



# Panasonic Online to Store Case Study

Leveraging MarketShare's Cross-Channel Analytics Platform to Quantify the Total Marketing ROI on Sales at Retail

August 2012

# Executive Summary

1

Panasonic market share of in-store digital camera sales at the retailer increased **by 4%** during the campaign period

2

**15%** of 'Product X' in-store sales were driven by the brand marketing campaign, of which **online advertising accounts for 40%** (while being only **15%** of the campaign budget)

3

Compared to TV, online advertising delivers a higher return

Each € invested in **Paid Search delivers 9 times the ROI** on Product X sales compared to TV

- Paid Search is the most cost effective digital channel followed by YouTube (Pre Roll/demo)
- 13% of 'Product X' offline camera sales were driven by the web

4

Although the campaign was well executed, **optimising the media mix reveals sales could have been increased by 9%**, with the same campaign expenditure



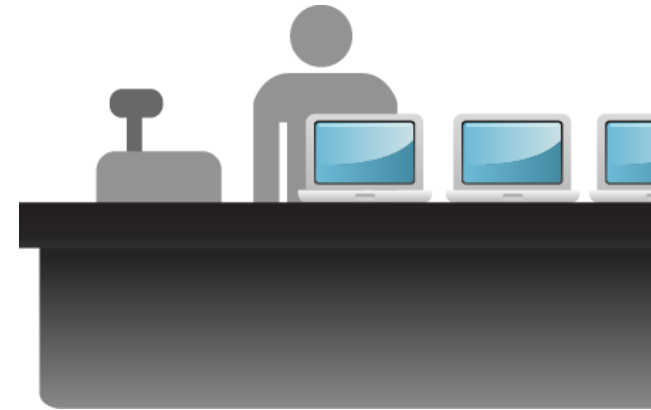
## Situation Analysis & Methodology

# Research Objectives & Scope



## Objective

To understand and quantify, using MarketShare analytics, the effectiveness of Online vs. Offline media activity on a selected digital camera product ('Product X') and **Total Panasonic** Digital Camera Sales.



## Scope

The analysis covers the compact camera segment plus all other elements of the Digital Camera Category (Hybrid, Compact/Bridge, DSLR)

The analysis was applied to **offline sales in a specific retailer** at national level.

This study quantified the drivers of **three key business outcomes**:

- Sales units
- Panasonic website traffic
- Google query volume (**GQV\***).

The analysis covered the period from 25<sup>th</sup> July 2011 to 15<sup>th</sup> Jan 2012  
**(175 daily sales observations)**.

# Situation Analysis



## Media investment for the Panasonic 'Product X' Campaign

TV dominates campaign spend – **85% of the budget**

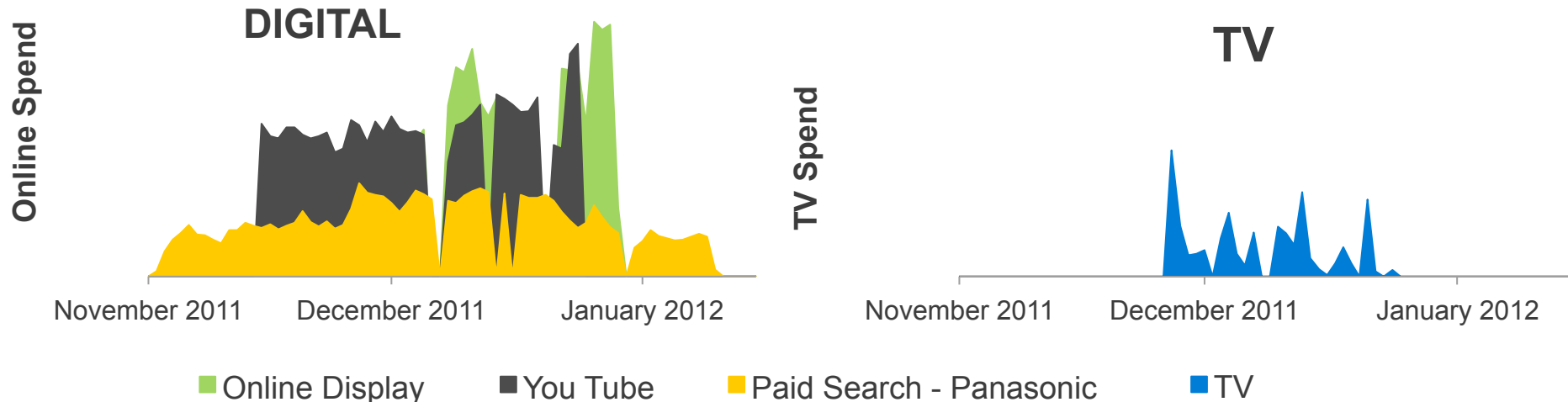
The remaining **15% is split between 3 digital channels:**

