XYZ Marketing Approach
Powered by Data

Group 17

01 Background Setting

02 Value Generation

03 The Conversion Story

04 Key Takeaways

01

Where we are and where data can take you...

When there are no free lunches in life..
Should premium music streaming be free?

XYZ's current business model offers a huge opportunity to upgrade non-subscribers to subscribers generating a potential increase in million of revenue and significant user base.

However, the last marketing campaign resulted in a customer acquisition of 1,540 subscribers, a mere ~3.7% of the targeted audience.

Leveraging data the right way
Freemium to Premium journey

What are we doing?

We intend to use the data insights from the previous marketing campaign to improve the non-subscriber to subscriber conversion for the upcoming campaign

What is in it for you?

- Better spends of marketing dollars
- Incremental Revenue
- Increased Life Time Value Generation from users

02

Optimize CAC by 38%

03

The Conversion Story

The Solution At A Glance

Stage 1: Data Preprocessing and Model Preparation

Stage 2: Model Building and Performance Assessment

Data Exploration and Understanding

Feature Selection and Model Selection

Model Training

Model Validation and Evaluation

Data Preprocessing and Model Preparation

What did we do?

- Exploring the structure of Data and Understanding it cleary
- Relevant variables are picked from data
- Many statistical and ML Models are ran to select the right solution for XYZ's business problem

What is the impact?

Assists in making informed decisions based on data-driven insights.

Improved Accuracy and Predictive Power

Scalability and Adaptability

Model Building and Performance Assessment

What did we do?

- The model learns from the data to identify patterns, relationships, and dependencies between factors and the target variable
- Testing is done against unseen data from existing data

What is the impact?

By analyzing performance results and establishing KPIs, we gain confidence in the effectiveness of our solution and its ability to drive meaningful business outcomes.

04

Moment Of Truth

Key Takeaways

81%
Recall - identifying the right customers

Our solution can accurately identify 81% of potential premium subscribers in any user dataset.

2X
Precision / conversion in the predictions

Double Your Success: Our Model Delivers 6% Conversion Rate vs 3% Target Audience for previous campaign!

Key Takeaways

Campaign	Marketing Cost	Converted Users #	CAC
Previous Campaign	41,540$*	1,540	26.9$
Upcoming Campaigns	25,782$*	1,540	16.8$

38% ⬇

Reduction in customer acquisition costs

*Assuming 1$ per customer

Thanks!