Deloitte Survey Analysis

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Problems being solved?

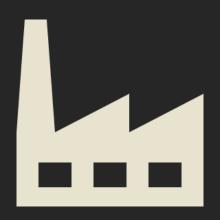




WHAT PRODUCTS AND SERVICES COULD BE BUNDLED TOGETHER?

CONSUMER INCLINATION TOWARDS AD-BASED STREAMING SERVICES

Beneficiaries





Smartwatch & Fitness Band Manufacturers



Subscription Service Providers



Advertising Agencies

Data Preparation

| \ | Initial Shape | 2000+ rows every year 190+ columns every year |
|------------|-----------------------------|--|
| | Dropping Additional Columns | Curtailment of excessive columns |
| • <u>1</u> | Imputation of Null Values | Null values replaced with -9999 |
| | Outlier handling | Age greater than 100 and less than 10 Income not disclosed |

Exploratory Data Analysis

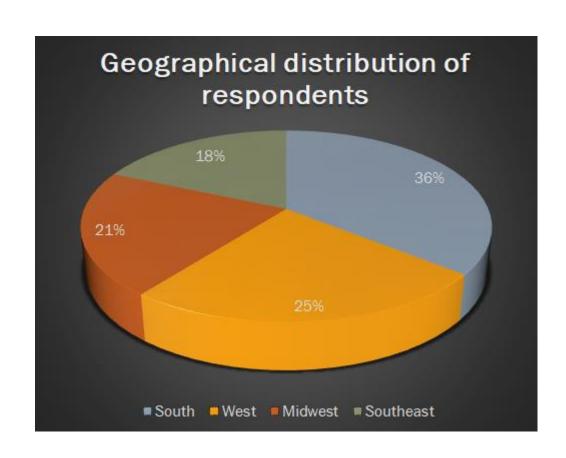


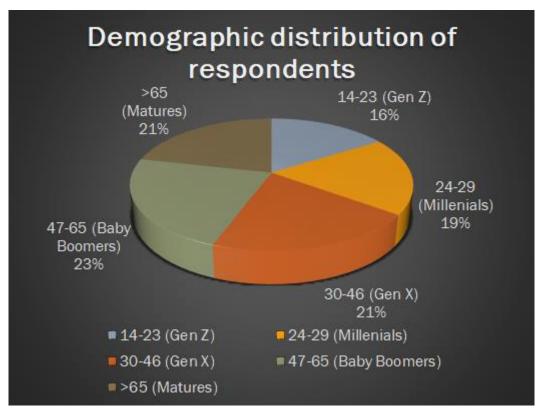
Equal distribution of Male & Female



67% of respondents are either employed or retired

Exploratory Data Analysis





Business Case 1

What products and services should be bundled together?

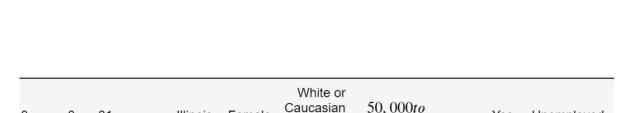


Preliminary Steps Taken

index Age

31

- 1. Renaming of Consumer features columns
 - i.e. Questions converted to Age , State , Gender
- 2. Adding default Quantity to all records as 1
- Converting categorical data (Yes / No) to binary values (1/0)



State Gender Ethnicity

Employment

Unemployed

status

Questions of survey considered



Subscriptions that users currently purchase

Products that users will buy in the future, that they do not currently have

Top 5 products and subscriptions

Top 5 products currently owned

- 1. Laptop Computer
- 2. Smartphone
- 3. Flat panel television
- 4. Desktop computer
- 5. Tablet

Top 5 subscriptions currently purchased

- 1. Home Internet
- 2. Pay TV
- 3. Mobile voice
- 4. Mobile data plan
- 5. Landline telephone

Determining future products

Steps Taken:

- 1. Filter the data frame with combination of any product and subscription among the top 5.
- 1. Determine the future product that these users will buy
- Rank the future products by frequency and determine the most likely products that will be purchased

<u>Conclusion</u>: Smartwatch and Fitness bands are the most likely products to be purchased in the future.