- YouTube (6%)
- Online Display (5%)
- Paid Search (4%)

Panasonic **digital spend and share of wallet** on the camera category **have increased** over Xmas 2011 vs. previous year

Panasonic **share of voice for digital has also increased vs. competition** while the plurimedia one remained stable year on year with competitors such as Nikon communicating actively

**Panasonic Media Spend**  
(Q4 2011 – Daily)



# Campaign overview



+



'Product X'  
campaign

Direct Response  
campaign

SEARCH AD

SEARCH AD

You Tube

VIDEO AD

GOOGLE DISPLAY  
NETWORK AD

GOOGLE DISPLAY  
NETWORK AD

'Product X'  
information  
page at  
Panasonic site

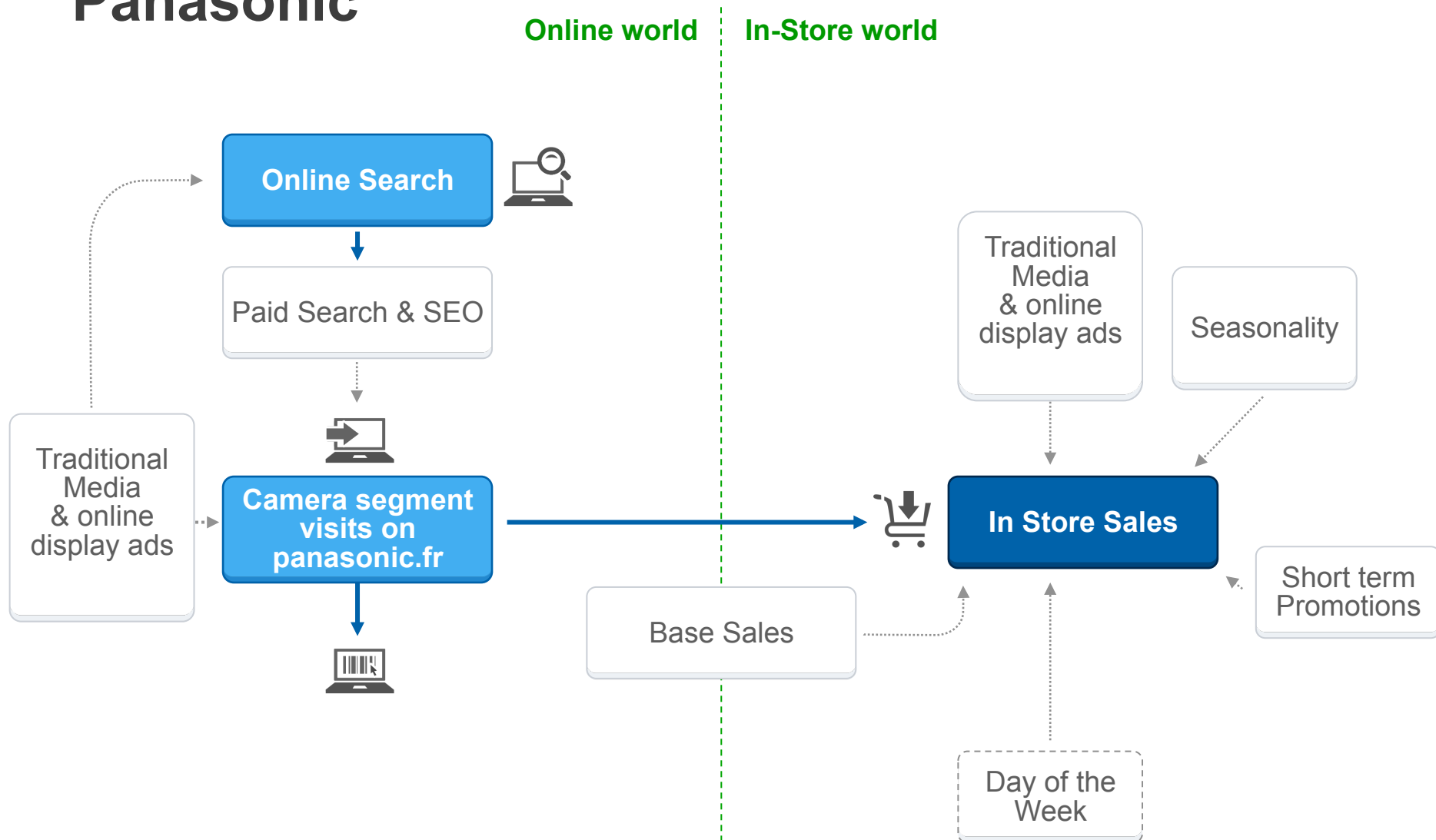
Direct response  
campaign page  
at  
Panasonic site

