



# Marketing ROI Analysis

## Premium Beauty and Wellness Company

Evaluated marketing spend across various campaigns by channel, such as retail and DTC, and estimated the ROI based on customer lifetime value to effectively identify channels/campaigns with higher profitability

# Marketing Roi Analysis for Beauty & Wellness Brand

## Situation

- The client had spent ~15% of revenues on advertising and promotions and had limited visibility into omni-channel ROI by marketing vehicles
- We partnered with the client to evaluate the impact of upper funnel and lower funnel marketing across channels (retail, direct, etc.) and incorporate the learnings into the next marketing budget

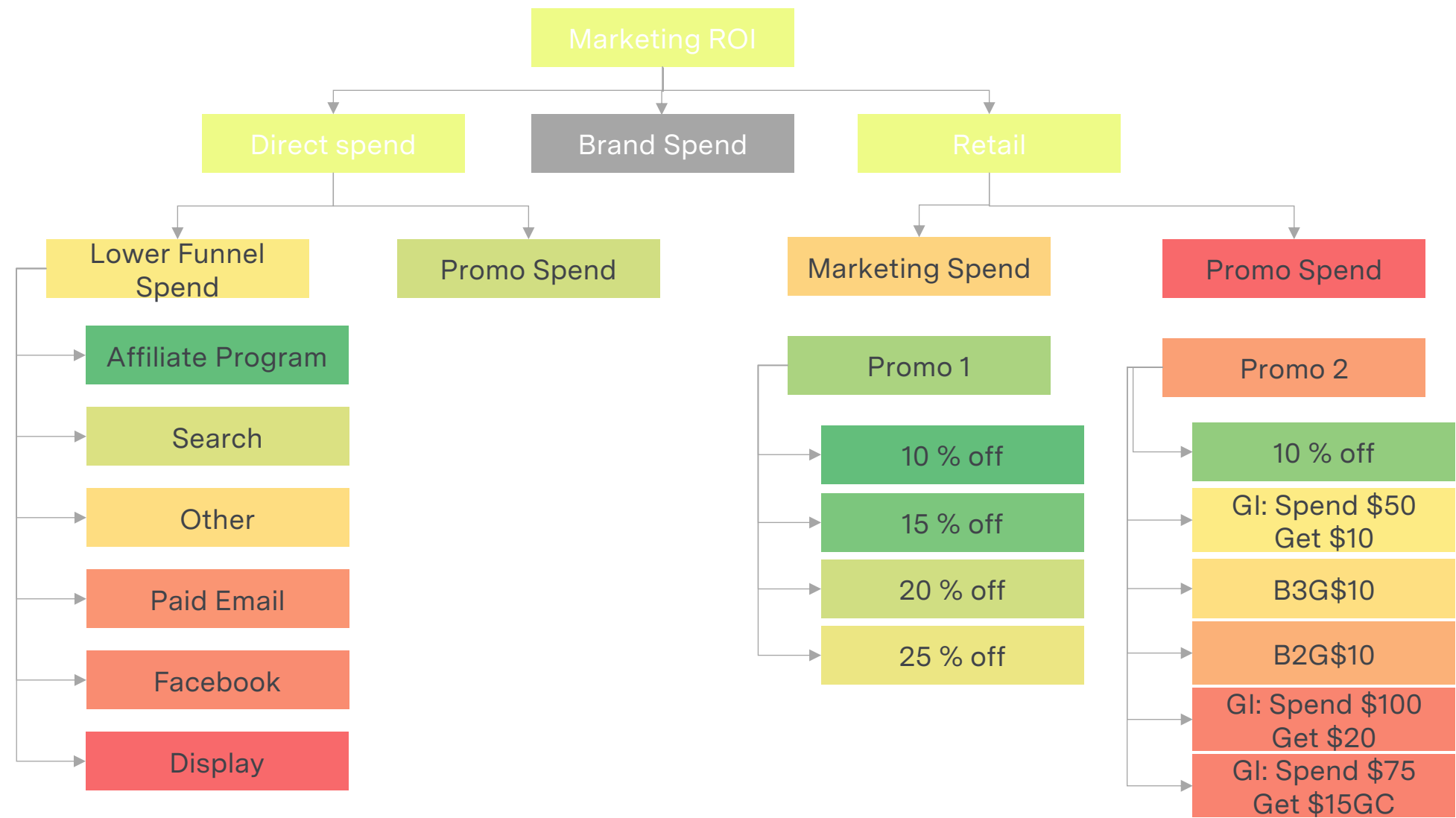
## Accordion Value Add

- Developed a robust model that enabled the company to compare the ROI at a campaign level (BOGO offer etc.), campaign type level (\$ vs. % discount), and channel level (retail vs. DTC)
- Customized ROI calculations and methodologies based on channels to account for loyalty DTC customers (based on lifetime value) and one-time retail customers
- Identified the campaigns with the highest ROI within each channel (e.g., DTC, search vs. Facebook, etc.)
- Designed a methodology and suggested tests that would help evaluate ROI of overall brand campaign for DTC and retail channels

