

Task 2

Optimisation Strategy

Objective:

To optimise the remaining budget of ₹20 lakhs to achieve **positive ROI and ROAS** for *Dame Essentials' Mulberry Silk products* (Eye Masks, Pillowcases, Scrunchies).

1) Budget Allocation

Platform	Budget Allocation	Rationale
Facebook Ads	₹12,00,000	Broader audience reach, strong purchase intent among women aged 25–40, effective for retargeting and lookalike audiences.
Instagram Ads	₹8,00,000	Strong visual appeal, influencer collaboration opportunities, and perfect for fashion & beauty-conscious audiences.

Explanation:

A **60:40 split** is maintained between Facebook and Instagram — Facebook focuses on awareness and conversions through performance-driven ads, while Instagram builds brand aesthetics and engagement through visuals and influencer content.

2 Performance Improvement Strategy

Goal	Strategy
Higher Impressions & CTR	Use carousel & short video creatives showcasing silk benefits. A/B test headlines (“Wake Up to Flawless Skin” vs “Sleep in Luxury with Mulberry Silk”). Begin with engagement campaigns, followed by conversion-focused ads.
Lower Bounce Rate	Ensure ad copy aligns with the landing page. Use clear CTAs like “Shop Pillowcases” instead of “Learn More.”
Increased Average Session Duration	Add interactive elements such as product videos, reviews, and “How to Use” sections. Introduce bundles like “Silk Sleep Combo.”
Higher Conversion & Lower Abandonment	Retarget users with abandoned carts using 10% extra discount ads. Simplify checkout to two steps and offer free shipping for first-time buyers.

Explanation

Each goal is aligned to enhance the **ad funnel performance** — from awareness (CTR) to conversion (checkout). A/B testing, retargeting, and user experience improvements together help achieve higher efficiency and engagement.

3 Financial Planning & ROI Calculation

Metric	Estimated Value	Explanation
Total Budget	₹20,00,000	Remaining ad investment.
Target ROAS	3x	Goal to achieve ₹60,00,000 in total revenue.
Average Product Price	₹4,000	Combo of pillowcases and eye masks.
Units to Sell for ROI	1,500 units	$₹4,000 \times 1,500 = ₹60,00,000$ revenue.
Gross Profit (ROI)	₹40,00,000	₹60L revenue – ₹20L spend → +200% ROI.

Explanation:

With a **target ROAS of 3x**, the campaign aims to sell 1,500 units, generating ₹60L revenue and achieving a **positive ROI of 200%**, ensuring financial success of the optimisation strategy.

4 Ad Creative Selection

✓ **Selected Ad Creative:** *Silk Eye Mask Ad*

Reasons:

- Balanced design and strong value proposition.
 - Highlights emotional and aspirational benefits — “*Flawless Skin, Restful Sleep.*”
 - High-quality lifestyle imagery in soft pastel tones aligned with brand identity.
- Strong CTA (“Shop Now”) and visible offer (Flat 30% Off).

Explanation:

This ad is chosen for its **emotional appeal and lifestyle relevance**, which resonate deeply with the target audience’s desire for luxury and self-care — driving both CTR and conversions effectively.

5 Landing Page Optimisation Strategy

Element	Optimisation Suggestion
Hero Banner	Keep offer “Flat 30% Off” + “Shop Silk Sleep Essentials” CTA above the fold.
Loading Speed	Compress images for faster load time to reduce bounce rate.

Product Descriptions	Add short benefit bullets: “No Acne, Frizz-Free Hair, Glowing Skin.”
Customer Reviews	Display 4–5 verified testimonials near the “Add to Cart” button.
Visuals	Use lifestyle photos showing real customers using products.
Checkout Page	Enable Guest Checkout, trust badges, and multiple payment options.
Upsell / Cross-sell	Show bundle offers like “Eye Mask + Pillowcase Combo.”

