

Marketing Analytics Case Study (Promotions Strategy Optimisation)

Problem Statement :

At Tide, we acquire members through multiple avenues and using various promotions across multiple channels. Promotions are an important part of the strategy to acquire members however it comes at a cost and has a direct impact on payback period based on the quality of the members acquired. In the current scenario, launching and running promotions by marketing team is pretty autonomous and does not have any controls imposed on incentive amounts and T&Cs, which is driving overall incentive costs, impacting quality of members we acquire and also misuse of promos.

There are certain risk factors including financial and operational risks by following this.

Hence there is a need to optimise the promotions strategy.

Task :

As an analyst, can you suggest some ideas to the marketing team to plan the future promotions based on the past performance of the promotions in each channel. We want the marketing team to use promotions which will give them the best bag for the buck.

You may use the datasets provided to conduct any exploratory analysis, mathematical or predictive modelling.

Below are a few expectations from the candidate

1. **Understanding of the datasets** : You should be able to understand the datasets clearly. Write down your understanding in business language. Assumptions with details are allowed.
2. **Analytical Insights** : Get the insights from the datasets (with visualisations). Assume you're going to share these with the marketing team which is a business focused group with limited technical understanding.

3. **Results presentation** : Share the results / insights of your analysis. You may use powerpoint deck, docs, python notebooks or any of your preferred tools/formats as long as you are able to tell your story in an impactful way.

(Optional)

Predictive modelling : Build a predictive model by using mathematical or machine learning based techniques to recommend various promotions. Alternatively, you may mention ideas, techniques, algorithms only rather than developing the actual model.

Datasets :

There are 3 marketing channels through which promotions are being performed.

i) Affiliates, ii) Partnerships & iii) Referral

(Just for understanding, you may assume these channels as standard marketing channels. e.g. google ads, TV ads, out-of-home ads etc.)

There are 6 .csv files.

3 files hold data for channel-wise member revenue and other information.

The other 3 files hold promotions code metadata with different promotions strategies.

Field wise information for **affiliates.csv**, **partnerships.csv**, **referral.csv**

member_id : unique identifier for Tide's member

platform_joining_date : date on which member joined the Tide platform

promo_code : unique code for promotion used by member at the time of sign up

industry_class : Industry classification category of a member (e.g. food and beverages, transportation, education etc.)

active_last_7_days : member is active in the last 7 days. If a member has done at least one transaction (inbound/outbound) then it is an active member. If value is 1 then active member else non-active.

In the given dataset, the definition of a member being active is calculated on 15th march 2023. i.e. if a member has transacted between 9th-15th March 2023 then it is considered as active.

revenue_1st_45_days : net revenue earned by Tide from member in the 1st 45 days of joining

Field wise information for **affiliates_promo_code.csv**, **partnerships_promo_code.csv**, **referral_promo_code.csv**

promo_code : unique code for promotion

sub_channel : Within the channel this is another level of channel (just for understanding, within the “paid search” channel, there might be few sub-channels i.e. google ads, bing ads, youtube ads etc.) [*Only present in affiliates channel*]

promo_type : Type of promotions done. i.e. promotions with Cash, Non-Cash based incentive etc.

Cash = Members receive cashback as incentive in their account. Non-Cash = Other types of incentives like free transfers, gift vouchers, etc.

member_incentive_amount : Incentive amount given to the member through promotions (Currency : GBP)

min_funding_amount : Minimum funding amount requirement for the member to receive the incentive. This is the amount members fund to its Tide account and incentive is given based on this. (Currency : GBP)
e.g Fund your account with £100 in 30 days of sign up and get £50 cashback.

max_funding_days : Maximum number of days for members to fund their Tide account.

min_spending_amount : Minimum spending amount requirement for the member. This is the amount members spend by using their Tide account and incentive is given based on this. (Currency : GBP)
e.g Spend £100 using your Tide card in 30 days of sign up and get £50 cashback.

max_spending_month : Maximum number of months for members to spend using their Tide account