# Methodology & Analytical Approach

MarketShare constructed predictive dynamic models that accurately estimate Panasonic Digital Camera sales. The models evaluated all potential drivers – with the key elements illustrated below.



# Methodology: Variables analyzed for Panasonic







## Project Results: Offline To Retail Sales

What are the key drivers of Offline to Retail Sales for Panasonic products?

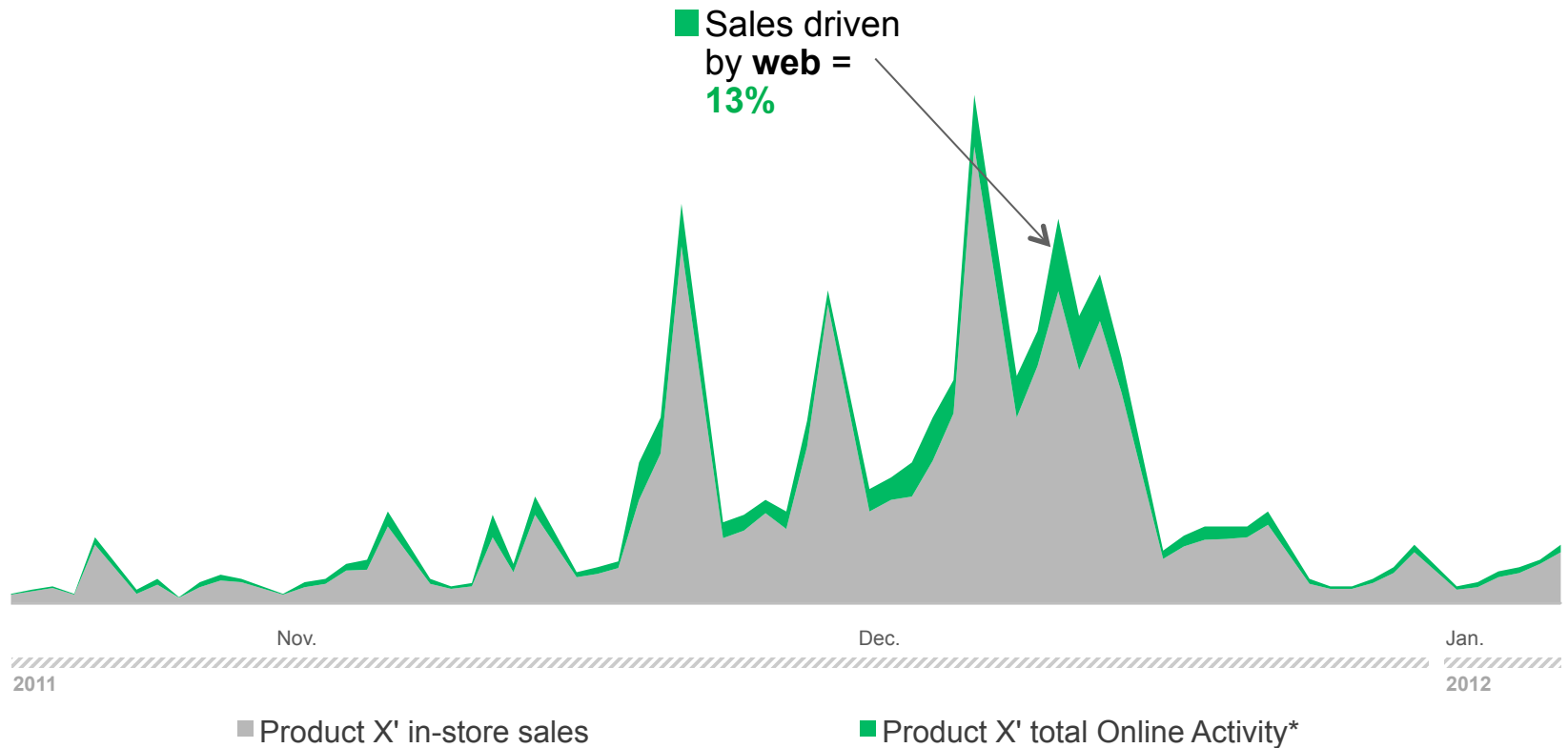
# 'Product X' sales volume over time



**13%**

of 'Product X' offline sales at the retailer **are driven by web traffic visits.**

