

RELATIONSHIP BETWEEN MEDIA MIX AND SALES

THE CLIENT CHALLENGE

Our client, a fortune 500 Company and one of the top manufacturers of personal health devices wanted to increase knowledge on relationships between media mix and sales. The Client wanted to evaluate the comparative effectiveness of different media channels as opposed to promotions and optimize budget allocation.

THE GEMSEEK APPROACH

GemSeek's team summarized primary research data results, internal reporting sources and financial outcomes, synchronized all data sources (research results, A&P spending, financial results etc.) in single integrated database.

Based on a comprehensive regression model, our team conducted the selection of best drivers, models and significance levels across different product groups and geographies. Our Client received an elaborate report with key insights on level of dependency between sales, individual channels (A&P) and their cumulative effect vs. the sales baseline. Since the analyses was done by product groups and geographical regions the Clients was able to observe differences in customer preference, controlling for the magnitude of each channel.

THE DELIVERABLES

Thanks to our model, our client received:

- ❖ Clear Insights on which marketing mix components have the largest effect on Sales historically.
- ❖ Precise Marketing Mix ROI ranking of effectiveness.
- ❖ Halo effects from same category products and adjacent categories allowed for marketing mix optimization across categories.
- ❖ Successful Recommendations for Marketing Mix Investment in 2014 and 2015.

