



LOCATION

San Francisco, CA

NO. OF EMPLOYEES

400

INDUSTRY

Internet

How Round Barn Labs Helped Nextdoor Achieve Stellar ROI on LinkedIn

Challenge:

While Nextdoor has established itself as a private social media network for neighborhood communities, it wanted to grow awareness of its nascent offering for real estate agents. Working with growth marketing agency **Round Barn Labs**, there was a directive to increase customer acquisition (real estate agent sponsorships) by 50%, and cut advertising costs by 10%. In order to reach their aggressive goals, the teams needed to identify a channel with rich audience insights and very strong ROI.

After improving upon Nextdoor's previous paid social performance, Round Barn Labs launched LinkedIn Ads to re-engage and acquire additional prospective real estate agents.

"The support that we got from the LinkedIn team was head and shoulders above any type of support I ever got with an advertising platform."



Mike McElhaney

VP of Paid Marketing for Round Barn Labs

Solution:

With an eye on premium lead quality, Round Barn Labs turned to LinkedIn and its robust targeting capabilities. Recognizing that many real estate agents are already active on the platform, forging connections and building relationships, they saw it as an opportunity to reach this key audience in the right context. Round Barn Labs utilized LinkedIn's platform to implement frequent, creative A/B testing. By isolating variables, they increased CTR and effective conversion rate. The combination allowed Nextdoor to lower costs and beat their Q4 goal.

To ensure their content would be seen by the right members, the agency focused on the Job Title and Job Interest targeting fields, and used retargeting to engage prospects with some familiarity.

"As we were exploring options and additional channels to reach our target demographic, it seemed to make perfect sense to use LinkedIn for this," says **Mike McElhaney**, Vice President of Paid Marketing for Round Barn.

"Not only was the support staff extremely helpful, but it is actually way more intuitive than I expected."



Mike McElhaney

VP of Paid Marketing for Round Barn Labs

Results:

With greater targeting specificity, Nextdoor and Round Barn Labs saw noticeable improvement running LinkedIn campaigns. On other social platforms, McElhaney says they'd get a lot of clicks on pictures of houses, from home-buyers who were not necessarily in their desired audience. On LinkedIn, intent-driven content like testimonials gained much more traction, and this was reflected by superior return on spend. Calculating based on Cost Per Acquisition and Lifetime Customer Value, Nextdoor and Round Barn Labs saw:

3X return on investment

25% reduction in CPA

For other advertisers on the platform, McElhaney recommends keeping a close eye on CTR and costs. "We were able to change our bidding method to CPM-based bidding because our click-through rate was so high. That simple change in bidding cut our CPA by 25%."

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