



BevZ

Marketing plans for BevZ launch

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- ✓ BevZ - a healthy energy drink.

- ✓ **RedBull X Gatorade!**

- ✓ BevZ has been tested in stores, and data is gathered for 11 weeks.

Content:



Key takeaways from historical dataset.



Comparison of the two marketing plans developed by Sandy and Tony.



Selecting the optimal plan.

1. Understanding the historical dataset.

Marketing Decision Variables

Demo



Providing in-store samples of BevZ during the week

Endcap



Placing BevZ in the endcap section of a store during the week

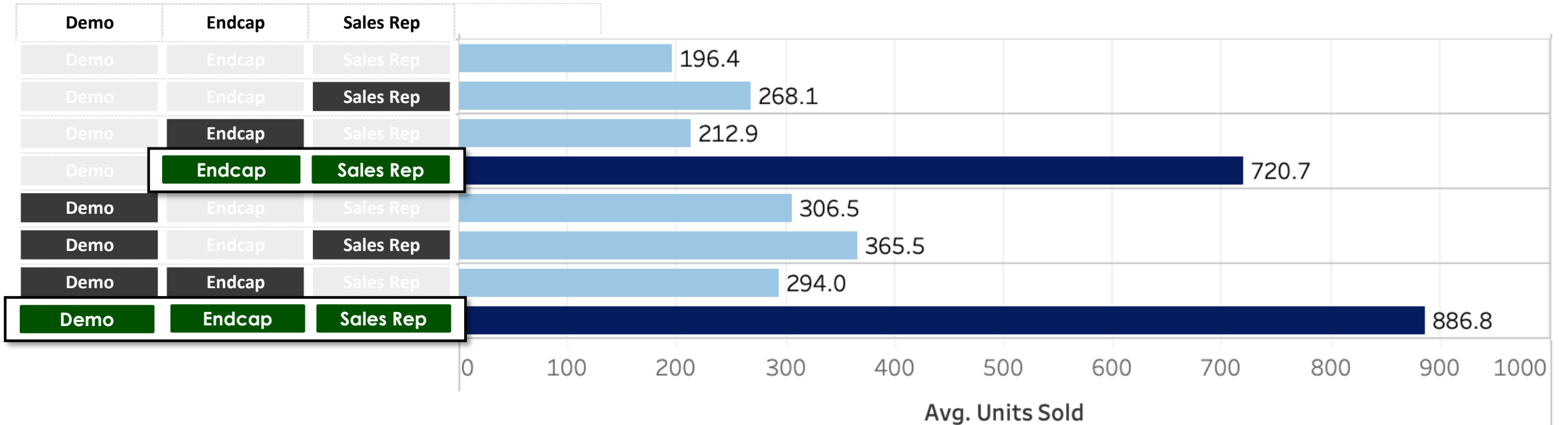
Sales Rep



Assigning a salesperson in-store during the week

Insight of Historical Testing Data

The observation of the different combination of the three marketing strategies

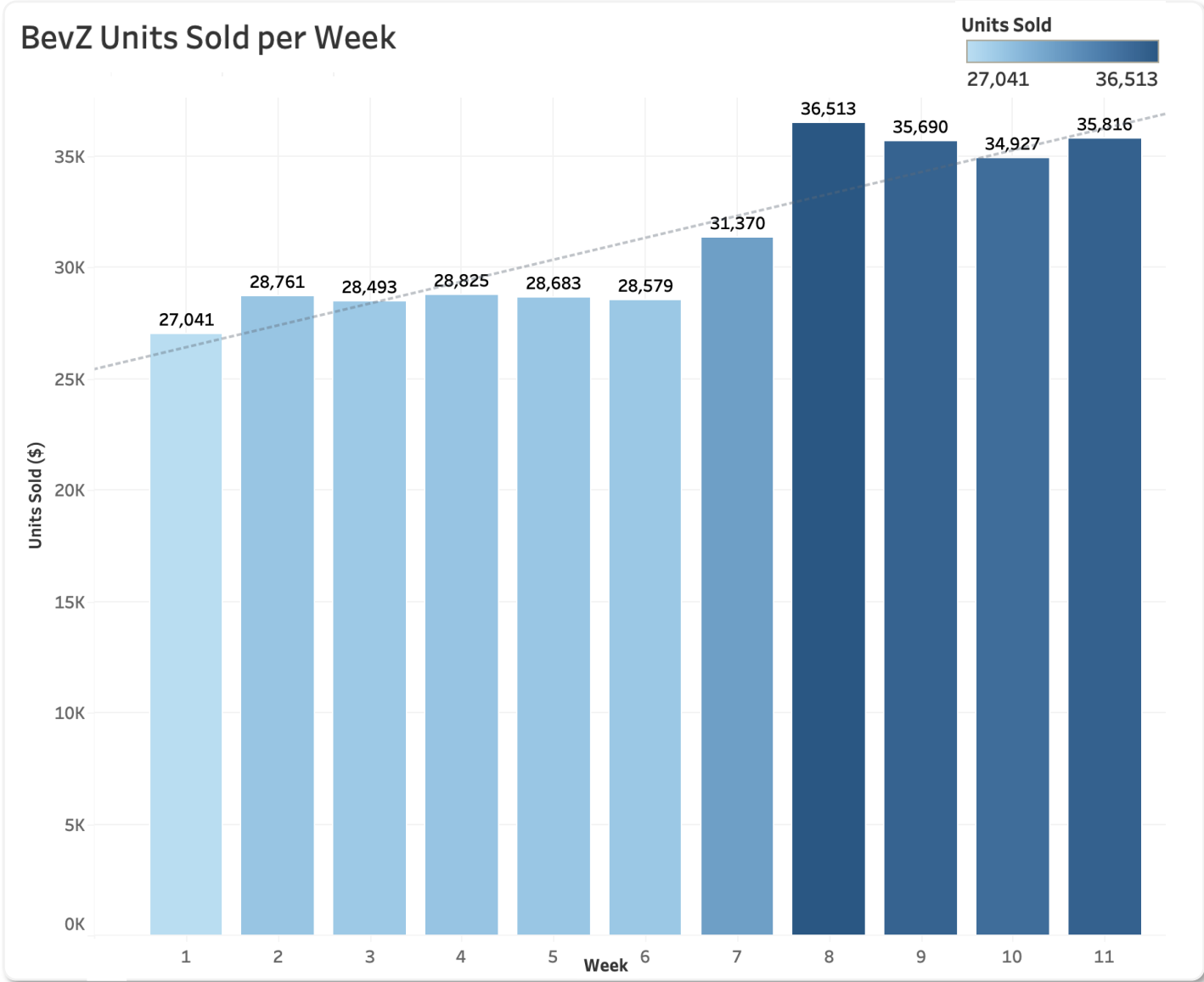


Insight!

- The revenue is the highest when **demo, endcap and sales rep** are all used.
- The second-best combination is **endcap and sales rep**.