Explanation: These optimisations ensure a **smooth shopping experience** — reducing drop-offs, improving trust, and nudging users toward purchasing through social proof and ease of checkout.

6 Summary

Metric	Goal
Impressions	+40% increase
CTR	2% → 3.5%
Bounce Rate	Reduced by 30%
Average Session Duration	+25% increase

Conversion Rate	1.8% → 3%
ROAS	3x
ROI	+200%

Explanation:

If all optimisations are implemented effectively, the campaign is expected to achieve **significant growth in performance metrics**, doubling conversion rates and tripling ad returns — leading to sustained brand profitability and growth.

Question 2

Higher Impressions, CTR & Lower Bounce Rate

1 Higher Impressions

Goal:

Increase the number of people who see the ads and improve overall brand visibility.

Strategies:

- Use Lookalike Audiences based on previous purchasers and website visitors to reach new but relevant users.

- Apply Interest Targeting in categories like beauty, skincare, fashion, self-care, and luxury lifestyle.
- Opt for Automatic Placements (Facebook Feed, Instagram Stories, and Reels) to maximize ad reach and exposure.
- Maintain a consistent posting schedule — 3–4 creatives per week to sustain brand awareness.
- Launch seasonal and festive campaigns such as “*Diwali Glow Sale*” or “*Winter Beauty Essentials*” to attract more impressions during high-traffic periods.

Expected Outcome:

- Impressions increase by 35–40%.
- Stronger brand recall among target users.

2 Higher CTR (Click-Through Rate)

Goal:

Encourage more users to click on ads and visit the Dame Essentials website.

Strategies:

- Use eye-catching visuals featuring *real customers* using products with soft, premium tones that align with brand aesthetics.

- Create strong and clear CTAs such as “*Shop Now*”, “*Get 30% Off Today*”, or “*Limited-Time Offer.*”
- Write benefit-driven headlines like “*Wake Up with Flawless Skin*” or “*Sleep in Luxury with Mulberry Silk.*”
- Conduct A/B Testing on multiple ad versions (headlines, visuals, and copy) to identify top-performing creatives.
- Use short video ads (5–10 seconds) highlighting real product benefits — as video content tends to drive higher CTR.

Expected Outcome:

- CTR increases from 2% to 3.5–4%.
More qualified traffic directed to product and category pages.

3 Lower Bounce Rate

Goal:

Keep website visitors engaged longer and reduce drop-offs after landing.

Strategies:

- Maintain ad-to-landing-page consistency — ensure the same offer (e.g., “Flat 30% Off”) appears on both the ad and landing page.

- Optimize website speed — pages should load within 3 seconds to prevent early exits.
- Direct users to specific landing pages (e.g., an *Eye Mask Ad* should lead to the *Eye Mask Page*, not the homepage).
- Add customer reviews, testimonials, and trust badges to enhance credibility and keep users exploring.
- Use a clean, user-friendly layout with clear CTAs and engaging visuals.

Expected Outcome:

- Bounce rate decreases by 20–25%.
 - Users explore more pages per session, increasing chances of conversion.
-

Question 3

Increased Average Session Duration

Goal:

Encourage users to spend more time exploring the **Dame Essentials** website — strengthening brand engagement and increasing the likelihood of conversion.

Strategies to Achieve This

1. Interactive and Engaging Content

- Add short **product demonstration videos** and “**How to Use**” **clips** for silk pillowcases, eye masks, and scrunchies.
- Use **high-quality lifestyle images** showing real customers using Dame Essentials products.
- Highlight emotional appeal — **relaxation, luxury, and beauty benefits** — through visuals and short, captivating copy.
- Include an **interactive comparison chart** showing the difference between silk and regular cotton products.
- Introduce a “**Beauty Sleep Routine Guide**” blog or section with expert sleep and skincare tips to keep users engaged longer.

2. Cross-Selling & Product Recommendations

- Implement **AI-powered product suggestions** such as “You may also like” or “Frequently bought together.”
- Example: On the eye mask page, recommend silk pillowcases or scrunchies.
- Encourage multi-page browsing through related product discovery.

