## A MARKETING CAMPAIGN TO INCREASE SALES OF HEATING PRODUCTS

# **Introduction**

A wholesaler company that sells heating products (boilers, controls, services) in the North Lombardy (Province of Varese, Como, Lecco and Sondrio), Italy. The company like to start a web marketing campaign in January 2023 to increase the n° of boilers sold.

Based on experiences and some statistics about web campaign related to heating products, the company know that:

- 1. A web campaign reaches about 90% of inhabitants that are in the age class between 20 and 39 years old and 20% of inhabitants older than 39.
- 2. In a web campaign, the number of interested people to substitute a boiler is equal to the inhabitants reached by the web campaign times the percentage of old boilers over total inhabitants older than 20 (inhabitants whose age is lower than 20 are not considered). A boiler that is installed in 2000 or before could be considered old.
- 3. The conversion rate is 2% (= 2% of inhabitants, interested to substitute a boiler, buy a boiler).
- 4. Cost of web campaign: variable costs = 0,07 €/inhabitant reached (costs of Social Network use), fixed costs = 2.500 €/province (creativity message).
- 5. On average, you sell a boiler to  $1.000 \, €$ , whereas you buy it from manufacturer to  $900 \, €$ .

## Data set:

A. Population Lombardia data set: population for each town/city of Lombardia (all provinces and not only the North ones) splitted up for age class. Here column V and W is obtained from the data using Sum function.

	Α	J	K	L	M	N	0	Р	Q	R	S	Т	U	V	W
1	Age range (years)	40-44	<b>45-49</b>	<b>▼</b> 50-54 <b>▼</b>	55-59	60-64	65-69	70-74 ▼	75-79 🔻	80-84 ▼	85-89 🔻	90 e pi ▼	Totale complessivo ▼	20-39	>39
2	ABBADIA CERRETO	3	3	20 20	20	16	20	13	19	9	3	1	284	63	174
3	ABBADIA LARIANA	25	0 2	93 25	3 237	193	222	160	165	96	65	29	3209	661	1968
4	ABBIATEGRASSO	264	7 27	97 273	2128	1926	1828	1561	1676	1149	648	331	32565	6922	19423
5	ACQUAFREDDA	12	24 1	44 13	7 112	82	76	75	60	59	26	27	1565	322	922
6	ACQUANEGRA CREMONESE	9	1 !	92 10	5 94	61	79	52	69	63	43	18	1181	218	767
7	ACQUANEGRA SUL CHIESE	19	7 2	49 25	2 191	154	167	160	169	130	83	54	2935	616	1806
8	ADRARA SAN MARTINO	19	0 1	85 21	7 151	119	107	72	46	70	40	14	2263	551	1211
9	ADRARA SAN ROCCO	6	34	81 7:	58	36	46	48	43	21	14	6	819	160	490
10	ADRO	63	9 6	03 56	3 473	416	404	336	319	206	148	84	7140	1545	4191
11	AGNADELLO	35	3 3	54 30	7 237	216	200	126	167	77	52	22	3872	958	2111
12	AGNOSINE	13	1 1	18 14:	2 168	115	108	85	88	58	32	28	1752	383	1073
13	AGRA	2	20 :	34 3°	1 28	21	25	29	29	18	9	9	412	91	253
14	AGRATE BRIANZA	132	28 13	75 130:	979	902	908	670	668	458	265	115	15463	3369	8970
15	AICURZIO	18	11 11	81 170	5 140	150	135	101	93	70	35	22	2099	441	1284
16	AIRUNO	21	6 1	92 26	2 193	196	174	126	113	120	46	24	2868	669	1662
17	ALAGNA	7	5	83 7:	3 75	55	49	41	28	37	19	12	854	171	547
18	ALBAIRATE	39	5 4	41 441	345	281	285	202	183	133	91	66	4708	920	2862
19	ALBANO SANTALESSANDRO	71	8 7	31 67	563	456	402	346	270	206	101	60	8251	1914	4529
20	ALBAREDO ARNABOLDI	1	8 :	25 2	5 20	19	16	14	8	8	6	1	252	56	160
21	ALBAREDO PER SAN MARCO	1	3 :	21 3:	2 24	30	29	13	16	21	11	6	307	63	216
22	ALBAVILLA	49	14 5	20 52	496	408	440	314	277	235	141	88	6388	1326	3938
23	ALBESE CON CASSANO	36	32 34	45 31:	3 270	255	325	247	196	171	137	81	4261	834	2702
24	ALBIATE	53	9 6	30 62:	3 439	315	330	254	236	204	138	58	6319	1278	3766
25	ALBINO	133	8 14	11 160	1252	1116	1125	883	822	566	388	153			10654
26	ALBIOLO	21	6 2	44 27:	2 183	150	148	111	103	74	38	14	2722	ivate <sub>590</sub>	Ind 9553