Sum of Units sold each week after launch

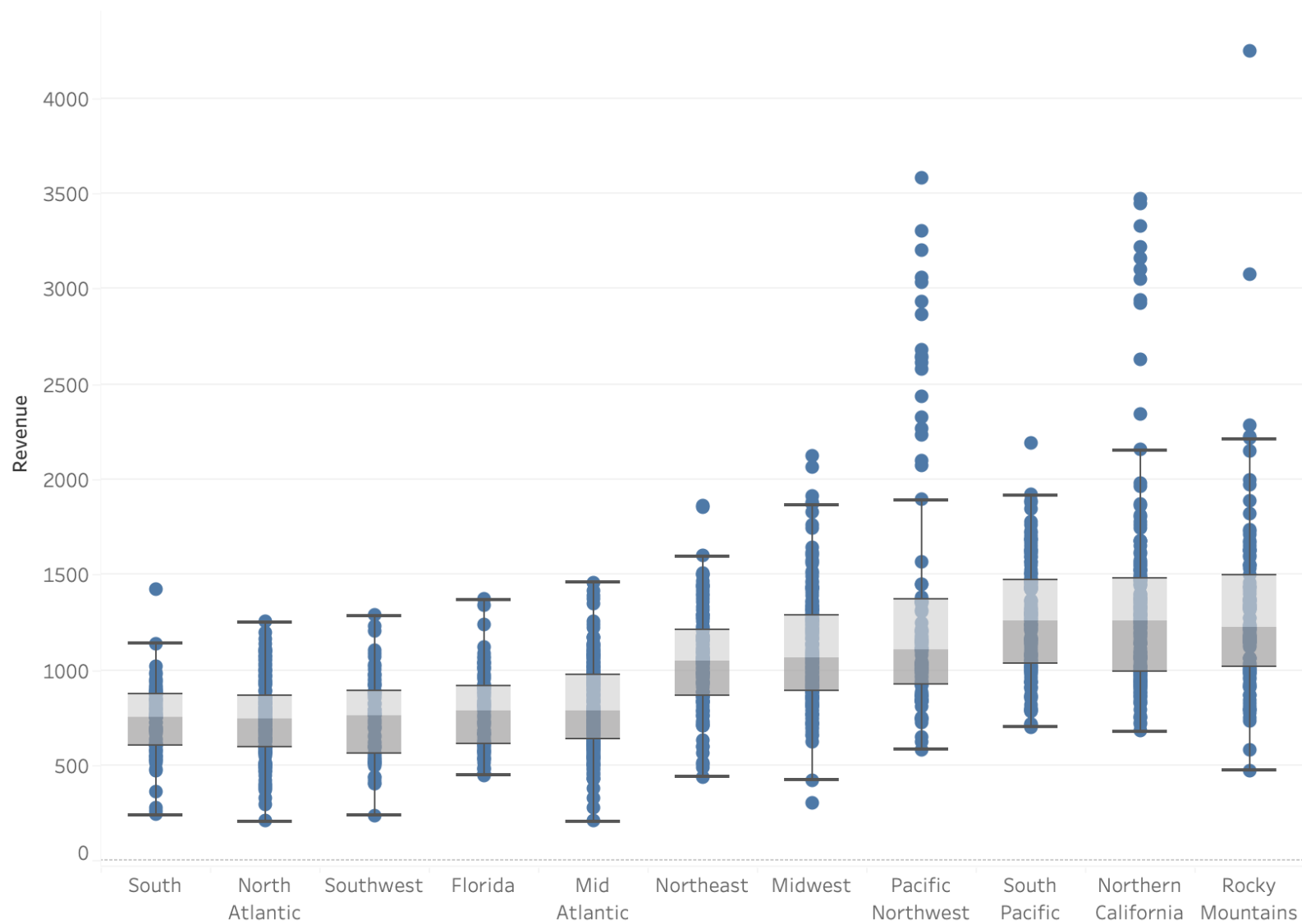
BevZ's weekly units sold show an increasing trend with weeks since product testing stage



Insight!

Combining units sold for all stores, when the product is launched, the number of units sold is higher in the initial weeks as compared to the final weeks.

Revenue per week based on Regions



Insight!

Stores in the mountain area:

- Rocky Mountains,
- Northern California,
- South Pacific and
- Pacific Northwest

