

PREDICTIVE ANALYTICS USING SAS

# 2001 HUGGIES' SALES MARKET REPORT

GROUP 6

UNIVERSITY OF TEXAS AT DALLAS





huggies diapers



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About 370,000 results (0.52 seconds)

Shop for huggies diapers on Google

Sponsored ⓘ



Huggies Snug & Dry Diapers, Siz...

**\$29.17**

Walmart

★★★★★ (3k+)



Huggies Snug & Dry Diapers Sup...

**\$20.49**

Target

★★★★★ (776)



Huggies Little Snugglers Baby...

**\$24.29**

Target

★★★★★ (2k+)



Huggies Little Movers Diapers,...

**\$24.29**

Target

📍 Store pickup




Honest Company - Free Trial -...

**\$5.95**

Honest.com





THERE WILL BE  
4,020,000 NEW BORN  
BABIES in 2002\*, AND  
THEY WILL USE AT LEAST  
**1,467,300,000** DIAPERS in  
**2002...**

\*Number of births in the United States from 2000 to 2016 (in millions) from Statista.

\*  $4,020,000 \times 365 = 1,467,300,000$

The background image shows a laptop screen with a dark overlay. On the screen, there is a line graph with two data series, one of which is labeled 'New Visitor'. Below the graph is a pie chart. The text 'MISSION STATEMENT: HOW TO INCREASE SALES IN 2002?' is overlaid on the screen in a large, white, sans-serif font. The words 'HOW TO' and 'IN 2002?' are on the left, while 'INCREASE SALES' is enclosed in a white rectangular box on the right.

