Business Analytics Capstone Framework for Strategy

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Problem Statement
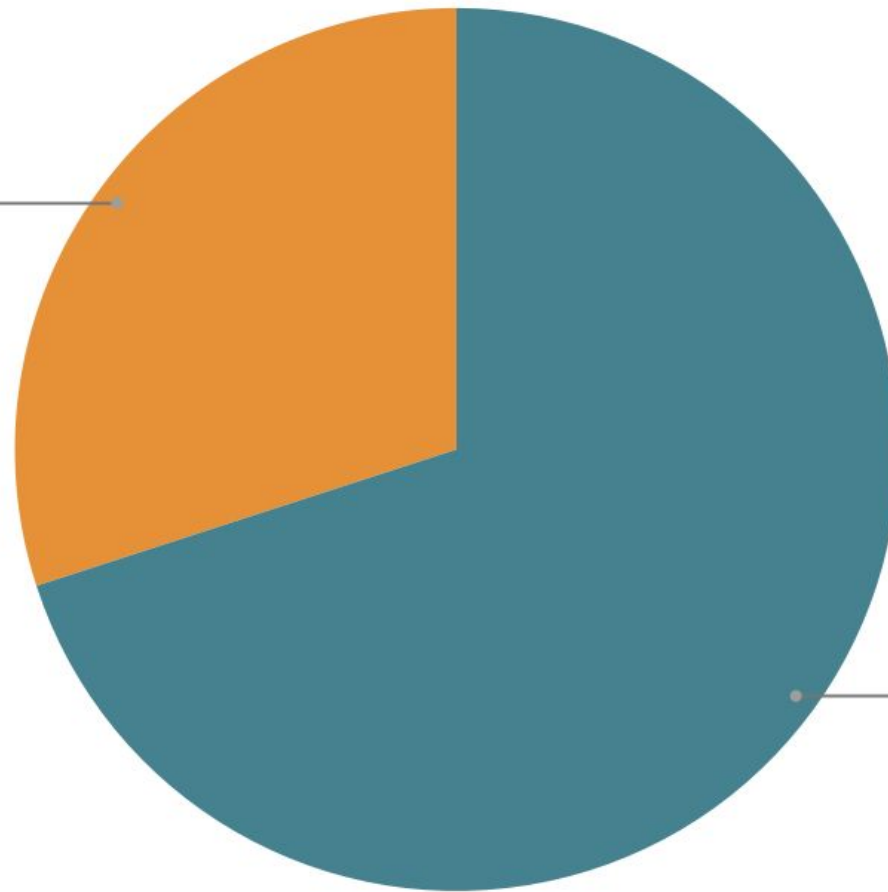
Problem Statement–

Describe the Problem Adblockers present to GYF

Revenue from Ads

Browser
30,0%

Mobile traffic
70,0%

Problem Statement–

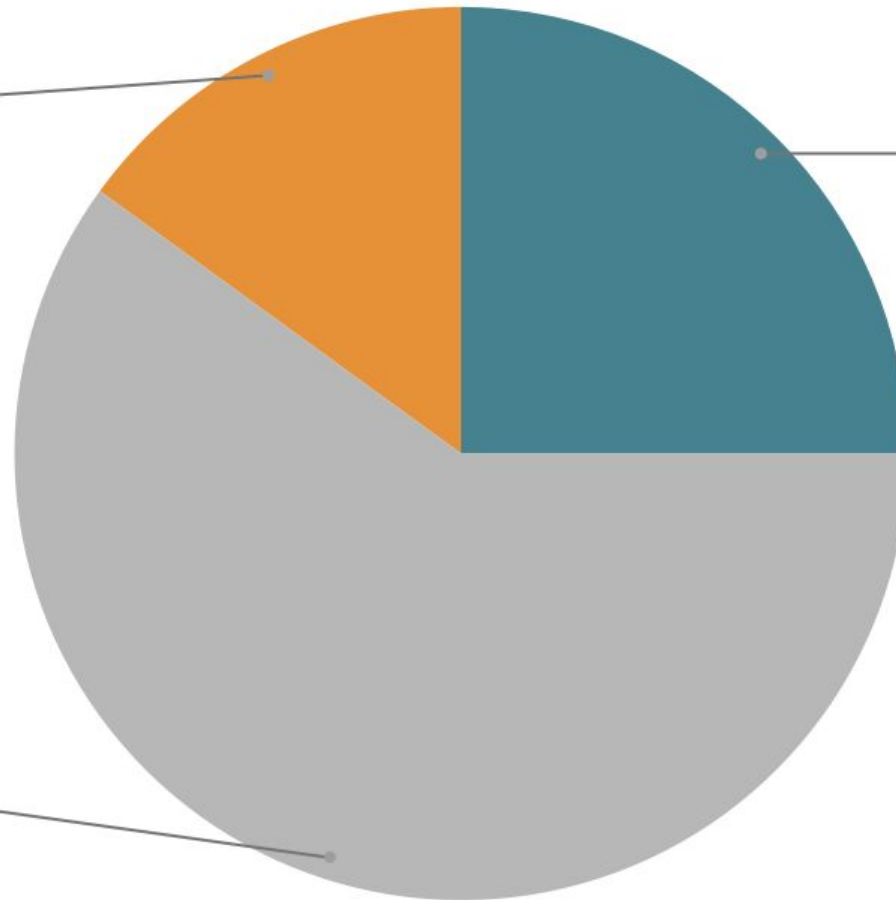Describe the Problem Adblockers present to GYF

