

*Marketing Analytics Report*



**Timeless Elegance, Modern African Essence**

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Macro Trends | Survey Analysis | Target Audience | Social Media | Paid Search | New Product Line



# MACRO TRENDS

## Seasonal Market

The search trends for watches are seasonal and peak each year during the holiday season, especially in December

## Rise of Non-Luxury Brands

It is estimated that **63% of the sales** in the Watches market by 2023 will be attributed to Non-Luxury

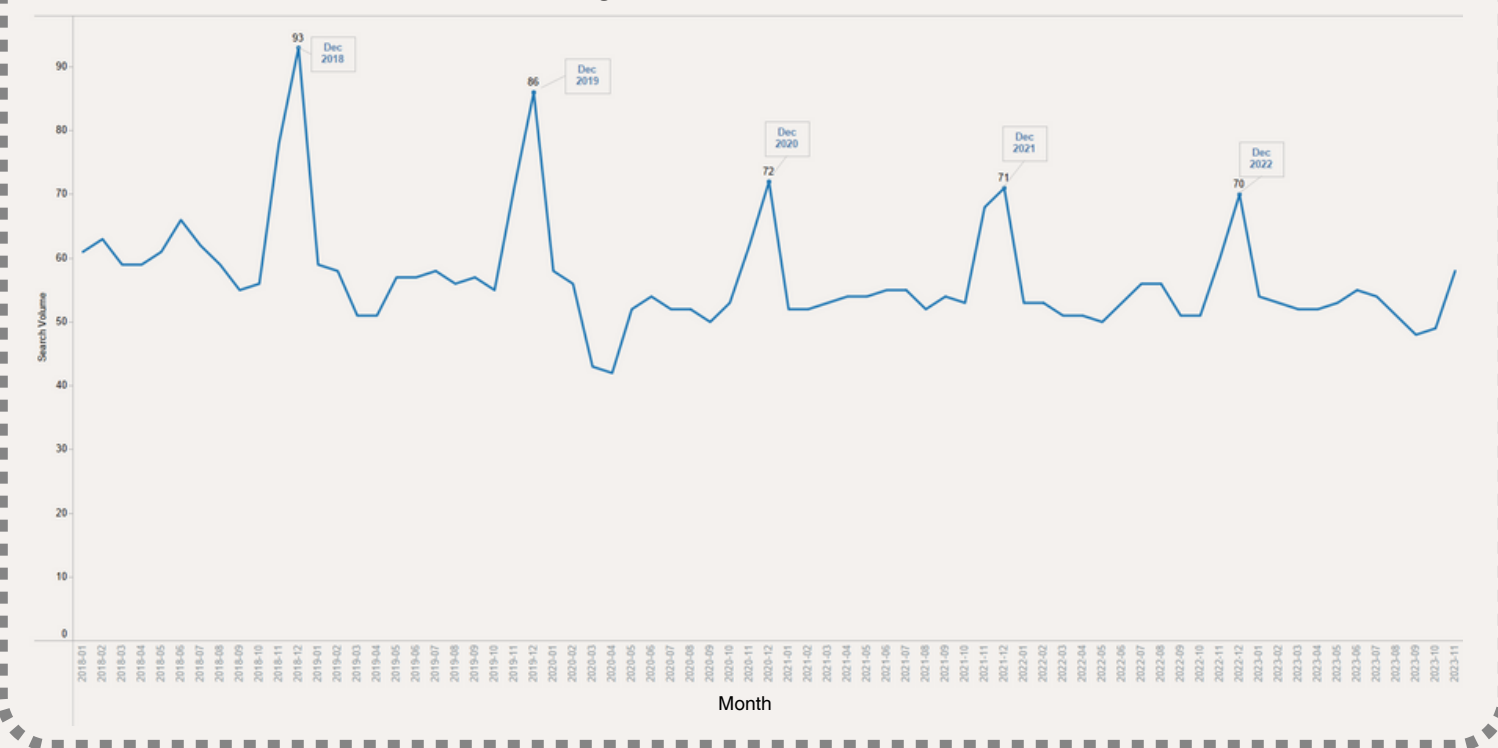
## Sustainability Focus

**51%** of consumers now view sustainability as more crucial than a year ago, and an overall shift towards sustainable fashion

## Unique Designs

Recently, the revival of **vintage designs**, with the integration of **sustainable materials**, is boosting the market growth

Search Volume for 'Watches' via Google Trends



Data from Jan 2018 to Nov 2023





# SURVEY DATA - KEY DRIVING FACTORS

*(Ordering from the “most influential” to the “least influential”)*

## For Watch Purchase:

- **Loyalty:** Non-participants in the loyalty program are more likely to purchase
- **Annual Income:** People with higher annual income are more likely to purchase
- **Favorite Brand Attribution :** Attribution preferences have a slight impact on purchases
- **Gender:** Males are slightly more likely to purchase

## For Sign-ups:

- **Monthly Fashion Spend:** Higher fashion spenders are more likely to sign up
- **Annual Income:** People with higher income are more likely to sign up
- **Work Status:** Professionals are slightly more likely to sign up
- **How audiences first hear about the brand:** “Instagram” and “organic search” narrowly prevail

*(Details of model comparison and driving factors indexes can be found in the appendix)*



# SURVEY DATA

## - MARKETING INITIATIVES FOR DRIVING SIGNUP

### Attract more fashion enthusiasts & mid-to-high income earners

- Provide exclusive fashion offer
- Enhance the existing email marketing campaigns
- Implement a tiered rewards system based on their spending levels

### Social media focus

- Boost brand exposure: strategic content and paid ads
- Targeted ads: reach the audience accurately and improve conversions

### SEO optimization

- Conduct keyword research to improve keyword ranking
- Improve the website ranking in SERPs





## What are our existing customers like?

- Predominantly millennials
- Slight male majority among customers
- Mostly early fashion adopters
- Limited monthly fashion spend
- A majority of career-oriented professionals
- Lower-mid income earners

