

Outliers:

-New York City/Newark/Jersey City

Hypothesis:

-A shift to digital advertising from trade ads WILL increase market share, and it WILL result in lower spend for the brand.

Ask on monday:

-Run analysis to understand the impact of the test market, what does that mean?

-Measure the impact that the test market had, did the market for tides go up or down?

Look at test v control, primarily look at the shared market to see how the test market did.

-How would we begin to show share/profitability?

-Take size of market, and market expenditure and compare to see which one is more profitable

Recommendations:

- Begin to spend more on digital advertising
- Digital ads were bought the most in Detroit, New York, Phoenix
- Trade ads were most effective in

Points for summary:

- Test market (yes) starts out lower than the control market, but ends up much higher than the control market.
- National data (no) barely rises
- Considerably less money is spent on digital advertising compared to trade ads across all markets
- Phoenix has spent more on digital advertising recently and owns a larger part of the market than the 3 other MSA's we used
- Control and national data have similar slopes, but control rises more

Dear Tide Marketing Committee,

Tide, a household name and leader in the laundry detergent industry, was at a crucial turning point within the consumer goods landscape. The traditional reliance on trade advertising faced increasing uncertainty amidst a rapidly evolving digital sphere. Our team hypothesized that a shift to digital advertising would result in a larger market share for the company and a lower spend for the brand.

Traditionally reliant on trade advertising, Tide must consider whether embracing digital advertising could increase or amplify market share and optimize operational cost efficiencies.

Our findings include:

- Tide has historically maintained a dominant market share, as evidenced by steady growth from 2012 to 2015. However, a comparative analysis with a test market adopting digital advertising suggests a potential for accelerated growth through this new channel.
- An examination of budget allocation shows a significant skew or bias toward trade advertising. It prompts the question of whether this allocation results from proven effectiveness or a hesitance to explore the untapped potential of digital platforms.
- Regional analysis, focusing on markets like Phoenix, showcases the success of a digital advertising strategy. The correlation between increased digital spending and market share growth challenges the assumption that traditional advertising methods are universally effective.
- Regarding the national data patterns, the comparison between the control market and national data reveals a peculiar disparity. While the control market exhibits growth, the national landscape remains largely unaffected. Since the control market grew, it prompted consideration of a more comprehensive digital strategy for nationwide impact.

We recommend implementing a strategic shift toward digital advertising in light of the findings. The digital shift entails reallocating budgetary resources to ensure a balanced approach and incorporating insights from successful digital markets like Phoenix. The goal is to maximize market share through digital platforms while maintaining a cost-efficient approach.

Tide's potential move towards digital advertising is a proactive response to evolving market dynamics. The outlined recommendations aim to position the brand for sustained growth by embracing the opportunities presented by digital channels. As the business landscape continues to evolve, Tide stands positioned to adapt and lead the narrative of change in the detergent industry.

