



Hugh's Organics Case Study

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Overview

- This case study:
 - Evaluated the effectiveness of a promotional campaign of a Hugh's Organics store in Berlin, Eastern Europe
 - Proposed a 12-month roadmap to automate campaign evaluation for different marketing initiatives
 - Developed a structured intake process for managing upcoming feature requests of the automation tool



Outline

- Ad Hoc Promotional Analysis
- Centralized Measurement Roadmap
- Intake Process Design



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Promotional Analysis

- Objective:

Assess whether a promotion ran in June 2008 in a Hugh's Organics store in Berlin (E01) was effective and if it should be run again.

- Promotion Type:

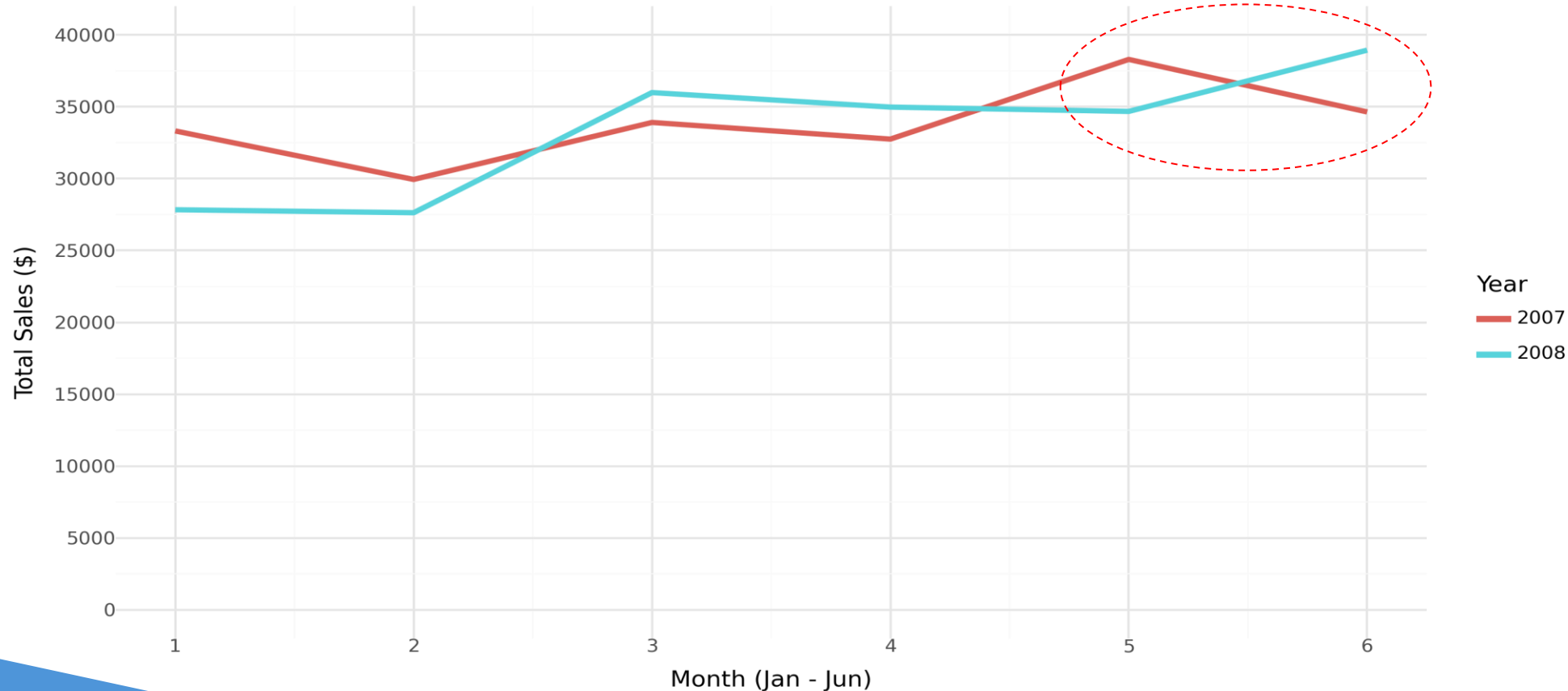
Price Draw Based. Customer enter a draw for prizes with each transaction purchase