# MISSION STATEMENT: HOW TO INCREASE SALES IN 2002?

# PROJECT OUTLINE

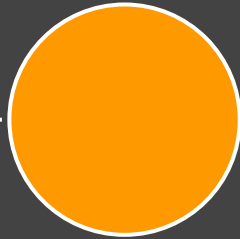
## Step 1

Market  
Analysis



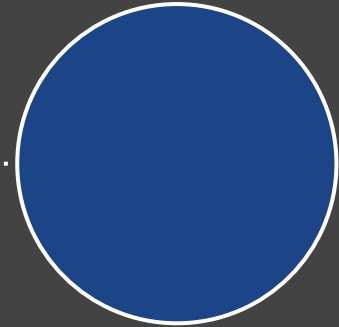
## Step 2

Competitor  
Analysis



## Step 3

Customer  
Analysis



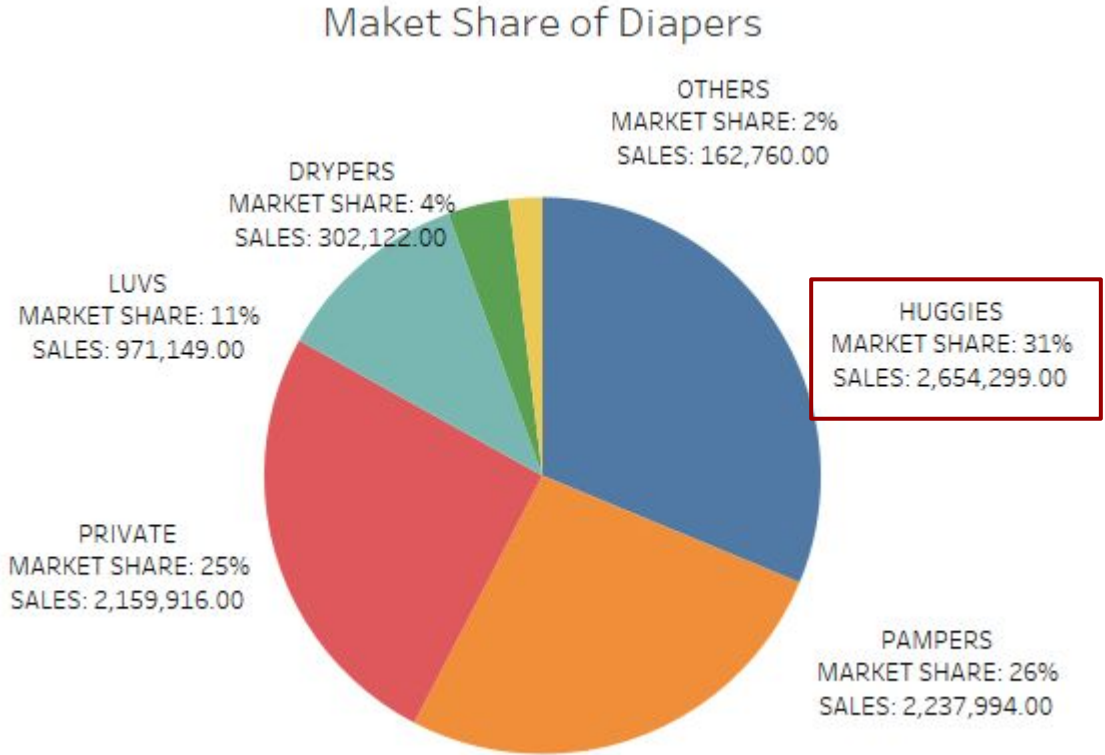


An aerial photograph of the New York City skyline at dusk. The Empire State Building is prominently featured in the center, with