3. Improved Website Navigation

- Simplify the **menu structure** and add **filters** by product type, price, or color.
- Add a “**Shop the Look**” section allowing users to view complete sets or complementary products in one click.

4. Visual Storytelling

- Use images and short clips that narrate the brand’s **luxury sleep experience** — from bedtime rituals to morning results.
- Incorporate subtle animations or scroll effects to make browsing visually enjoyable.

5. Customer Reviews and Testimonials

- Display **authentic customer reviews, star ratings, and user photos** on each product page.
- Add a “**Top-Rated by Our Customers**” section to boost trust and encourage users to read more.

6. Bundle and Offer Sections

- Create **combo offers** like “*Silk Sleep Set: Pillowcase + Eye Mask*” or “*Luxury Hair & Sleep Combo.*”
- These offers encourage visitors to explore multiple products and pages before checkout.

Expected Outcomes:

- **Average session duration** increases by **25–30%**.
 - Users view **2–3 product pages per session** (up from one).
 - **Higher time-on-site** builds brand trust and increases the probability of conversion.
-

Question 4

Higher Conversion Rate and Lower Abandon Rate

Goal:

Increase the percentage of visitors who complete a purchase and reduce the number of users who abandon their carts before checkout — resulting in higher conversions and stronger ROI for Dame Essentials.

Strategies to Achieve This

1. Simplify the Checkout Process

- Streamline the checkout into a single page with minimal steps.
- Enable guest checkout (no mandatory login or account creation).
- Add auto-fill options for shipping and payment details to make checkout quicker and frictionless.

2. Offer Multiple Payment Options

- Provide a wide range of payment modes — UPI, wallets, credit/debit cards, COD, and EMI.
- Display logos of trusted payment partners to enhance credibility and convenience.

3. Use Limited-Time Offers & Urgency Tactics

- Add countdown timers (e.g., “Offer ends in 24 hours”) to create a sense of urgency.
- Show low stock alerts (“Only 2 left in stock!”) to encourage immediate purchase decisions.
- Highlight limited-time discount codes during checkout to prompt conversions.

4. Cart Recovery Emails & Remarketing Ads

- Send personalized reminder emails to users who abandoned their carts within 24 hours.
- Use retargeting ads on Facebook and Instagram showing the exact products left behind.
- Include special offers (e.g., 10% off) in recovery messages to re-engage potential buyers.

5. Trust Signals & Customer Reviews

- Display secure payment badges (SSL, Razorpay, Paytm, etc.) near the payment button.
- Add customer testimonials and star ratings directly on the checkout page for social proof.
- Show a “100% Secure Payment” message to reduce last-minute hesitation.

6. Personalized Discounts

- Offer 5–10% off or free shipping for first-time buyers and returning customers.
- Display personalized pop-ups based on user behavior (e.g., “Welcome back! Enjoy 10% off on your next order”).

7. Faster Website Speed & Mobile Optimization

- Optimize the website for mobile-first checkout, as most shoppers purchase via smartphones.
- Ensure page loading times under 3 seconds to prevent cart abandonment.
- Use lightweight product images and compressed scripts for faster performance.

Expected Outcomes

- Conversion rate increases by 3–5% from the current baseline.
 - Cart abandonment rate drops by 20–30%.
 - Enhanced user experience leads to higher ROAS (Return on Ad Spend) and overall positive ROI.
-

Question 5

Number of Units You Should Sell to Achieve Positive ROI

Goal:

To calculate how many units need to be sold from the remaining **₹20,00,000 ad budget** to achieve a **positive ROI (Return on Investment)** for **Dame Essentials**.

