



Campaign Analysis - Promotion Impact Analysis

(Nutrition Supplements Company)

Impact assessment of various marketing campaigns

PROMOTION IMPACT ANALYSIS FOR NUTRITION SUPPLEMENTS BRAND

ABOUT THE CLIENT

Client is a **direct-to-consumer nutrition supplements brand** with presence in multiple countries across the globe

SITUATION



- Client was evaluating multiple marketing strategies (Email, Voicemail, SMS etc.) to enhance customer conversion rates, retention and reactivations, and wanted to understand the effectiveness of each strategy using control and test groups
- Merilytics partnered with the client to **evaluate the impact of marketing campaigns by analyzing and comparing the customers behavior (from the control and target group or pre-post period) in response** to the campaign

VALUE ADDITION



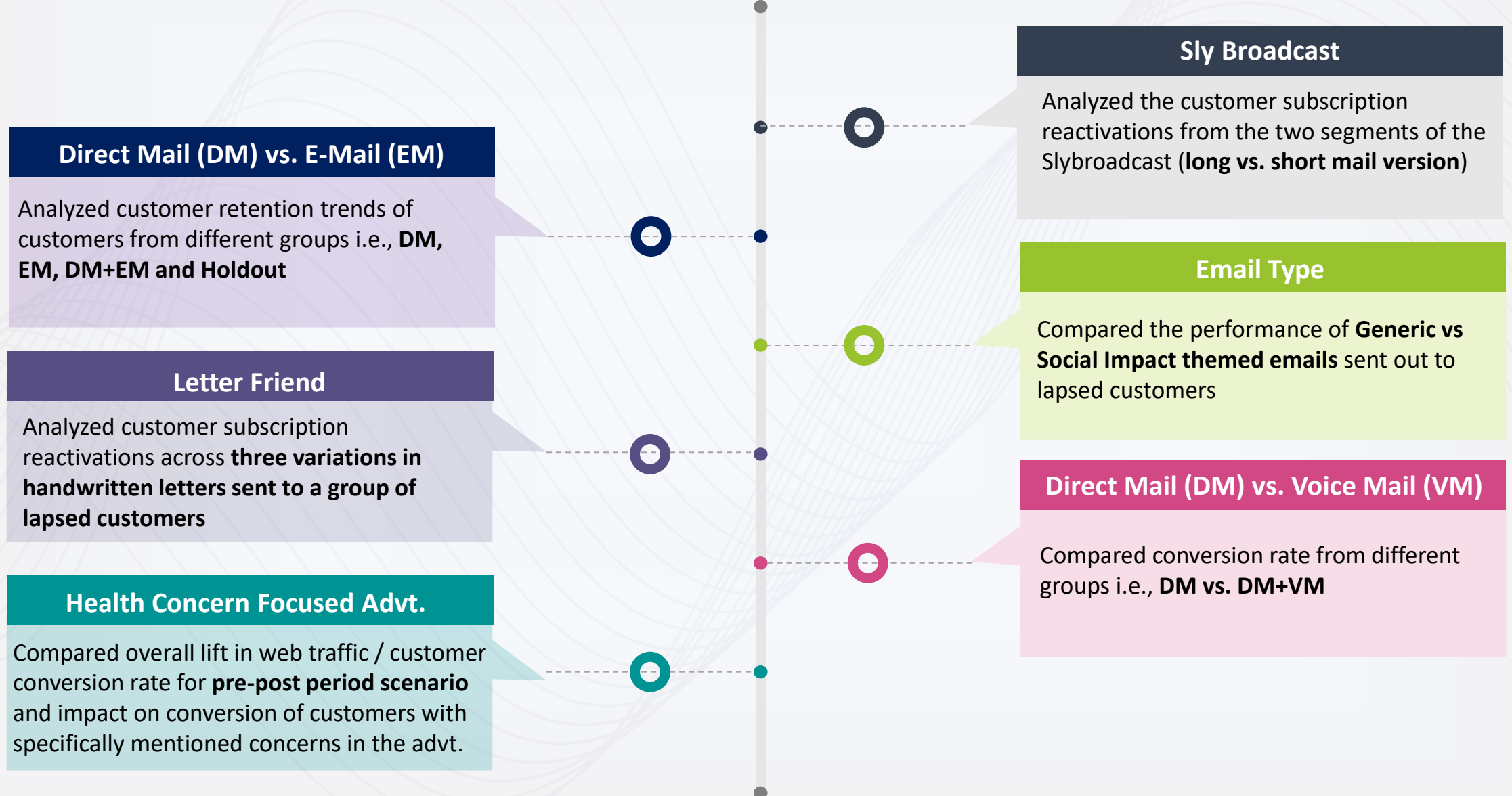
- **Segmented customers into control and test groups for trial marketing promotion campaign**, ensuring the groups are comparable and statistically similar based on demographics, age, lifetime orders/tenure etc.
- **Defined pre-period and post-periods for new campaigns** to estimate the impact of the marketing campaigns and compare the results across the groups
- **Calculated key metrics such as customer conversion rate, retention, and reactivations** in the pre-post period / test-control group for each campaign to identify the optimal marketing strategy
- **Devised checks to ensure the post period or the test group lift is attributable to the marketing promotion campaign** by measuring the statistical significance of the results

IMPACT



- Promotion Impact analysis helped evaluate the marketing strategies and **identify the marketing promotion campaigns and parameters that are delivering best performance** in terms of customer conversion, retention, and reactivations
- The Health Concern Focused Advt. analysis and other test campaign analyses **helped the client avoid marketing campaigns that do not deliver any incremental value** against the cost incurred in running the campaigns