its top illuminated in red and green. The city lights are visible, and the sky is a mix of dark blue and orange from the setting sun. The text is overlaid in the center of the image.

**BASED ON DIAPERS  
TRANSACTION and STORE  
DATA IN 2001, WE FOUND ...**

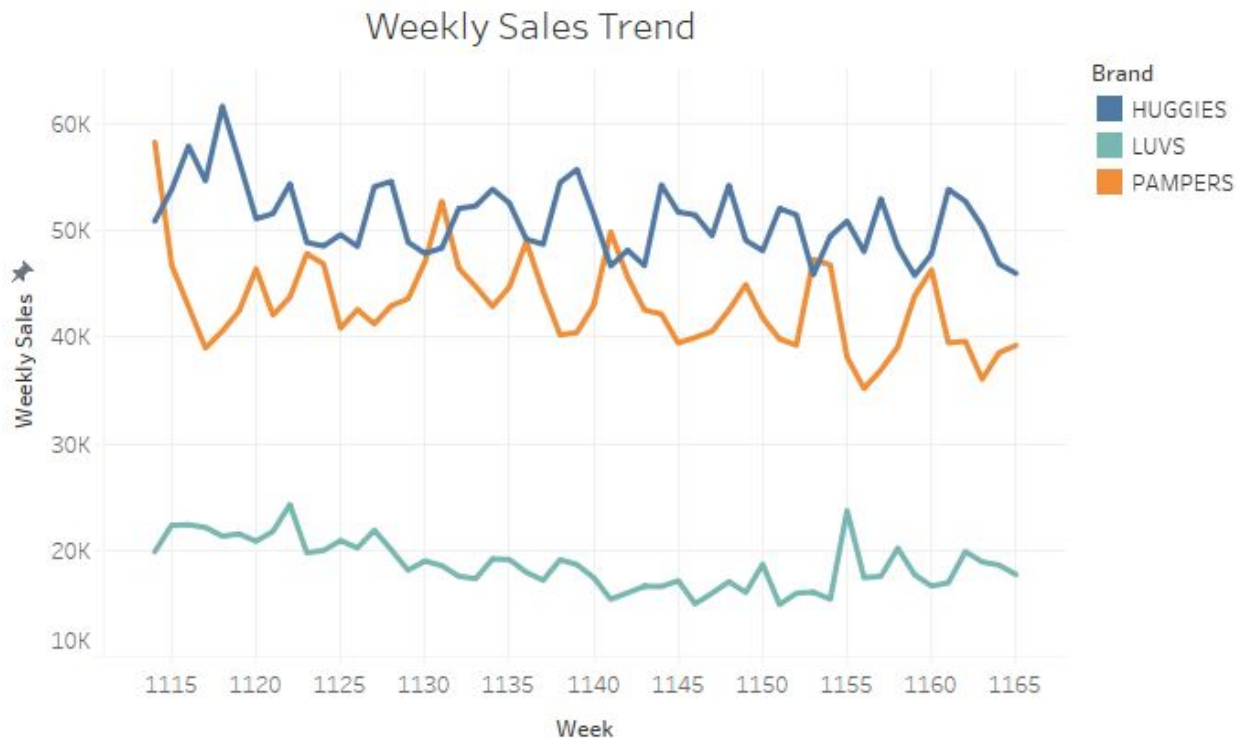
# MARKET ANALYSIS

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HUGGIES has the most market share in 2001.

