

Final Project 1

Customer: GameCo's executives

Goal: The marketing budget distribution among the regions to maximize return on investment

Geographic regions: North America (NA), Europe (EU), Japan (JP)

Assumption: Sales for the various geographic regions have stayed the same over time

Source: Global and regional sales data 2000-2016, sales by genre 2015-2016

Project reflections

Sales by region

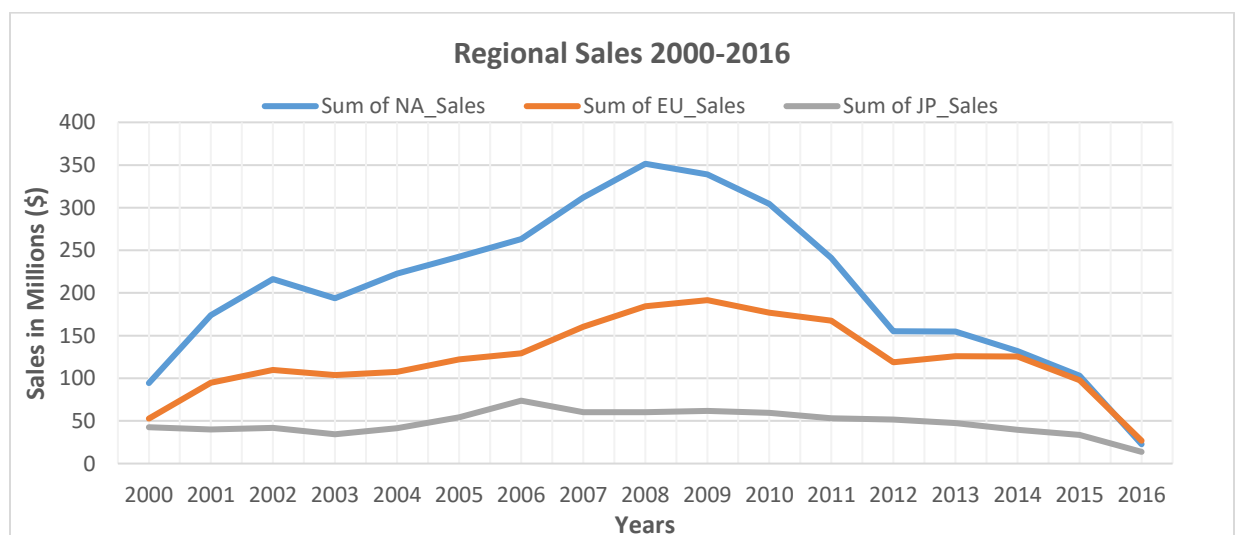
At the beginning of the project, the first questions were the following:

- What were sales by region over time?
- Which region was a leader and what share of each region was in the global sales?

The primary aim was to identify a goal and a focus for budget allocation in each region to maximize ROI.

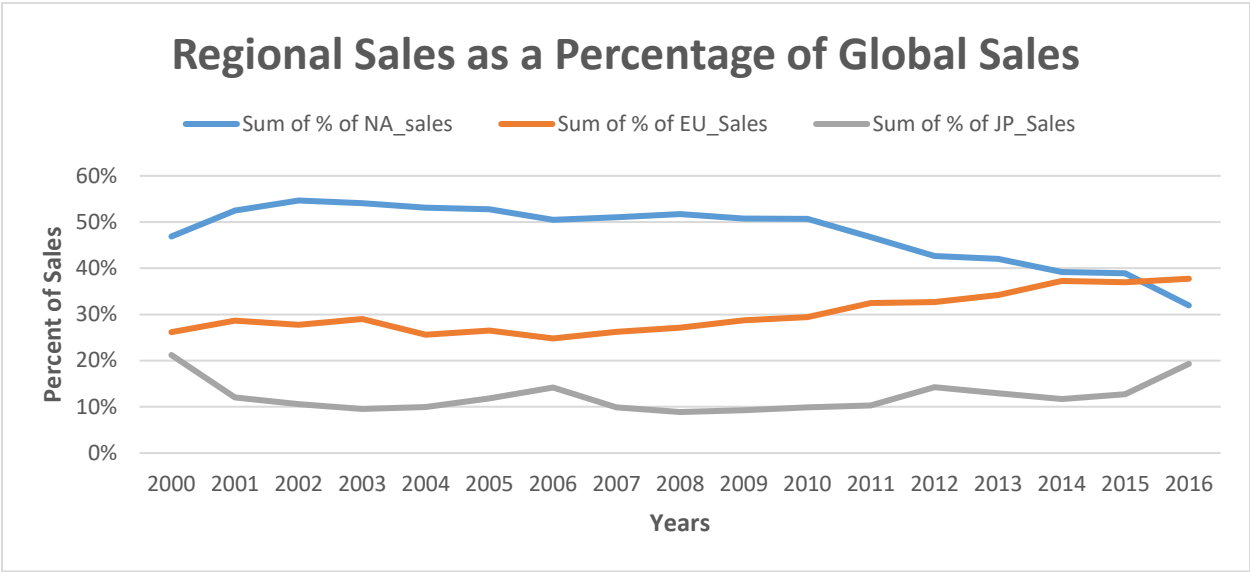
I started to compare the sales of each region over time. When I looked at my first graphs of regional sales for the given period, it was obvious that the years 2000-2016 reflected the behaviour of sales in NA, EU and JP as successful years and then years of losing the market (see Figure 1). I chose the line graph to show the behaviour of regional sales over time. The business was growing until the peak years: 2008 - NA market, 2009 - Europe and 2006 – Japan; and then sales was constantly decreasing. NA market was declining dramatically.