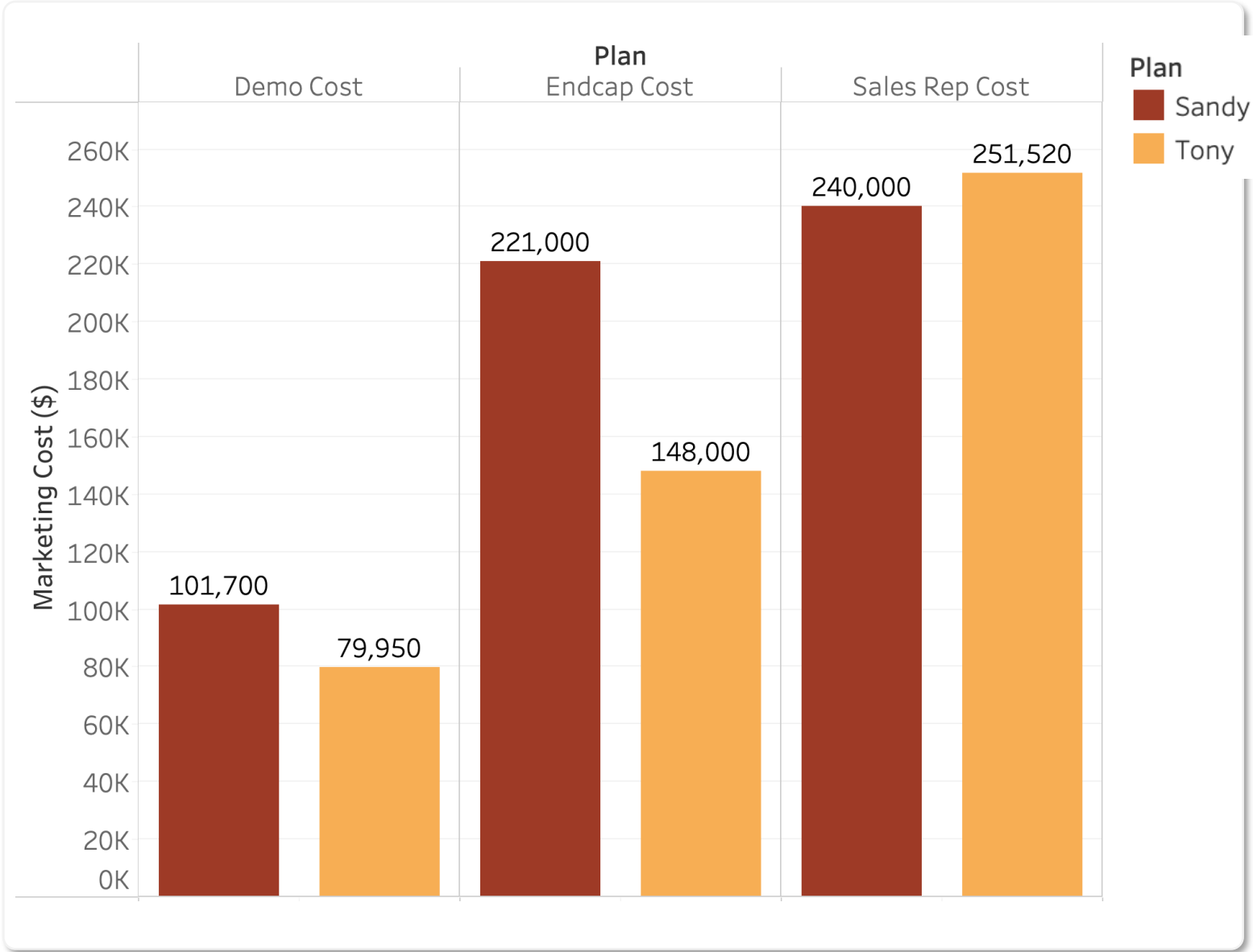
have stores with high revenues.

These areas are known for their mountainous terrain. Therefore, BevZ is expected to be famous among bikers and other hikers.

