

GCI Consulting: **Casper**

By Team 4

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By submitting this deck of case slides, the members of our team affirm that we all participated in the analysis of the case and the creation of this document.

Casper Unfolded



Next Step?

Retain and expand current advertising techniques across the country.

01

Begin National TV advertisements using real people (similar to photoshoot).

02

Do TV the Casper way by animating cartoons from the subway ads.

03

Do TV the Casper way!

Utilize animated TV ads for consistent brand image and increased attention due to their non-conventional appeal.

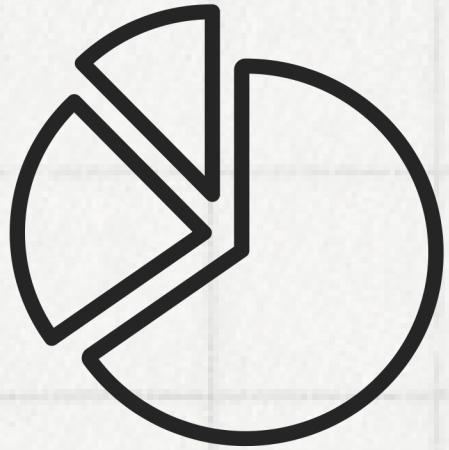
01. Convey Casper's **value proposition** and **evoke emotions** in a 30-second advertisement.

02. Include the \$50 promo code for the TV ad for a short period of time.

03. Unique URL tracking to track advertising channel conversion and response rate: www.casper.com/TV

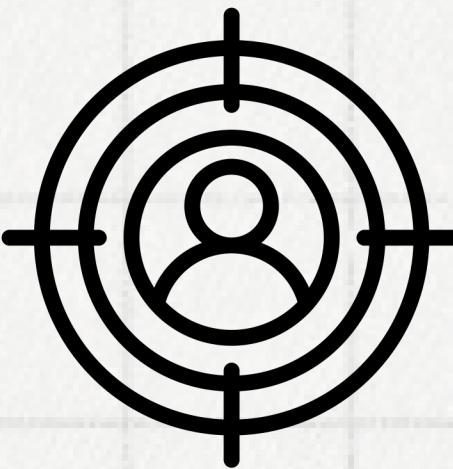


Casper's Ideal Dreamer: A Closer Look at the Target Segment



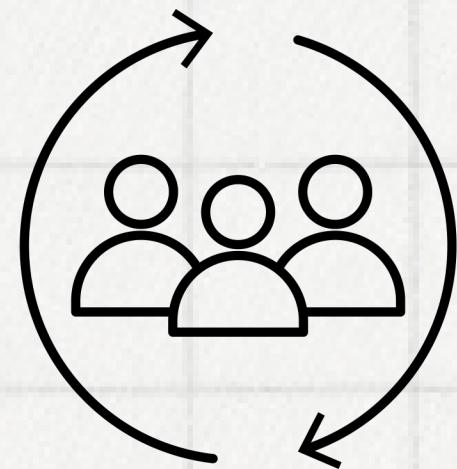
SEGMENTATION

Millennials are chosen as the main segment and divided into tech-savvy and non-tech savvy segments.



TARGETING

Young and high-income tech-savvy millennials who prefer online shopping



POSITIONING

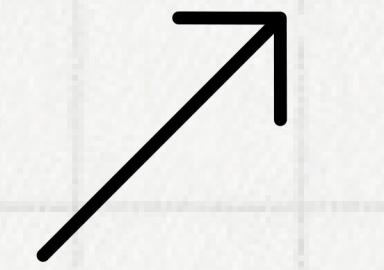
One perfect mattress for everyone
Receive mattress at your door step with
hassle free delivery and return policy

Value Proposition

Unlike the 4 “Big Mattress” companies our Casper Mattress company helps **tech-savvy millennial customers** who want to **get a quality mattress at an affordable price delivered to their doorstep** by transforming the inconvenient experience of purchasing a mattress and having “**one perfect mattress for everyone**” delivered to their doorstep in **5 business days** with a **100 day free trial, hassle-free returns and promotional discounts**.

Customer Personas

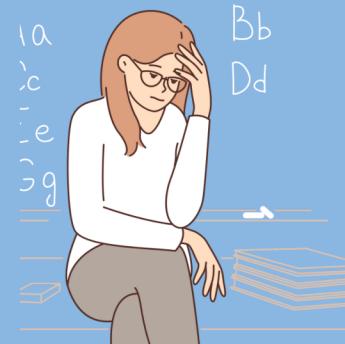
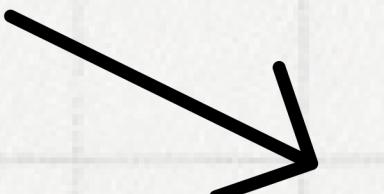
Target Segment:
Tech-Savvy Millennials



- Alex, 25-year-old software engineer
- He is single and resides in Silicon Valley due to job
- Has a very busy schedule, and almost no time for himself
- Ensure quality sleep for a refreshed and energetic day



- Sia and Sam, newly married couple.
- Both working professionals
- Relocated to the city for their careers
- Excited to start their life together in their new home
- To create a comfort and cozy environment at home



- Lily, 18 years old college student
- She is moving into a new university
- Relocated to the city for her career
- She is looking for affordable and comfortable mattress for her college journey
- Priority: price!