MARKETING PROMOTION CAMPAIGN SCENARIOS



PRE-POST PERIOD ANALYSIS OF PROMOTION

Pre-Post lift in Web traffic and conversion

Total VAT and Conversions	Before Ads			After Ads				
Gender-AgeGroup	Total VAT's	Conversions	Conversion rate	Total VAT's	Conversions	Conversion rate	%increase in vat's	% increase in conversions
F-Over 35	189,055	23,135	12%	362,805	37,075	10%	92%	60%
F-Under 35	90,515	9,485	10%	153,815	14,870	10%	70%	57%
M-Over 35	20,295	3,165	16%	33,195	4,110	12%	64%	30%
M-Under 35	12,700	2,130	17%	15,445	2,445	16%	22%	15%
Grand Total	312,565	37,915	12%	565,260	58,500	10%	81%	54%

Measuring the overall impact on web traffic who take Virtual Assessment Test (VAT) and conversion of new customers via Pre-Post period of the campaign based on start/end date

VAT and Conversions with any health concern	Before Ads			After Ads				
Gender-AgeGroup	VAT's with any concern	Conversions	Conversion rate	VAT's with any concern	Conversions	Conversion rate	%increase in vat's	% increase in conversions
F-Over 35	163,790	17,995	11%	310,300	30,905	10%	89%	72%
F-Under 35	71,630	7,045	10%	123,235	12,055	10%	72%	71%
M-Over 35	18,275	2,515	14%	30,940	3,465	11%	69%	38%
M-Under 35	11,195	1,665	15%	13,900	2,045	15%	24%	23%
Grand Total	264,890	29,220	11%	478,375	48,470	10%	81%	66%

Measuring the impact on web traffic who take Virtual Assessment Test (VAT) and conversion of new customers with specific health concern mentioned in the advt. via Pre-Post period of the campaign based on start/end date

Health Concern	% of total VAT's with any health concern				% of total VAT's			
	Before Ads	After Ads	pps difference		Before Ads	After Ads	pps difference	
C1	11.45%	13.58%	2.1%		9.70%	11.49%	1.8%	
C2	9.42%	10.15%	0.7%		7.98%	8.59%	0.6%	
C3	5.88%	5.76%	-0.1%		4.99%	4.87%	-0.1%	
C4	4.26%	4.35%	0.1%		3.61%	3.68%	0.1%	
C5	5.46%	4.58%	-0.9%		4.63%	3.88%	-0.8%	
C6	4.06%	4.20%	0.1%		3.44%	3.56%	0.1%	
C7	5.63%	3.95%	-1.7%		4.77%	3.35%	-1.4%	
C7	2.94%	2.86%	-0.1%		2.49%	2.42%	-0.1%	
C8	2.95%	2.66%	-0.3%		2.50%	2.25%	-0.3%	
C9	0.00%	0.00%	0.0%		1.52%	1.50%	0.0%	
C10	2.26%	1.65%	-0.6%		1.91%	1.39%	-0.5%	
C11	1.19%	1.06%	-0.1%		1.01%	0.89%	-0.1%	
C12	1.07%	0.96%	-0.1%		0.90%	0.81%	-0.1%	
C13	0.29%	0.37%	0.1%		0.25%	0.31%	0.1%	
C14	0.14%	0.08%	-0.1%		0.12%	0.07%	-0.1%	
C15	0.05%	0.00%	0.0%		0.04%	0.00%	0.0%	
C16	0.04%	0.00%	0.0%		0.03%	0.00%	0.0%	

Measuring and comparing the impact in web-traffic of customers with specific health concerns who take Virtual Assessment Test (VAT) between concerns called-out in Advt. vs the ones not called out.

BREAKEVEN ANALYSIS FOR A/B TEST SCENARIOS

TARGET LIFETIME ORDERS FOR BREAK-EVEN

	Total Cost as										
	Discount	Percentage of Gross	#Target Considered	Baseline LTO							
	50%	52%	100,000	5.8							
Target Method	AOV	Mailing Cost	Conversion Rate	Discount	Total Cost per Order	Gross Revenue	Baseline Gross Margin	Target Gross Margin	Additional Orders Required	Target LTO	
DM	\$90.0	\$45,082	0.17 %	\$45	\$47	\$86,851	(\$10,933)	\$24,640	4.9	10.7	
DM+EM	\$89.0	\$45,082	0.18 %	\$44	\$46	\$93,170	(\$8,448)	\$24,640	4.3	10.0	
EM	\$93.4	\$0	0.12 %	\$47	\$49	\$62,666	\$24,640	\$24,640	0	5.8	
Holdout	\$91.5	\$0	0.12 %	\$46	\$48	\$62,346	\$24,514	\$24,514	0	5.8	

Average Order Value (AOV)

Breakeven Analysis measuring the Target Lifetime Orders (LTO) or Target Conversion rate needed to breakeven on the costs incurred across the various **A/B test scenarios** of Direct Mail (DM), E-Mail (EM) & DM+EM Campaigns

TARGET CONVERSION RATE FOR BREAK-EVEN

	Total Cost as										
	Discount	Percentage of Gross Order Value	#Target Considered	Baseline LTO							
	50%	52%	100,000	5.8							
Target Method	AOV	Mailing Cost	Conversion Rate	Discount	Total Cost per Order	Gross Revenue	Baseline Gross Margin	Target Gross Margin	Target Conversion Rate		
DM	\$90.0	\$45,082	0.17%	\$45	\$47	\$86,851	(\$10,933)	\$24,640	0.34%		
DM+EM	\$89.0	\$45,082	0.18%	\$44	\$46	\$93,170	(\$8,448)	\$24,640	0.35%		
EM	\$93.4	\$0	0.12%	\$47	\$49	\$62,666	\$24,640	\$24,640	0.12%		
Holdout	\$91.5	\$0	0.12%	\$46	\$48	\$62,346	\$24,514	\$24,514	0.12%		