- Total Promotion Cost: \$5,000



Promotional Analysis

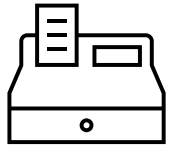
- Berlin store (E01) Mid-Year YoY Insights:
 - Consistent YoY trend: No significant changes on store performance in recent years before June 2008
 - Based on historical data: promotion effective in driving incremental sales





Promotional Analysis

- Sales Summary during Promotion period (June 2008)



Total Sales: \$38,940



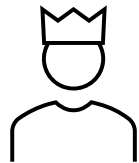
3,173 Transactions
ATV: \$12.27



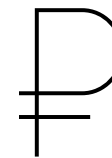
1,353 Unique Customer Visits



Sales from Loyalty Members: 75%



Average Spend per Loyalty
Member: \$42.28

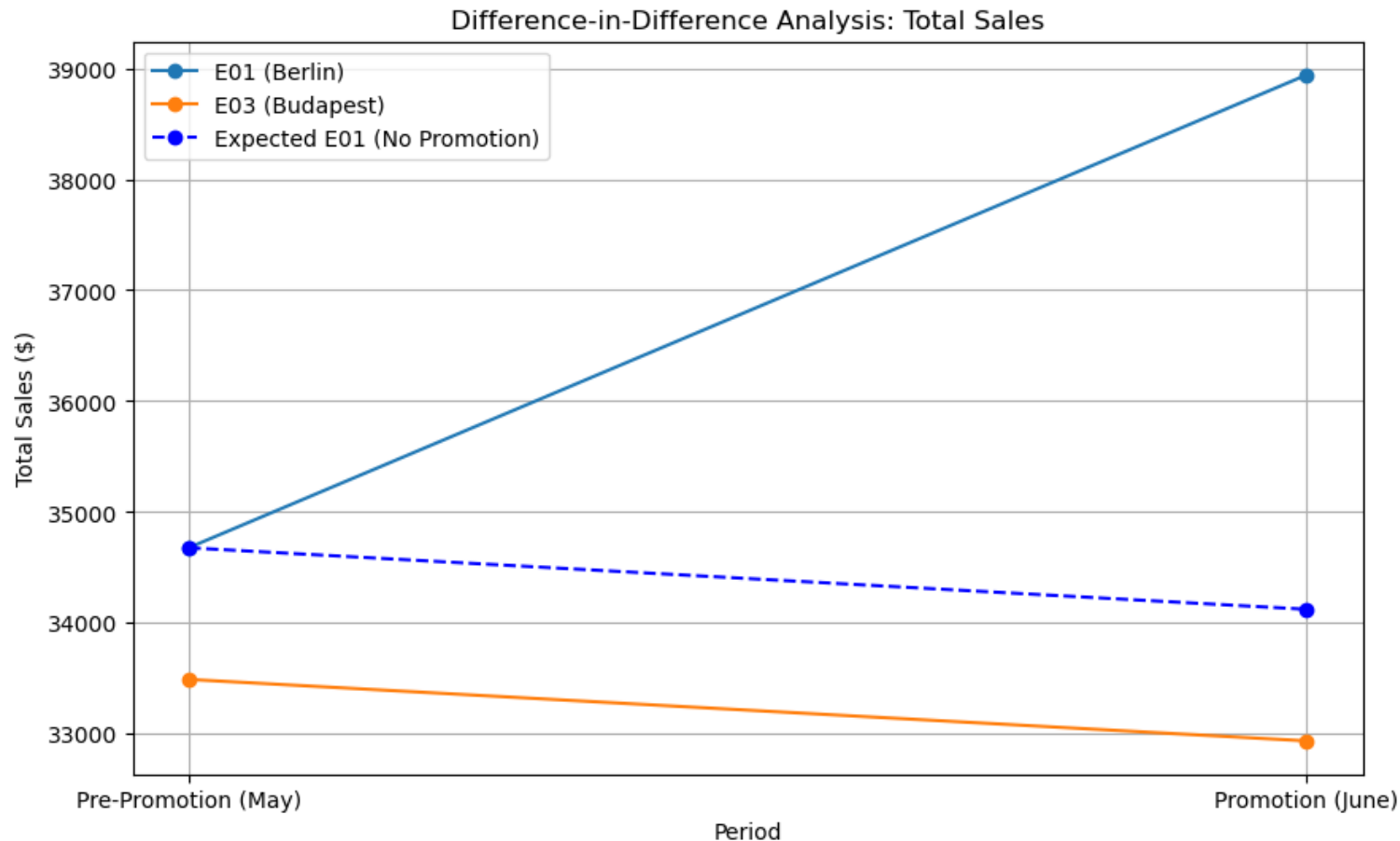


2,355 Points Redeemed



Promotional Analysis

- Promotion Evaluation (Difference in Difference)
- Control Market: Budapest store (E03)



Total Sales: **+\$4816.97**

No. Transactions: **+1,760**

ATV: **-\$11.9**

325 New Loyalty Members
(**+239%** vs control)



Promotional Analysis

- Insights & Recommendations

- This prize-draw based promotion is NOT recommended if the goal is immediate profitability

Negative Immediate ROI

\$5,000 Total Cost

VS

\$4,800 Incremental Sales



