

Canada Drives Reduces Customer Acquisition Cost (CAC) by 20% with Snowflake and RudderStack



Canada Drives is reimagining how customers buy, finance, trade in, and sell vehicles. Price transparency, generous warranty and return policies, and a haggle-free buying experience are all reasons why Canada Drives has become Canada's largest 100% online car shopping platform.

Online vehicle sales is a complex, data-driven business. To support internal operations and ensure a seamless buying experience for customers, Canada Drives must rapidly transform and make data available to multiple interconnected systems.

Canada Drives turned to Snowflake and RudderStack to advance its marketing, BI, and data science initiatives.

Making sense of anonymous interactions from potential buyers

Many ecommerce retailers rely on historical purchase data to provide customers with personalized content and encourage transactions. This approach works well for companies selling groceries, clothing, consumer goods, and items that are purchased frequently or on an ongoing basis. However, selling vehicles online involves a different type of buyer journey—one that may require weeks of research by the customer and, in many cases, additional financing.

“Users don't identify themselves when they assess financing or ask us to calculate the value of a vehicle they're selling or trading in,” says Andrew Hall, VP of Data and Analytics at Canada Drives. “We needed better analytics tools to generate actionable insights into customer behavior at every level of our admittedly steep and unique funnel. Every extra conversion is extremely valuable to us.”

Seeking to bolster its customer acquisition efforts and gain a better understanding into user behavior, engagement, and intent, Canada Drives built a new ecommerce platform and expanded its data and analytics team. The team soon realized the need for reimagined data analytics tooling and practices.

Hall evaluated several technologies but needed to avoid complex data platforms that would require customization, integration and ongoing engineering effort. According to Hall, “We had to keep things simple. We wanted something easy to manage that played well with customer data platforms, CRMs, and our other sales, marketing, and analytics tools.”

Time to value was another key consideration for the team. “We wanted a lower barrier to entry in terms of cost, commitment, and ease of use,” Hall says.

Gaining deeper insight into the customer journey with Snowflake and RudderStack

Centralizing Canada Drives’ data in Snowflake provided a source of truth for making data available to other systems without moving or copying it. Snowflake’s multi-cluster shared data architecture and per-second pricing aligned with Canada Drives’ data goals. Snowflake’s fully managed infrastructure and near-zero maintenance freed up technical staff to focus on leveraging data and improving Canada Drives’ user experience.

Connecting RudderStack to Snowflake helped Canada Drives correlate online interactions and conversions without creating new data silos. Implementing RudderStack in tandem with Snowflake made a swift, measurable impact on the team’s productivity, especially when compared to Canada Drives’ previous customer data platform. “We’re 50% faster, and we’re working with use cases that we couldn’t tackle before,” says Chris Michal, Data and Analytics Team Lead at Canada Drives.

Optimizing for conversions with recommendation models

Canada Drives uses the RudderStack Pixel API to track anonymous customer event data and route it to Snowflake and other analytics tools. RudderStack’s Event Streams and Reverse ETL features make it easier to push Canada Drives’ data to multiple platforms and support complex analysis and model training.

“Data ingested into Snowflake with RudderStack is used to train and evaluate our pricing and recommendation models with our machine learning toolkit,” Hall says. “We then use RudderStack’s Reverse ETL function to feed these recommendations to our email service provider and send registered users a personalized list of vehicles that might interest them.” Click-through data from emails is then collected via RudderStack and used to further refine Canada Drives’ recommendations.

Moving more vehicles, more efficiently

Consolidating data into a simplified environment, uncovering customer journey insights, and supporting recommendation models with Snowflake and RudderStack has yielded numerous benefits for Canada Drives, including:

- 23% decrease in inventory time-to-sell
- 20% reduction in customer acquisition cost (CAC)
- 75% lower SaaS spend compared to alternate solutions

Snowflake and RudderStack will continue to play important roles as Canada Drives transforms the online vehicle industry. According to Hall, “Snowflake and RudderStack have given us an analytics framework that is powerful, flexible, and easy to master. We’re using these incredibly enabling tools to chart new territory and embrace new opportunities in an evolving online car sales market.”

Learn more about [Snowflake](#) and [RudderStack](#).