# USER BEHAVIORS

- Digitally savvy, frequently utilizing social media and search engines for online shopping
- As early fashion adopters, our users are keen on staying abreast of the latest fashion trends
- Operating within a limited budget for fashion, our users prioritize finding products that balance quality and affordability

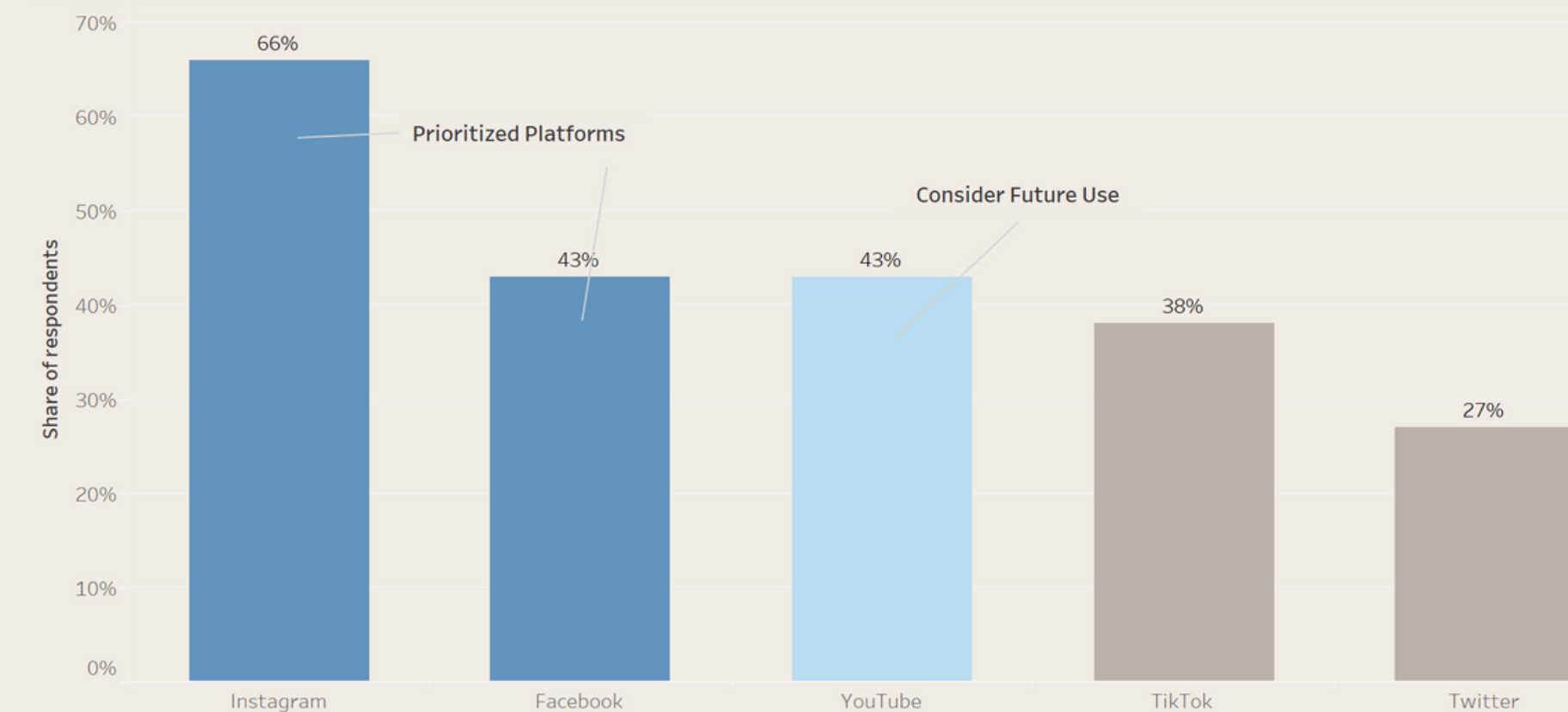




# SOCIAL - ADS BUYING

## Social media data

Social media platforms used to directly purchase fashion items in the United States as of 2022



## Prioritized Platforms: Improve Conversions

Targeting both upper and lower funnel by utilizing AI technologies  
“Lookalike audiences”