Promotional Analysis

- Insights & Recommendations

- This prize-draw based promotion is NOT recommended if the goal is immediate profitability
- Recommended if the goal is to increase the base of loyalty member for long-term value

Negative Immediate ROI

\$5,000 Total Cost
vs
\$4,800 Incremental Sales

Effective New Customer Acquisition

Outperform Control Market
(+239% Acquisition)

Next Step:
Cohort Analysis – New customer long term value



Promotional Analysis

- Insights & Recommendations

- This prize-draw based promotion is NOT recommended if the goal is immediate profitability
- Recommended if the goal is to increase the base of loyalty member for long-term value

Negative Immediate ROI

\$5,000 Total Cost
vs
\$4,800 Incremental Sales

Effective New Customer Acquisition

Outperform Control Market
(+239% Acquisition)

Next Step:

Cohort Analysis – New customer long term value

Customer Behavior Shift

- More Frequent Transaction
- Reduced ATV

Suggestion:

Run with promotion optimizing ATV (e.g., tiered rewards)



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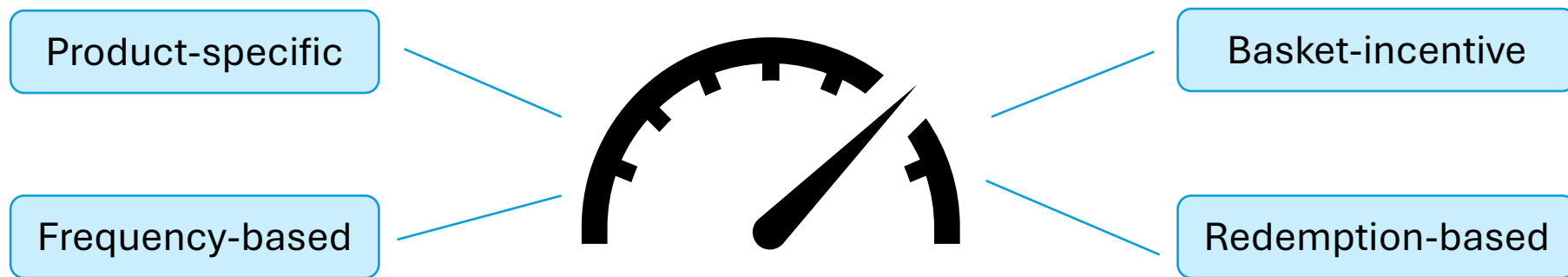
Centralized Measurement Tool