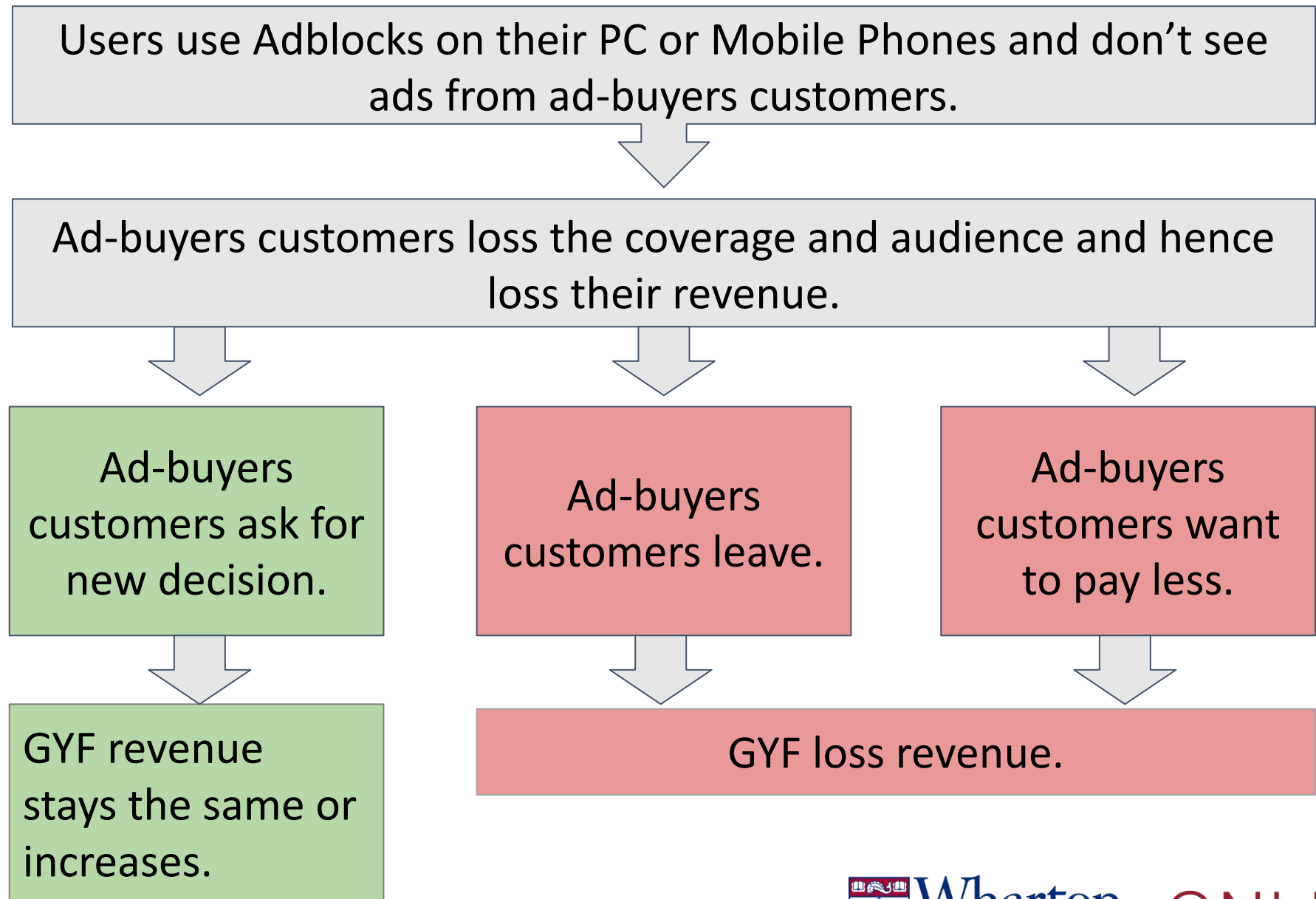**Revenue from Ads**

Browser
15,0%

Mobile traffic
25,0%

Ad blocks
60,0%

Problem Statement–
Describe the Problem Adblockers present to GYF

Users use Adblocks on their PC or Mobile Phones and don't see ads from ad-buyers customers.