Gender based bundling

| Top 3 products used | | |
|---------------------|--------------------------|--|
| Male | Female | |
| 1. Laptop Computers | 1. Laptop Computers | |
| 2. Smartphone | 2. Smartphone | |
| 3. Desktop computer | 3. Flat panel television | |

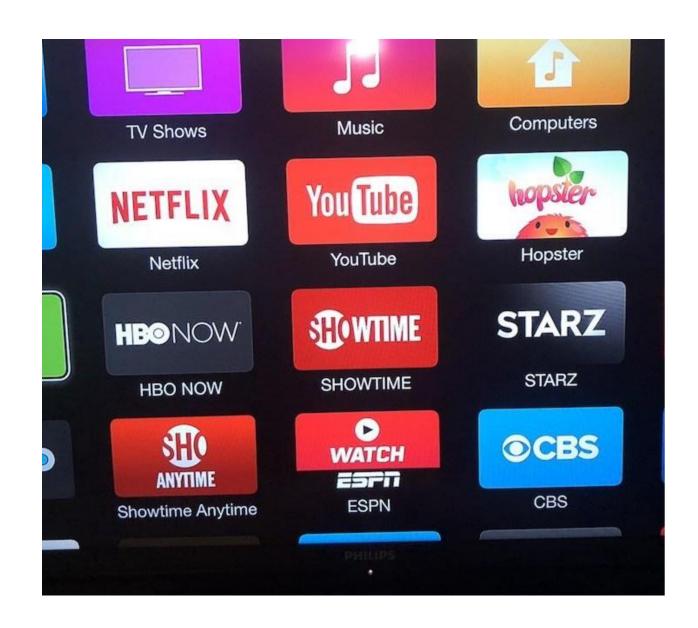
| Top 3 subscriptions used | | |
|--------------------------|----------------------------|--|
| Male | Female | |
| 1. Home Internet | 1. Home Internet | |
| 2. Pay TV | 2. Pay TV | |
| 3. Mobile data plan | 3. Streaming video service | |

Conclusion:

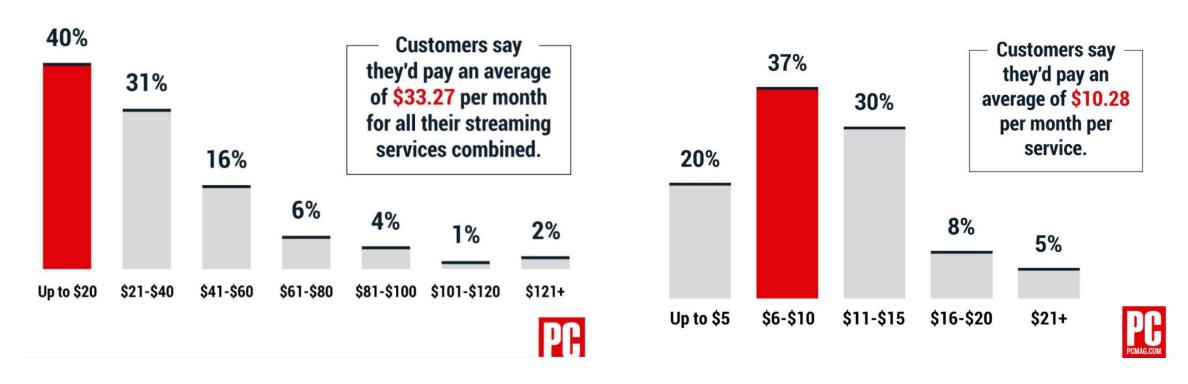
- 1. For everyone: Laptop Computer / Smartphone with Home Internet / Pay TV
- 2. Only Male: Desktop Computer with Home Internet / Pay TV / Mobile data plan
- 3. Only Female: Flat panel television with Home Internet / Pay TV / Streaming video service

Business Case 2

What is the consumer mindset towards ad-supported video streaming services at a lower cost?



Video Streaming Subscribers



More than half US households subscribe to streaming services generating more than 2 billion in subscription revenue

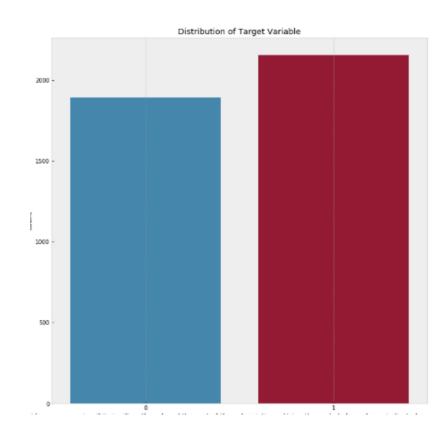
Classification Model

Target Variable

Q39r4 - I would be willing to view advertising with my streaming video programming if it significantly reduced the cost of the subscription.