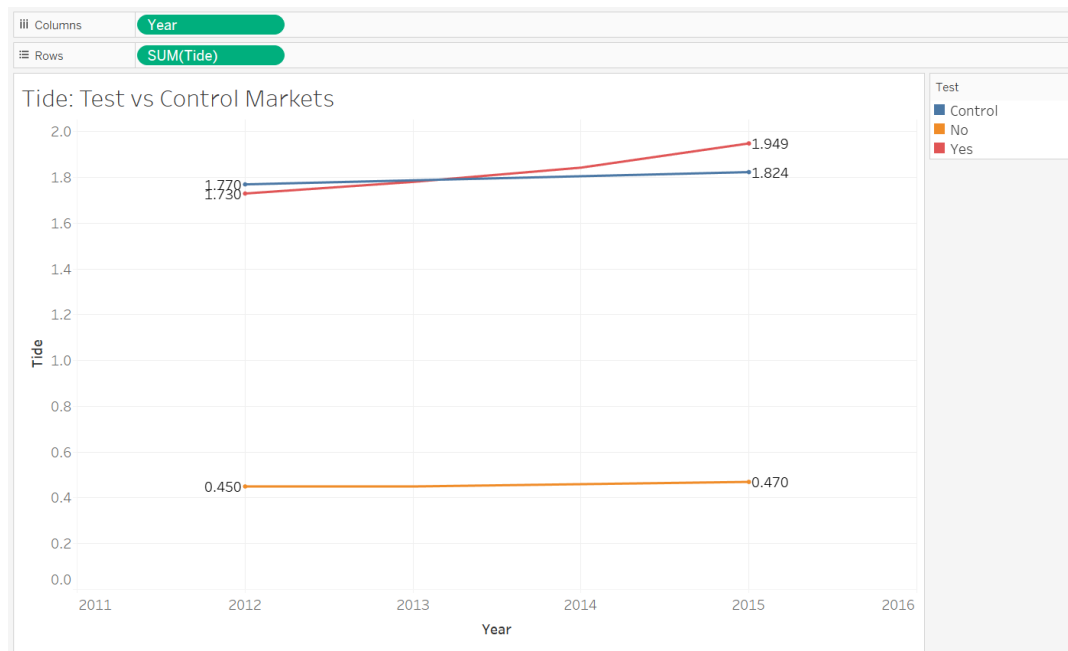
Thank you for your attention. We look forward to discussing these recommendations further and exploring the potential benefits of embracing digital advertising for Tide.

Best Regards,

Blue Team

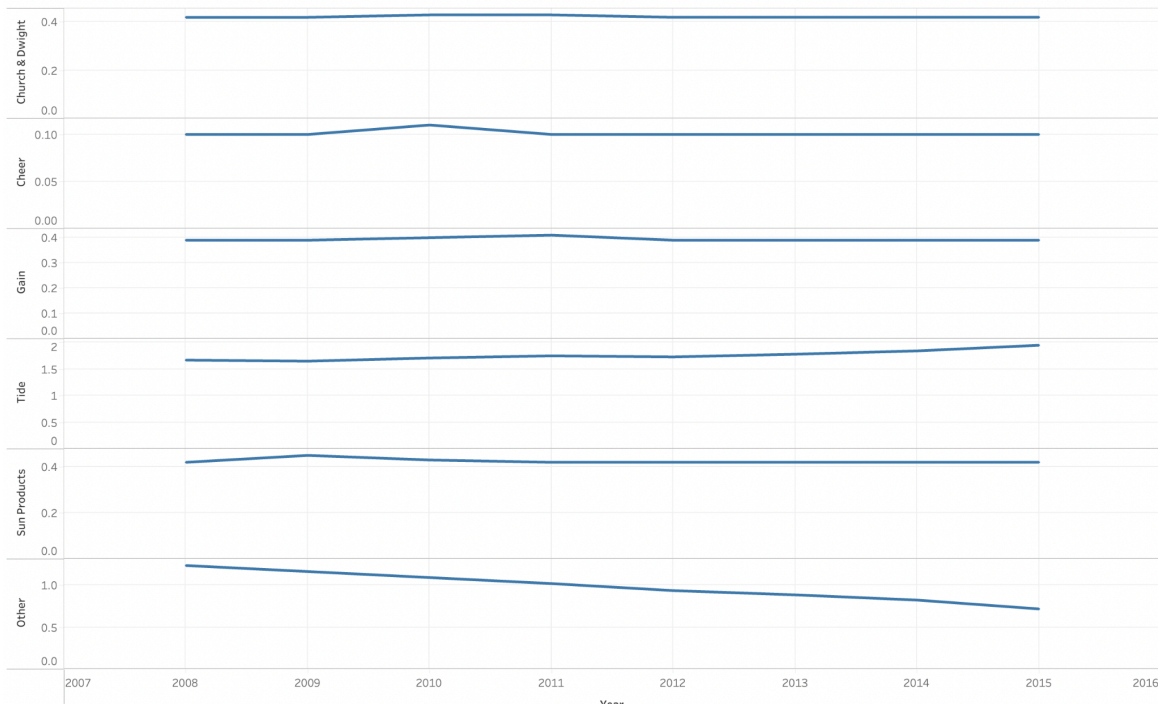
Write-Up:

The hypothesis we determined for this laundry detergent data set is that a shift from trade ads to digital advertising will result in a larger market share for the company, and will result in a lower spend for the brand. First, looking at the basic market share across all companies, it's clear that Tide owns a majority of the market. The data from 2012-2015 clearly shows a slight, but steady increase in Tide's market share compared to the other companies having a small bump in market share. This is reinforced by the Tide: Test Market vs Control Market chart where there's a noticeable increase in Tide's test markets from 2012-2015 compared to the control market. The control market's share increases steadily, but there is a discernible increase from 2014-2015 in Tide's test market as depicted in the below chart.



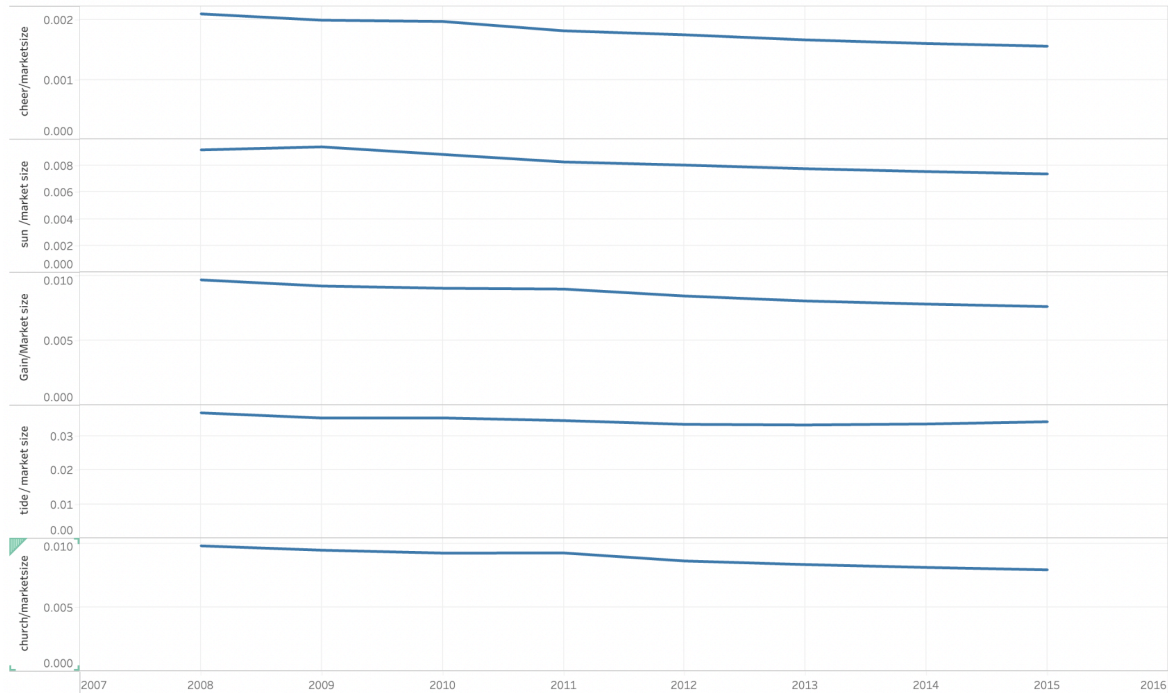
Focusing on the data, the first thing you notice is the drastic difference in the amount spent on digital vs trade advertising—companies have been spending considerably more money on trade advertising than digital advertising. This could mean two things, digital advertising is a lot more cost effective than trade advertising, or companies simply don't focus a lot of energy on digital advertising possibly due to the timeframe the data was collected. In the past 10 years, there has been a significant shift in how consumers receive marketing materials, which likely accounts for the drastic difference in budget for trade ads vs digital. Looking deeper into the data you can see that there's an increase in spending on digital advertising across almost all markets from 2012-2015. From this larger set of markets, there were four test markets identified: Phoenix, Buffalo, Memphis, and Detroit. Phoenix has shown an increase in money spent on digital advertising, and a decrease in money spent on trade advertising. It's also shown in these test markets that Phoenix owns the majority of the market compared to the other three cities in the test markets.