2. Comparing Sandy's and Tony's Plans

Marketing Cost Comparison between Sandy & Tony

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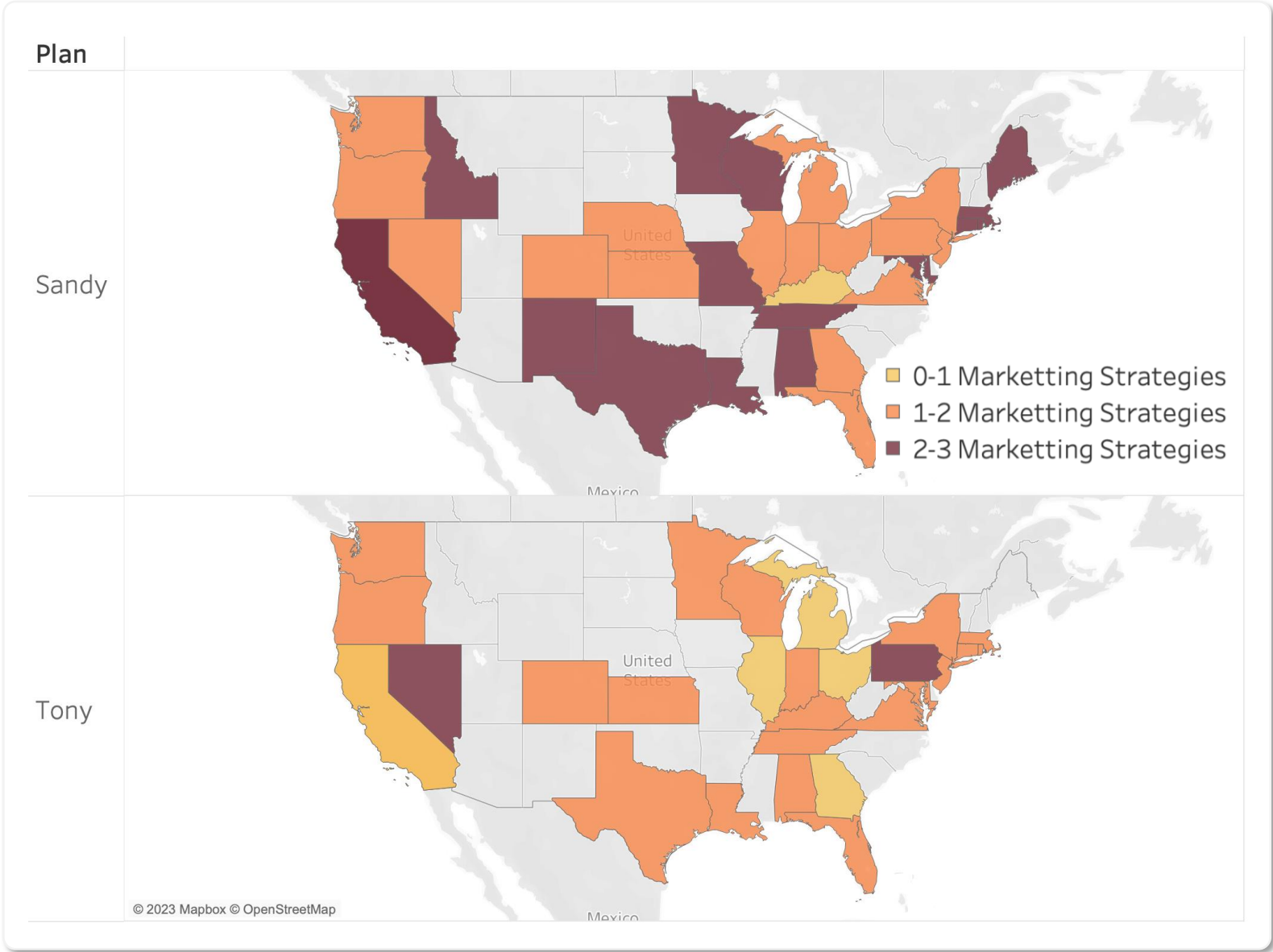