### Instagram

**Existing channel:** retain & enlarge the user base

### E-commerce integration

**50.9 million millennials** — Instagram’s Largest audience group

**33 minutes** — Time spent with Instagram by users in 2023

**66%** — Directly purchase fashion items in 2022 (US)



### Facebook

**58.9 million millennials** — Facebook’s Largest audience group

**31 minutes** — Time spent with Facebook by users in 2023

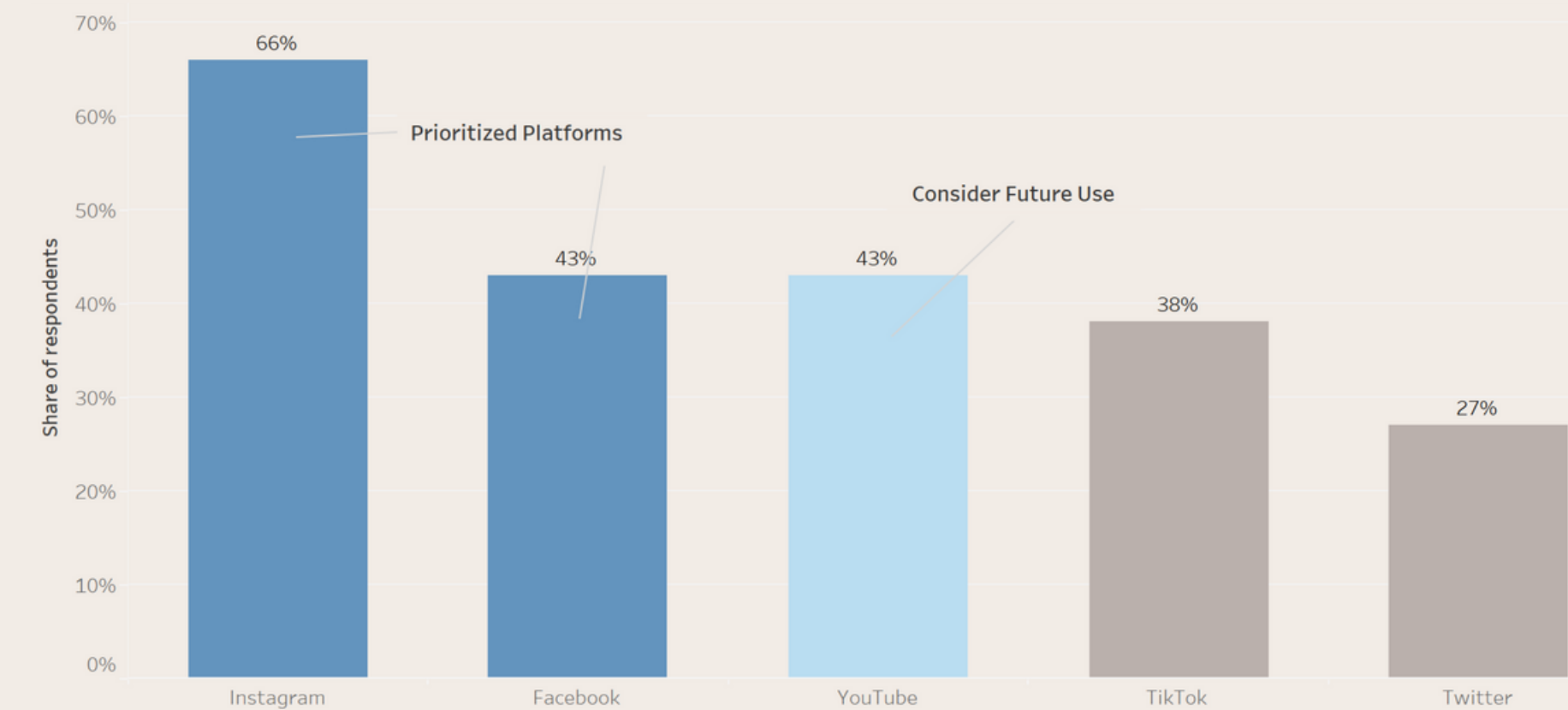
**43%** — Directly purchase fashion items in 2022 (US)



# SOCIAL - ADS BUYING

## Social media data

Social media platforms used to directly purchase fashion items in the United States as of 2022



## Consider Future Use: SEO Benefits



YouTube

**2nd largest search engine: SEO efforts**

**49 minutes** — Time spent with YouTube by users in 2023

**Heavily used by Gen Z**

## Why Not Use TikTok?



TikTok

**45.8 million Gen Z** — Mostly Gen Z, only 34.5 million millennials

**27 minutes** — Average daily usage time of TikTok by users aged 25 to 34 years

**38%** — Directly purchase fashion items in 2022 (US)



# SEARCH STRATEGY

In light of the existing challenges, integrating a paid search strategy is essential

## Starting with Google Ads

### WHY

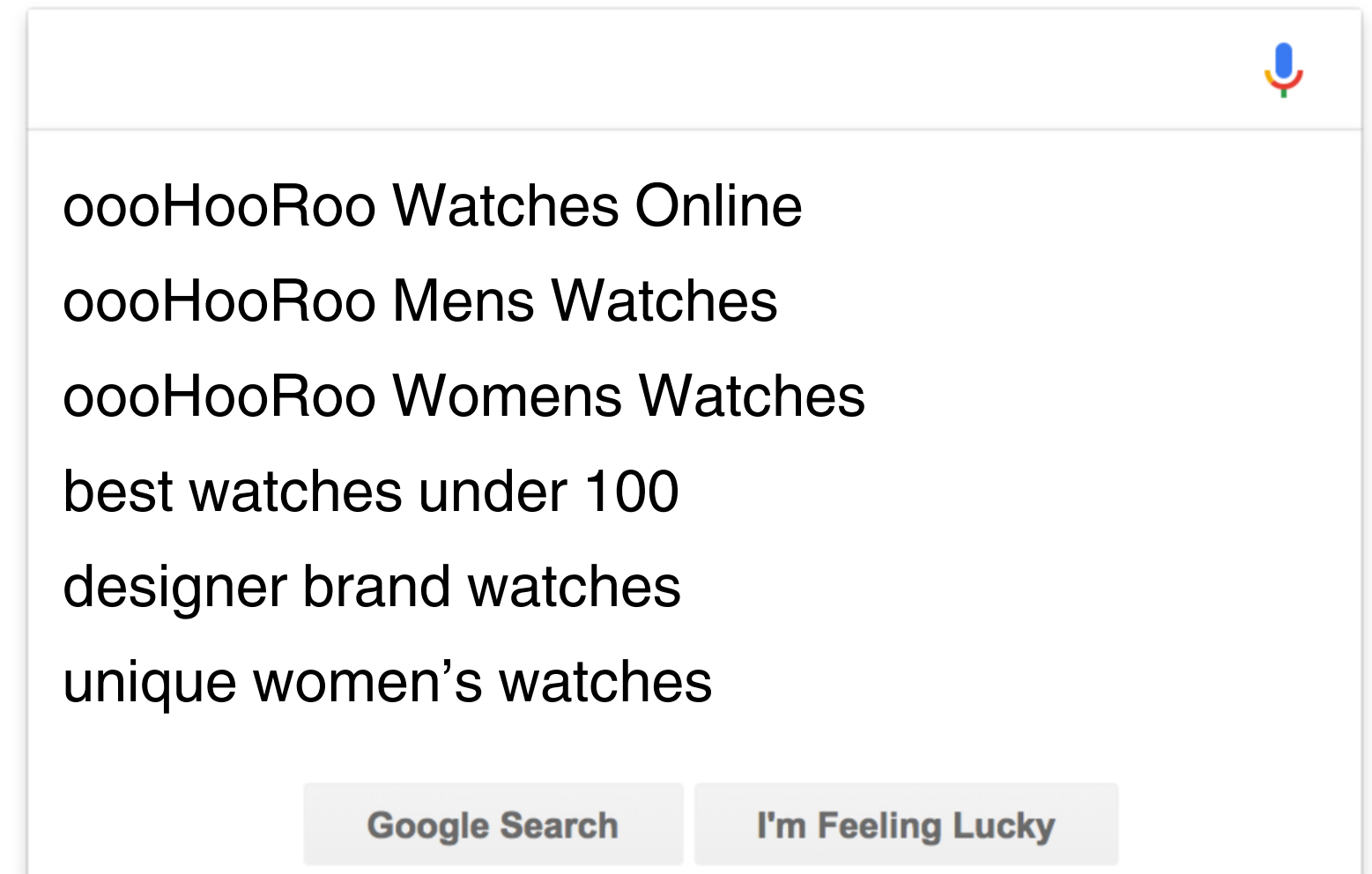
- E-commerce friendly drives customers to the website
- Wide, cross-device reach
- Granular, keyword-level control
- Increase visibility in the crucial buying phase