Figure 1



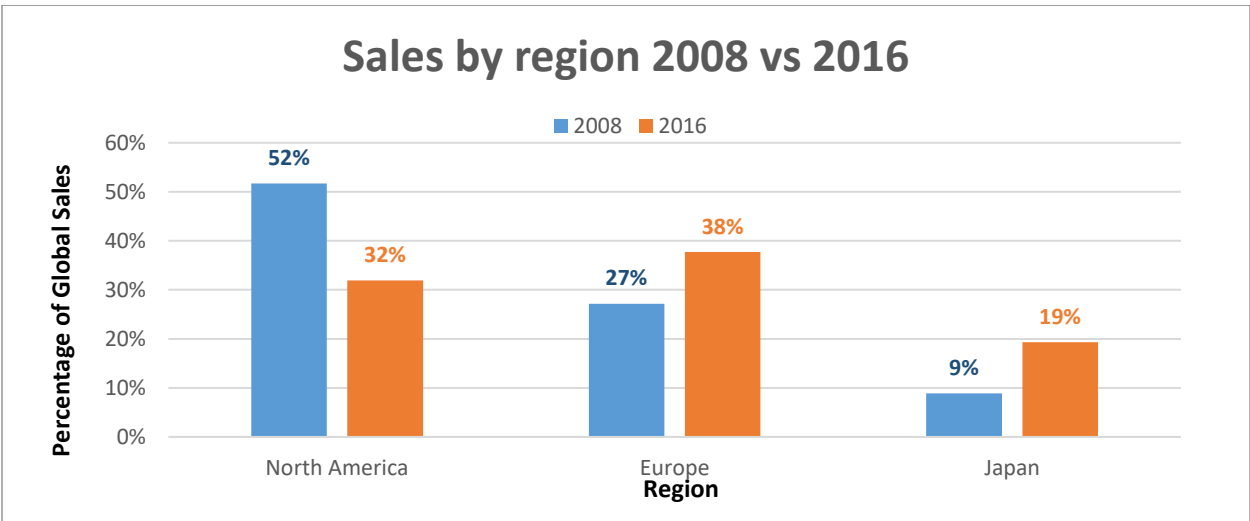
For understanding a contribution of each region toward the global sales, I made a line graph to show a share of each region (see Figure 2). European market behaved unexpectedly for me, the share in global sales was constantly increasing over time. NA and Japanese markets behaved in the opposite ways, the share of NA sales was about 50% and JP - 10% until 2010. After 2010, the NA market has a tendency to decrease but the Japanese market trend was increasing, the spike was in 2016.

Figure 2



The different sales behaviour led me to the next question – how changed the regional sales share from the successful year vs the last year. I chose 2008 as a peak year for NA sales (the highest sales among regions). I utilised a column chart (Figure 3) to see the changes.