# MARKET ANALYSIS

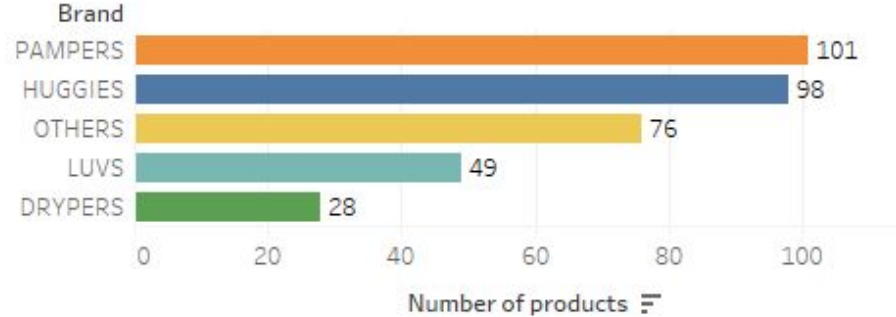


- PAMPERS had as significant weekly sale as HUGGIES
- PAMPERS' sales trend showed the opposite trend as HUGGIES'.

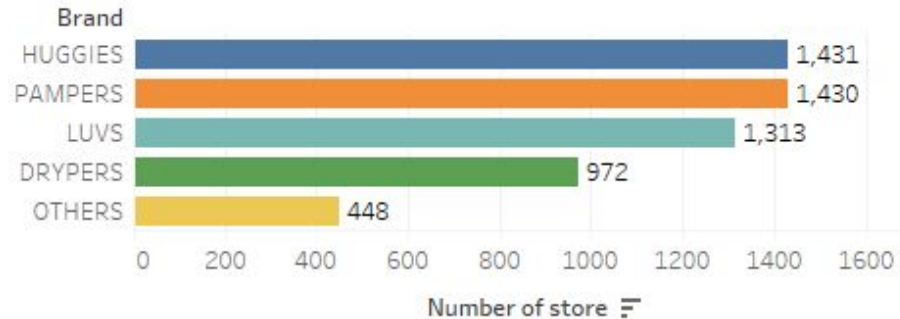


# MARKET ANALYSIS

Number of Products for Each Brands



Number of Store for Each Brands

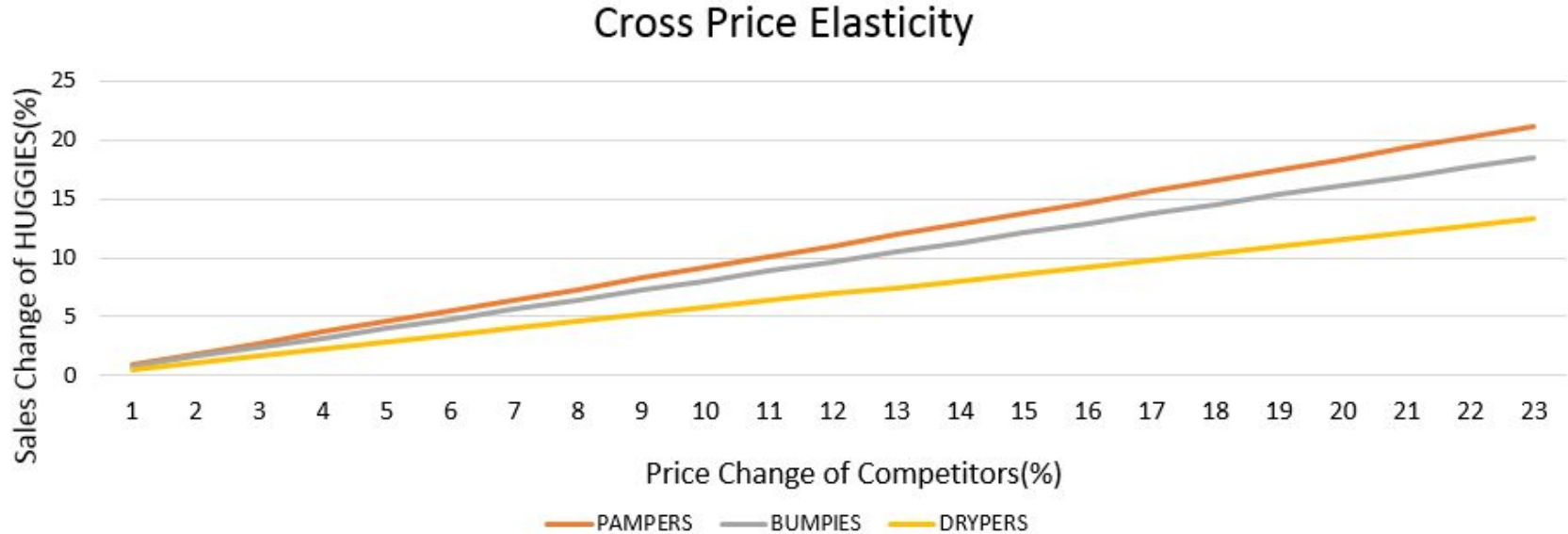


- HUGGIES has 98 products and holds in 1,430 stores.
- The market runner-up PAMPERS has as many number of products and selling stores

An aerial photograph of New York City at dusk, showing a dense grid of skyscrapers and buildings with lights reflecting on the water in the distance. The sky is a mix of dark blue and orange from the setting sun.

WE HAD 243,035 UNITS OF  
SALES IN NEW YORK CITY,  
BUT OUR COMPETITOR  
PAMPERS HAD 376,565  
UNITS OF SALES GREATLY  
OUTPERFORMING US IN NYC  
MARKET...

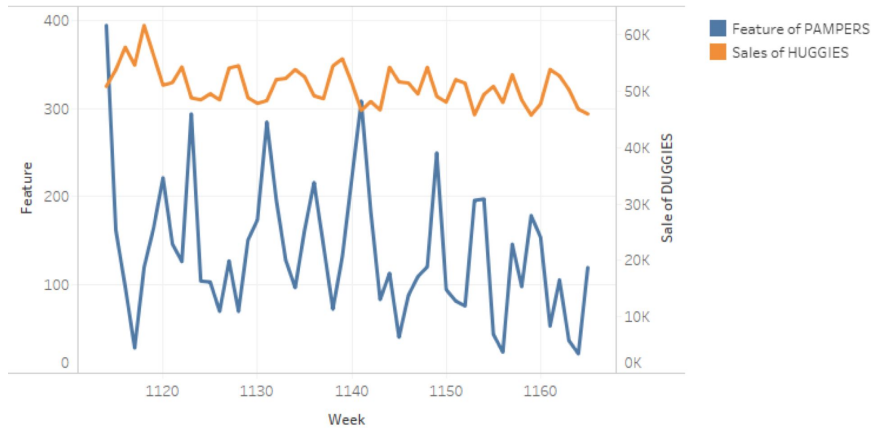
# PAMPERS IS OUR MAJOR COMPETITOR...



