

Digital Analytics and AI in Retailing

Case Company: Andertons Music

Min Chuen, Lin



Prepare for:
Prof. Dr. Michael Jungbluth

17.01.2024

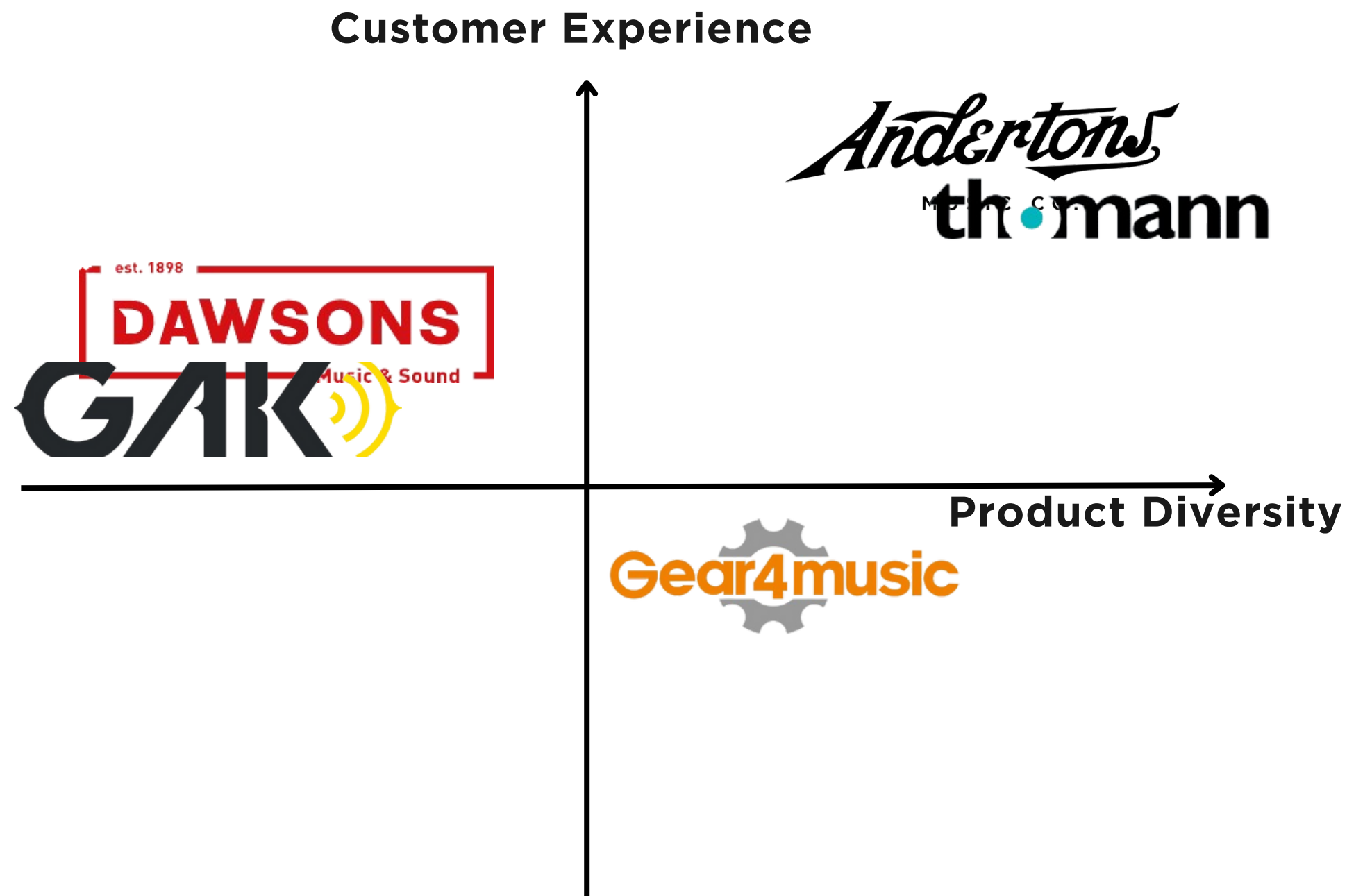
Table of Contents

- 1 **Andertons Music Background**
- 2 **Andertons Music Implication**
- 3 **AI/Digital Analytics Approach**
- 4 **Andertons Music MVP Plan**
- 5 **Preferences**

Andertons

MUSIC CO.