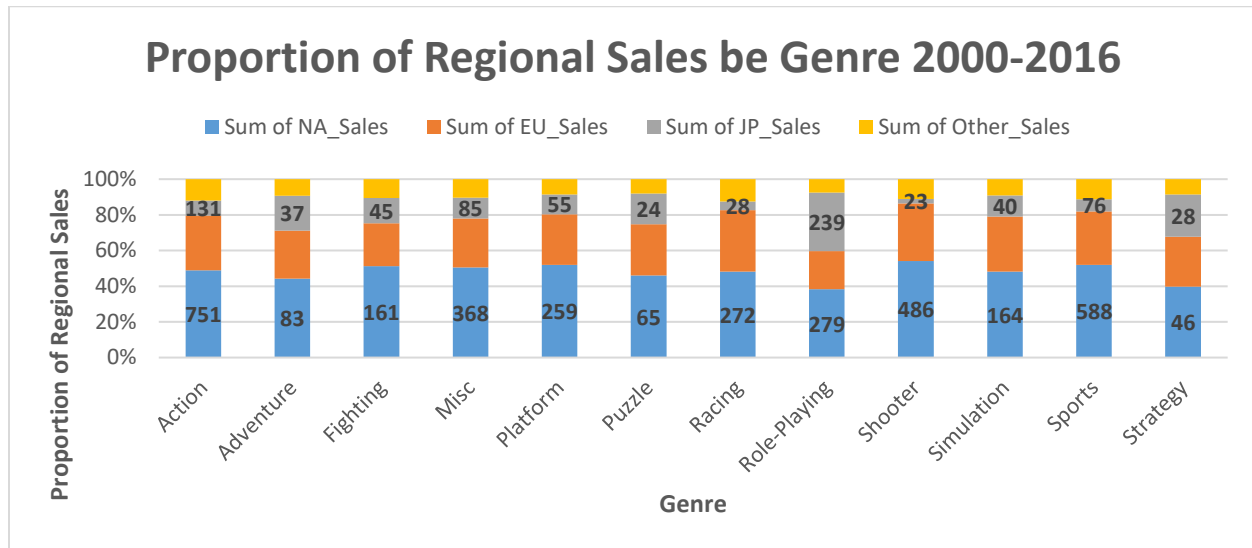
Figure 3



Genre by region

The next my question - what top genres were the most popular by region? I grouped sales by genre and developed a 100% stacked column chart (Figure 4) to find out the top-selling genres in each region. It helped to see clearly that Shooter, Action and Sports dominated in NA and Europe, Role-playing was popular in Japan. The goal is budget allocation for regional marketing in 2017, promotion should be focused on best-selling genre for each region.

Figure 4



In addition, I decided to look at a proportion of a new games number and global/regional sales of top-5 genres (see Figures 5.1., 5.2. and 6). I developed pie charts to see how new games drive sales. The charts show that the number of new games in top-5 genres support global and regional sales respectively.

Figure 5.1.

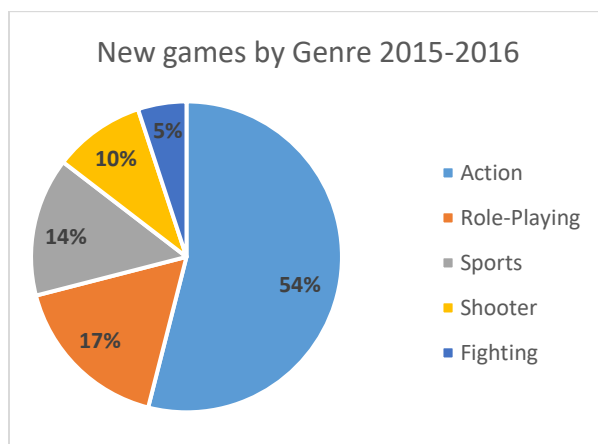


Figure 5.2.