- **Objective**

Streamline evaluation and reporting for various campaigns and promotions

- **Purpose**

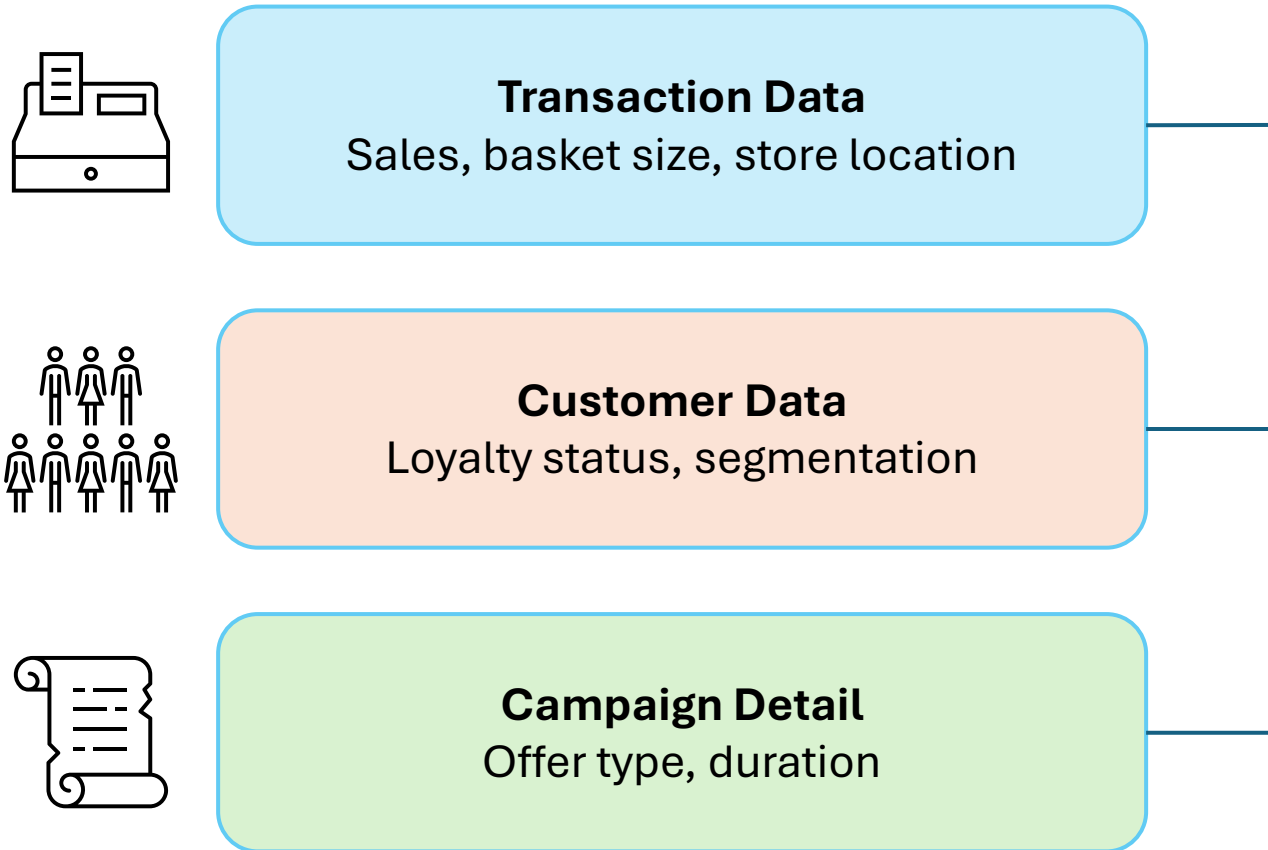
- Enable fast assess to campaign performance
- Provide real-time insights to adjust strategies and maximize ROI
- Ensure consistency in campaign evaluation



