

Predicting House hold Affinity to Various Consumer Products



Company and Industry:

An advertising agency that buys significant TV advertising time in national and local markets. Its customers are large consumer product companies in industries such as Automotive, Health and Beauty Products, and Food.

Impact:

The agency is now more effective at targeting their ad buying to reach more households with affinity to the product advertised, while keeping the overall cost of ad purchasing low through effective selection of stations, markets and programs.

Business Problem:

The agency's business success is directly linked to their ability to predict which types of households have an affinity to the products its customers sell. The client has detailed data on the actual purchasing behavior of a small group of US households, but data collection is time consuming and scaling it up would be prohibitively expensive. It is interested in a more time and cost effective method to predict the purchasing behavior of a much larger number of households across various advertising markets.

Solution:

The client had used Prophecy to build accurate household level product affinity models. These models were highly effective even when the % of potential target households in a market is low. Using Prophecy, client's internal staff performed the analysis and built the models without any statistical or data mining expertise, and completed the work well within the budgeted time and cost.