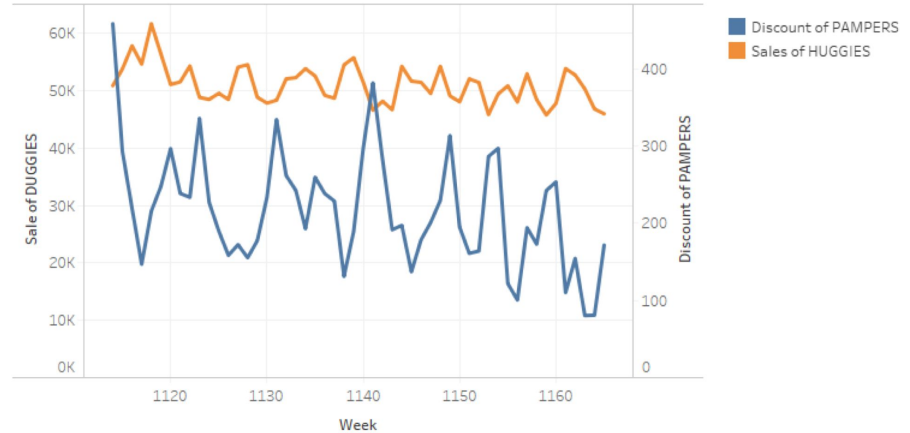
- The line chart shows how the changes of prices of our competitors affect the sales of HUGGIES.
- It shows that the sales of HUGGIES is most sensitive to the price of PAMPERS.

# HOW THE PROMOTION OF PAMPERS INFLUENCED SALES OF HUGGIES?

The effects of PAMPERS's feature ad on HUGGIES's sales



The effects of PAMPERS's discount ad on HUGGIES's sales

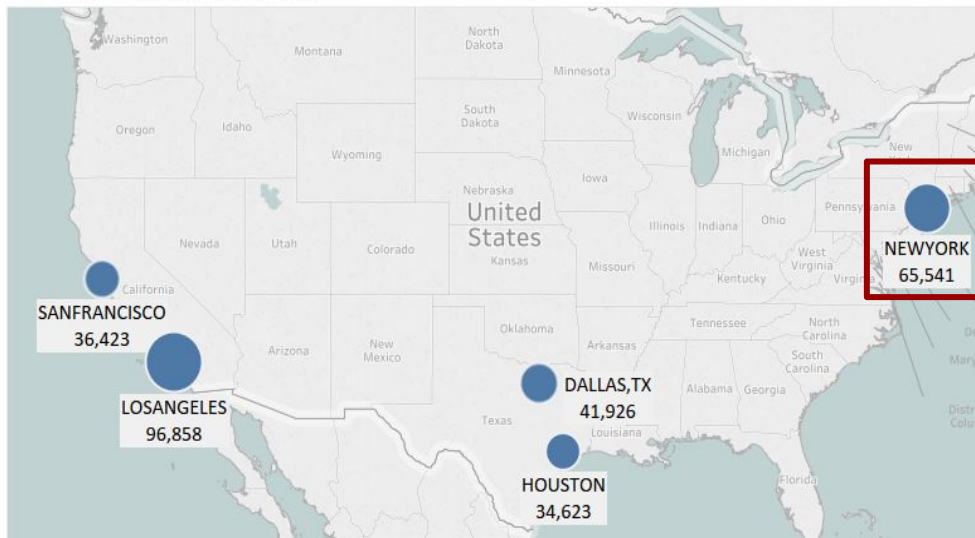


Based on the increase of PAMPER's feature ads and discount promotion, we found a decrease trend in HUGGIES' sales.