B. Residential Heating generator North Lombardia: heating appliances installed in the province of Varese (VA), Como (CO), Lecco (LC) and Sondrio (SO). Boilers are identified as "Gruppi termici o caldaie" in the field "GENERATOR CATEGORY

	A B	C	D	E	F	G	Н	1	J	K	L	M	N.
1	IDENTIFICATION CODE N: OF GENERATO	RS ADDRESS	CITY/TOWN	PROVINCE	ZIP CODE	GENERATOR CATEGORY	GENERATOR	GENERATOR SERVICES	GENERATOR BRAND	FUEL  INSTALLA	TION DATE   TE	ECHNOLOGY .	Class
2	2ffa19e912495e2defa41fi	1 VIA S. CARLO 1	2 BESOZZO	VA	21023	Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE		Condensazione	
3	2fcd4979b2b94c0ddff4b	1 VIA MATTEOTT	TE ANGERA	VA	21021	Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE	9/14/2016 A	Condensazione	e New
4	28bca988b3292c2ddfd4	1 VIA DON MARZ	O(SARONNO	VA		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE	1/1/1993 Tr.	radizionale	Old
5	2ecda9bf9279fc5ddfc4a	1 VIA PRADA 3	VERGIATE	VA	21029	Gruppi termici o caldaie	31	Acqua Calda Sanitaria C	BAXI	GAS NATURALE	4/30/2009 Tr		New
6	2f0d79b9b5b93c4defc4l xx	VIA CARDUCCI	17 BESNATE	VA	21010	Gruppi termici o caldaie	24	Acqua Calda Sanitaria C	i JUNKERS	GAS NATURALE	10/23/2002 Tr.	radizionale	New
7	2fcca9d862b93c1d6fc4c	1 VIA S.PELLICO	5 LONATE POZZOLO	) VA	21015	Gruppi termici o caldaie	21	Acqua Calda Sanitaria C	ITALTHERM	GASNATURALE	8/11/2016 A1	Condensazione	e New
8	28dd196f02993oaddfe45	1 VIA XXV APRIL	E : VENEGONO SUPE	RIC VA	21040	Gruppi termici o caldaie	23.8	Acqua Calda Sanitaria C	MMERGAS	GAS NATURALE	1/1/2015 Tr	radizionale	New
9	289c2988d5294c2d5fb4	1 VIA VERDI 174	MARNATE	VA	21050	Gruppi termici o caldaie	28.5	Acqua Calda Sanitaria C	AR THERM	GAS NATURALE	5/15/2012 Tr	radizionale	New
10	28edd9ef03096c0d7ff4b	1 VIA LIBERTA' 2		VA		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE	1/1/1990 Tr		Old
	2f2d2998a3d96c4d3f34f	1 VIA MAZZINI 62		SU		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GASNATURALE		radizionale	New
160690	2f9cf9e9b5891c2d1fd48f	1 VIA S. MARTING		SO		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE		radizionale	New
160691	2f3df9ffe2295c7d2f24bff	1 VIA ALBERTI 10		SO		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GASOLIO		radizionale	Old
160692	286ce93865296c4d6fd4	1 VIA LUNGO AD		SO		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE		radizionale	Old
160693	28bdd9a983d94c3d1fd4	1 STRADA DEIRO	ON PIURO	SO		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GPL	36930 Tr	radizionale	New
160694	2eea99c9a2096cad2f94	1 VIA CA' DEL PA	P. MAZZO DI VALTEL	LIN SO	23030	Gruppi termici o caldaie	33	Acqua Calda Sanitaria C	i VIESSMANN	GASOLIO	40897 A	Condensazione	e New
160695	28ad09d8e2f92e6ddf34:	1 VIA SQUADRAI	NI CHIESA IN VALMAL	.EN SO	23023	Gruppi termici o caldaie	23.7	Acqua Calda Sanitaria C	i VIESSMANN	GPL	40179 A	Condensazione	e New