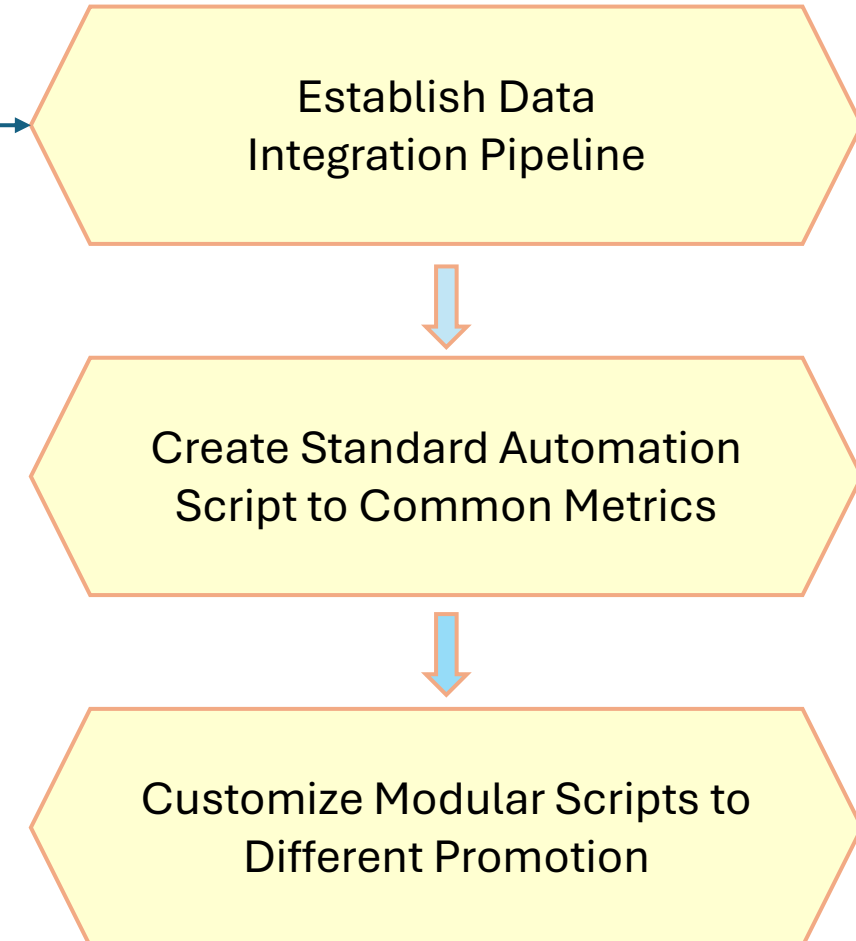


Centralized Measurement Tool

- **Data Requirement**



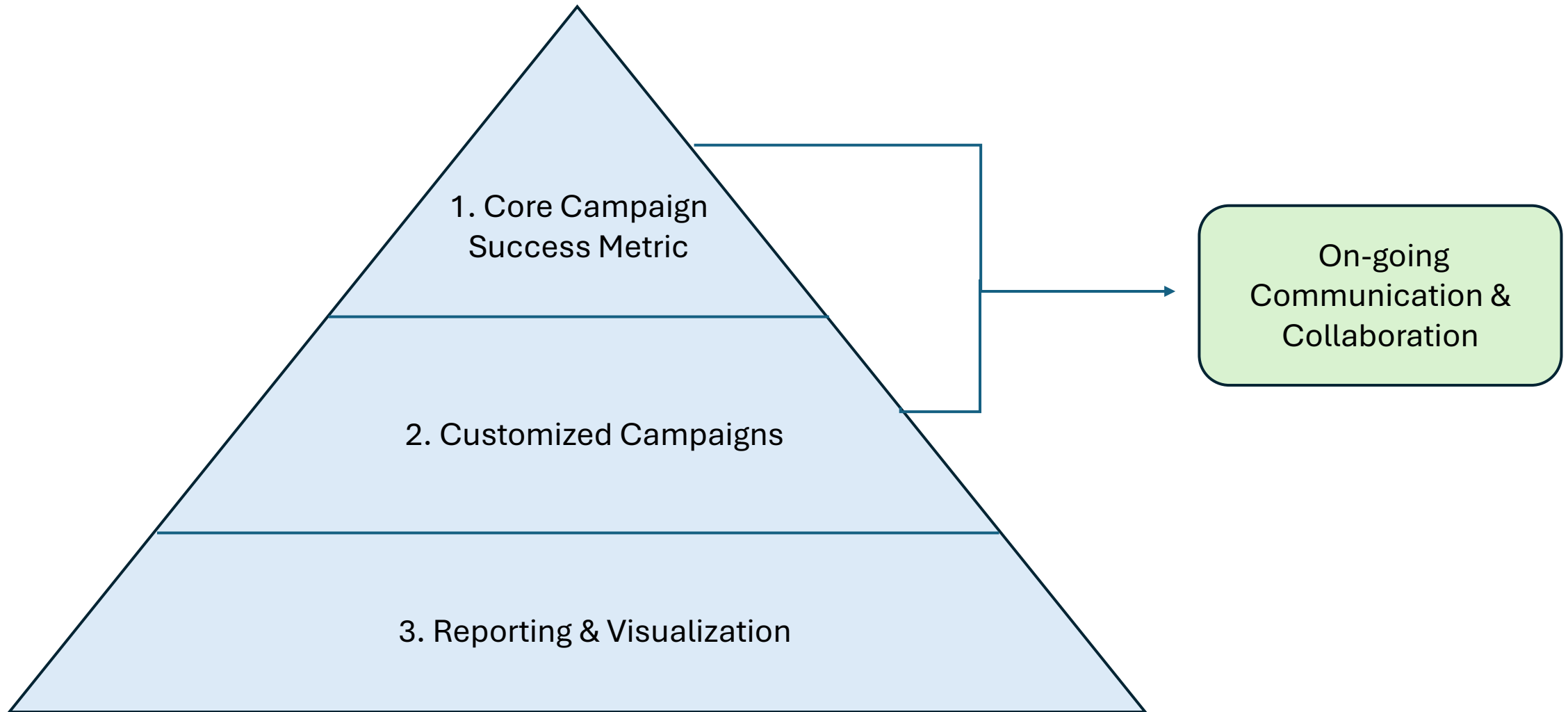
- **Initial Framework**





Centralized Measurement Tool

- **Feature Prioritization**



