

Sales uplift through in-channel optimisation for Philips

THE CHALLENGE

Philips wanted to increase understanding of the relationship between media mix and sales. They wanted to evaluate the comparative effectiveness of different media channels versus promotions and optimise budget allocation accordingly. Additional modelling was targeted at estimating effect between Media Spend and Brand Preference. Furthermore, in-channel optimisation models were created to increase effectiveness and ROI across channels

OUR SOLUTION

We summarised and synchronised multiple data sources (research results, A&P spending, financial results) into a single integrated database. A comprehensive regression model allowed us to select optimum primary and secondary drivers across different product groups and geographies. Our client received a detailed report with key insights on level of dependency between sales and brand preference versus individual channels (A&P) and their cumulative effect vs. the KPI baseline. We helped Philips set up an A/B testing workflow, and used the data to run an optimisation model, allowing our client to make the most out of every marketing channel

THE RESULTS

Clear insights on which marketing mix components had the largest effect on sales and brand preference historically. Precise marketing mix ROI ranking of effectiveness. Halo effect analysis from same category products and adjacent categories allowed for marketing mix optimisation across categories. Successful recommendations for channel optimisation and how to maximise ROI on each separate channel

