CASE STUDY

Course5
Transformative intelligence

Marketing Spend Optimization

Client

Global fashion brand

Industry

Retail

Business Impact

- ⊘ Reduction in Search & Display marketing spend

- ⊘ Reduction in Email Marketing spend

- ⊘ Reduction in Social Marketing spend

- ⊘ Reduction in Affiliate Marketing spend

Business Challenges

The client was spending 5-6% of their online revenue towards digital marketing and out of which, a significant 45% of the budget was getting spent on Search and Display marketing followed by 25% on Email, 18% on Social (Facebook predominantly) and approx. 13% towards their Affiliate partners. Considering a balanced spend-mix across all channels, it was quite a difficult task for the CMO office to optimize their spend across all channels considering a 18% cut in the marketing budget due to weaker sales for consistent 3 quarters.

Approach

- ⊘ Kick-off the engagement with a 12 weeks POC with a sample data set for last 12 months and leveraging Display, Organic and Email as the preferred channels. Prior to starting the POC, identify 2 good hypothesis to validate during the POC journey

- ⊘ Post the execution of the POC, automate the entire process of data extraction, staging, preparation, statistical modeling and visualization

- Train the model with a larger dataset (Min 3 years historical data) to improve the outcome of the attributionmodel and build a budget optimization simulator
- Introduce other channels in the model training process i.e. PPC, Social and Affiliates to gauge their impact on the entire conversion process

Outcome

- We built a highly customized weighted model leveraging Bayesian Hierarchical technique to attribute the conversion credit across multiple nodes of the conversion process
- We built a marketing optimization simulator to predict the impact of shift in marketing budget across multiple channels
- To avoid the significant decline in the online sales, the optimization simulator suggested the following spend distribution, and with the help of Media Agency team, we were able to test the positive impact of bid optimization

About Course5 Intelligence

Course5 Intelligence enables organizations to make the most effective strategic and tactical moves relating to their customers, markets, and competition at the rapid pace that the digital business world demands. We do this by driving digital transformation through analytics, insights, and Artificial Intelligence (AI). Our clients experience higher top line and bottom line results with improved customer satisfaction and business agility. As we solve today's problems for our clients, we also enable them to reshape their businesses to meet and actualize the future.

Rapid advances in Artificial Intelligence and Machine Learning technology have enabled us to create disruptive technologies and accelerators under our Course5 Intelligence suites that combine analytics, digital, and research solutions to provide significant and long-term value to our clients.

Course5 Intelligence creates value for businesses through synthesis of a variety of data and information sources in a 360-degree approach, solution toolkits and frameworks for specific business questions, deep industry and domain expertise, Digital Suite and Research AI to accelerate solutions, application of state-of-the-art AI and next-generation technologies for cognitive automation and enhanced knowledge discovery, and a focus on actionable insight.