

## CASE STUDY

# Marketing Mix Optimization Helps a Renowned Online Retail Client Enhance Business Performance by 15%



**The client** – A renowned client in the online retail space

**Area of engagement**- Marketing mix

The online retail space is witnessing considerable growth due to the increasing usage of mobile devices for shopping and alternative payment methods by shoppers. Amid the recent economic uncertainty, leading organizations are planning to develop competitive strategies to reduce operational costs and further improve their product offerings. Moreover, leading organizations are linking financial and operational plans to track performance and improve their overall business efficiency. In the midst of stiff competition and increasing budget concerns, prominent businesses are planning to redesign their strategies to streamline supply chain operations and gain better visibility into their product offerings.

Some of the factors curtailing the growth of online retail client include:

- **Stiff competition:** The online retail space is witnessing robust competition, with a considerable number of retailers offering products at discounted prices. The rigid competition among the retailers is compelling businesses to offer products at lower rates. With consumers demanding authenticity and reliability in the products, businesses are facing the need to provide seasonal offers and Black Friday sales to promote their product offerings.
- **Maintaining customer loyalty:** Today, the customers are more demanding and are looking to purchase products at affordable prices. In the case of any negative experience or any hindrance, there is a probability of the customers to churn. With the online space offering huge discounts, it becomes difficult for the small online retailers to offer discounts and benefits to the customers. Also, the presence of false or spam orders can create a logistical hindrance for e-commerce companies.

To address such challenges and devise effective marketing campaigns to improve the overall performance, leading organizations are leveraging marketing mix solutions. Marketing mix helps businesses quantify their marketing activity to understand the impact of their marketing campaigns on the business performance.

## The Business Challenge

*The online retail space is expected to account for one-tenth of the total retail sales worldwide.*

The client, a renowned online retailer, wanted to assess the marketing effectiveness and allocate the future spend to improve business efficiency. With the help of Quantzig's marketing mix solution, the online retailer wanted to determine the effectiveness of advertising and targeting campaigns across various channels. The client also wanted to optimize their cost and adjust new initiatives to deliver the business goals better. The primary objective of the engagement was to quantify the impact of marketing decisions on the past and the future sales.

## The Solution Benefits and the Business Impact

*Strategies we recommend to improve the performance of marketing campaigns*

The marketing mix solution offered by Quantzig helped the client in the online retail space to understand the impact of marketing activities on the revenues, volume, and price perception. The engagement also helped the client identify the actual drivers of performance and segregate it into internal and external factors. The solution further assisted the online retail client gain actionable insights to increase sales, market share, and marketing ROI.

## Marketing Mix Solution Predictive Insights

Quantzig's market mix solution helped the client in the online retail space understand the external influences such as competitive actions, seasonality, and economic conditions on the sales performance. The engagement also helped the online retail client reallocate their spending to assess progress and improve top-line revenue.