

# Business Analytics Capstone Framework for Strategy

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# Problem Statement

# Problem Statement—

Describe the Problem Ad Blockers present to GYF

- **Repercussion of adblockers on GYF's ad-buying customers :**
  - *Ad-buying customers would go to other companies that advertise their ads to end-users using alternate methods .*
  - *Since the ads advertised through GYF is blocked ad-buying customers will significantly drop due to data loss .*
- **Repercussion of adblockers on GYF's end users :**
  - *Data loss caused as ads are not able to reach end users it will null to no accurate ads for a specific user .*
  - *End user will lose good deals and offers corresponding to their favourite items*
  - *Future end-users will also be affected due to the lack of data available from Market analysis .*
- **Repercussion of adblockers on GYF's operations :**
  - *Low revenue is generated for publishers as due to the presence of ad-blockers it will not reach end-users and the revenue generated from clicks is low.*
  - *Low revenue also means that there is money left to pay for operations or to vendors which may lead to closing down operations of GYF.*
- **Repercussion of adblockers on GYF's Internal organization:**
  - *No revenue due to ad-blockers means no customers*
  - *Low revenue also means that there is way to to pay wages to employees and this may lead to lot of employees resigning from their jobs.*
  - *If there are no revenue , nor staffs GYF will run to debts .*

# Problem Statement—

*Application Exercise 1 – Research Methods and Tools (Optional)*

## 1. The types of research that will be employed by me to learn more about the strategy the DATA Team should pursue are :

**Descriptive and causal.**

- Descriptive research is required as the problem is stated and one should be aware of the type of ads the end users are keen on viewing and the kind of ads customers should be delivering to meet the requirements of end-users . In simple terms solutions to be delivered to meet the demands of viewers .
- Causal research is needed because the problem is clearly defined that adblockers may block GYF's ads before it provides end users the power to decide whether to view the adds or not and how ad-blockers can be tackled so that the viewers are having the power to decide whether they want to view a particular add or not .

## 2. The research tools GYF could use to conduct above researches are:

1. Customer self-reporting
2. Social media(Surveys) and Mobile data ANALYTICS
3. Focus groups
4. Internet Communities (MROCs)
5. Media planning firms

# Strategy

# Strategy

Describe your proposed strategy

- Following are the strategies that can be taken up to tackle the problems :
  1. *Data collection through surveys is mandatory to evaluate the current situation and compare with previous trends before the introduction of ad-blockers .*
  2. *Collect data from ad buying customers and and ad viewing population and take into consideration what kind of ads they would like to watch ,frequency up to which they want to watch etc.*
  3. *Try to be the good books of the ad blocking vendors so as to form aligns or tie ups to restrict GYF from the ad blocking list and provide benefits of this alliance .*
  4. *Diversify marketing strategies so that it is not limited and reaches wide majority of people .*
  5. *Focus on relevant keywords by identifying and mapping the highest browsed keywords from search engines .*
  6. *Bring in engaging and relatable content for audience so that they remain loyal despite of ad-blockers .*
  7. *Invest a small amount from revenue on to developing products to outlay ad blockers which can be later patent and sold out to similar companies .*

# Strategy

## *Application Exercise 2 – Hiring a Team Leader (Optional)*

**Both the final candidates, Carrie Candidate and Peggy Prospect are equally competent . Each individual is unique and have mastered their own strengths.It is a neck to neck decision to be taken Hower on evaluating on multiple grounds such as :**

- ❑ Hiring decisions are mostly based on what the company needs at the moment and for future growth, along with the following metrics (from video lectures of process vs outcome and hiring 1 & 2 of people analytics) that could be used to predict future performance:
- ❑ GYF needs a new Senior Associate Director for Digital Advertising Strategy that help me develop and implement my strategy for addressing the problem of ad blocking. Peggy has better experience and as part of her current role, she is specifically focused on the issue posed by adblocker and other technologies that disrupt the traditional delivery of online advertising
- ❑ Based on the work samples and cognitive ability tests, Carrie performed better with her work product is polished and is creatively solving problems and scored 90% on the cognitive ability tests that GYF gives to all management-level applicants
- ❑ Based on structured interview and job knowledge test, Peggy performed better with her demonstrated deep knowledge of the digital advertising landscape and exhibition of a personality that will fit well with the other team members of the DATA team, and excellent job knowledge test result that is showing a strong familiarity with the kind of tasks she would be assigned in her new position
- ❑ •Evaluating on all grounds ,the needs to help me develop and implement the strategy for addressing the problem of ad blocking as soon as possible, I will hire **Peggy Prospect** because of her **experience, familiarity with the issue posed by adblocker, her demonstrated deep knowledge of the digital advertising landscape and exhibition of a personality that will fit well with the other team members of the DATA team for smooth teamwork** these are the key pointer that led her to her new role .

