Task 2 – Optimization Strategy

**Objective:** Optimize remaining Rs. 20L budget to achieve positive ROI by improving CTR, conversion rate, session duration, and reducing bounce & abandon rates.

## 1. Budget Allocation

* **Total remaining budget:** Rs. 20,00,000
* **Facebook Ads:** Rs. 12,00,000 (60%) – leveraging detailed targeting and lookalike audiences for conversions.
* **Instagram Ads:** Rs. 8,00,000 (40%) – focusing on stories and reels to increase engagement and reach younger audiences.

## 2. Higher Impressions and CTR, Lower Bounce Rate

**Strategy:**

* Use **carousel ads and video ads** highlighting product USP (Double Cocoa Protein Bars – high-protein, tasty, clean-label).
* Retarget **website visitors and cart abandoners** to reduce bounce rate.
* Optimize **ad copy & creative** for curiosity-driven engagement and call-to-action.

**Numbers:**

* Expected impressions: 1.5 crore
* Target CTR: 2.5–3% (industry standard for food/fitness products)
* Expected landing page traffic: ~3,75,000 clicks
* Target bounce rate reduction: from 50% → 35%

## 3. Increased Average Session Duration

**Strategy:**

* Landing page to include **interactive content**: nutrition info, product benefits, recipe ideas.
* Embed **video content** for product demonstration.
* Implement **internal links** to other products/blog content.

**Numbers:**

* Current average session duration: 1 min → Target: 2–2.5 mins

## 4. Higher Conversion Rate and Lower Abandon Rate

**Strategy:**

* Retarget users who visited product page but did not purchase.
* Use **limited-time offers or bundle discounts** to encourage checkout.
* Add **easy checkout and multiple payment options**.

**Numbers:**

* Current conversion rate: 1.5% → Target conversion rate: 3–4%
* Reduce cart abandonment from 70% → 50%

## 5. Units to Sell to Achieve Positive ROI

* **Cost per acquisition (CPA):** Rs. 500 (estimated)
* **Target sales to break-even:** 20,00,000 ÷ 500 = 4,000 units
* **Target for positive ROI:** 5,000–6,000 units

## 6. Average Purchase Value (APV) Target

* Current APV: Rs. 450
* **Target APV:** Rs. 500–550 (encourage bundles and multi-pack purchases)

## 7. Positive ROAS and ROI Calculation

**Assumptions:**

* Total spend: Rs. 20,00,000
* Target units sold: 5,000
* Average selling price: Rs. 500

**Revenue = Units × Selling Price = 5,000 × 500 = Rs. 25,00,000**

**ROAS = Revenue ÷ Ad Spend = 25,00,000 ÷ 20,00,000 = 1.25** **ROI = (Revenue – Ad Spend) ÷ Ad Spend × 100 = (25,00,000 – 20,00,000) ÷ 20,00,000 × 100 = 25%**

**Target:** Positive ROI of **25–30%** by increasing conversions, APV, and reducing bounce & abandonment.