Andertons Music Background

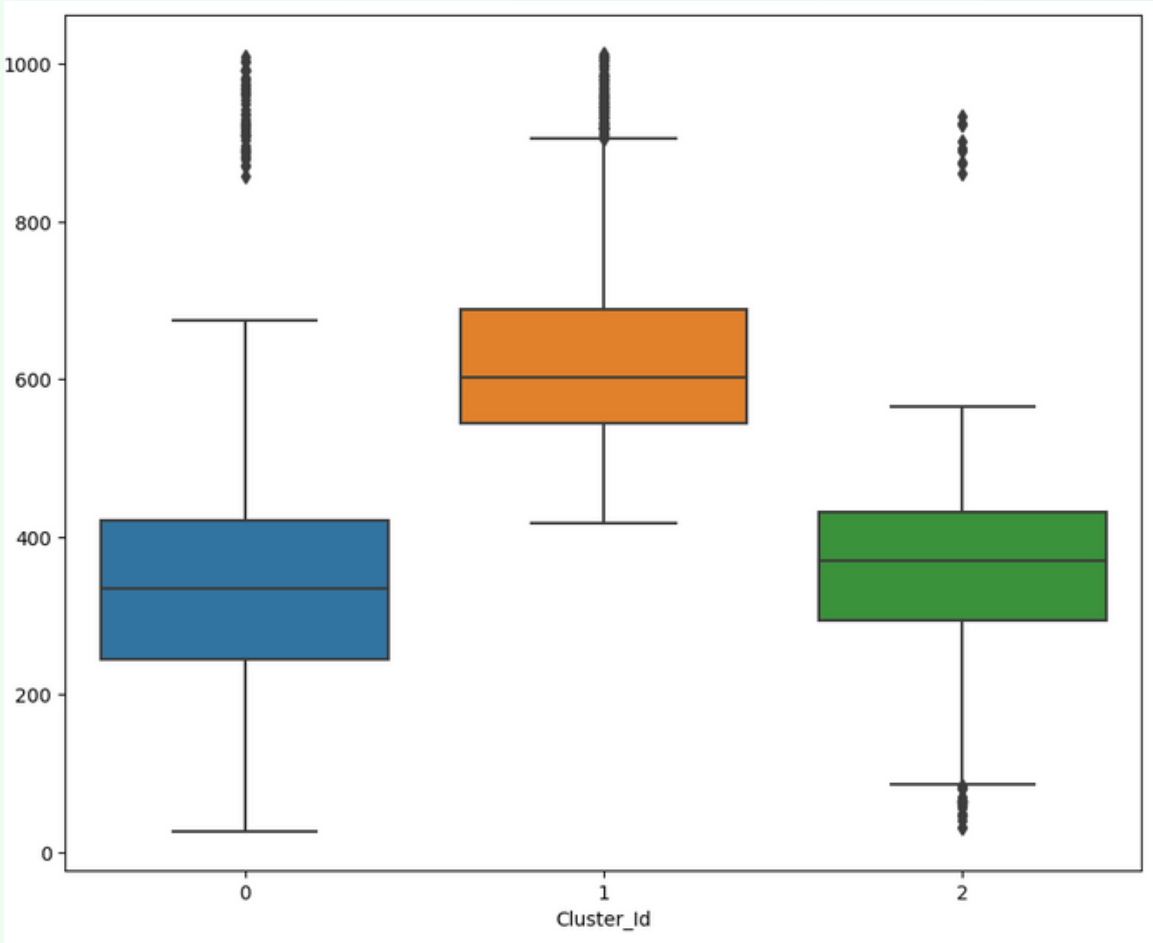


- Invest in music equipment brands
 - Victory Amplification
 - EastCoast Guitar
- Co-ownership with Chapman Guitar
- Loyal fan based with well-known YouTube channel.