### HOW

- Using lookalike audience
- Start with a defensive strategy: using the lower funnel, branded and unbranded keywords
- Capture high-intent users

### WHEN

- Increase Ad spend during the holiday season

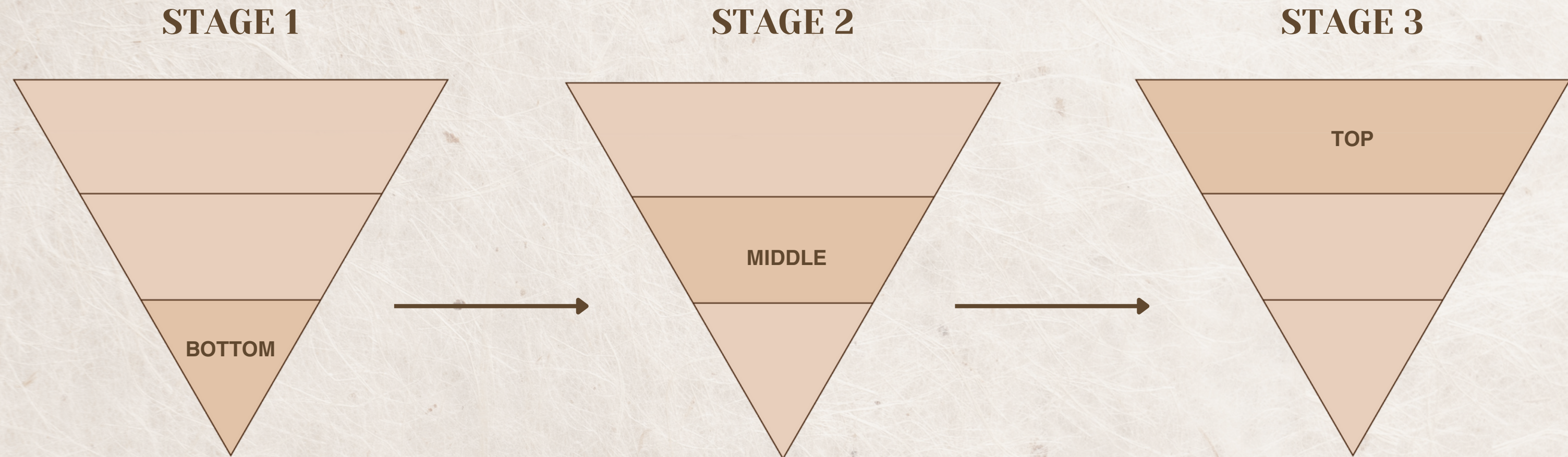


**Assuming a CLV  $\approx$  \$27, CPC = \$1.34**

*(For detailed calculations refer to the appendix)*



# FUTURE CONSIDERATIONS



## **CURRENT STAGE**

## **Middle of the Funnel**

- Customers in the consideration and intent phase
- Continue defensive strategy
- Start including more generic terms