'Product X' model Sales Volume

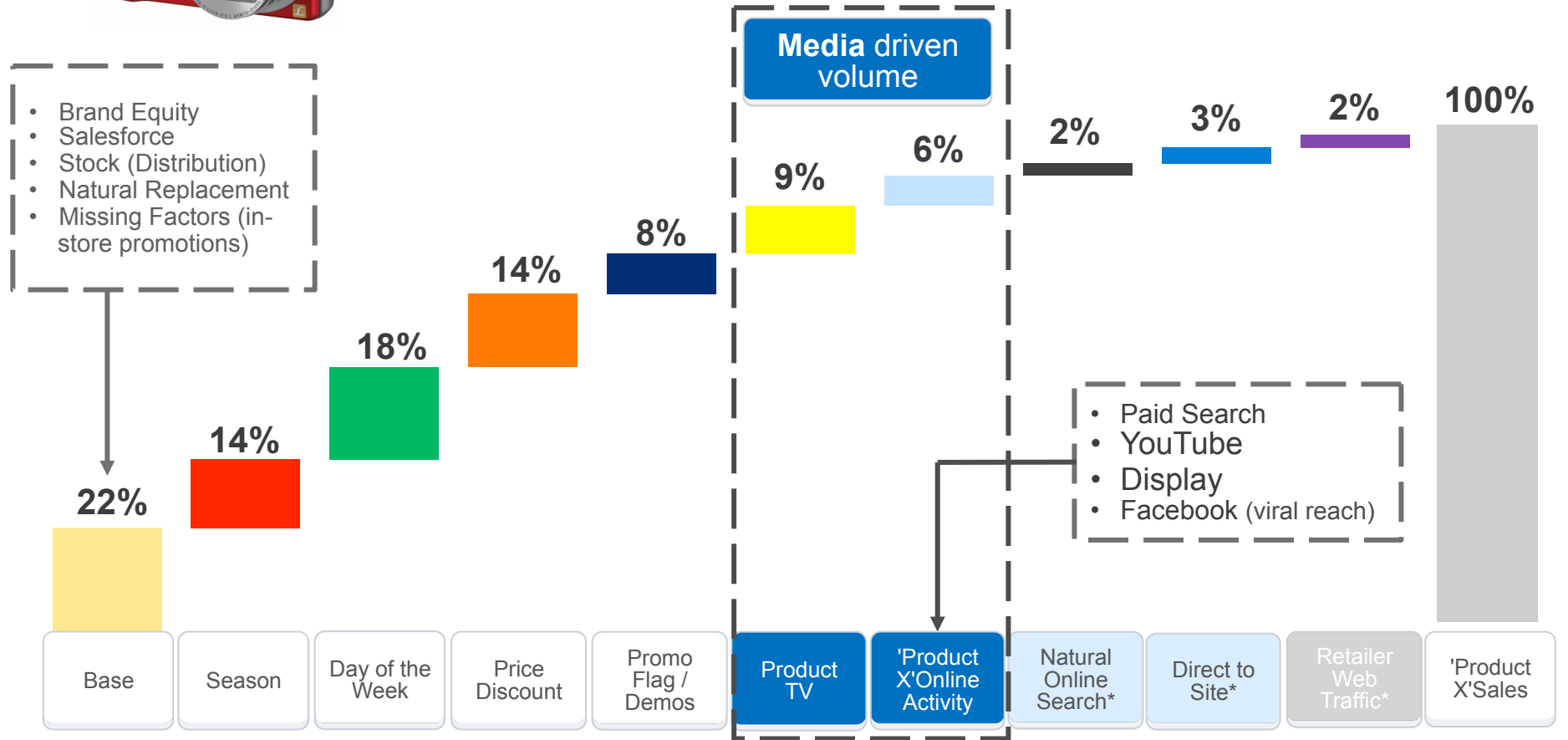


**Total 'Product X' Online Activity = 1. 'Product X' online activity, 2. Natural Search, 3. Direct to Site and 4. Retailer web traffic**