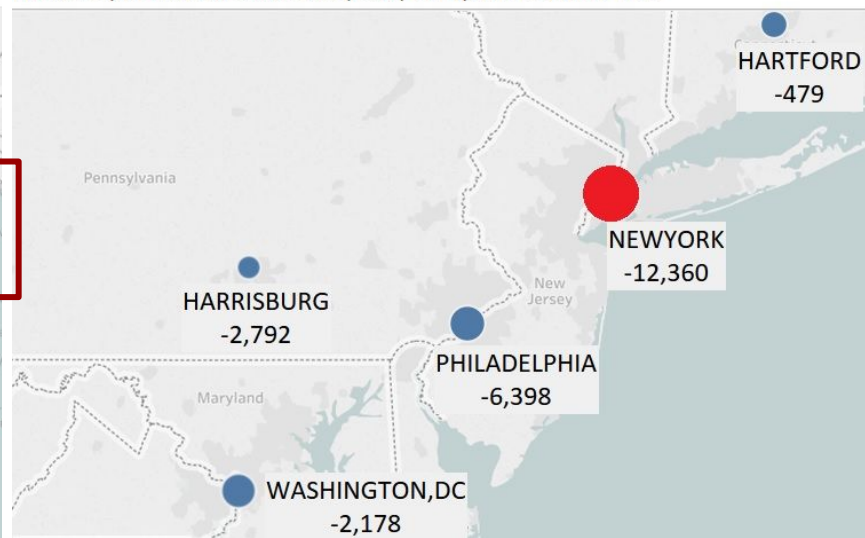


# ON THE EAST COAST, WE ARE **LOSING** THE MOST CUSTOMERS, ESPECIALLY IN **NYC...**

Top 5 Unit Sales in United States



Worst 5 performance in Sales(Unit) compare to PAMPERS



- New York City has second largest units of sales in United States. But PAMPERS sold 12.360 more units of diapers than us in NYC.
- We still have big market growth potential in NYC..



“ SO HOW CAN WE **COMPETE** WITH  
PAMPERS... ”

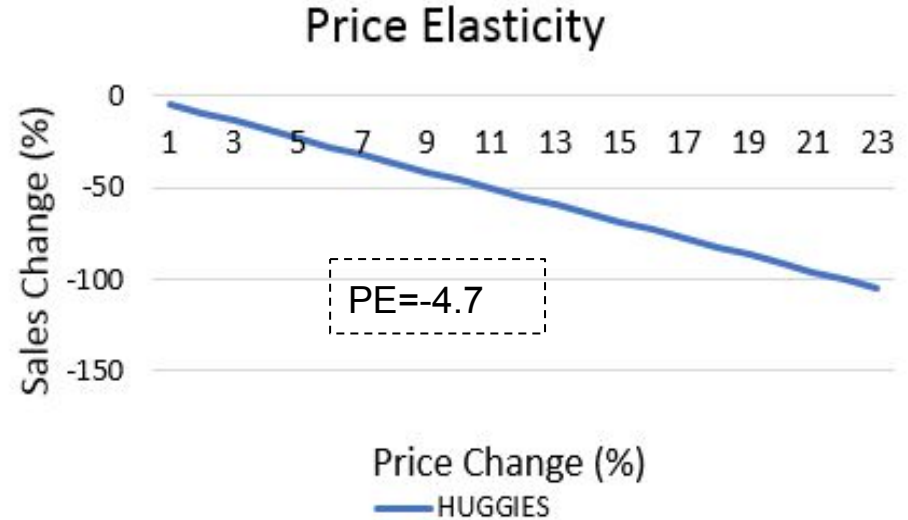
FOCUS ON **NYC** MARKET:

- DECREASE THE PRODUCT **PRICE**.
- INCREASE **FEATURE A+** ADS.
- LAUNCH **THIN AND ASSORTED DIAPERS**.

# COMPARED WITH PAMPERS' PRODUCTS, OUR PRODUCTS DIFFER IN...

Company name	HUGGIES	PAMPERS
Product number	98	101
Product features	ULTRA TRIM	THIN, ASSORTED
user stage	Premature - NEW BORN – Stage 6	NEW BORN - STAGE 6
User gender	BOY OR GIRL	BOY OR GIRL
Number of Store covered	1431	1430
Product average price	0.31	0.304