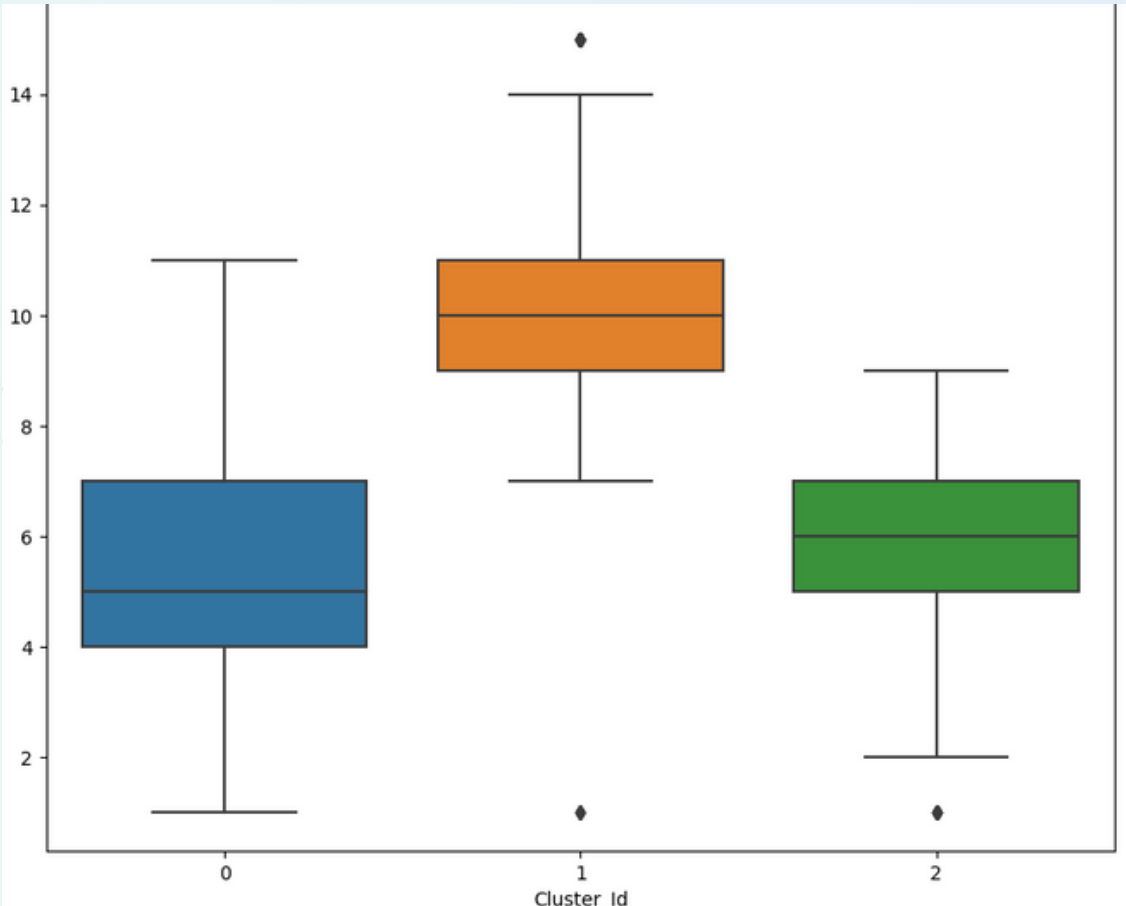
Coronavirus +Brexit era+ RFM

- **Optimize supply chain**
- **Enhance customers' engagement and conversion.**

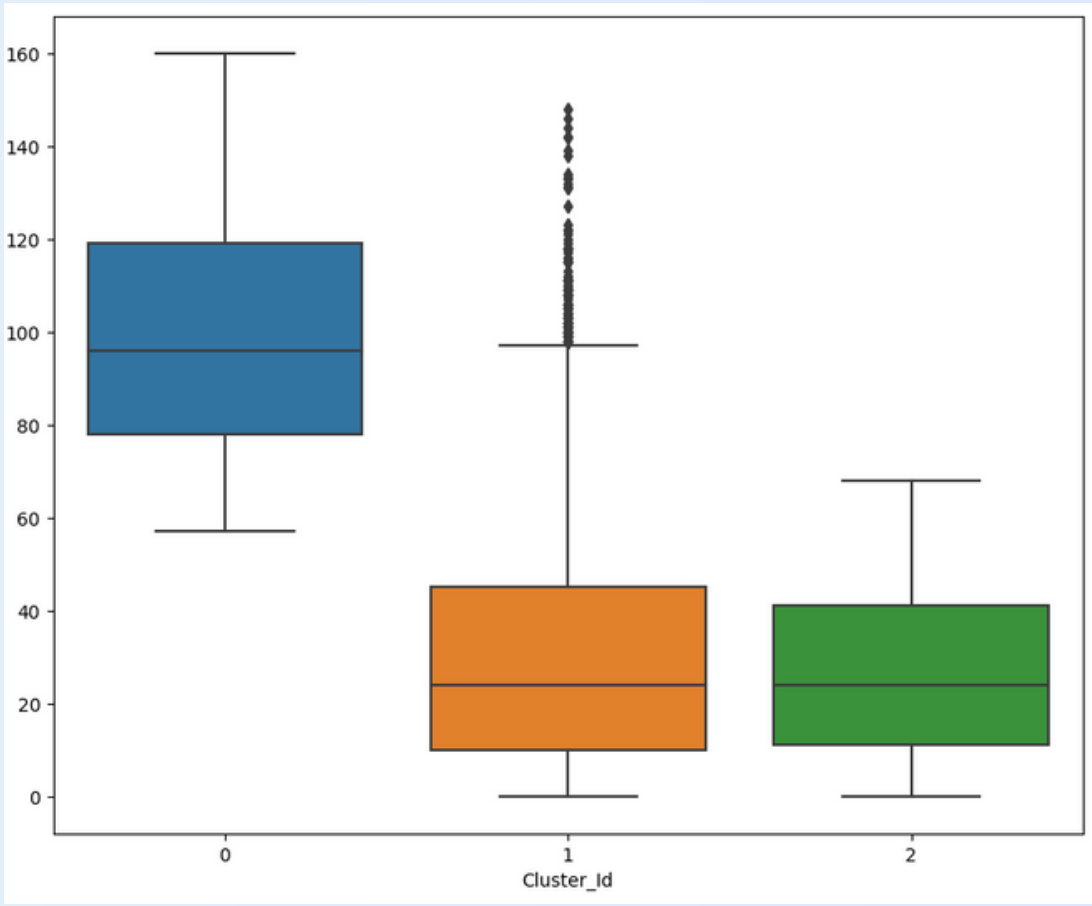
Andertons Music Implication






Amount



Frequency



Recency

	Persona	Customer segment
 Cluster 0	Novice: Accessible, and fun products.	· Sleeper, lost The outliers: shouldn't lost
 Cluster 2	The hobbyist: Affordable, and user-friendly products.	Need attention or Promising
 Cluster 1	Professional musicians: For living	Champion or Loyal customer

AI/Digital Analytics Approach

1. Web Analytics:(Potential Group)

Time: January to February

Understand customer needs, pain points, and satisfaction levels from text data.



Designed for tracking and analyzing user behavior on websites.



NLP tasks(NLTK): Sentiment analysis and keyword extraction to derived from the frequency of certain keywords and topics.

2. Data Science & AI: (Potential Group)

Time: March to April

Use clustering and recommendation systems segment customers and provide personalized offers.



Personalized offer relevance, revenue per segment, and overall customer satisfaction and retention.

3. Design and Optimization:(Cluster 1)

Time: May to June

A/B & multivariate test: Streamlined process of continuous testing and optimization to enhance website effectiveness.



Loyal: Create a personalized dashboard, show purchase history, preferences.

Champion: Invite to online community , to create UGC content.

4. Content & Email Marketing: (Cluster 1)

Time: July to August

Optimize for SEO, keywords for incentive the customer engagement.



Loyal: Offer incentives, the referall program.

Champion: Featuring them on YouTube, personalized thank-you notes or gifts.