basic market share

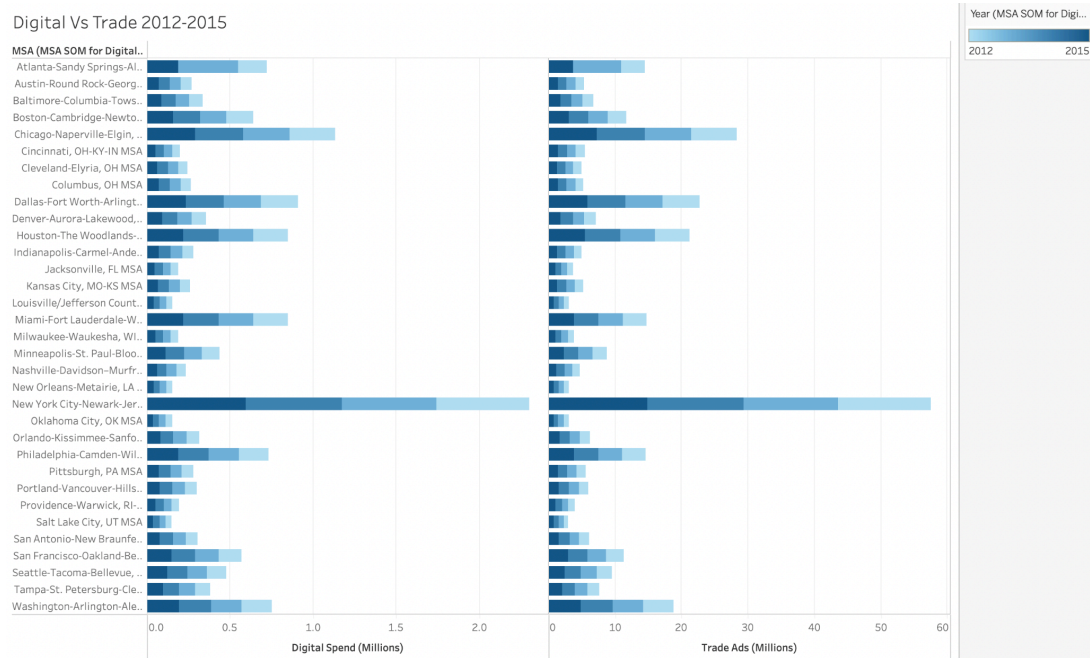


Basic Market Share Graph (above): This graph compares the market share of all six companies in the dataset from 2008 to 2015. This graph clearly shows that Tide owns a majority of the market; all other five companies are shown to have either a small spike in market share followed by a return to their original share or a clear decline in market share. Tide is the only company in this dataset with consistent market share growth.

company/market size

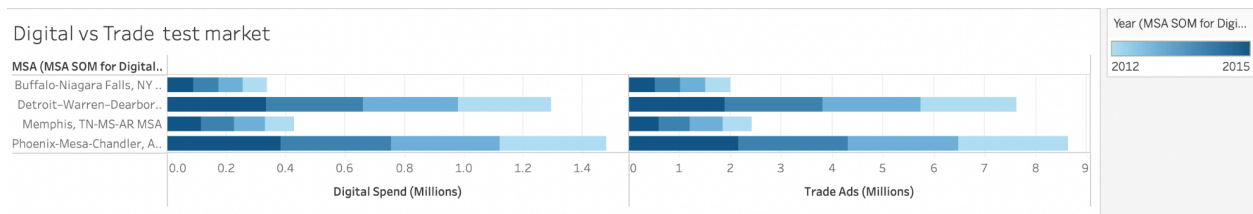


Company/Market Size Graph (above): This graph shows the size of the company and its market share. Again, Tide is the only company in this dataset that shows growth in the size of its market and company. The growth is slower than the market share graph, but it still indicates that Tide is the most successful company out of the others in the dataset.