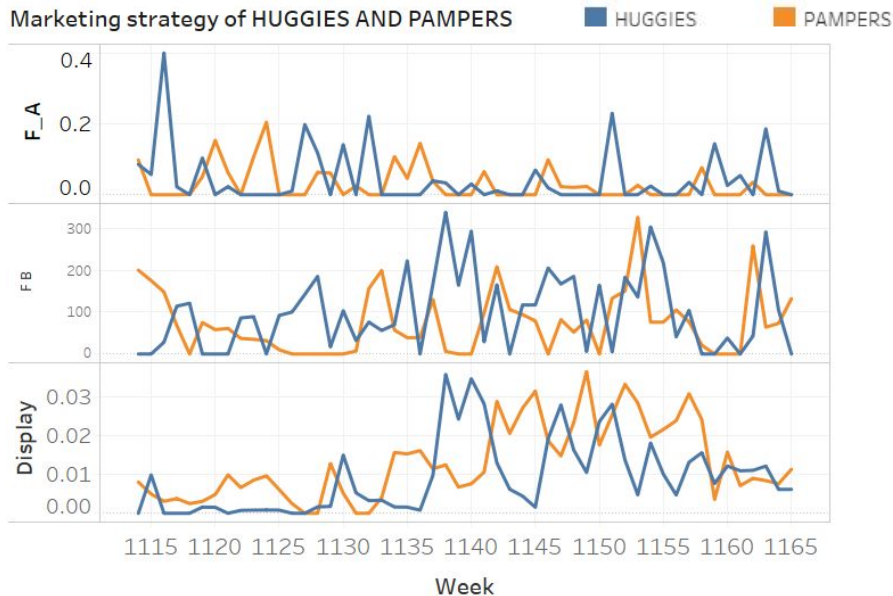
# WHAT WEAPONS CAN WE USE TO COMPETE WITH PAMPERS...



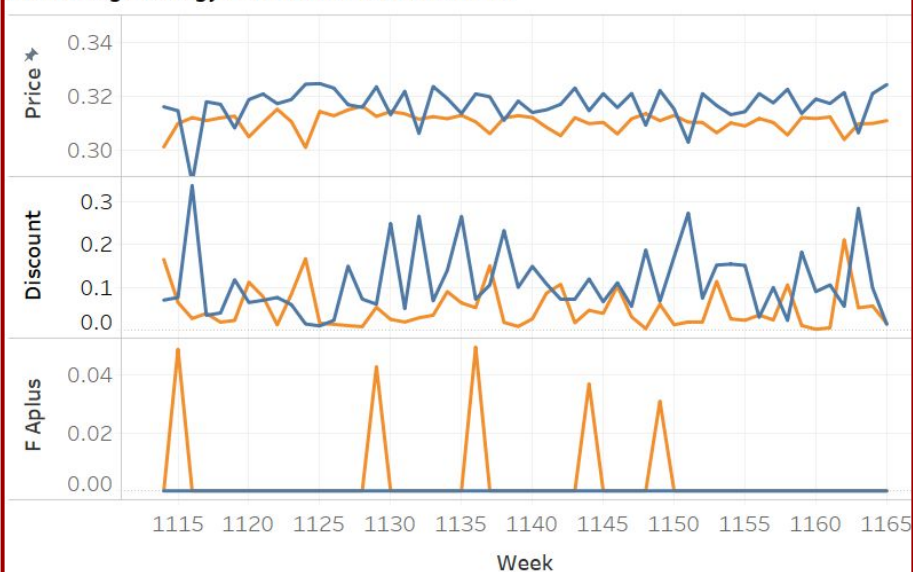
- Decrease the product price is the most effective way to increase sales. Increase Feature\_A ad can also boost sales.
- Every 1 percent decrease on price will lead to 4.7 % increase on sales.

# HOW THE **PROMOTION STRATEGY** DIFFER BETWEEN US AND COMPETITORS IN NYC ?

Marketing strategy of HUGGIES AND PAMPERS



Marketing strategy of HUGGIES AND PAMPERS



- HUGGIES discounts more than PAMPERS. Average price of HUGGIES diapers are still higher than PAMPERS. HUGGIES never uses Feature A+, PAMPERS uses.
- Feature A+ could be the strong reason of Sales difference between HUGGIES & PAMPERS. Price difference could be another reason of Sales difference between HUGGIES & PAMPERS.

An aerial night view of a city skyline, likely New York City, with numerous illuminated skyscrapers and buildings. The text is overlaid on this background.

“

BASED ON RFM, WHAT KIND OF  
CUSTOMER SHOULD WE  
TARGET...

”

WORKING PROFESSIONAL  
YOUNG COUPLE WITH  
CHILDREN AGING FROM 6 TO 11.



# BASED ON **RFM**, WE CLUSTER CUSTOMERS INTO 3 GROUPS.

## CLUSTER 1- **Loyal Customers**

Differentiating Characteristics:

- High R, F and M scores.