160696	2eaab97805a92c6dcf34	1 VIA AGNEDA 4	SONDRIO	SO	23100	Gruppi termici o caldaie	28	Acqua Calda Sanitaria C	VAILLANT	GPL	38120 Tr	radizionale	New
160697	288dd9c8a2495c6d1f24	1 STRADA DELLI	E F SONDRIO	SO	23100	Gruppi termici o caldaie	30.1	Acqua Calda Sanitaria C	RIELLO	GASNATURALE	38999 Tr	radizionale	New
160698	2fad798f13f94cbd1fc4afa	1 VIA ALLA CA' 19	5 SAMOLACO	SO	23027	Gruppi termici o caldaie	11	Climatizzazione Invernale	RAVELLI	PELLET	39715 Tr	radizionale	New
160699	2e9d99a905294c2d4fd4	1 VIA S. ANNA 21	GORDONA	SO	23020	Gruppi termici o caldaie	28	Acqua Calda Sanitaria C	VAILLANT	GASNATURALE	38719 Tr	radizionale	New
160700	2eed29a862794c2dcf34	1 VIA NAZIONALI	E ( COSIO VALTELLIN	0 SO	23013	Gruppi termici o caldaie	24	Acqua Calda Sanitaria C	JUNKERS	GAS NATURALE	39371 Tr	radizionale	New
160701	2fddf9a9d2994c2d1f24a	1 VIA CONTIMEL	ZI MORBEGNO	SO	23017	Gruppi termici o caldaie	8.3	Climatizzazione Invernale	EDILKAMIN	PELLET	39770 Tr	radizionale	New
160702	2e7c19e9c2396c4d1fb4*	1 VIA DEL CAVAL	L BUGLIO IN MONTE	SO	23010	Gruppi termici o caldaie	24	Acqua Calda Sanitaria C	VAILLANT	GPL	40082 A	Condensazione	e New
160703	2ead199902b94c7dcf94	1 VIA ROMA	CHIESA IN VALMAL	.EN SO	23023	Gruppi termici o caldaie	11.3	Climatizzazione Invernale	EDILKAMIN	PELLET	38911 Tr	radizionale	New
160704	2efd497842794cad2fc4	1 VICOLO GRADI	NÍ BERBENNO DI VAL	TE SO	23010	Gruppi termici o caldaie	28	Acqua Calda Sanitaria C	VAILLANT	GAS NATURALE	38754 Tr	radizionale	New
160705	2f4ce9d8a389ec7d1f84f	1 VIA S. ANTONIO	O TRESIVIO	SO	23020	Gruppi termici o caldaie	24	Acqua Calda Sanitaria C	i VAILLANT	GAS NATURALE	37258 Tr	radizionale	New
160706	2eadb9d802096c3d5f84	1 VIA POZZAGLII	D: VALDISOTTO	SO	23030	Gruppi termici o caldaie	32.5	Acqua Calda Sanitarial C	EDILKAMIN	PELLET	42126 Tr	radizionale	New
160707	2f8d79b8a2394cad4fc4l	1 VIA ALLA CA'15	SAMOLACO	SO	23027	Gruppi termici o caldaie	33	Acqua Calda Sanitaria C	RIELLO	GAS NATURALE	38488 A	Condensazione	e Nev
160708	2f8ce988f3a96c1d0ff40f	1 VIA MAZZINI 8	CINO	SO		Gruppi termici o caldaie		Acqua Calda Sanitarial C		GASNATURALE	36374 Tr	radizionale	Old
160709	2e7cb988b3b96c0d0fd4	1 VIA DEL MAGLI	O TRAONA	SO		Gruppi termici o caldaie		Acqua Calda Sanitarial C		GAS NATURALE		radizionale	Old
160710	2e4aa9c895f91c1d0fc41i	1 VIA GANDA 7	MORBEGNO	SO		Gruppi termici o caldaie		Acqua Calda Sanitaria C		GAS NATURALE		Condensazione	e New
160711	2eaab97915b95c6d7f94	1 VIA ALLA CHIES	SA DUBINO	SO		Gruppi termici o caldaie		Acqua Calda Sanitarial C		GAS NATURALE		Condensazione	
160712	2/5cd989a3d95c7d6fa4.	1 VIA BERINZI 138	COLORINA	50		Gruppi termici o caldaie		Acque Calda Sanitarial C		GASNATURALIZATE \	ID CARSZAST	radizionale	New

## **Objective**

Examine the data to select the province for initiation, opting for the one with the greater profit margin, where profit is defined as the difference between revenues and costs.