Factor	Estimated Value	Explanation
Total Ad Budget	₹20,00,000	Remaining budget to be optimized for paid campaigns
Average Product Selling Price	₹4,000	Average price of silk pillowcase and eye mask combo

Cost of Goods Sold (Production + Packaging)	₹1,500 per unit	Approximate cost to manufacture and ship each unit
Target ROI	100%	Aim to double the investment (₹20L spend → ₹40L profit)

Step-by-Step Calculation

① **Target Revenue** = Ad Spend × Target ROAS

→ ₹20,00,000 × 3 = **₹60,00,000**

② **Revenue per Unit** = ₹4,000

③ **Required Units to Sell** = Target Revenue ÷ Price per Unit

→ ₹60,00,000 ÷ ₹4,000 = **1,500 units**

④ **Profit Calculation**

- **Revenue:** ₹60,00,000
- **Ad Spend:** ₹20,00,000
- **Total Cost:** ₹42,50,000
- **Net Profit:** ₹60,00,000 – ₹42,50,000 = **₹17,50,000**

ROI Calculation

ROI = (Profit ÷ Total Investment) × 100

→ (₹17,50,000 ÷ ₹42,50,000) × 100 = **≈ 41% ROI**

Conclusion

To achieve a **positive ROI**, **Dame Essentials** must sell **at least 1,500 units** of its silk products (average selling price ₹4,000) from the **₹20 lakh ad budget**.

By maintaining a strong **conversion rate**, **optimizing ad targeting**, and **improving landing page performance**, this target is **realistically achievable**.

Question 6

Average Purchase Value You Are Aiming to Achieve

Metric	Current	Target
Average Purchase Value (APV)	₹3,000–₹3,500	₹4,000–₹4,500
Revenue Impact	—	+25–30% growth per transaction
Result	—	Higher ROAS & ROI

Question:7

Explain with numbers, how you are going to achieve positive ROAS and ROI

Goal:

To ensure that every rupee spent on advertising brings in higher revenue, resulting in positive ROAS (Return on Ad Spend) and positive ROI (Return on Investment) for Dame Essentials.

- **Profit and ROI Calculation**

Component	Amount (₹)
Total Revenue	₹60,00,000
Ad Spend	₹20,00,000
Cost of Goods Sold (1,500 × ₹1,500)	₹22,50,000

Total Investment (Ad + COGS)	₹42,50,000
Net Profit	₹60,00,000 – ₹42,50,000 = ₹17,50,000

ROI & ROAS Calculations

- **ROI (Return on Investment):**

$$\text{ROI} = \frac{\text{Net Profit}}{\text{Total Investment}} \times 100$$

$$\rightarrow (\text{₹}17,50,000 \div \text{₹}42,50,000) \times 100 = \approx \textbf{41\% Positive ROI}$$

- **ROAS (Return on Ad Spend):**

$$\text{ROAS} = \frac{\text{Total Revenue}}{\text{Ad Spend}}$$

$$\rightarrow \text{₹}60,00,000 \div \text{₹}20,00,000 = \textbf{3.0x ROAS (Positive)}$$

● **Key Actions to Achieve These Results**

Focus Area	Strategy
Ad Optimisation	Conduct A/B testing on creatives and copy, use lookalike audiences , and run seasonal offer campaigns .
Conversion Optimisation	Use retargeting ads , simplify checkout , and offer free shipping for higher conversions.
Landing Page Improvement	Add clear CTAs , customer testimonials , and ensure fast loading speed .
Retention Strategy	Send cart recovery emails and offer discounts for returning buyers to boost repeat sales.

● **Expected Outcome**

Metric	Before Optimisation	After Optimisation
CTR	2%	3.5%
Conversion Rate	1.8%	3%
Average Purchase Value	₹3,200	₹4,000–₹4,500
ROAS	1.8x	3.0x

ROI	Negative	+41% Positive
-----	----------	---------------

Revenue Impact

- **+25–30% growth per transaction** through higher-value purchases (bundles, premium sets, etc.)
 - Directly leads to **higher ROAS and ROI** from the same ad spend.
-