Demographics-

- **High Income**
- Male households in the age group of 25-54.
- **Female households in the age group of 25-44.**
- Female in households- **professional jobs**, clerical jobs, part-time or full-time workers.
- Male in Households- **full time workers**, homemakers
- Females in "Professional" field are higher than in other clusters
- Males in "Full Time" Jobs are higher than in other clusters

## CLUSTER 2- Average Customers

Differentiating Characteristics:

- High M score and Low R score or Low M score and High R score or average R and M scores

Demographics-

- High Income
- Male households in the age group of 25-54 years
- Female households in the age group of 35-54 years.
- Male in Households- full time workers, retired
- Female in Households- full-time, part time workers; managerial jobs and retired

## CLUSTER 3 – Less Profitable customers

Differentiating Characteristics:

- Low R and M scores.

Demographics-

- Low Income
- Male households in the age group of 35-65+ years
- Female households in the age group of 35-65+ years.
- Male in Households- full time, homemaker, retired workers
- Female in Households – full time, part time;
- Males in Retirement are higher than in other clusters.
- Females in "Full-time" and "Part-time" Jobs are higher than in other clusters.

# IN LOYAL CUSTOMER GROUP, HOW MANY HOURS MALE HOUSEHOLDS WORK?



Sum of Number of Records broken down by Male working hours vs. Female working hours. Color shows sum of Number of Records. The marks are labeled by sum of Number of Records.

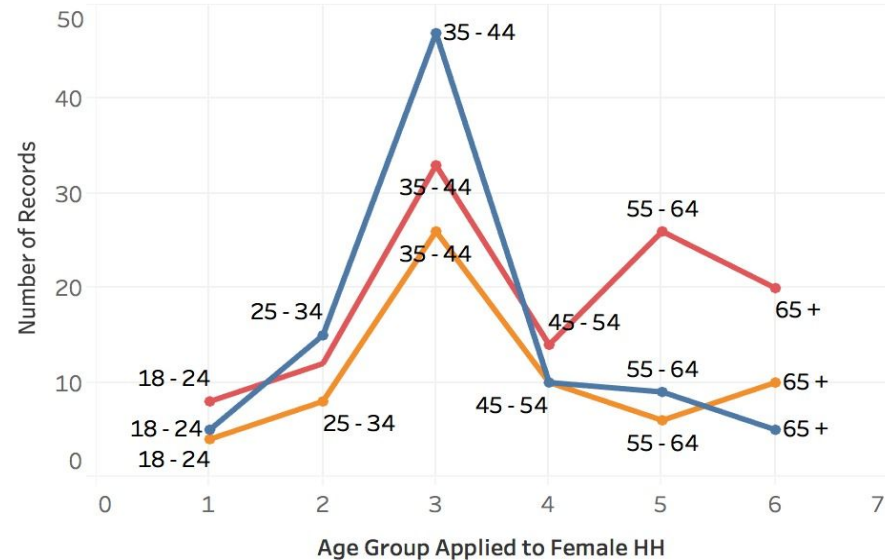
Most of our target customer are in family with full-time male households.

# HOW CHILDREN AGE AND FEMALE HOUSEHOLDS' AGE DIFFER IN EACH CLUSTER


Child age group based on Clusters



Female Age groups vs Clusters



- The bar charts on the left shows that the most of loyal customers have children aging from 6-11.
- The line chart show thats most of loyal customers ages from 35-44



# HOW WE PROMOTE TO THEM ? THEY ARE .... YOUNG WORKING PROFESSIONAL WITH CHILDREN 6-11 yrs

- **Discount timing special for them**
  - Making Coupon accessible to professionals' timings (e.g. weekends, holidays etc)
- **Promote online**
  - Interact with them on social media platforms.
- **Targeted Mail Marketing**
  - Sending out Customized flyers to customers who have full time and part time jobs in professional and managerial fields.

UNIVERSITY OF TEXAS AT DALLAS

**THANK**  
**YOU**

GROUP 6