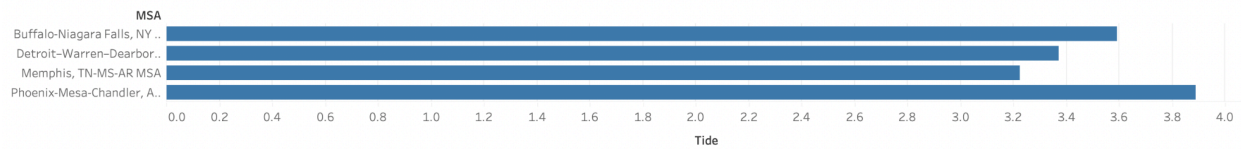
Digital vs Trade 2012-2015 Graph (above): This graph shows the amount of money spent on digital and trade advertising from 2012-2015.

This graph shows an increase in the amount of money spent on digital advertising across most of the markets in the dataset. The amount spent on trade advertising has increased in some markets, but there are more decreases in the amount spent on trade advertising than digital advertising.



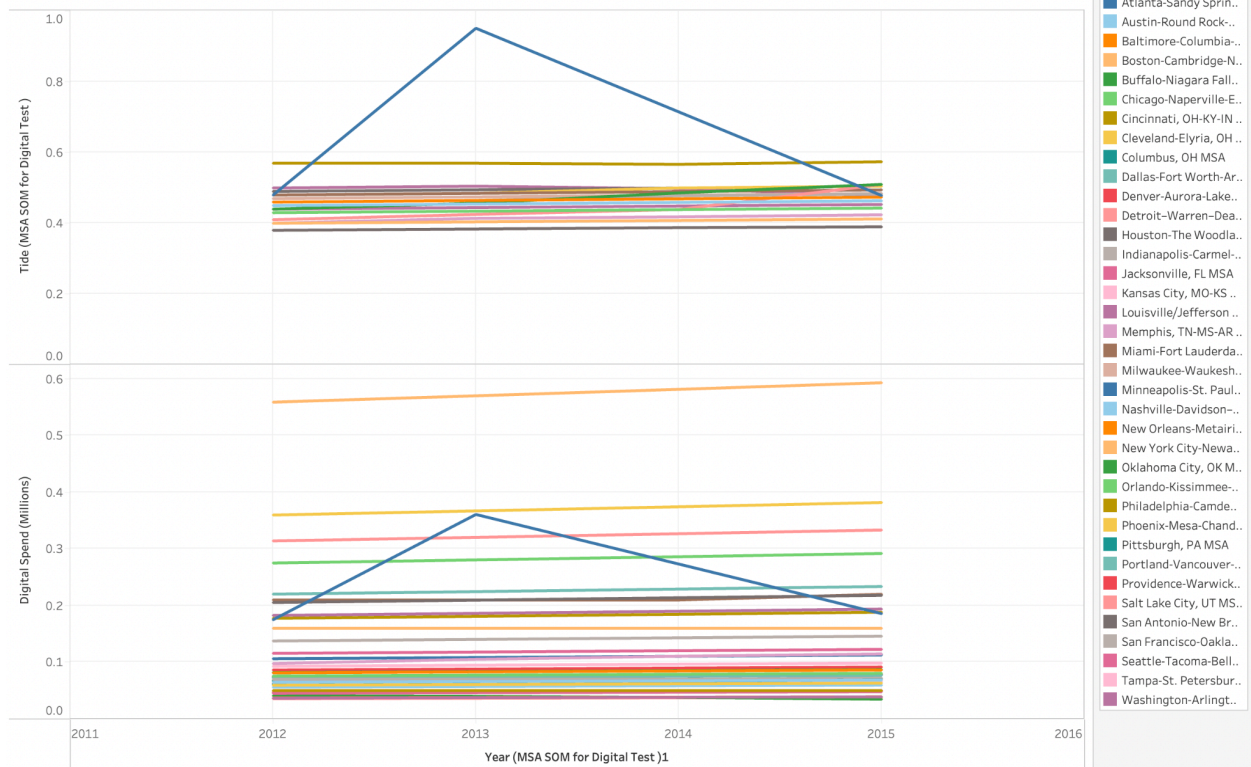
Digital vs Trade Test Market (above): This graph shows the test markets we chose from this dataset and the amount these markets have spent on trade advertising vs digital advertising from 2012-2015. In these markets specifically, the data shows a decrease in spending on trade advertising across all markets, with the exception of Buffalo, and an increase in digital advertising through 2012-2015.