Ad-buyers customers loss the coverage and audience and hence loss their revenue.

Ad-buyers customers ask for new decision.

Ad-buyers customers leave.

Ad-buyers customers want to pay less.

GYF revenue stays the same or increases.

GYF loss revenue.

Problem Statement–
Describe the Problem Adblockers present to GYF

- *Customer Analytics:*

The absence of advertisements in the search engine entails the impossibility of customers to research the market. The inability to evaluate the effectiveness of an advertising campaign without knowing how many users have watched it, how loyal they are to the brand, how recognizable and relevant it is. In addition, it is impossible to estimate the cumulative effect of an advertising campaign, which also plays a role in sales. Ad blockers also limit the ability of small local companies to reach users by analyzing their individual needs.

A critical decline in advertisements on websites and mobile applications may lead to a review of contracts for the provision of advertisements. There are options for the complete termination of the contract, or reduction of rates, or revision of the advertising policy - the search for alternative options.

- *Operations Analytics:*

We can build a multiple regression model for predicting the effects of blockers by introducing a set of parameters:

- values of the increase in downloads of applications in the browser for a certain period of time;
- the ability to add sites (search engine, news sites - digital media) to the white lists of blocker applications;
- purchases of Apple phones with a built-in ad blocking system / installation of corresponding applications on mobile phones of other brands.

- *Accounting Analytics:*

A decrease in the percentage of users who see ads is likely to lead to a decrease in the number of contracts for showing ads in the form of banners. Which can lead to a decrease in financial flow from customers if an equivalent alternative solution is not offered

- *People Analytics:*

It is necessary to keep customers by offering them equally productive solutions for advertising their business. Thus GYF needs people who will negotiate with customers for their retention, people who will look for alternative ways to provide advertising and / or search for ways to bypass blockers, as well as people who will negotiate with adblocker companies. Either train the company's staff or consider hiring employees.
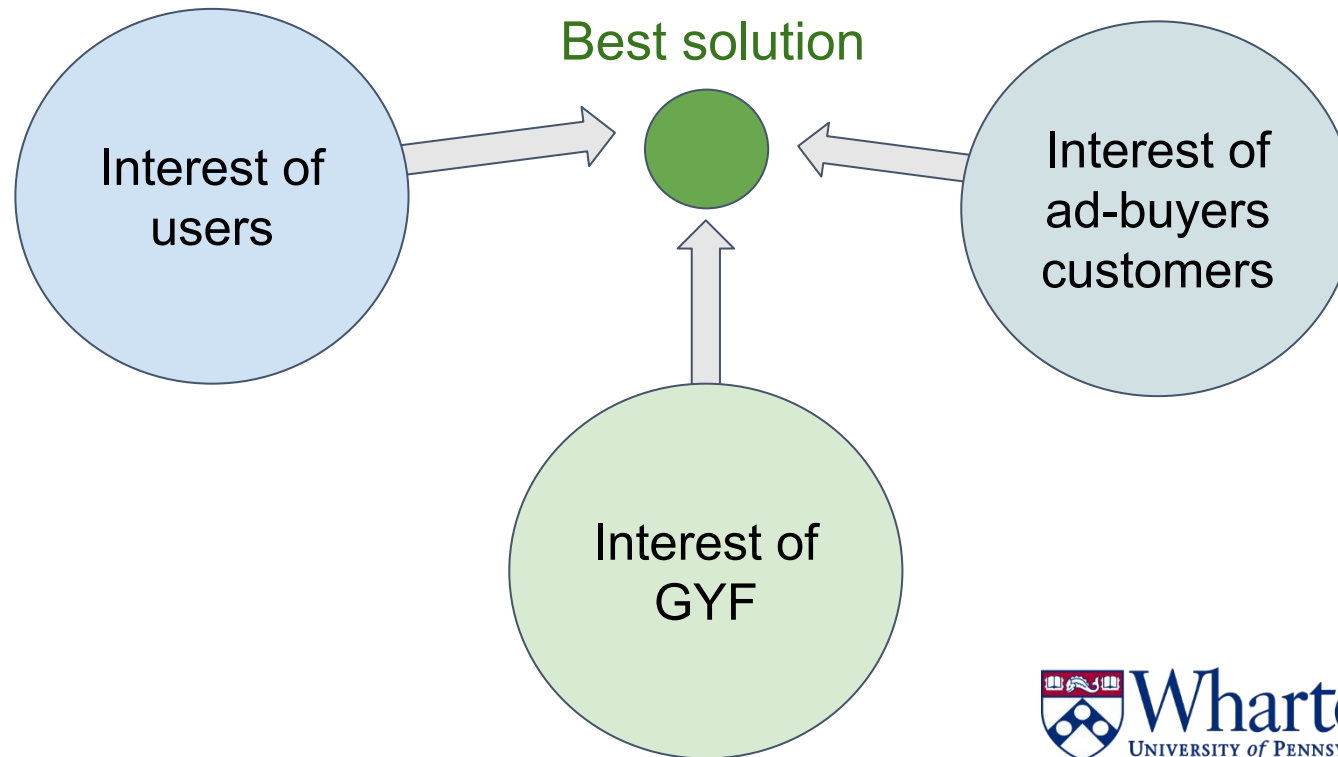
Problem Statement–