Insight!

Sandy and Tony have similar spending on the sales rep marketing, but Sandy's plan spends more towards endcap and demo overall.

Marketing Cost Comparison by Region between Tony & Sandy

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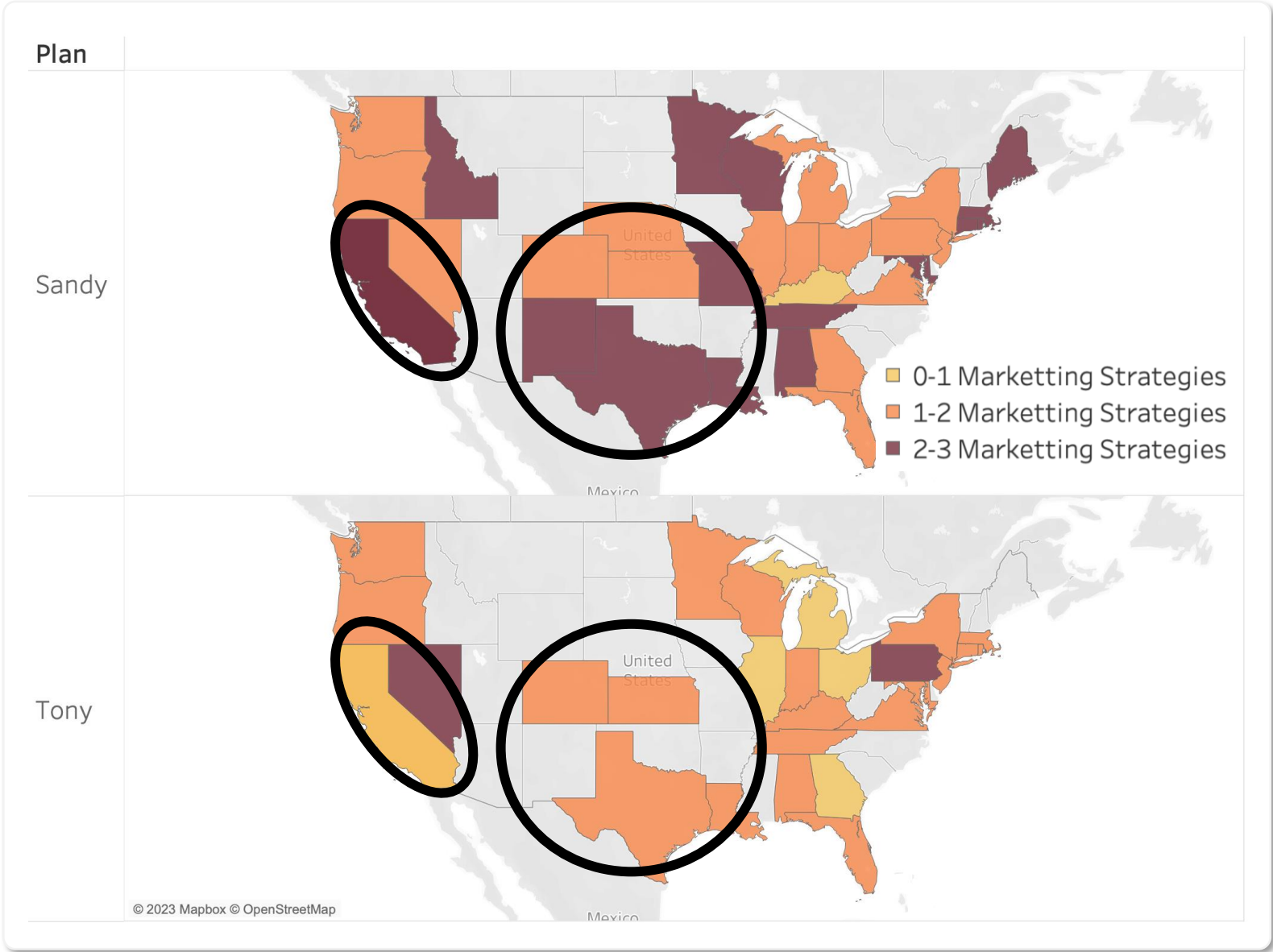