Tide Market share per year

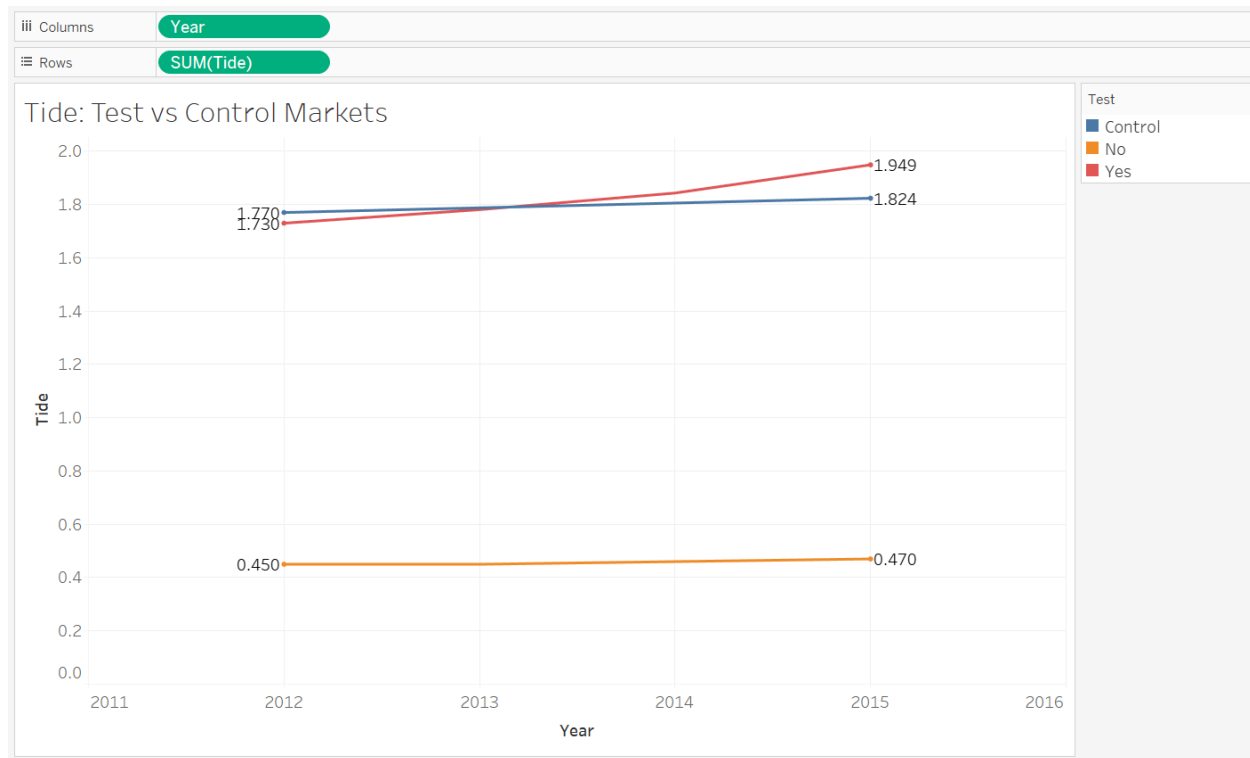


Tide Market Share Per Year (above): This graph shows the market share among our four test markets. As you can see, Phoenix, the market that spends the most on digital advertising, owns a majority of the market compared to the other three competitors.

