**BUSINESS INTELLIGENCE AND ANALYTICS ASSIGNMENT**

**LAB 2: OBJECTIVES AND METRICS**

**DVD RENTAL BUSINESS INCREASING MONTHLY PER-CUSTOMER REVENUE**

**Initiatives:**

* Increasing DVD’s collection
* Promoting Offers on different rental periods such as monthly or annually

**Initiative 1: Increasing DVD’s Collection**

* The DVD rental business can increase DVD collection which could include new releases, international films, hard-to-find films of all categories. so that customers who are looking for a particular movie or genre would be enticed and more purchases could be made than usual
* Customers are more likely to make a purchase when there is a wider selection of DVDs to choose from. This makes the business stand out from its competitors and results in increased revenue per customer
* Identifying certain genres or types of DVDs that are popular with customers and creating a target to acquire a certain quantity of titles within those categories can helps in increasing the revenue per customer
* To check the effectiveness of this initiative, measuring the number of DVD rentals before and after the initiative to see if there has been an increase in a month. It can be done by tracking the number of DVD rentals over period and comparing the data before and after the initiative was implemented
* To obtain the relevant data, we join the rental, film\_category, customer and payment tables using their respective IDs

**Initiative 2: Promoting offers on different rental periods such as monthly or annually**

* Businesses can provide offers on annual or monthly rentals to encourage customers to commit to a longer rental period. As the rental period grows, the price rises, resulting in higher customer revenue
* They can offer bundle deals for customers who rent for longer periods of time, such as discounts on additional services or products like insurance, maintenance, or on extra features like membership card so that many customers can purchase these deals
* Customers who rent on a monthly basis may be more likely to return and rent again, generating repeat business which results in revenue increase per customer
* To check the effectiveness of this initiative, Compare the average rental duration per customer that received the offer to the average rental duration of customer that did not receive the offer. If the offer generates increase in monthly revenue per customer, it suggests that the offer is effective
* In order to obtain the relevant data, we need to add the new column "rental\_type" and “rental duration” to the rental table, which indicates whether the rental period is monthly or annual. Additionally, we need to add the "offers" column to the customer table, which checks to see if the customer is eligible for any discounts or promotions. After that, it can be combined with the payment tables by utilizing the respective IDs of the tables