# Effects and Measurement



# Effects

Describe the anticipated effects of your strategy

- **The effects on customers (ad-buying customers and end-users) are:**

*due to strategy 1: due to the conduction of surveys they will get customized purposeful ads to sell and watch .*  
*due to strategy 2: due to the conduction of surveys they will get customized purposeful ads to sell and watch .*  
*due to strategy 3: Customers will have more viewership as it is not under radar of ad blockers .*  
*due to strategy 4: Vivid contents will be bought from customers and available for viewers to watch*  
*due to strategy 5: Content is basically taken from viewers*  
*due to strategy 6: Relatable content to watch and sell*  
*due to strategy 7: Things would go back to previous setting for customers and viewers .*

- **The effects on revenue are:**

*due to strategy 1: Eventhough there is no direct impact after conduction of surveys altering ads selling them will generate rev*  
*due to strategy 2: Eventhough there is no direct impact after conduction of surveys altering ads selling them will generate rev.*  
*due to strategy 3: No ad blockers leads to more viewership and customers with in turn generates massive revenues .*  
*due to strategy 4: As people are more interested ad blocker threat is not relevant and revenue increases*  
*due to strategy 5: Increased variety and buzz words cater to more viewership in turn high revenue .*  
*due to strategy 6: Relatable content gives more viewership and sales in turn high revenue .*  
*due to strategy 7: Revenue will be same as before the intervention of adblockers or a bit lower due to investment .*

- **The effects on the internal organization:**

*due to strategy 1: For internal organization there will be better understanding of their vendors and customers and the trends .*  
*due to strategy 2: Formulation of better questions to be asked to get more precise insights .*  
*due to strategy 3: They can sell more adds without worrying of ad blockers .*  
*due to strategy 4: wide variety of content to be found and displayed to keep up with challenging situations .*  
*due to strategy 5: Data team should rigorously go on fetching buzzwords to increase traffic .*  
*due to strategy 6: Regressive research of relatable content for viewers .*  
*due to strategy 7: Invest a small amount from revenue on to developing products to outlay ad blockers*

# Effects

## *Application Exercise 3 – Designing a Deterministic Optimization Model*

	Hard Skills	Soft Skills
Internal	0.2	0.6
External	0.7	0.4

**Explanation of the calculations performed to build an optimization model using decision variables, constraints, and an objective are :**

- **Objective :** To maximize total productivity returns through employee training program within budget limits .
- GYF's management has calculated that the productivity return is proportional to the amount of money spent on training and can be expressed as follows :
- **Objective Function :**  
 $0.2 \times \text{Internal Hard Skills (HI)} + 0.7 \times \text{External Hard Skills (HE)} + 0.6 \times \text{Internal Soft Skills (SI)} + 0.4 \times \text{External Soft Skills (SE)}$
- **Constraints:**
  1.  $0.2 \times \text{HI} + 0.7 \times \text{HE} \geq 20,000$  (The Hard Skills training program must achieve at least \$20,000 in the total net productivity increase)
  2.  $0.6 \times \text{SI} + 0.4 \times \text{SE} \geq 12,000$  (The Soft Skills training program must achieve at least \$12,000 in the total net productivity increase)
  3.  $0.2 \times \text{HI} + 0.6 \times \text{SI} \geq 0.6 \times (0.7 \times \text{HE} + 0.4 \times \text{SE})$  The Internal program should achieve at least 60% of the net productivity increase realized for the External program
  4. HI, HE, SI, SE = integer (no decimal points)
  5. HI, HE, SI, SE  $\geq 0$  (no negative values)
- Using the **excel solver**, we enter our **objective, decision variables, and constraints** above.
- The objective comes at **\$42,823.50** with training spending amount of :
  - **\$38,235** for External Hard Skills Program
  - **\$26,765** for internal Soft Skills Program

# Measurement

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

## Anticipated effects and measurement of the strategies applied are :

### 1. Customers :

*of strategy 1:by collecting data one can compare and track on monthly or weekly bases the provide new era content .*  
*of strategy 2:Conduct surveys and track what sort of content people prefer to see more weekly or daily*  
*of strategy 3:people will be able to view and sell large content conduct surveys and analysis*  
*of strategy 4:people will be able to view and sell diverse content conduct surveys and analysis*  
*of strategy 5:people will be able to view and sell popular content conduct surveys and analysis*  
*of strategy 7:people will be able to view and sell large content conduct surveys and analysis without adblockers .*