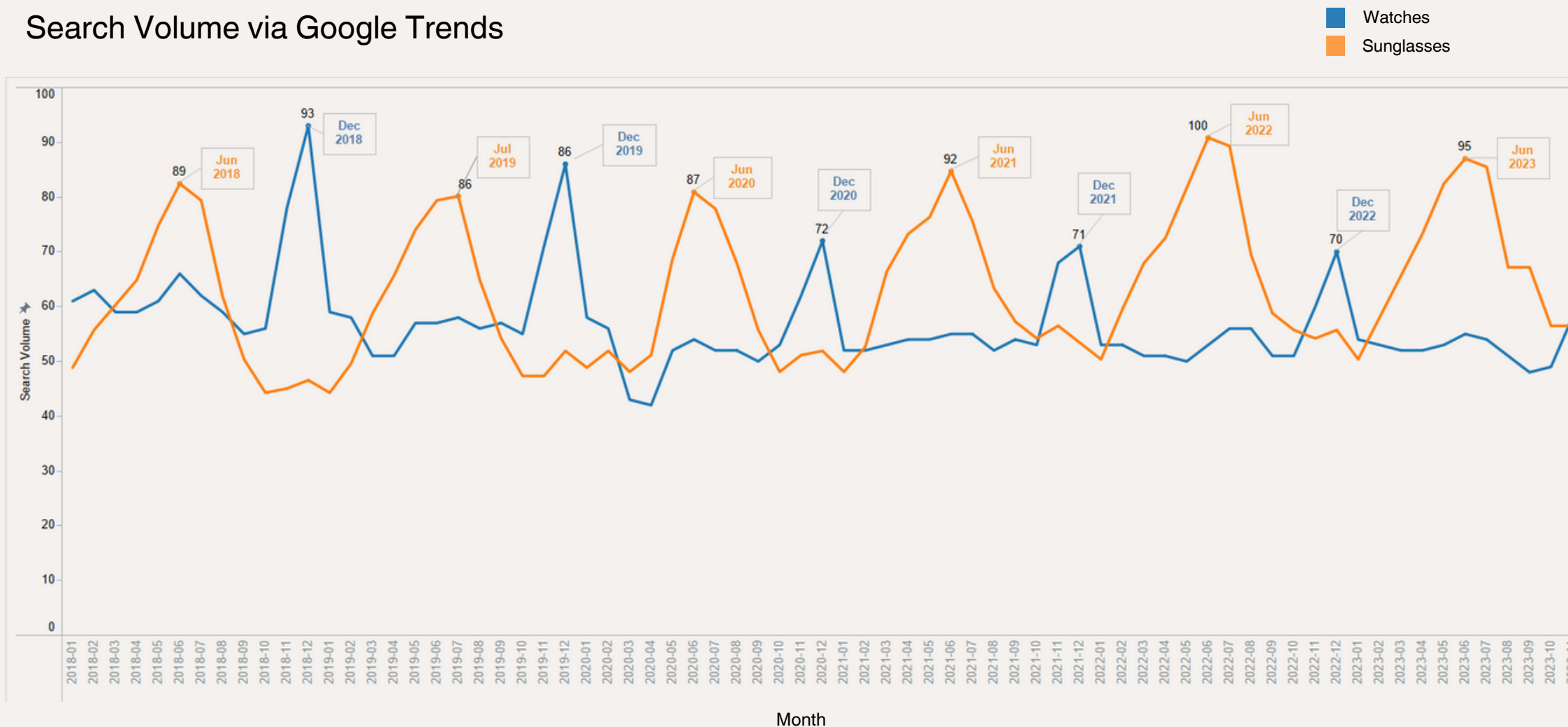
## **Top of the Funnel**

- Customers in the awareness and interest phase
- High focus on unbranded, generic terms
- Offensive strategy: target competitor terms as well



# INTRODUCING A NEW PRODUCT LINE

Search Volume via Google Trends



Data from Jan 2018 to Nov 2023

## Seasonal Advantage

- Sunglasses peak during the summer months
- Search volume has noted a steady growth
- Ad Spend can be divided on different product according to the season
- Introduction can ensure year-long and diversified revenues