## Impact

- The analysis enabled the company to gain visibility into marketing spend across channels and understand the profitability of various advertising and promotional campaigns
- The insights from the analysis helped the client make informed decisions on the optimal mix of marketing spend and develop a robust marketing strategy for the budget

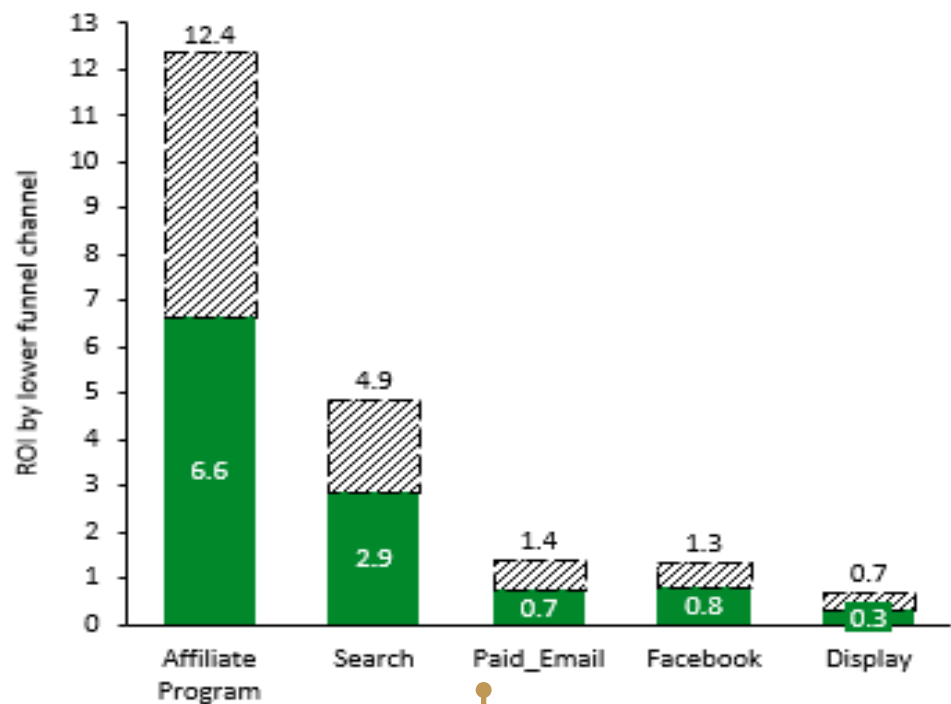
# Hierarchy of Marketing & Promo Campaigns Evaluated



# Sample Results Informing Marketing Mix for the Following Year

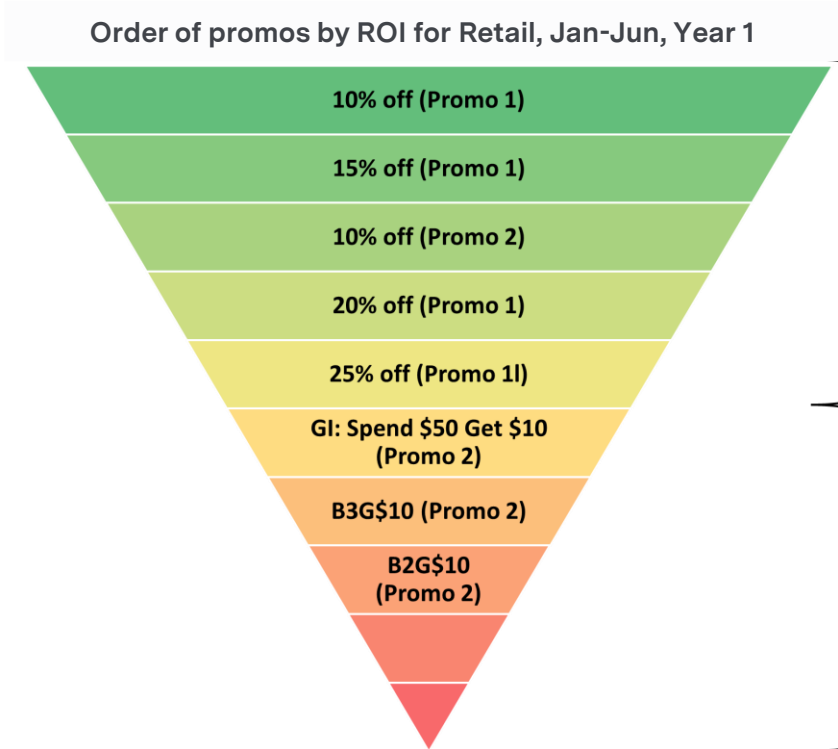
ILLUSTRATIVE

Lower funnel ROI<sup>1</sup> by channel for DTC



ROI from various channels for DTC

Comparison of various promos based on ROI for Retail channel



Promos with flat % discount

Promos with \$ discount