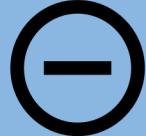
Comparative analysis of the recommendations: Why to do the Casper way?

01

Retain current media to expand to new geographics



- Greater likelihood of success, given previous positive results
- Strengthening the competitive positioning against direct-to-consumer competitors
- Low-cost advertisement



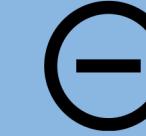
- Do not place Casper in direct competition with market leaders
- It's not helpful to achieve "Nike of Sleep" objective
- Limited interactivity with customers
- Restricted exposure with limited audience segmentation

02

Begin TV ad with tonality same as first website design



- Reachable to a broader audience.
- Blending commercial with social media and multi-platform campaign.
- Actors in the advertisement would have an influence on customers.



- Fear of blending in as just another brand on television.
- Risk of being forgettable and ineffective
- It will significantly deplete a substantial portion of Casper's advertising budget
- Challenging ROI/return measurement

03

Do TV the Casper way!



- Reachable to a broader audience.
- Blending commercial with social media and multi-platform campaign.
- Leverage the power of live events with broad audiences.
- Emotional impact to create connection with audience.



- It will significantly deplete a substantial portion of Casper's advertising budget
- Challenging ROI/return measurement.

"From Cyberspace to Living Rooms: Casper's TV Move Maximizes Marketing Magic!"

Channel	CPM	RR	ROI	Uplift
TV (25%)	\$25	0.05%	\$17	5,000
Radio (25%)	\$12	0.01%	\$7	2,083
Outdoor (20%)	\$3	0.005%	\$14	3,333
Internet (30%)	\$20	0.03%	\$13	4,500

- OUTDOOR channel, despite having lowest conversion rate, has better ROI and potential to acquire new customers than RADIO
- INTERNET campaigns set a promising future, with RR expected to increase in the coming decade
- TV campaigns have the highest ROI despite having high CPM

$$ROI = \frac{(Conversion\ Rate \times Impressions \times LTV) - Advertising\ Cost}{Advertising\ Cost}$$

Sleeping Soundly: Casper's 4P Strategy

Product

- "One Perfect Mattress for Everyone."
- The Casper mattress features a four-layer construction of latex, memory, transitional and foundation foams and a height of 10 inches.

Place

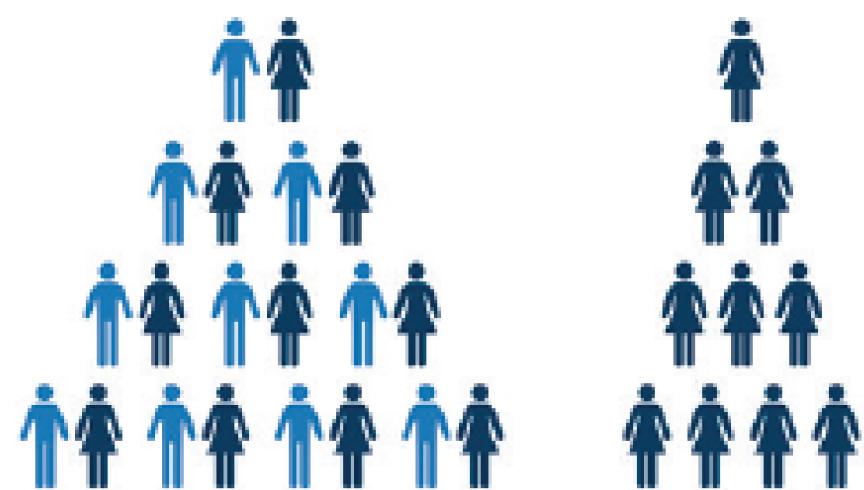
- Casper sells online through the Casper.com website, which provides customers with convenient home delivery.
- Initially, they have a small showroom in New York.

Price

- Casper offers a variety of mattress sizes with a price starting at \$500 for the Twin size. The Twin XL is \$600, followed by the Full at \$750. The Queen size is available at \$850, and the largest sizes, King and California King, are both priced at \$950.

Promotion





Source: Adapted from Harvard Business Publishing Education : Marketing Communications
by Jill Avery (HBS) and Thales S. Teixeira

Promotion



Source: Adapted from Robert J. Lavidge and Gary A. Steiner, "A Model for predictive measurements of advertising effectiveness," Journal of Marketing 25 (October 1961): 59-62

Earned

- Word-of-mouth
- Public's reaction to the animated Television advertisements through social media
- Customer feedback

Owned

- Unique URL Tracking to measure the success of TV advertisements
- \$50 promotional offer for a short period for using the unique extension
- Referrals for additional discounts

Paid

- Animated television advertisements
- Subway and Taxi Ads
- Radio advertisements
- Podcasts (Internet)
- Outdoor Nap Mobiles (in universities and office complexes to attract the target segment)



Thank You!