Introduction

WOOX Innovations is a company based out of China that sells Philips branded sound electronics as a brand license. WOOX has inherited a rich brand heritage from Philips and they are looking to further strengthen brand awareness through more effective consumer targeting efforts. For this purpose, they need insights into consumer needs and purchasing behavior for music electronics. The goal of this project is to use internal and experiment derived data to provide WOOX with meaningful insights into their consumer profile. We have provided recommendations to WOOX on who their target customer should be and future steps for further improvement of targeting efforts.

Team Woot’s Objectives

1) Utilize secondary and primary data to develop consumer segmentation insights
2) Understand customer to inform upselling / cross-selling opportunities
3) Recommendations for future experimentation

Analytical Approach

In order to improve cross-sell / upsell targeting, we need to understand:

- Which other brands does WOOX compete with?
- Who potential WOOX customers are and how they perceive the brand?
- Which competitors should WOOX target to win additional market share

Survey Design

In order to understand the customer better, our team set out to design a survey using Qualtrics that was distributed using Amazon Mechanical Turk (mTurk). The survey was run in two separate equal batches, one limited to the U.S., and the other to the rest of the world (R.O.W.), totaling 1,072 respondents (~500 each for U.S. and R.O.W.). The majority of the R.O.W. respondents were from India although we did get a significant share of respondents from Europe. In particular, we focused our survey analysis on the headphone market. The mTurk interface insured singular non-duplicate entries and participant location was provided by Qualtrics as longitude/latitude, which were confirmed independently by a further reverse IP address lookup for city and country of origin.

US Customer Perceptions from M-Turk Survey (n=500 US; n=500 ROW)

Advanced Data Analytics

characteristic variables in order to better segment the potential customer segment:

- Age Group: Under 18, 19-24, 25-33, 34-45, 46-60, 60+
- Active Social Media Usage: Facebook, Twitter, Instagram, YouTube, Pinterest
- Type of Phone: iPhone, Samsung, Other Phone User
- Preferred Living Environment: Urban, Suburban, Rural
- Purchasing Focus: Manufacturer Reputation, Brand, Reliability, Specs & Value
- What they Perceive Philips for: Design, Value, Sound, Don’t Know
- Brands Considered: Beats, Bose, JBL, Philips, Samsung, Sennheiser, Sonos, Sony

What does internal data tell us?

- WOOX sent close to 1M emails in the last six months
- These ranged from Cross-sell to Upsell
- 2.5% of sent emails resulted in a click-through

Survey responses suggest that customers who perceived Philips/WOOX products as rating high in this dimension were highly likely to self-report as being interested in purchasing Philips/WOOX products. Logit regressions suggest that customers who perceived Philips/WOOX products as rating high in this dimension were highly likely to self-report as being interested in purchasing Philips/WOOX products. Logit regressions suggest that customers who perceived Philips/WOOX products as rating high in this dimension were highly likely to self-report as being interested in purchasing Philips/WOOX products. Logit regressions suggest that customers who perceived Philips/WOOX products as rating high in this dimension were highly likely to self-report as being interested in purchasing Philips/WOOX products. Logit regressions suggest that customers who perceived Philips/WOOX products as rating high in this dimension were highly likely to self-report as being interested in purchasing Philips/WOOX products.

Recommends and Next Steps:

1- WOOX should ensure that the high sound quality of its products comes across in its messaging.
2- WOOX should focus its marketing and customer prospecting on customers that also hold Sony, Philips, Sennheiser, and Samsung and their consideration set. Additionally, WOOX should specifically avoid targeting Beats and Bose customers as these individuals show a significantly decreased likelihood to also consider Philips/WOOX products.

3- Data shows that WOOX has a customer age demographic in the range of 24-60. It is speculated that teens and young adults tend to shy away from WOOX because their products do not currently have a strong brand recognition and cool factor. Similarly, the sophisticated design characteristics of many WOOX products tend to skew their age appeal to older adult demographics.

In addition:

i. Move data analytics capabilities beyond dashboard-level summaries.
ii. Develop targeted insights by synthesizing internal and external data sources.
iii. Initiate A/B testing to optimize messaging, content, and design.
iv. Evolve marketing attribution to more sophisticated methods.

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