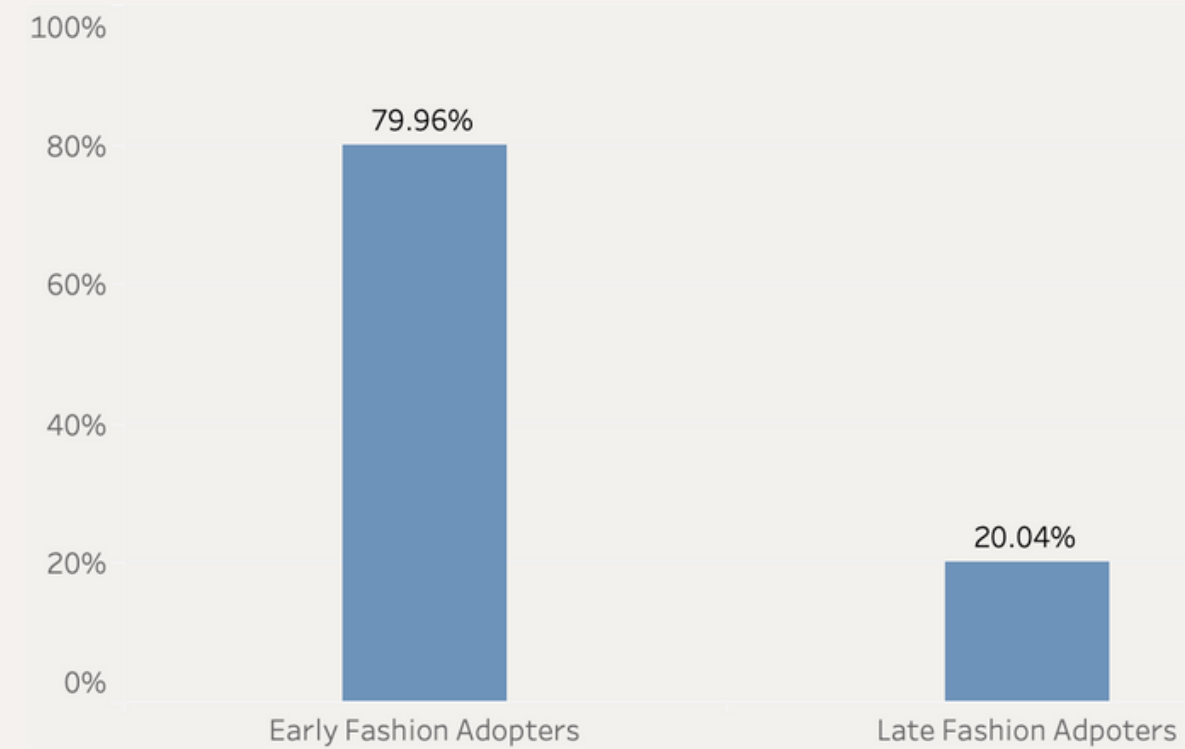


# INTRODUCING A NEW PRODUCT LINE

## Existing Customers

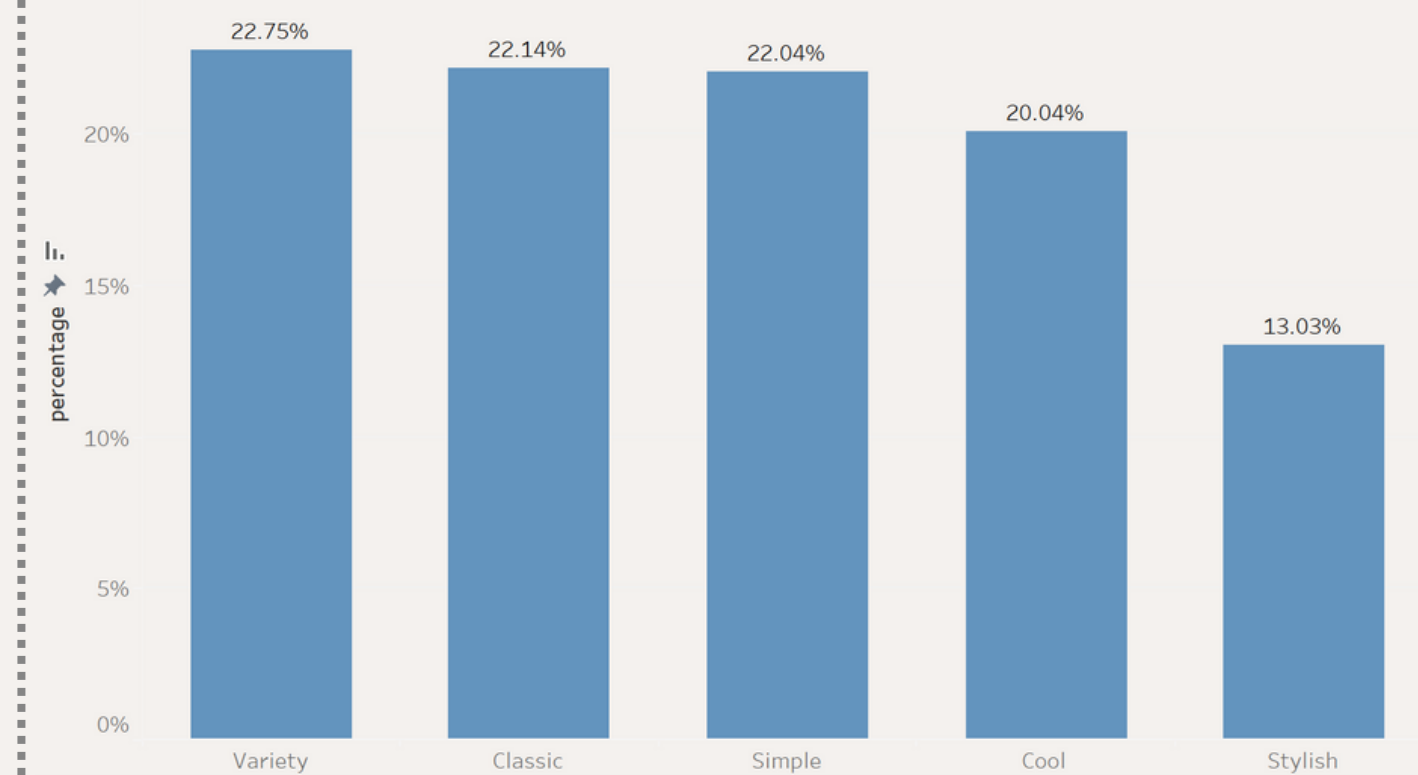
**79.96%** of survey respondents are early fashion adopters

Fashion Adoption Trends Among Survey Respondents



Our users demonstrate **diversity** in their fashion preferences

The Percentage of Favorite Brand Attributions Among Survey Respondents



## Competitor Landscape

**Trends** in the development of men's sunglasses product line

**MVMT** Focuses on a range of shapes and colors

**VINCERO** Highlights handcrafted & sustainably made frames



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# THANK YOU



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# APPENDIX *(Reference Links)*

## **Macro Trends**

<https://www.brandwatch.com/blog/understanding-consumer-shopping-behavior/>

<https://www-statista-com.libproxy2.usc.edu/outlook/cmo/accessories/watches-jewelry/watches/north-america#global-comparison>

## **Social**

<https://www-statista-com.libproxy2.usc.edu/statistics/1254990/united-states-leading-social-networks-apparel-fashion-shopping/>

<https://forecasts-na1.emarketer.com/5aa1832560a1570f8cae1aa1/5ae37bafa2835e0998ae9544>

<https://forecasts-na1.emarketer.com/584b26021403070290f93a15/5851918a0626310a2c186a28>