## **Steps to follow:**

### 1. Data Cleaning:

The initial dataset required thorough cleaning due to the presence of outliers, irregularities, and missing dates. To enhance the quality of the data set, the following steps were taken:

- Outliers, irregularities, and missing data were identified and subsequently removed.
- Dates that did not conform to the standard format were excluded from the dataset, as we can see in Set B installation date. Now, this is the clean data set.

#### 2. Categorization of Boilers:

The dataset was further segmented based on the installation date of the boilers. Boilers were divided into two categories: 'old' (installed before the year 2000) and 'new' (installed after the year 2000). This classification allows for a focused analysis on older boilers, which are eligible for replacement.

Table below represents the data new clean data set and the category of the boiler either Old or New.



### 3. Boiler Count by Province:

Given the project's interest in replacing older boilers, a Pivot Table was employed to determine the number of boilers in each province falling under the 'old' category (Column C: Sum of N of Generators, represent it). This step ensures a province-specific understanding of the scope of the boiler replacement initiative. Subsequently, the following outcomes were derived:

- 1. Utilizing the VLOOKUP function, we extracted age-wise population data from the preceding sheet.
- 2. Referencing the information provided in the Introduction section, we determined the count of individuals reached, the number of interested people, and the quantity of boiler conversions.
- 3. Revenue was computed by multiplying the number of boiler conversions by the profit margin, while the cost was determined by the expenditure on the marketing campaign.
- 4. Ultimately, profit was calculated by subtracting the cost from the revenue.

⊿ A	В	С	D	Е	F	G	Н	I I	J	K
1 PROVINCE	CITY/TOWN	Sum of N° OF GENERATORS	20-39	>39	Reached	Interest	Converted	Revenues	Costs	Profit
2 CO	ALBAVILLA	407	1326	3938	1981	153.17	3.06	306.33	138.67	167.66
3 CO	ALBESE CON CASSANO	229	834	2702	1291	83.61	1.67	167.22	90.37	76.85
4 CO	ALBIOLO	101	590	1553	841.6	39.66	0.79	79.33	58.91	20.42
5 CO	ALSERIO	68	274	718	390.2	26.75	0.53			
6 CO	ALZATE BRIANZA	263	983	3038	1492.3	97.61	1.95	195.21	104.46	
174 LC	DOLZAGO	<u>l</u> 182	610	1403	829.6	75.01	1.50			
175 LC	ELLO	113	251	761	378.1	42.22	0.84			
176 LC	ERVE	111	133	461	211.9	39.60	0.79	79.19	14.83	
177 LC	ESINO LARIO	59	146	472	225.8	21.56	0.43	43.11	15.81	27.31
178 LC	GALBIATE	707	1740	5242	2614.4	264.74	5.29		183.01	346.46
179 LC	GARBAGNATE MONASTERO	245	573	1397	795.1	98.88	1.98	197.77	55.66	142.11
180 LC	GARLATE	255	581	1628	848.5	97.95	1.96	195.90	59.40	136.50
181 LC	IMBERSAGO	162	477	1511	731.5	59.61	1.19			68.01
182 LC	INTROBIO	183	420	1180		70.23		140.45	42.98	
183 LC	INTROZZO	8	12	87	28.2	2.28				2.58
184 LC	LECCO	3690	10135	29479	15017.3	1398.84	27.98	2797.69	1051.21	1746.48
185 LC	LOMAGNA	158	1162			64.07				
186 LC	MALGRATE	335	902	2581		127.73				
187 LC	MANDELLO DEL LARIO	1031	1886			364.12	7.28			
188 LC	MARGNO	38	80	246	121.2	14.13	0.28			
189 LC	MERATE	765	2883	9307	4456.1	279.65	5.59	559.30	311.93	247.37
190 LC	MISSAGLIA	430	1885	5172	2730.9	166.40	3.33	332.80	191.16	141.64

#### 4. Profit calculation

Finally, using Pivot Table on the above table we will find the profit of each province.

2		
3		
4	Province	<b>Sum of Profit</b>
5	CO	8867.98
6	LC	9501.58
7	SO	-65.73
8	VA	6333.72
9	(blank)	
10	Grand Total	24637.54
11		
12		

# **Conclusion**

In this analysis, it is evident that the province with the highest profitability is LC, yielding approximately 9501.58 in profit. On the contrary, SO emerges as the least profitable province, incurring negative costs. Therefore, it is advisable for the company to initiate their campaign in the LC province, as it promises more sales and ultimately leads to greater profitability.