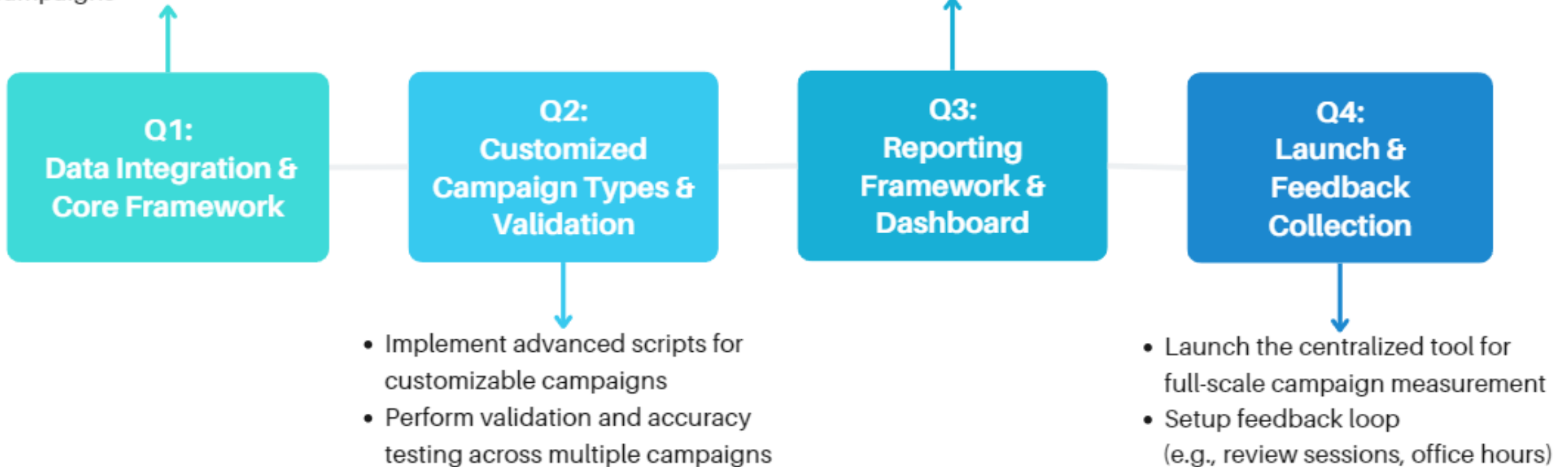


Centralized Measurement Roadmap

• 12-Month Roadmap

- Integrate main data sources & build data pipeline
- Build and test core campaign evaluation framework for basic campaigns