Geographic Digital spending

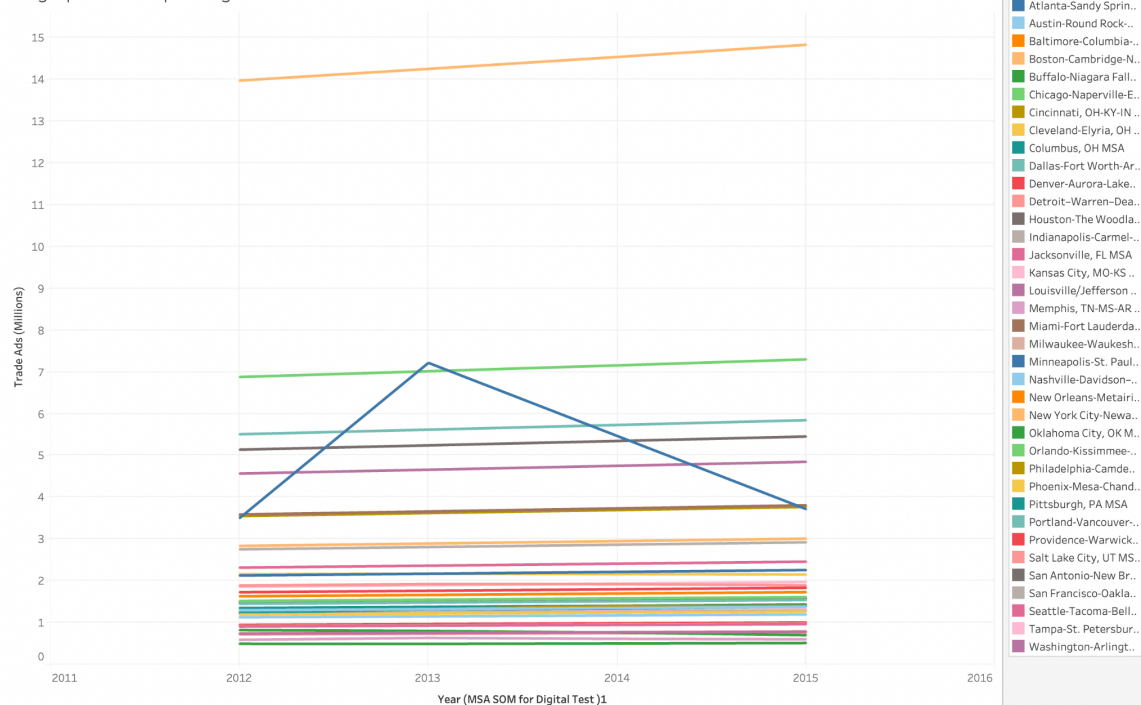


Geographic Digital Spending (above): This graph shows how much Tide has spent on advertising throughout its different markets in the U.S. The bottom graph shows the amount spent on digital advertising across all markets, and the top one indicates just Tide's spending on digital advertising. As you can see, Tide is not taking advantage of markets like New York, Cleveland, and Detroit, which are big spenders in the realm of digital advertising. If Tide wishes to own a more significant majority of the market in these areas, it needs to increase digital advertising there.



Tide: Test vs Control Markets (above): This graph compares the test Tide market (red) vs a control market (blue) compared to the national data (orange). As you can see, the test market starts off below the control market and then has a very steep incline compared to the national

Geographic trade spending



data, which barely increases, and the control market, which has a noticeable but not significant increase.

This graph shows the amount spent on trade advertising across all markets. It's clear that New York is another big spender in this graph, but there's also markets like Chicago, Portland, and San Antonio that are shown to spend more on trade advertising rather than digital advertising. If Tide wishes to increase profits in these areas, they should focus more money on trade advertising in those markets.