Insight!

Sandy usually employees 2 or more strategies from Endcap, sales rep and demo for most states, whereas Tony employs 2 or less strategies for most states.

Marketing Cost Comparison by Region between Tony & Sandy

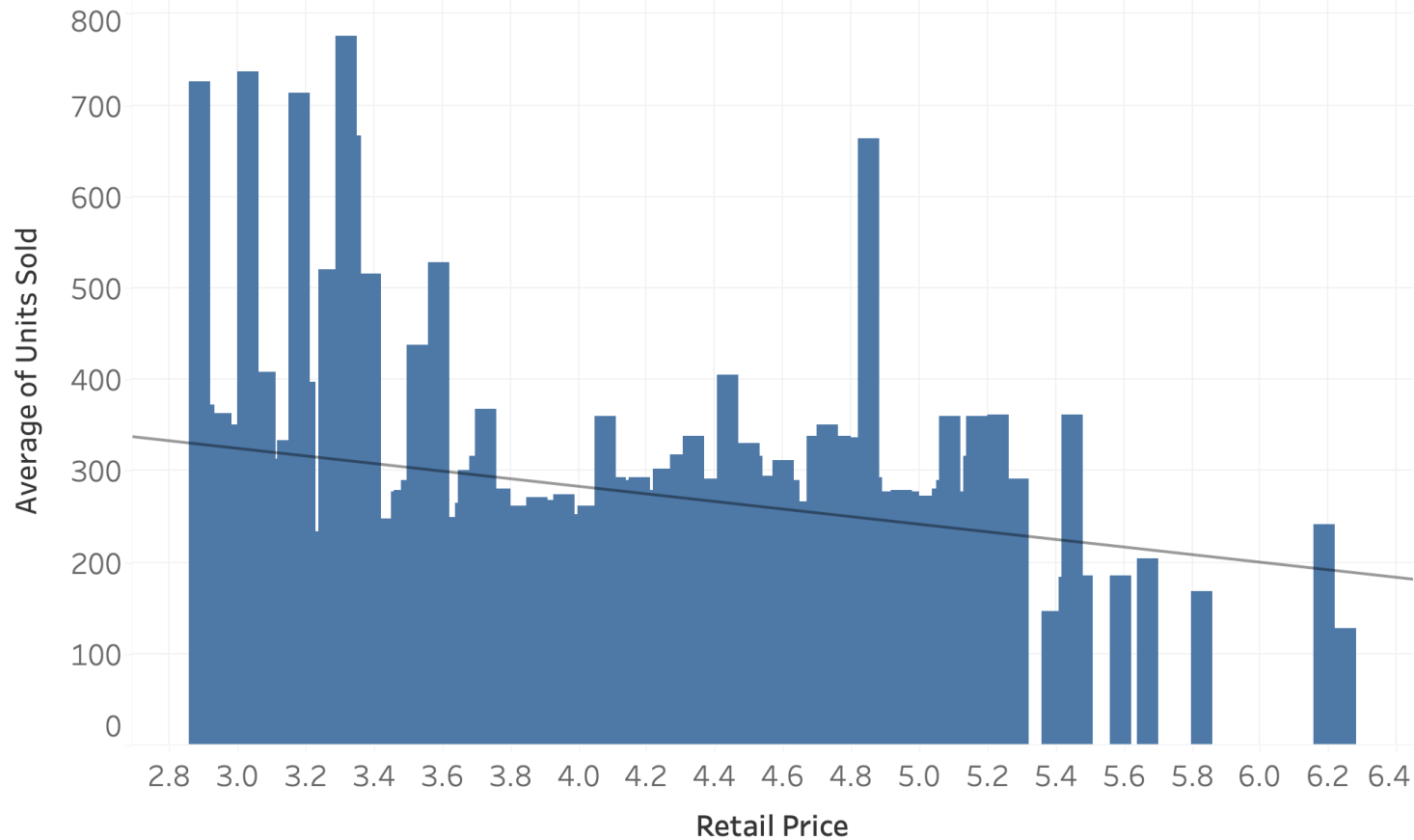
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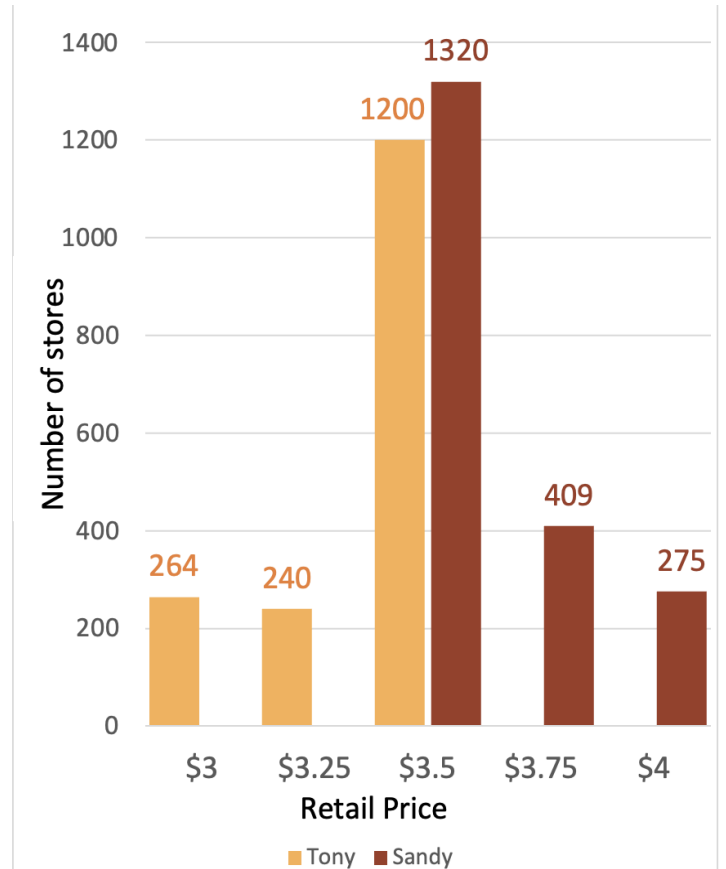
Insight!

Sandy also focuses a lot of marketing in the mountain areas such as the rocky mountain region as compared to Tony.
We saw high revenues in these areas from the test data.

Distribution of Average Unit Sold against Price



Different Pricing strategies





Sandy's plan involves selling at the higher price compared to Tony's plan.