5. Supply Chain Management:

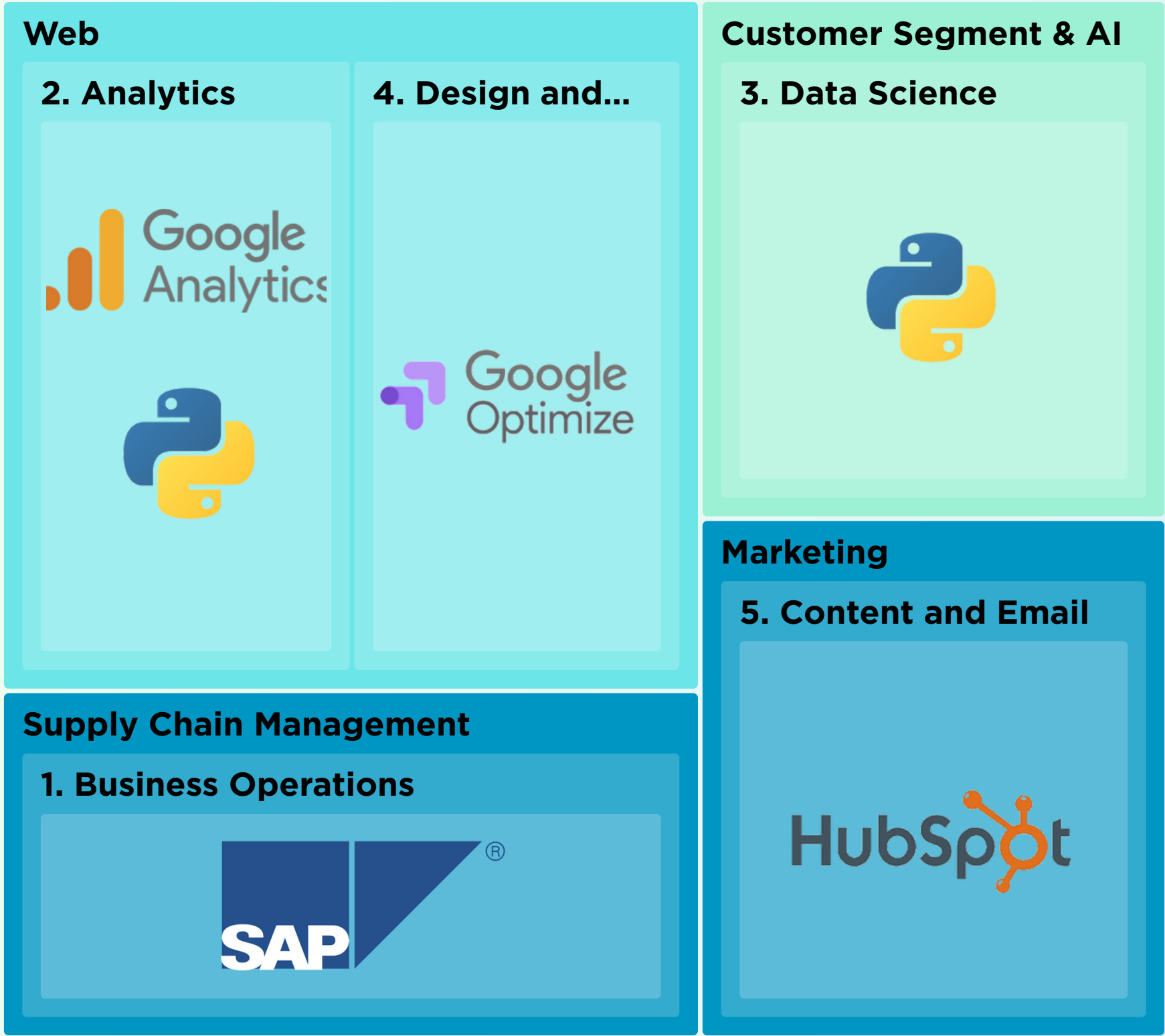
Time: September to October

Forecast the inventory management and anomaly detect the delivery service.



Inventory turnover, order fulfillment rates, shipment accuracy, and delivery reliability.