# Understanding the drivers of 'Product X' sales



**15%** of offline retail sales comes as a result of 'Product X' Brand marketing.



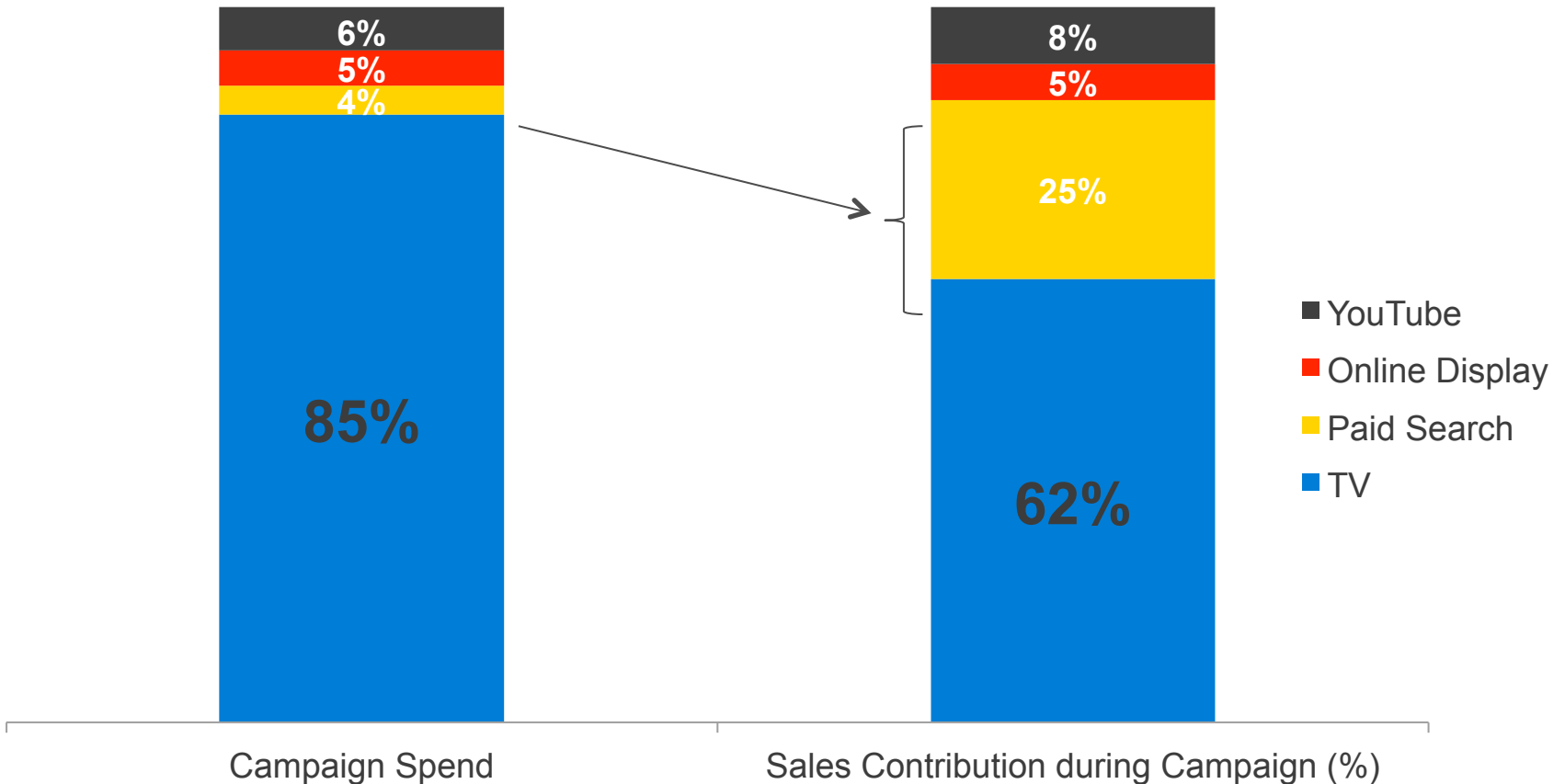
**Retailer Web Traffic\*** is defined as total **Retailer's domain**  
**Direct to Site\*** and **Natural Online Search** is defined as Camera segment visits to  
 Panasonic's sites