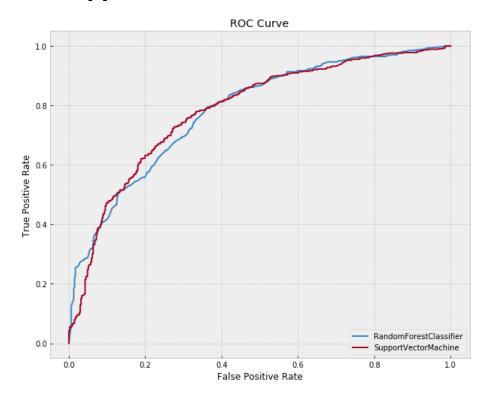
Conversion of rating variables into binary variables (0,1) to get crisp classification

This graph shows distribution of the above target variable



Classification Model

Performance Evaluation Using ROC Curve For Support Vector Machine Model



Feature Variables

- Customer Detail (Age, Region, Employment, Income, Number of Children)
- 2. Video Streaming Habits
- 3. Willingness to pay in exchange of zero ads
- 4. Willingness to provide more information to get targeted advertising

Model Accuracy: 72.23%

Business Case 3 Hyper Ad Targeting

Can we segment and target customers based on their preferences to view advertisements across different media channels?



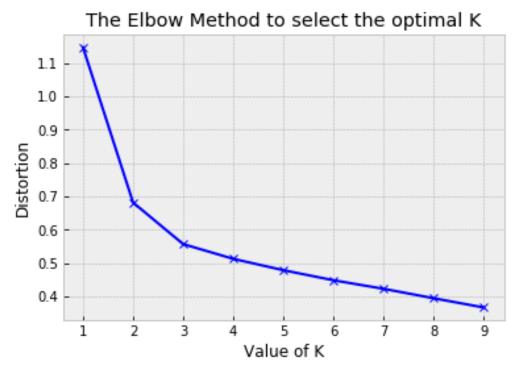
Market Segmentation

Feature Variables For Clustering

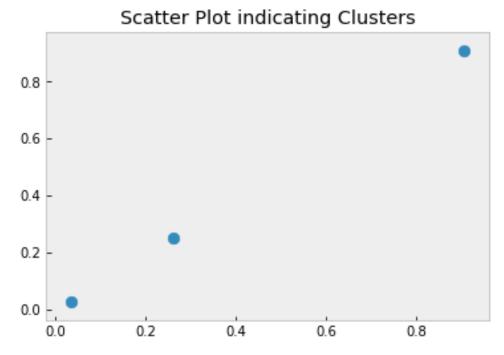
Willingness to pay for following media channels in exchange of advertising:



Market Segmentation



Optimal Number of Clusters: 3

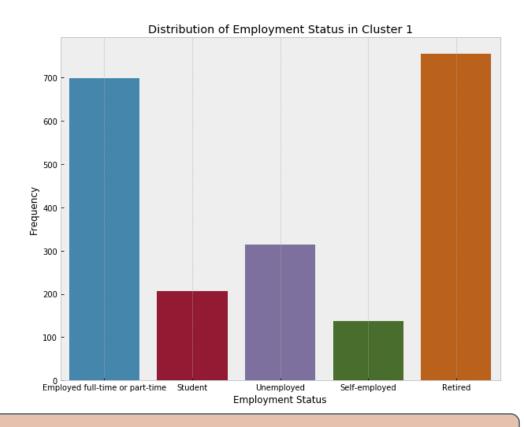


Scatter plot to display distinct cluster centers

Business Insights

Frequency count of unique group of consumer behavior

Q39r1 - I would rather Q39rNEW4 - I would Q39rNEW5 - I would Q39rNEW1 - I would Q39rNEW2 - I would Q39rNEW3 - I would pay for news online rather pay for TV rather pay for sports rather pay for games rather pay for music rather pay for movies in exchange for not shows online in information online in online in exchange for online in exchange for online in exchange for being exposed to exchange for not exchange for not not being exposed to not being exposed to not being exposed to advertisements. being exposed to being exposed to advertisements. advertisements. advertisements. Using the scale advertisements. advertisements. - Using the scale below, Using the scale below, Using the scale below, below, please Using the scale below, Using the scale below, please indicate how please indicate how please indicate how clust_labels indicate how much please indicate how please indicate how much you agree or much you agree or much you agree or you agree or disagree much you agree or much you agree or disagree with the disagree with the disagree with the with the following disagree with the following statements. following statements. disagree with the following statements. statements. If the following statements. following statements. If the question does If the question does If the question does question does not If the question does If the question does not apply to you, not apply to you, not apply to you, apply to you, choose not apply to you, choose "N/A." not apply to you, c choose "N/A." choose "N/A." choose "N/A 75 67



<u>Conclusion:</u> Using these segments, group of customers can be targeted across different media channels

Thank You

HAPPY TO ANSWER QUESTIONS!