- Develop visualization dashboard & automated performance report
- Conduct internal reviews and training sessions





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Intake Process

- **Intake Form**

Demo link: <https://forms.gle/3fxhk1TLr3qkw1Uv7>

Source of truth for product development team

Key fields included:

- Requestor Information
- Request Feature Description
- ****Business Justification****
- Target Audience
- Urgency
- Technical Consideration
- Success Metric

Hugh's Organics x AIR MILES Intake Form

This intake form serves to address Hugh's Organics' request on the centralized campaign measurement tool

* Indicates required question

Requestor Information

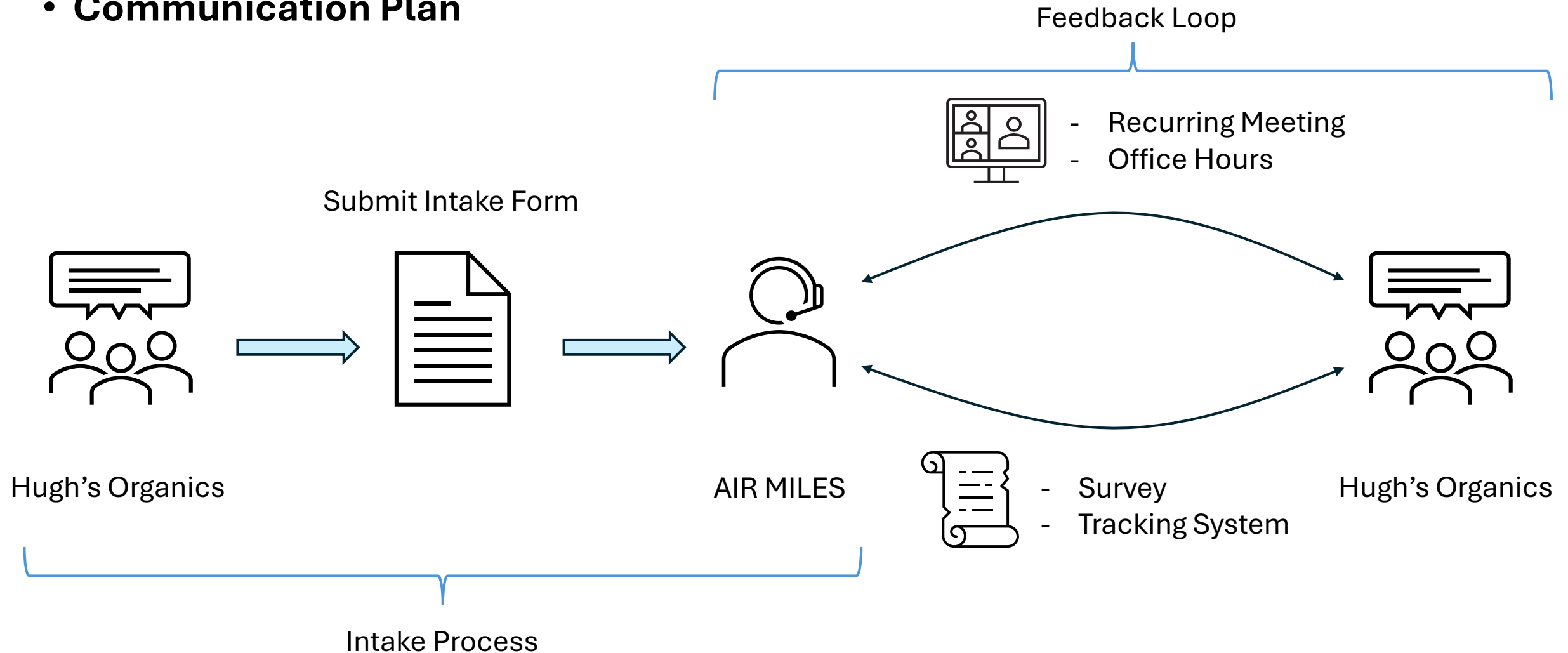
Name *

Your answer



Intake Process

- **Communication Plan**





Tools and Reference

Analytic Tool: Python

Slides, code & analysis available in GitHub:

https://github.com/honn-ishinn/air_miles_case_study



Thank you!