# Campaign spend versus Retail Sales contribution



**25%**

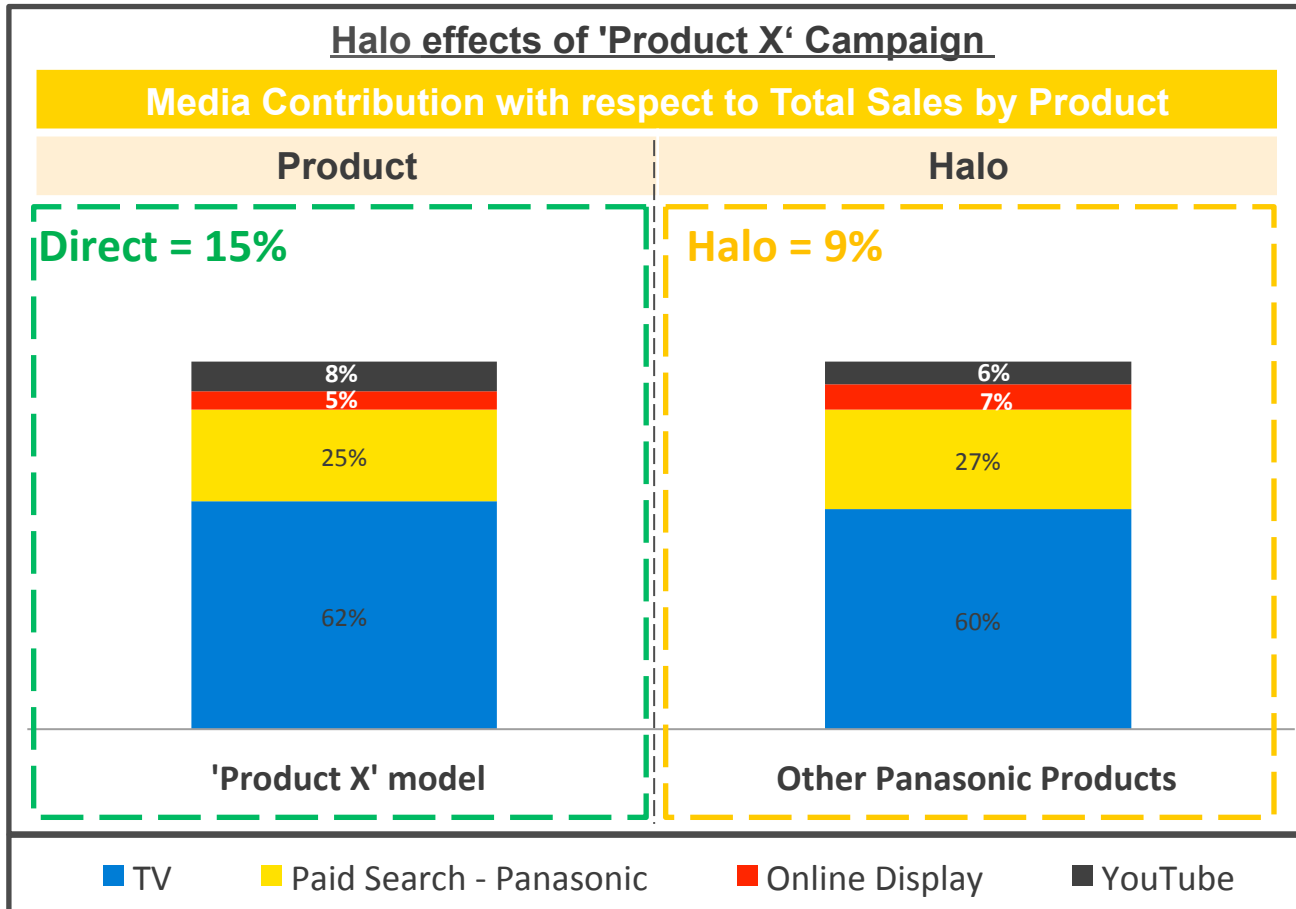
of Media generated '**Product X**' sales are driven by Paid Search.



# Halo effects of 'Product X' Campaign on to other Panasonic Products



**TV** has the strongest halo effect on other Panasonic products  
**followed by Paid Search**



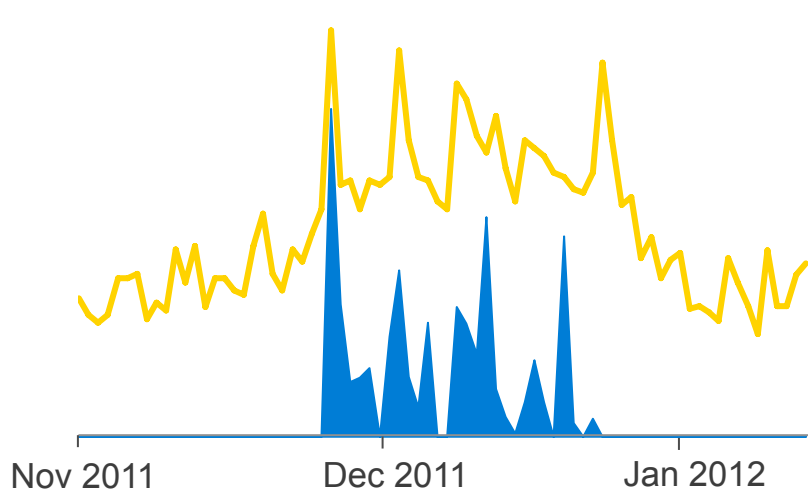
# Online and TV – the synergy effect isolated



