What is the business problem you are trying to solve?

Warranty costs are out of control as various areas of the organisation don't talk with each other.   
  
They also have a raft of data which they don't seem to have the ability to utilise.

**PROMPT**

What's the first step you'll take?

Initially, I would speak with various members of the various functions within the organisation to try and understand where the blockages are, why there are issues of this sort and to try to understand the areas that can be improved on. Ultimately, it is crucial that the various areas are discussing this with each other and in turn using this when working with consumers, in this case on deciding warranty costs.

**PROMPT**

What is your approach to developing a Hypothesis? (Include your Hypothesis)

This for me is all about observation. I would define the problem first off (in this case the escalating warranty costs) and utilise the information gained from the discussions with the various stakeholders - what are their concerns and where do they see the issues in relation to warranties. I would also flag the issues of a siloed company and the lack of usable data. I would then set about looking into the automation of data into structured or semi structured format so that we could use this to inform our approach going forward. My initial hypothesis would focus on utilising the info from the finance and product teams on the cost and inclusion of warranties to the organisation followed by a understanding of our various customer segments. I would then propose working with the marketing and sales teams to best set the new pricing for this in order to aid uptake and also make the warranty selection profitable.

**PROMPT**

What data would you collect?

I would collect a range of primary and secondary data and also internal and external data sets to try and understand the market as well as the consumer behaviour and beliefs. This data would be validated for veracity. This data would be structured and also semi structured (taking the latter from unstructured data). At this stage I would also try and automate this as much as possible.

**PROMPT**

How would you analyze the data?

By using qualitative and quantitative techniques. I would utilise descriptive analysis to understand how things worked in the past and then overlay this with predictive and prescriptive analysis to show how this could be utilised in the future. Ideally we could also implement a period of adaptive analysis to showcase how we could tweak our pricing for warranties in real time showing how this affected price and also uptake from consumers.

**PROMPT**

How would you present the information to the client?

In an easily understandable way. The data would be showcased so that it would help take the client on the journey of understanding, leaving time for discussion. I would also have a range of recommendations at the end. A range of stakeholders from the business would be invited to attend this session. For this I would use a range of tools as mentioned in this course.

**PROMPT**

What insights did you develop?

The key is to make the insight actionable otherwise it is generally pointless. I would use the insights gained to explain past outcomes and also show how this could affect the future. It would also be important to link these insights to operational and financial metrics to help the client make their decision. In this case I would show that in order to properly understand the consumer and how they react to warranties that we need to test their reactions to a range of prices. We could then understand the implication of this on the business.

**PROMPT**

What recommendations would you make?

I would also recommend that the business undertake an active plan to become less siloed and more assimilated across departments and that they implement a system of adaptive analytics so that they can understand the current mood of consumers and dynamically react to it. I would also look into linking marketing and product/ finance much closer together so that they can properly work together on pricing - adaptive analysis will help with this.