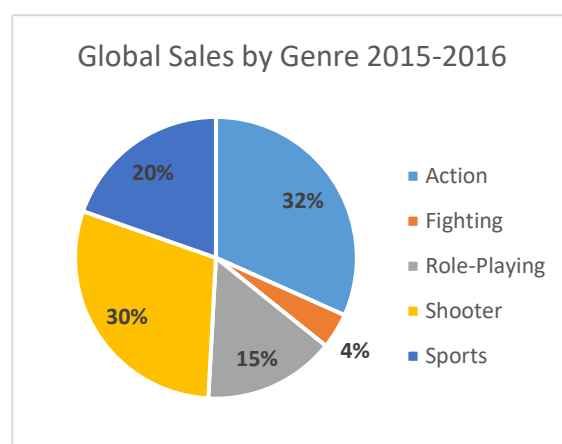
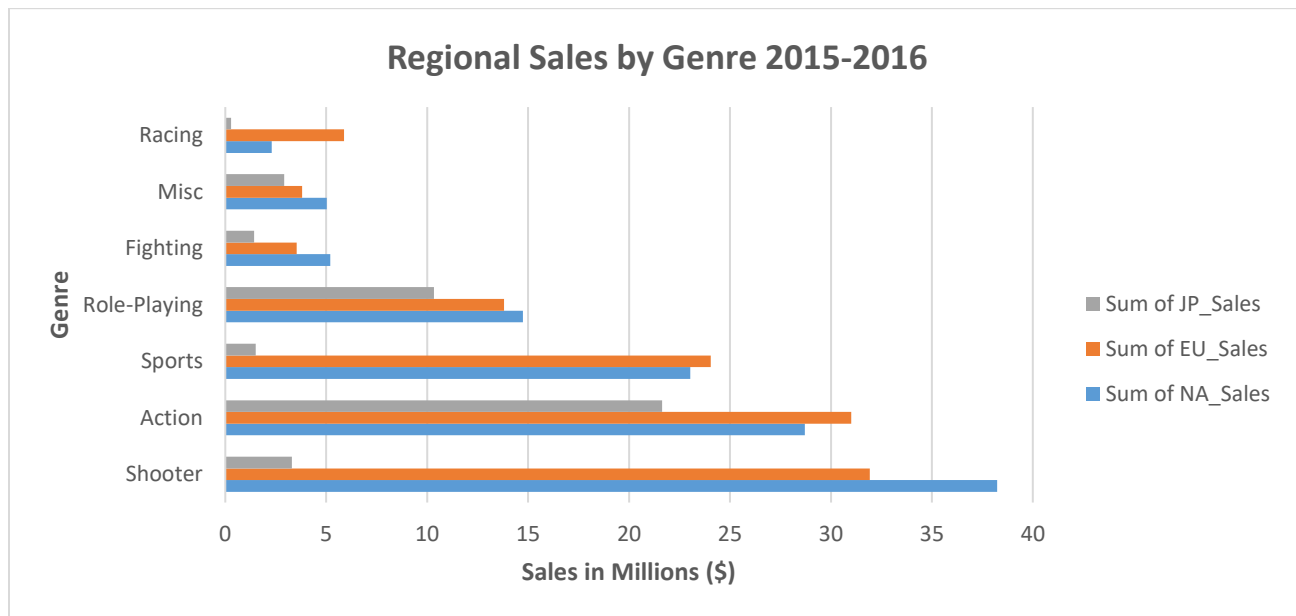


Figure 6



Step 4

For my presentation and the goal of the project, the regional population, sales over time and best-selling genres were taken into consideration to develop a regional approach of setting goals, focusing on target audience and developing recommendations for marketing activities.

Based on the regional sales analysis, my conclusion is following:

- North American market has a decreasing trend, dramatic changes happened in 2016. What and why should be explored additionally. The target is to stabilize sales to prevent further decline by focusing on current and former customers using the large historical customer base.
- European market – to support the sales with the same marketing efforts to keep the growing trend over time. The market might have loyal customers who trust the company over the years. Additional information about loyal EU regions should be explored to narrow marketing efforts.
- Japanese market – more marketing budget should be allocated to support the last year growth. The market shows a business opportunity.

Genre analysis led me to the following:

- New games – to allocate marketing budget for increasing number of new games in Sports and Shooter category, Action and Role-Playing needs to be supported at the same level.
- North American market – focus on launching direct marketing campaigns on promoting new games in Shooter, Action and Sports genres using existing customer base.
- European market – to promote intensively new games for loyal customers via marketing campaigns such as BOGO - buy one game in Shooter/Sports genre and get one in Action/Role-Playing genre with a certain discount or bring a friend and receive a new Action game for free.
- Japanese market – allocate more marketing budget for emphasizing promotion Action and Role-Playing games with the same approach to support the last year growth.

Recommendations for marketing budget allocation in 2017:

- North American market – refocus the budget allocation:
 - goal - stabilize sales in preventing further decline
 - target audience - current and former customers using the large historical customer base
 - actions - launch direct marketing campaigns on promoting new games in Shooter, Action and Sports genres
- European market – support the sales with a slight increasing resource of the budget:
 - goal – to keep the growing trend over time
 - target audience - loyal customers and acquire new customers
 - actions - promote intensively new games via marketing campaigns such as BOGO - buy one game in Shooter/Sports genre and get one in Action/Role-Playing genre with a certain discount or bring a friend and receive a new Action game for free
- Japanese market – allocate additional resources in the budget for emphasizing promotion and attracting new customers:
 - goal - continue a growing trend started the last year
 - target audience - current customers and attract new ones
 - actions - advance promotions using the last year approach and keeping the main accent on Action and Role-Playing new games