

Task 2 – Optimisation Strategy

⌚ Objective

To strategically utilise the remaining ₹20,00,000 marketing budget to generate a **positive ROI** and **ROAS** for *Dame Essentials' Mulberry Silk collection* (eye masks, pillowcases, and scrunchies).

1 Budget Distribution

Platform	Budget	Rationale
Facebook Ads	₹12,00,000	Provides wide audience reach, strong buying intent among women aged 25–40, and excellent performance for retargeting and lookalike campaigns.
Instagram Ads	₹8,00,000	Visually appealing platform ideal for fashion and beauty-focused users; supports influencer collaborations and brand storytelling.

👉 Allocate **60% to Facebook** (for awareness and conversion) and **40% to Instagram** (for engagement and brand aesthetics).

2 Performance Enhancement Plan

Goal	Optimisation Strategies
Increase Impressions & CTR	<ul style="list-style-type: none">• Use carousel and short-form video ads that highlight the benefits of silk.• A/B test headlines such as “Wake Up to Flawless Skin” vs. “Sleep in Luxury with Mulberry Silk.”• Launch engagement campaigns first, followed by conversion-based campaigns.
Reduce Bounce Rate	<ul style="list-style-type: none">• Align ad copy and landing page messaging.• Use specific CTAs like “Shop Pillowcases” instead of “Learn More.”
Boost Average Session Duration	<ul style="list-style-type: none">• Include videos, “How to Use” guides, and verified customer reviews.• Suggest product bundles such as “Silk Sleep Combo.”
Increase Conversion & Lower Abandonment	<ul style="list-style-type: none">• Retarget abandoned carts with 10% discount offers.• Simplify checkout to two steps.• Provide free shipping or first-time buyer coupons.

3 Financial Plan & ROI Projection

Metric	Estimated Value	Explanation
Total Budget	₹20,00,000	Remaining allocation for campaign
Target ROAS	3x	Expected revenue: ₹60,00,000
Average Product Price	₹4,000	Pillowcase or Eye Mask sets

Required Sales for ROI	1,500 units	$\text{₹}4,000 \times 1,500 = \text{₹}60,00,000$
Gross Profit (ROI)	₹40,00,000	₹60L – ₹20L spend = ₹40L profit

✓ **Projected ROI:** +200%

4 Ad Creative Selection

Chosen Ad: Silk Eye Mask Campaign

Why Selected:

- Visually balanced with a clear message and emotional appeal.
- Communicates aspirational benefits — “Flawless Skin, Restful Sleep.”
- Uses high-quality imagery and pastel tones that align with brand aesthetics.
- Features a strong CTA (“Shop Now”) with a visible offer (Flat 30% Off).

👉 This creative best connects with the target audience’s self-care and luxury aspirations, likely improving CTR and conversions.

5 Landing Page Optimisation

Element	Recommendation
Hero Banner	Keep “Flat 30% Off” and “Shop Silk Sleep Essentials” CTA visible above the fold.
Loading Speed	Compress image sizes to reduce load time.
Product Descriptions	Add concise bullet points on benefits (No Acne, Frizz-Free Hair, Glowing Skin).

Customer Reviews	Display 4–5 verified testimonials near “Add to Cart.”
Visuals	Use lifestyle photos showing real product usage.
Checkout Page	Enable guest checkout, display trust seals, and multiple payment methods.
Upsell / Cross-sell	Include combo offers such as “Eye Mask + Pillowcase Set.”

6 Summary of Key Metrics

Metric	Goal
Impressions	+40% increase
CTR	2% → 3.5%
Bounce Rate	2% → 1.5%
Avg. Session Duration	+25% growth
Conversion Rate	1.8% → 3%
ROAS	3x
ROI	+200%

Question 2 – Increasing Impressions & CTR, Reducing Bounce Rate

1 Improving Impressions

Goal: Expand audience reach.

Tactics:

- Use **Lookalike Audiences** from past buyers and website visitors.
- Apply **interest-based targeting** (beauty, skincare, luxury lifestyle, self-care).
- Choose **Automatic Placements** (Facebook Feed, Instagram Stories, Reels).
- Maintain **consistent posting** (3–4 creatives weekly).
- Run **festive campaigns** like “*Diwali Glow Sale*” or “*Winter Beauty Essentials*.”

2 Boosting CTR

Goal: Drive higher ad clicks.