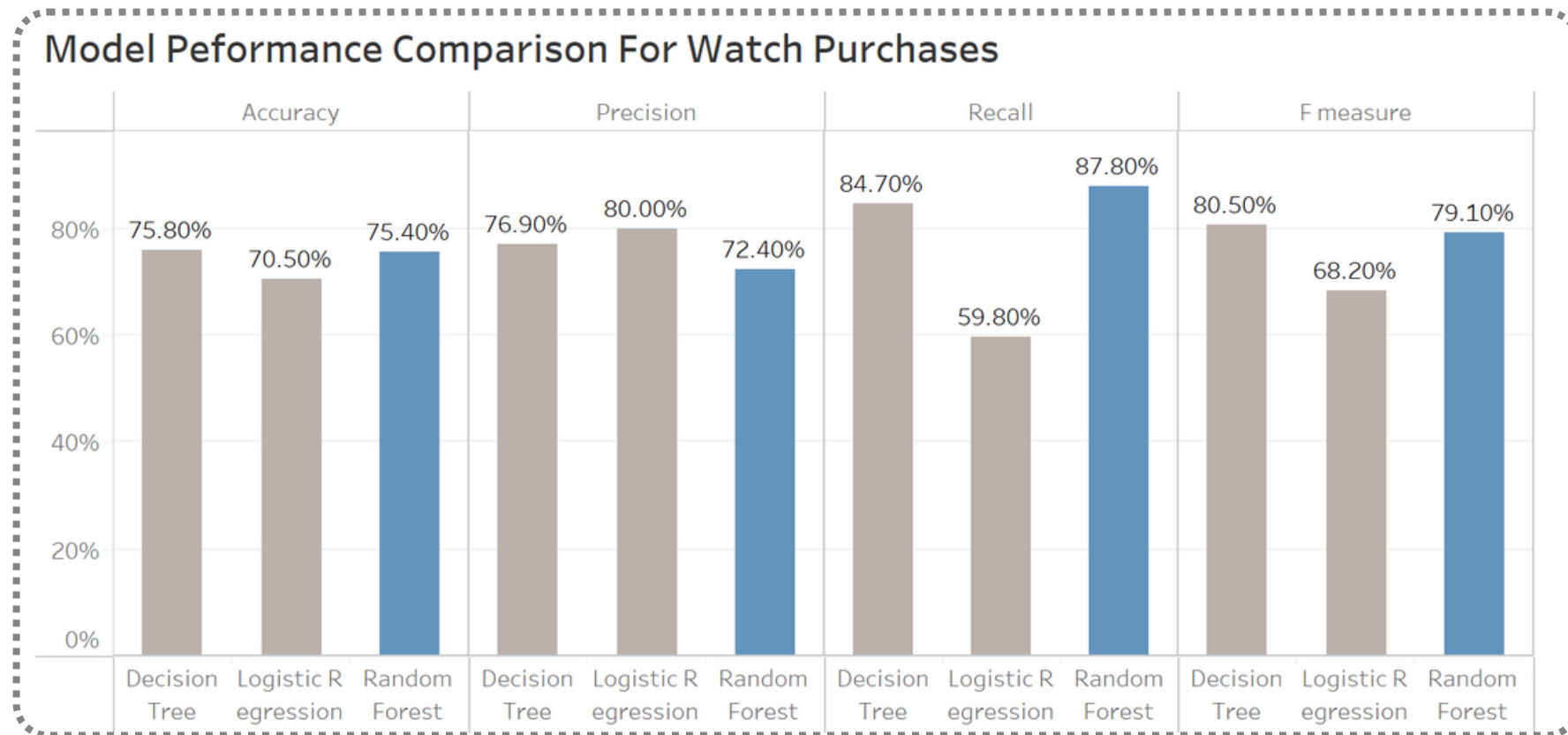
<https://forecasts-na1.emarketer.com/59148665aeb8830e3829e6a0/5e56f6a51beeb90854916d63>

<https://forecasts-na1.emarketer.com/5e4c6b5ec56a401090de843e/60895dd90b2f28075cb1a57f>



# APPENDIX *(Prediction Model Selections for Watch Purchase and Sign-ups)*

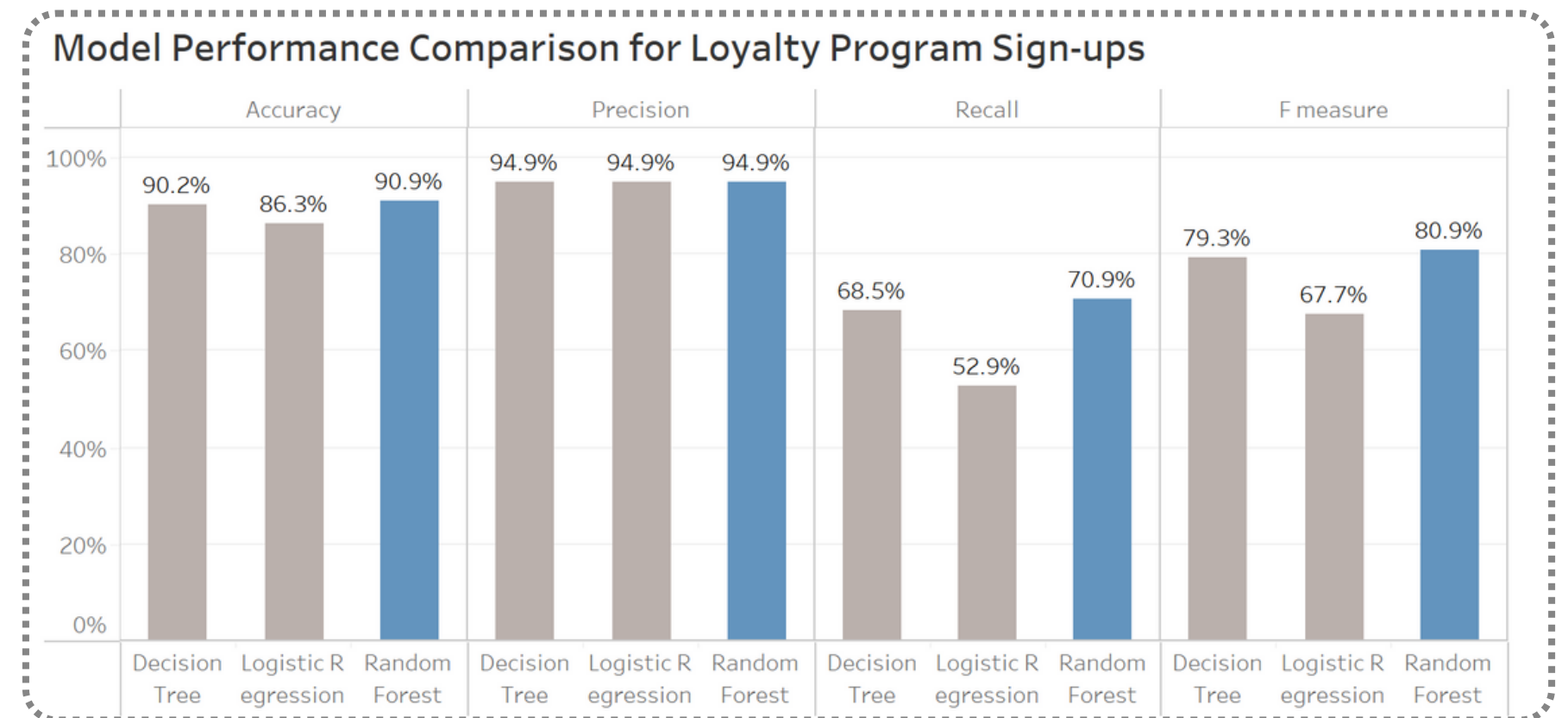
## For Watch Purchase:



### Random Forest Model excels:

- Random Forest model with highest recall, excels in reducing false negatives
- Although its accuracy is slightly lower than the Decision Tree, Random Forest shows more balanced performance across all metrics, making it more reliable

## For Sign-ups:



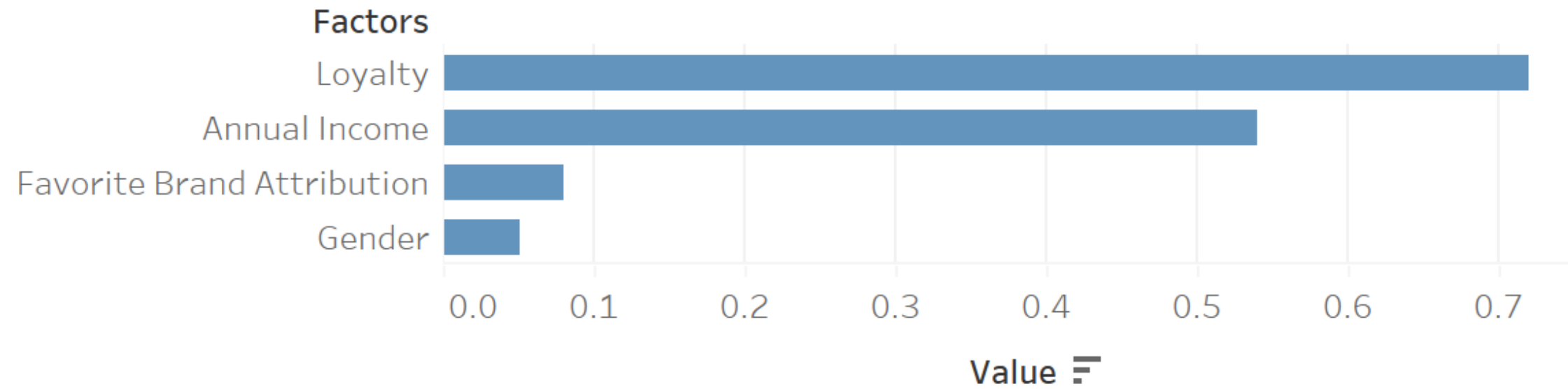
### Random Forest Model excels:

- Three models all share the same precision of 94.9%, indicating a consistent ability to correctly identify true positives across these models
- Random Forest outperforms in the remaining three metrics - Accuracy, Recall, and F measure, making it the most balanced and effective choice for this dataset

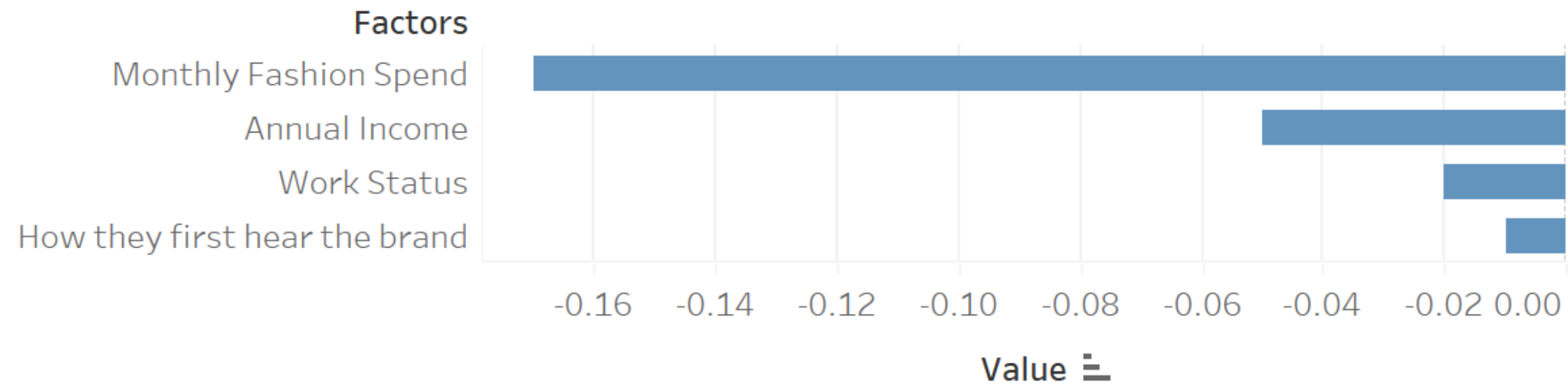


# APPENDIX *(Driving Factors for Watch Purchase and Sign-ups)*

Driving Factors for Watch Purchases (Ordering from most influential to least influential)



Driving Factors for Sign-ups (Ordering from most influential to least influential)





# APPENDIX *(Important Calculations)*

## Summary of Customer Lifetime Value (CLV), Cost Per Acquisition (CPA), and Cost Per Click (CPC) Calculations

Average Order Value (2019.1 - 2023.10) = \$89.48

Assuming a single purchase per customer at oooHooRoo, CLV = Average Order Value = \$89.48

**CLV calculation: \$89.48 \* 30% = \$26.84** (adjusted for a conservative estimate)

To ensure a profitable acquisition, the CPA should not exceed the CLV

Assume **CPA(max) = CLV = \$26.84**

**CPC= CPA \* Conversion Rate = \$26.84 \* 5% = \$1.34**

Therefore, the CPA is \$26.84 and the CPC is \$1.34



**APPENDIX** *(Keyword Examples)*

<b>Keyword</b>	<b>Avg Monthly Searches</b>	<b>Competition</b>	<b>Top of the Page Bid</b>
best watches under 100	1600	High	0.93
Unique Women's watches	1000	High	1.28
designer brand watches	590	High	1.01