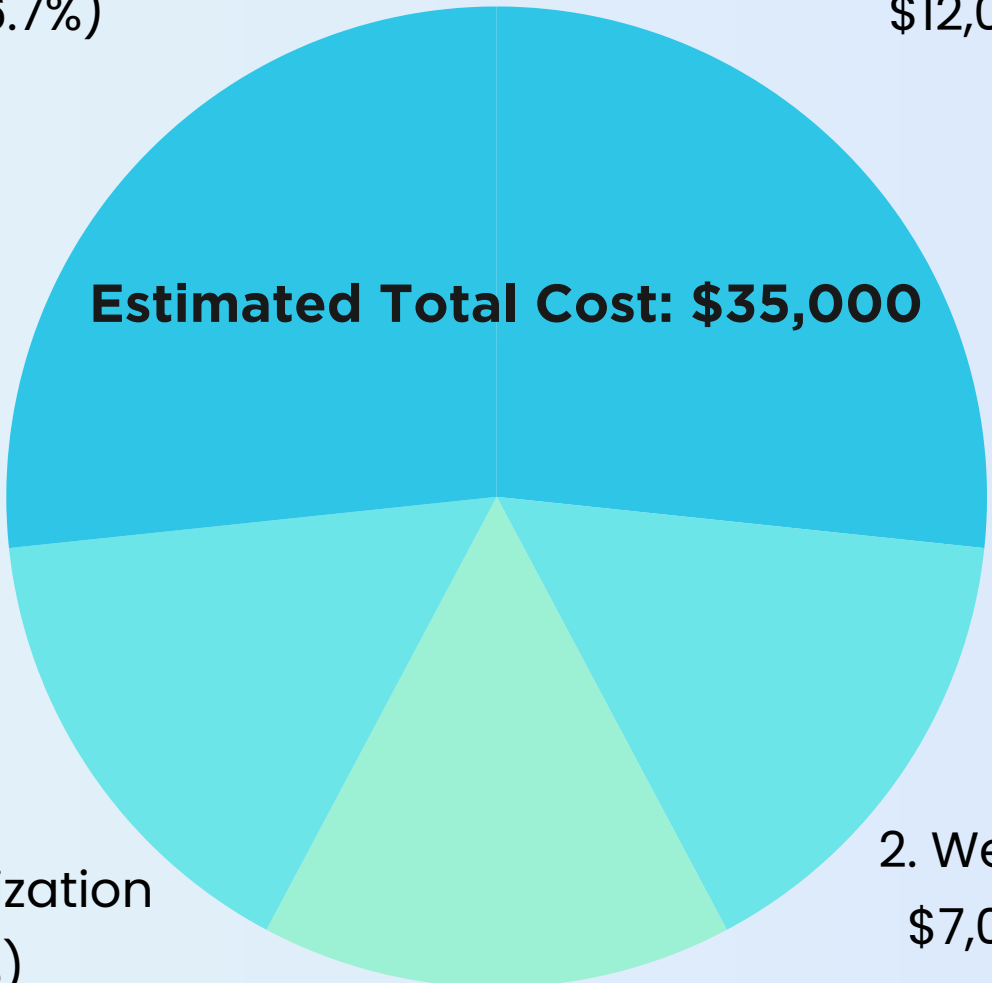
The MVP Plan Budget



MVP Budget

5. Content & Email marketing
\$12,000 (26.7%)

1. Supply Chain Management
\$12,000 (26.7%)



Estimated Total Cost: \$35,000

4. Design & Optimization
\$7,000 (15.6%)

2. Web Analytics
\$7,000 (15.6%)

3. Data Science & AI
\$7,000 (15.6%)

New staff:

- Supply Chain Manager
- Data analyst
- Web designer
- Content marketer

Preferences

1. (2022). Musical Instrument Market Size, Share & Trends Analysis Report By Type (Stringed, Percussion, Wind, Keyboard), By Distribution Channel (Offline, Online), By Region, And Segment Forecasts, 2023 – 2030. Grand View Research. <https://www.grandviewresearch.com/industry-analysis/musical-instruments-market>
2. (2023). Musical Instruments – Worldwide. Statista. <https://www.statista.com/outlook/cmo/toys-hobby/musical-instruments/worldwide#revenue>
3. Denk, J. Burmester, A. Kandziora, M. Clement M. (2022). The impact of COVID-19 on music consumption and music spending. PLOS ONE. <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0267640>
4. Andertons Music Co. <https://www.andertons.co.uk/custom-shop>
5. Andertons Music Competitors or Alternatives. (2023). Owler. <https://www.owler.com/company/andertons>
6. Alice, G. (2023). the rise of Andertons music co: “passion for products should not be replaced by a passion for spreadsheets. Headliner. <https://headlinermagazine.net/the-rise-of-andertons-music-company.html>
7. Competition and Markets Authority. (2020). Digital pianos, digital keyboards and guitars: anti-competitive practices 50565-6. <https://www.gov.uk/cma-cases/musical-instruments-and-equipment-suspected-anti-competitive-agreements-50565-6>
8. Chui, M. Manyik, J. Henke, N. Chun, R. Nel, P. Malhotra, S. (2018). from the AI frontier: Applications and value of deep learning. McKinsey&Company. <https://www.mckinsey.com/featured-insights/artificial-intelligence/notes-from-the-ai-frontier-applications-and-value-of-deep-learning>
9. Arora, S. (2023). AI analytics explained: How it works and key industry use cases. ThoughtSpot. <https://www.thoughtspot.com/data-trends/ai/ai-analytics>
10. Needle, F. (2023). What Is AI Analytics?. Hubspot. <https://blog.hubspot.com/marketing/ai-analytics>
11. Owens, R. (2023). The 10 Best AI Data Analysis Tools in 2024. Polymer. <https://www.polymersearch.com/blog/the-best-10-ai-tools-to-analyze-data>
12. What is Artificial Intelligence (AI)?. Google Cloud. <https://cloud.google.com/learn/what-is-artificial-intelligence>



Thank you for Listening Digital Analytics and AI in Retailing

Case Company: Andertons Music

Min Chuen, Lin



Prepare for:

Prof. Dr. Michael Jungbluth

17.01.2024

