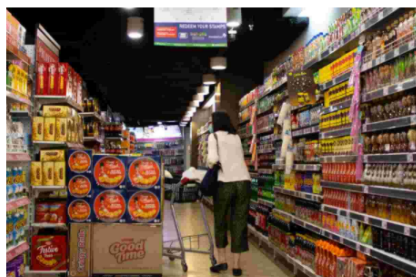


## CASE STUDY

# Marketing Mix Modeling: How Quantzig Helped a Prominent Client in the CPG Industry Optimize their Marketing Spend



**The client:** A prominent player in the CPG industry

**Area of engagement:** Marketing mix modeling

Over the last couple of years, the consumers' behavior and needs have been changing, and organizations are embracing technologies to meet the ever-growing array of these demands. The shift from conventional shopping to advanced online retailing can be attributed to factors such as the rise of middle-class population, urbanization, and globalization. To keep pace with the altering preferences of the customers, leading businesses in the CPG industry are planning to adjust their operating models with that of the competitors. Moreover, as retailers consolidate, and e-commerce platforms increase, CPG companies are relying on winning go-to-market strategies to retain their position in the market.

Some of the factors influencing the growth of the CPG industry are:

- **Innovations:** As the current retail landscape is witnessing a shift toward digitization, prominent companies are developing, testing and iterating innovative ideas to optimize customer engagement. Moreover, it becomes essential for the companies to re-align their product offerings to meet the growing demands of the customers.
- **M&A activity:** With the growing number of e-commerce platforms, a considerable number of companies are looking forward to expand across geographies to potentially reach out to different markets. Moreover, organizations are further collaborating with reputed firms to drive sales and increase their return on investment.

[spacer height="20px"]To address such challenges and optimize the marketing campaigns to enhance their business efficiency, leading organizations are leveraging marketing mix modeling solutions. The marketing mix solution helps businesses identify the market effectiveness and streamline their marketing campaigns to enhance the business performance.

## The Business Challenge

The client, a prominent CPG company with considerable retail stores, spread globally, wanted to gain actionable insights into the sales, market share, and marketing ROI. The CPG company wanted to identify the strengths and weaknesses and optimize their marketing mix to improve the effectiveness of marketing campaigns on business performance. Moreover, with the help of marketing mix modeling engagement, the client also wanted to understand the impact of online media on sales and optimize investments to drive profit. The primary objective of the client was to measure the potential value of all marketing inputs and make investments to increase long-term revenue.

## The Solution Benefits and the Business Impact

*Strategies that we recommend based on our analysis to promote sales and increase marketing efficiency*

Beyond traditional marketing campaigns, the marketing mix modeling solution offered by Quantzig helped the prominent client in the CPG industry, leverage the use of multiple regression techniques to predict the outcome of sales. The solution also helped the client determine the net effect of their marketing campaigns on company's profits. The engagement also focused on attributing the impact of marketing activity across all channels to further enhance the return on investment.

## Marketing Mix Modeling Predictive Insights:

The engagement offered by Quantzig assisted the CPG company to quantify the impact of sales on marketing activities. The solution also focused on developing an attribution model based on the past marketing spend and sales. Through this model, the CPG company could optimize the future spend and improve the overall business efficiency.