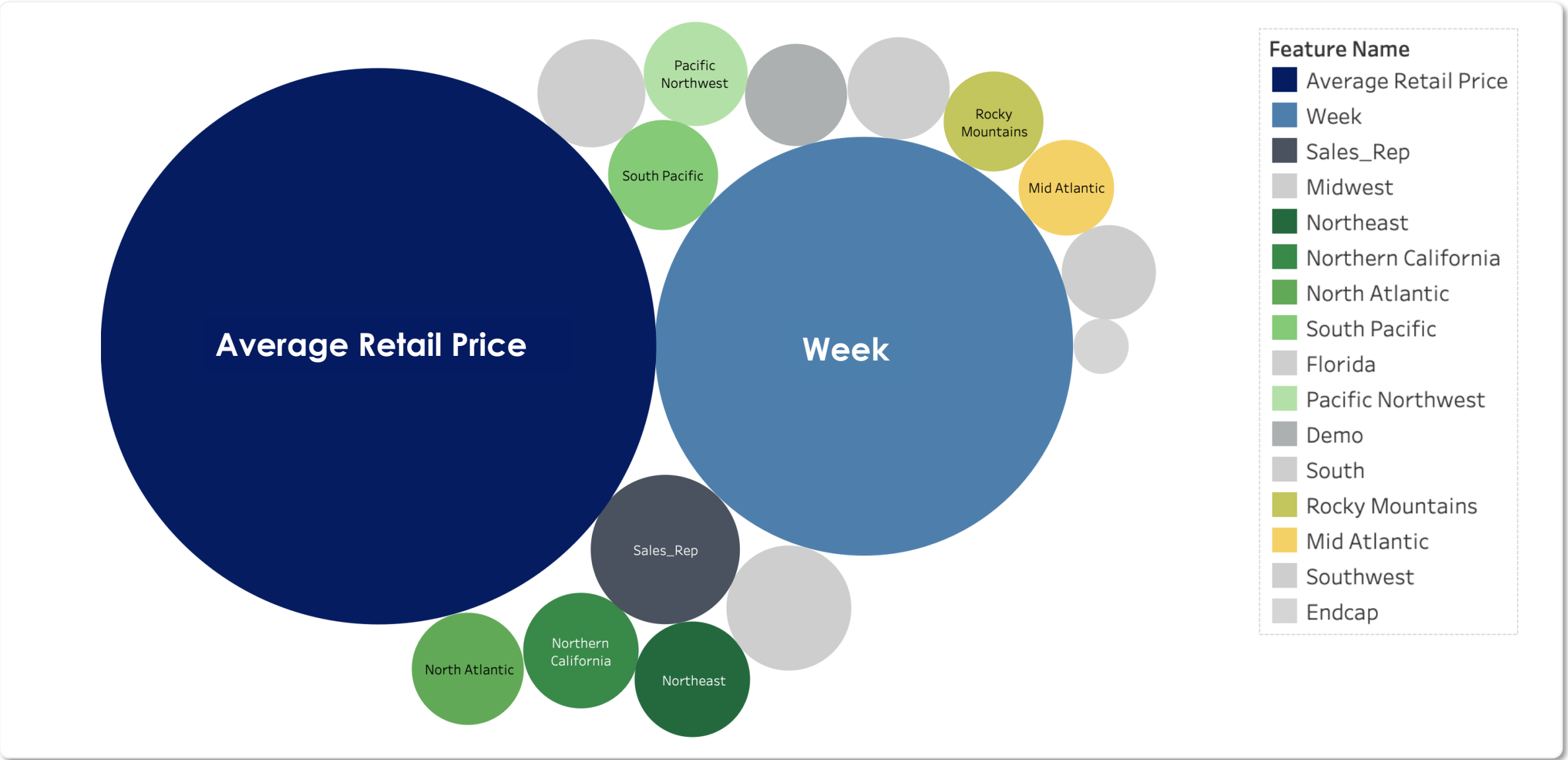
3. Predicting Sandy's and Tony's Expected Sales

Modelling Comparison

Using the collected data, prediction models are built to estimate how many units Sandy's and Tony's plan will sell

Model	R-squared (Model Performance)	Mean Squared Error (MSE)
Linear regression	63%	71
XGBoost	71% 	62 

Feature Importance for the XGBoost Model



4. So which Plan is better?

Comparing total revenue generated & total marketing cost

Index Plan	Sandy	Tony	Percentage Difference
Cost	\$0.56 M	\$ 0.48 M	17.4%
Revenue	\$3.55 M	\$2.93 M	21.1%

Conclusion

Finding & Limitation:

Average Retail price & Week – The most influential factor of unit sold

[Limitation]

Sandy's advantage:

Mountain area – Relatively High Revenues – (Larger Market Size)

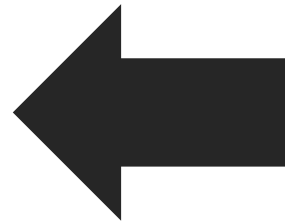
Apply More Marketing Strategy – Gain Higher Sales

Result:

Sandy's
Plan



Tony's
Plan



- ❖ Historical data
- ❖ plan comparison
- ❖ prediction
- ❖ Result after prediction

THANK YOU