Online sales contribution is **enhanced by 1% when run concurrently with TV.**

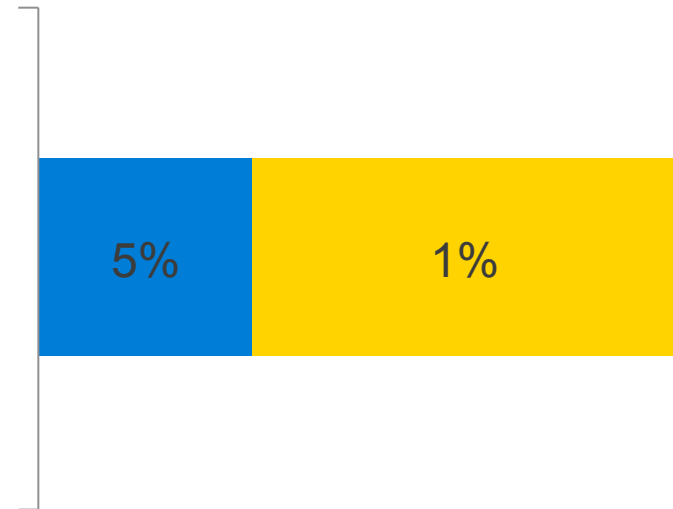
## Online contribution driven when TV is On-Air – 'Product X'

'Product X' TV Advertising vs. Search Query Volume



■ TV Gross Spend in €  
— Total Panasonic Search Query Volume

'Product X' online Activity



■ Direct Online contribution  
■ Online contribution driven when TV is On-Air



## Project Results: ROI of media spend

What is the ROI on Panasonic Marketing?