### 2.Revenue :

*of strategy 1:revenue dip would come initially but as viewership increases the revenue increases revenue growth track wkly*  
*of strategy 2:revenue dip would come initially but as viewership increases the revenue increases revenue growth track wkly*  
*of strategy 3:increase in revenue and revenue analysis can be done weekly to understand*  
*of strategy 4:increase in revenue and revenue analysis can be done weekly to understand*  
*of strategy 5:Increase in revenue more popular content more viewership and revenue analysis can be done*  
*of strategy 7:revenue dip would come initially but as viewership increase in revenue and revenue analysis can be done weekly to understand the pattern*

### 3.Internal Organization :

*of strategy 1:Updated on new era content and if viewership targets have met we can track progress wkly.*  
*of strategy 2:Updated on what content people prefer and if viewership & revenue targets increases we can say on right track*  
*of strategy 3:less hassle for internal team and just monitoring viewership rate would be sufficient*  
*of strategy 4:searching and finding diverse content monitor and analyse viewership content data*  
*of strategy 5:keep track of buzz word analyse search engine word rate and number of times it has been searched track viewership*  
*of strategy 7:Tidicious process yet the results are gonna be great if the block is removed more viewership*  
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# Measurement

## *Application Exercise 4 – Identifying Key Drivers*

### **Measurement and Identifying Key Drivers :**

- *Measurement Plan for effects on customer for our strategy can be measured by checking on Quality of our services thru customer and end-user surveys/ratings on criteria such as satisfaction, experience ,willingness to be a reference and customer and end-user recommendation and sharing of our ads ,click thru rate by ad-buying customer.*
- *Measurement Plan for effects on revenue for our strategy can be measured by checking on end-users loyalty ,retention Ad-buying customers to measure growth in loyalty ,retention, revenue that can be broken down into customer ads category to benchmark to same industry category growth.*
- *Measurement Plan for effects on internal organization for our strategy can be measured by checking on GYF employee satisfaction ,retention ,productivity ,efficiency and increased performance thru comprehensive training programs.*
- **Some comprehensive measurement of key performance indicator are:**
  - *Analysis of Click Thru Rate vs End-User/Customer Satisfaction Rating by Prior Year vs Current Year*
  - *Analysis of Customer Revenue Growth vs Customer Satisfaction Rating*
  - *Analysis of Future Revenue Growth*
  - *Analysis of High Future Revenue Growth*

# Conclusion

- *The rapid growing of ad blocking software and Apple's support of ad blocking software on its ecosystem poised a great threat to GYF advertising business survival this ad blocking threat to GYF advertising business creates a great **opportunity** for GYF to reform and **reinvent** its **advertising business model**.*
- *GYF DATA Team is the main driver and responsible in creating and implementing a new strategy to resolve this is using **Customer Analytics research and tools** to help shape its strategies to resolve ad blocking threat to its advertising business model*
- *DATA Team is using **Descriptive and Causal Research**. The research tools that GYF can use to conduct descriptive and causal researches are Focus Groups, Internet Communities , Surveys , Customer self-reporting, Media planning firms, Social media analytics, and Mobile data analytics*
- *DATA Team employs **People Analytics Method** to shape its strategies like Process vs Outcome and also uses People Analytics Method to hire a leader to implement my strategy and also uses People Analytics Method to promote innovative and collaboration culture within its internal organization .*

# Conclusion

- *Use of **Operation Analytics** Method to understand and select what training programs within allocated budget that can optimally increase productivity, efficiency, and performance of its employees and operations in implementing the strategies.*
- *GYF is building and using **Operating Analytics Optimization Model with Excel Solver** to optimize its training program selections for its employees . DATA Team collaborates closely with IT, HR, Finance, Accounting, Marketing, Sales, Operations, all departments and stakeholders that involve with our new project strategies to measure each area they contributed to the project*
- *Needs to measure all three **strategy implementations** (This is to ensure our continued operations without any disruption from adblockers) to see which one(s) give best values in terms of customer acquisition and retention along with it being cost effective*
- *GYF is using **Accounting Analytics Methods** to identify and measure the key drivers of the proposed strategies also to better analyze its financial outcome, GYF is also employing Accounting Analytics Methods by linking Non-Financial Metrics to Financial Performance*
- *And finally, to better improve its strategies and financial performance, uses Accounting Analytics Methods by incorporating analysis results in its Financial Models*