The majority of users don't understand how GYF makes money and keeps its services alive. So we can tell them and sincerely ask switch off the adblockers.

Will it work? Is it the real reason why users use Adblock?
How can we reverse Ads from negative to positive?

Our solution should include benefits of all three sides:

Best solution

Interest of users

Interest of ad-buyers customers

Interest of GYF

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Problem Statement–

First of all we need to explore an ambiguous problem. It is necessary to determine what goals users are pursuing by connecting ad blockers in their browser or on a mobile device.

To define the best solution we need to find answers for several questions:
1. *Why users use Adblocks? Why they don't want to see ads?*
   a. *Ads are annoying and disturbing;*
   b. *ads slow down loading;*
   c. *other reasons.*
2. *Which type of Ad users can accept and when?*
3. *Which Ads users can call useful and why?*

We can hire companies that deal with the internet communities (MROCs), Focus groups to see how users react on different kind of ads and mobile surveys to ask users which type of ads they don't mind, with which they are satisfied.

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Problem Statement–

To define the solution we also need to know the customs' interest. Hier we can use Customer self-reporting to see what impact of adblocks they really have and what issues they have.

What customers want from their ads to increase theirs revenue?
    a.Increase brand awareness among the broad or the target audience;
    b.increase brand loyalty;
    c.other reasons.

At the end of researching we can hire companies that deal with AB testing to understand which solution with the ads we can use on the web-sites

Strategy

Strategy
Describe your proposed strategy

★ Search the solution within internet communities (users), self reports (users and customers) and mobile surveys (users). Make report every 2-3 weeks.

★ Discuss with customers possible options for change the format of their Ads.

★ Define and highlight all possible replacements for the Ads:
  ○ sponsored article on the GYF's digital media websites;
  ○ offer customers to buy the first lines of relevant search queries (with the mark "ad");
  ○ reach agreements with Adblocker companies to add GYF to whitelists or limit the use of ad units.

★ Promote ideas of useful, social and socially significant advertising.

We, as DATA team, recommend a leader Candidate Peggy. As part of her role she specifically focused on the issues posed by adblockers and other technologies that disrupt the traditional delivery of online advertising. It will be usefull. Also she has a desire and passion to work at GYF, which can be seen from her test result.

She is a team player: She demonstrated a deep knowledge of the digital advertising landscape, she exhibited a personality that will fit well with the other members of the DATA Team.

Effects and Measurement

Effects

Describe the anticipated effects of your strategy

- *Please describe the anticipated effects of your strategy. Make sure you address the effects on customers, revenue, and the internal organization.*

Effects

Application Exercise 3 – Designing a Deterministic Optimization Model

- *Provide an explanation of the calculations you performed to build an optimization model using decision variables, constraints, and an objective; this model could use the scenario in Application Exercise 3, or one of you own devising.*

Measurement

Describe the anticipated effects of your strategy and how you will measure them

- *Please outline your plan for measuring these effects using data. Make sure you use techniques you learned about in the courses*

Measurement

Application Exercise 4 – Identifying Key Drivers

- *Apply the "causal business model" performance measurement framework to your strategy*

Conclusion

- *Summarize your key points from the preceding slides*