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Analytics-enabled Marketing Project

Final Delivery Presentation

Our deliverables to ABC Supermarket

1. **Analytics-enabled Marketing Strategy** to predict **most probable buyers** from ~90% loyalty program participants
2. With objective of optimizing **profitability & market penetration**, given:
    a. Revenue from a successful buyer = ₹ 15,000
    b. Cost of promotional sample kit = ₹ 4,420

Our approach

- **Assumptions**
  - missing values imputed with mode/mean
  - label encoding is used

- **Trained a classification model, for**
  - predicting probability of buying/not buying
  - using Logistic Regression Classifier

Deliverable #1: Analytics-enabled Marketing Campaign

81%

Model accuracy achieved

Zero

Operational Cost to Business

Strategic marketing options for 90 percent Loyalty Base

	Strategic Option	Participants Covered (A)	% Cum. Good to Cum. Total (B)	% Total Buyers Reached	% Total Non Buyers Avoided	Probability Threshold	Profit Booked (in Mn INR)
No Model Scenario	All 100%	225,000	24%	100%	0%	0	- 176
Market Penetration	Top 40%	90,000	44%	72%	70%	24.4%	196
Profit Maximisation	Top 30%	67,500	51%	63%	80%	31.1%	214

Revenue from a successful buyer = ₹ 15,000 (C)

Cost of promotional sample kit = ₹ 4,420 (D)

Profit Booked = {(A*B*C) - (A*D)}

B = Cum. Good / (Cum. Good + Cum. Bad) #taken from Model Output Analysis

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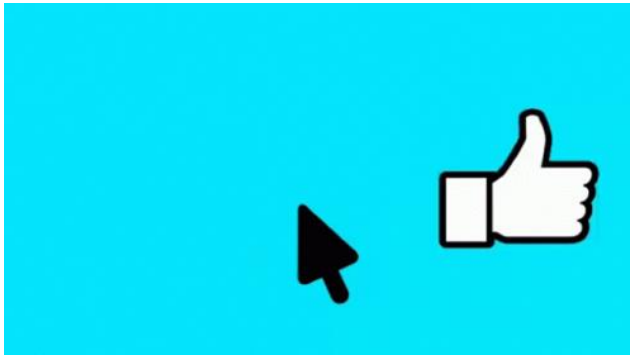

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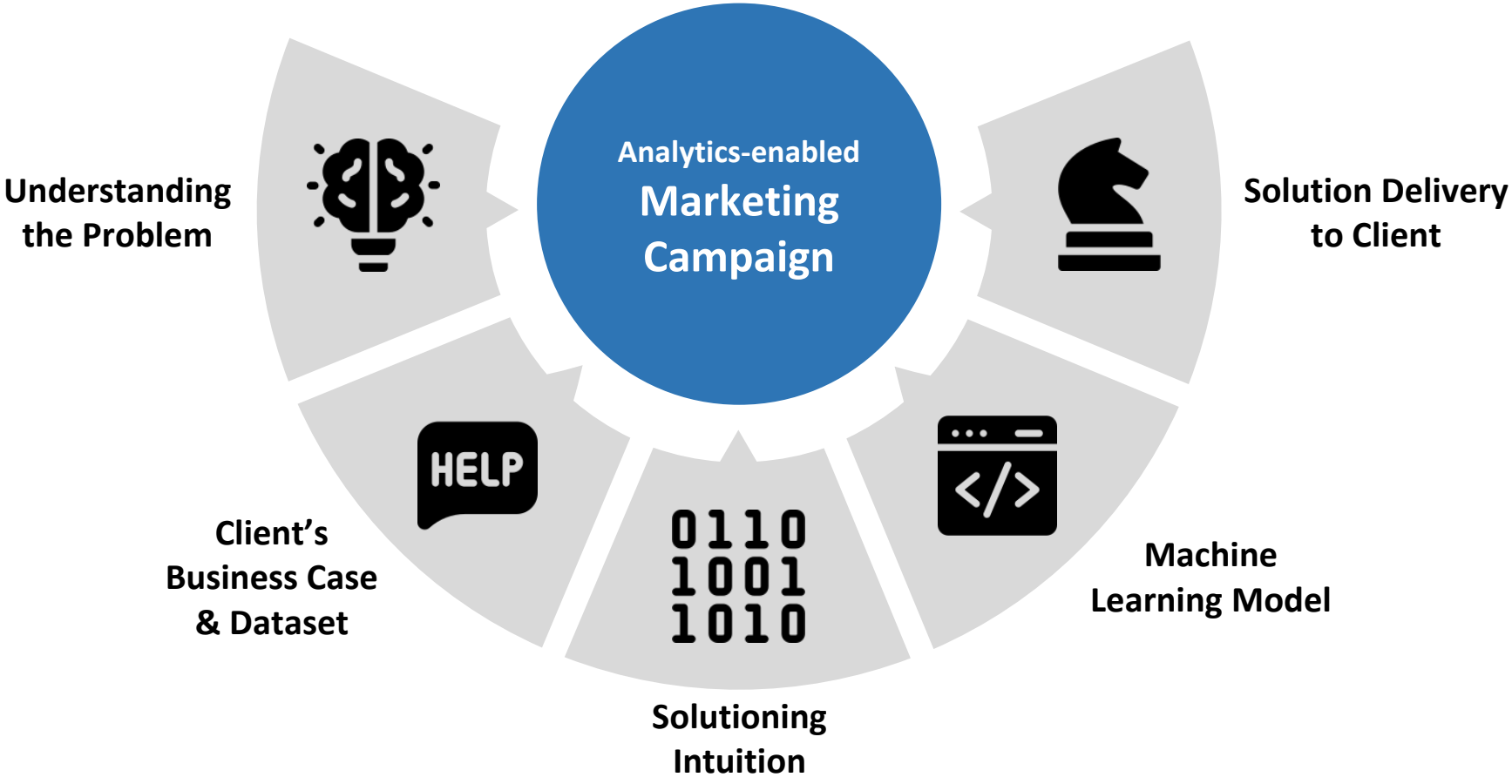
Analytics-enabled
Marketing
Campaign
Understanding the Problem
Solution Delivery to Client
HELP
Client's Business Case & Dataset
0110
1001
1010
Solutioning Intuition
Machine Learning Model