

**DATA**iNTELLIGENCE

# ROI PLANNING

Brings **VALUE** in sales.



## WHAT IS IT?

Our data solution determines the optimal media investment level to generate the highest sales (Point of Diminishing Return - PODR).

## WHY WOULD YOU NEED IT?

It diminishes wastage by establishing the effectiveness investment corridor, outside which sales increase plateaus or the cost of incremental sales increases.

Also, it reduces the negative impact of the competition's investment on the brand's incremental sales.

## OUTCOMES

- Media investment levels are established based on the triggered incremental sales, not just % of reached consumers.
- The optimum frequency needed to boost sales and counteract competitive context
- Identify the key competitors which erode the brand's sales.

# ROI PLANNING

## CASE STUDY



### Context

The communication of pharmaceutical products is very cluttered as multiple players are investing in a short period pending disease seasonality.

### Challenge

Maintaining category leadership often implies a very high level of investment to counteract all competitive spending effects and dominate visibility within the category. But how to maintain a high level of investment for a portfolio of brands and communication in different periods across the year?

### Solution

We run our point of diminishing return model for each brand within our client's portfolio. We identify the frequency level determining the highest sales increase, the minimum effective investment level to communicate at respective frequency before sales increase plateaus, and the key competitors we should counteract.

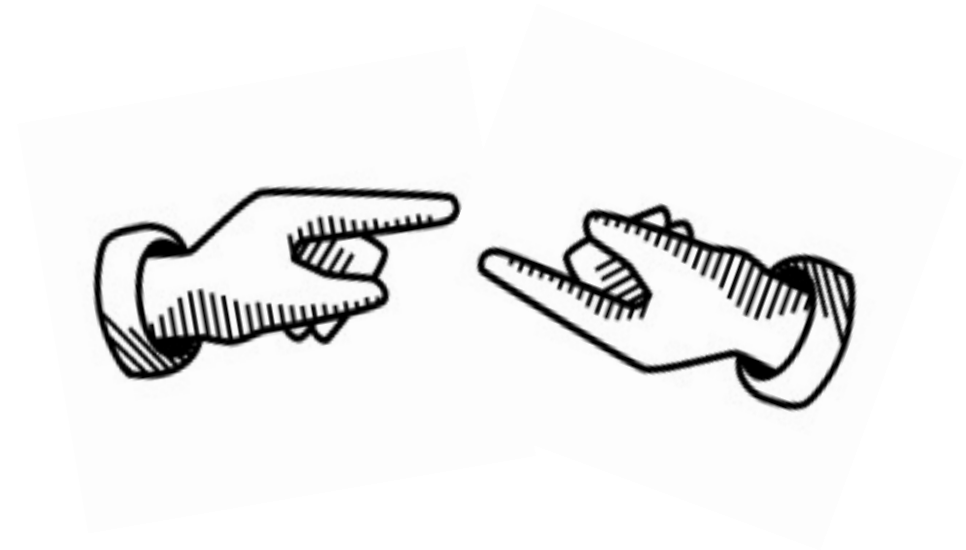
### Results

Planning at the point of diminishing return of sales and not of the number of reached people allowed us to increase the planning frequency without a budget increase.

Also, we found that leadership position comes with benefits, as competitor's communication positively impacts leader brands. Category communication increases the category demand, and the leader benefits from the highest demand conversion. This led to a counterintuitive measure to decrease weights in the full season to optimize budgets.

All applied findings led to considerable sales increases within the same budget: a 16% sales increase for a cold & flu category player.

# LET'S STAY IN



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