Tactics:

- Use lifestyle visuals with authentic product use.
- Add direct CTAs: “*Shop Now*”, “*Grab 30% Off.*”
- Craft benefit-driven headlines.
- Run **A/B tests** on creatives and headlines.
- Utilise **short videos (5–10 seconds)** showing real benefits.

3 Reducing Bounce Rate

Goal: Keep visitors engaged.

Tactics:

- Maintain **offer consistency** from ad to landing page.
- Optimise load time under 3 seconds.
- Link ads to **specific product pages** (e.g., Eye Mask → Eye Mask page).
- Add reviews, testimonials, and trust badges.
- Keep design **clean and easy to navigate.**

Question 3 – Increasing Average Session Duration

Goal: Encourage users to explore more pages and engage deeply with the brand.

Strategies:

1. Interactive Content

- a. Include demo and “How to Use” videos.
- b. Add comparison charts: *Silk vs Cotton*.
- c. Introduce a “Beauty Sleep Routine Guide” section.

2. Cross-Selling

- a. Use AI-based “*You May Also Like*” or “*Frequently Bought Together*” suggestions.
- b. Display related products under each listing.

3. Smooth Navigation

- a. Simplify menus; include category filters.
- b. Add “Shop the Look” sections.

4. Visual Storytelling

- a. Showcase real customers and emotional visuals.

5. Customer Reviews

- a. Add verified testimonials to keep users reading longer.

6. Bundles & Offers

- a. Promote combo deals like “*Silk Sleep Set*.”

Expected Results:

- Average session time increases by **25–30%**.
- Users visit **2–3 pages per session**.
- Stronger brand trust and higher conversions.

Question 4 – Boosting Conversions & Reducing Cart Abandonment

Goal: Improve purchase completion rates and reduce checkout drop-offs.

Strategies:

1. Simplify checkout — single-page process, guest checkout, auto-fill options.
2. Offer varied payments — UPI, wallets, cards, COD, EMI.
3. Use urgency triggers — countdown timers, low-stock messages.
4. Send cart recovery emails and retargeting ads.
5. Include trust signals — secure payment icons, customer reviews.
6. Provide personalised discounts — 5–10% for new or repeat buyers.
7. Optimise mobile speed — under 3 seconds for mobile shoppers.

Expected Outcome:

- Conversion rate up by **3–5%**.
- Cart abandonment down by **20–30%**.
- Higher customer satisfaction and stronger ROAS.

Question 5 – Units Required for Positive ROI

Goal: Determine sales volume for positive ROI using ₹20L ad spend.

Factor	Value	Notes
Ad Budget	₹20,00,000	Remaining spend
Avg. Selling Price	₹4,000	Per combo

COGS (per unit)	₹1,500	Production + packaging
Target ROI	100%	Double the investment

Calculations:

1. **Target Revenue:** ₹20L × 3 = ₹60L
2. **Units to Sell:** ₹60L ÷ ₹4,000 = 1,500 units
3. **Profit:**
 - a. Revenue = ₹60L
 - b. COGS = ₹22.5L
 - c. Ad Spend = ₹20L
 - d. Total Cost = ₹42.5L
 - e. **Net Profit = ₹17.5L**
 - f. **ROI = (17.5 ÷ 42.5) × 100 ≈ 41% (Positive)**

✓ **Conclusion:** Selling ~1,500 units will ensure a positive ROI with achievable results through efficient targeting and landing page optimization.

Question 6 – Target Average Purchase Value

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

Question 7 – Achieving Positive ROAS & ROI

Goal: Maximise every rupee of ad spend for profitable returns.

Component	Amount ₹)
Total Revenue	60,00,000
Ad Spend	20,00,000
COGS	22,50,000
Total Investment	42,50,000
Net Profit	17,50,000

ROI: $(17.5 \div 42.5) \times 100 = 41\% \text{ Positive}$

ROAS: $60 \div 20 = 3.0x \text{ Positive}$

Action Plan

Focus Area	Strategy
Ad Optimisation	A/B testing, lookalike targeting, seasonal promotions
Conversion Optimisation	Retargeting, simplified checkout, free shipping
Landing Page	Clear CTAs, testimonials, fast speed
Retention	Cart recovery emails, returning buyer discounts

Expected Improvements:

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

ROI	Negativ e	+41%
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