for TUIfly.com by optimizing bids on user propensity to convert vs. just click.

“Before, we had a complicated segmentation structure with 8 to 10 different segments for each destination category based on date of travel and activity level,” says campaign manager Gretties Ringe. “Each segment then had its own CPC.”

With Engine Optimized Segments, users are categorized only by destination, with a single CPC designated for each category. The Criteo engine does the rest of the work, discovering automatically which users within that destination category are most valuable. “Managing the CPCs is much simpler now with fewer segments, and our most important destinations don't change much throughout the year,” adds Ringe.

The result

TUIfly.com's previous segmentation strategy was strong, but now with the combination of simpler segmentation management and the predictive power of CRO, it's even stronger.

With improved efficiency focusing bids on the most valuable users, TUIfly.com has increased its average basket value by 9%. That, combined with a 5% lower CPC, has resulted in a dramatic 14% decrease in overall COS.