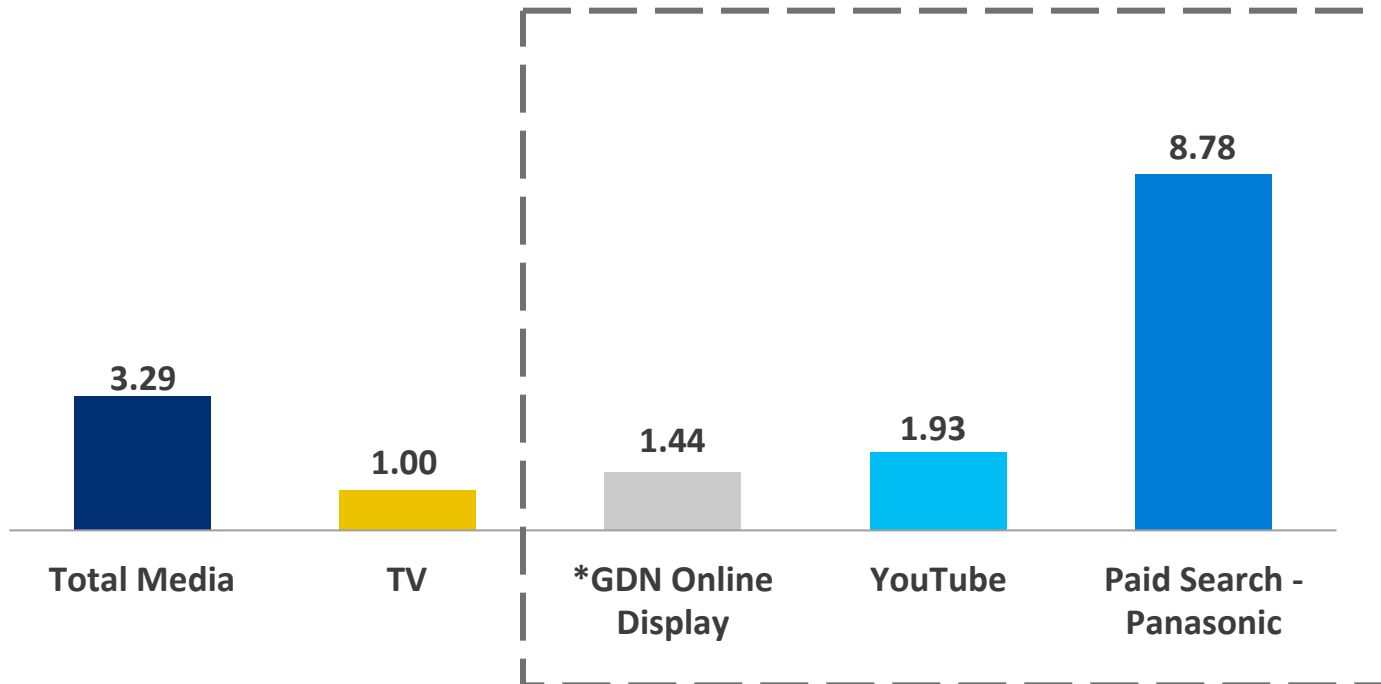


# ROI – Panasonic Product X campaign



**Product X paid search** campaign had the **highest payback**, with an ROI 8.78 times greater than the TV campaign

All ROI numbers are indexed relative to TV



\*GDN = Google Display Network

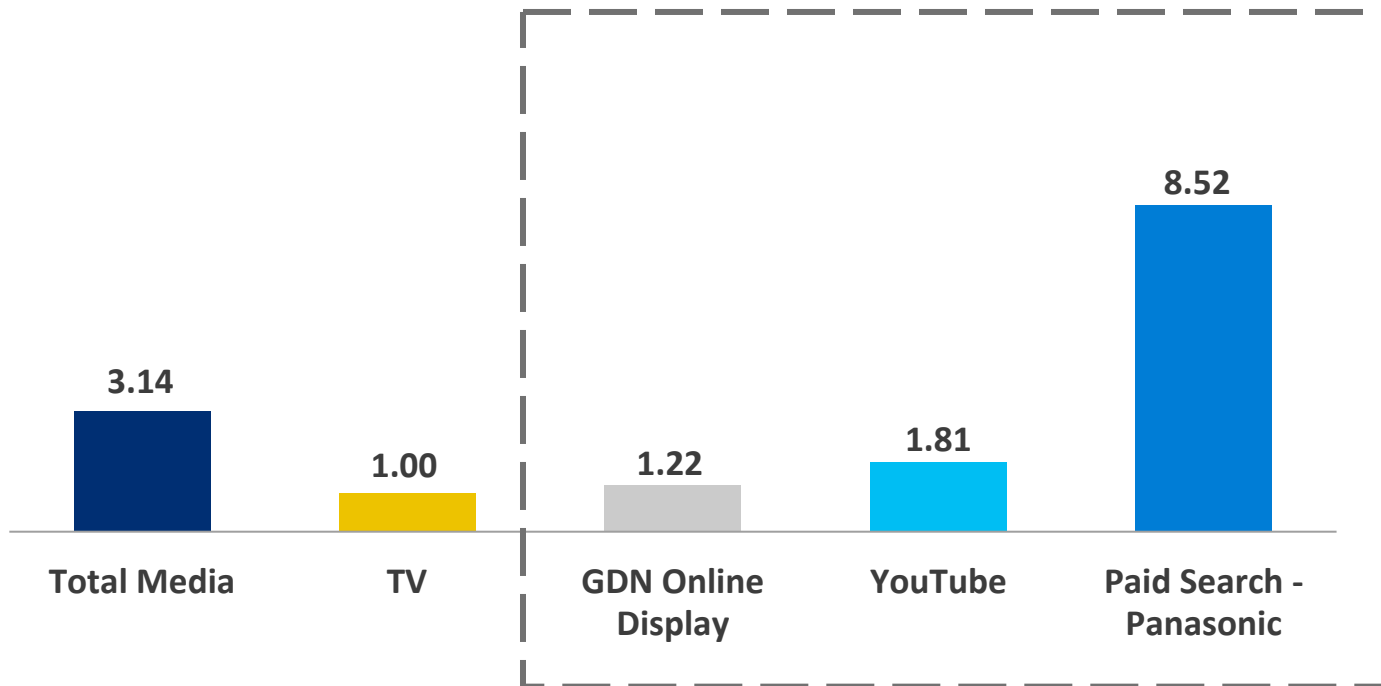


## ROI – Total Panasonic digital camera range



Accounting for **cross product halo effects**, product X paid search campaign **still** had the **highest payback**, with an ROI 8.52 times greater than the TV campaign

All ROI numbers are indexed relative to TV



\*GDN = Google Display Network

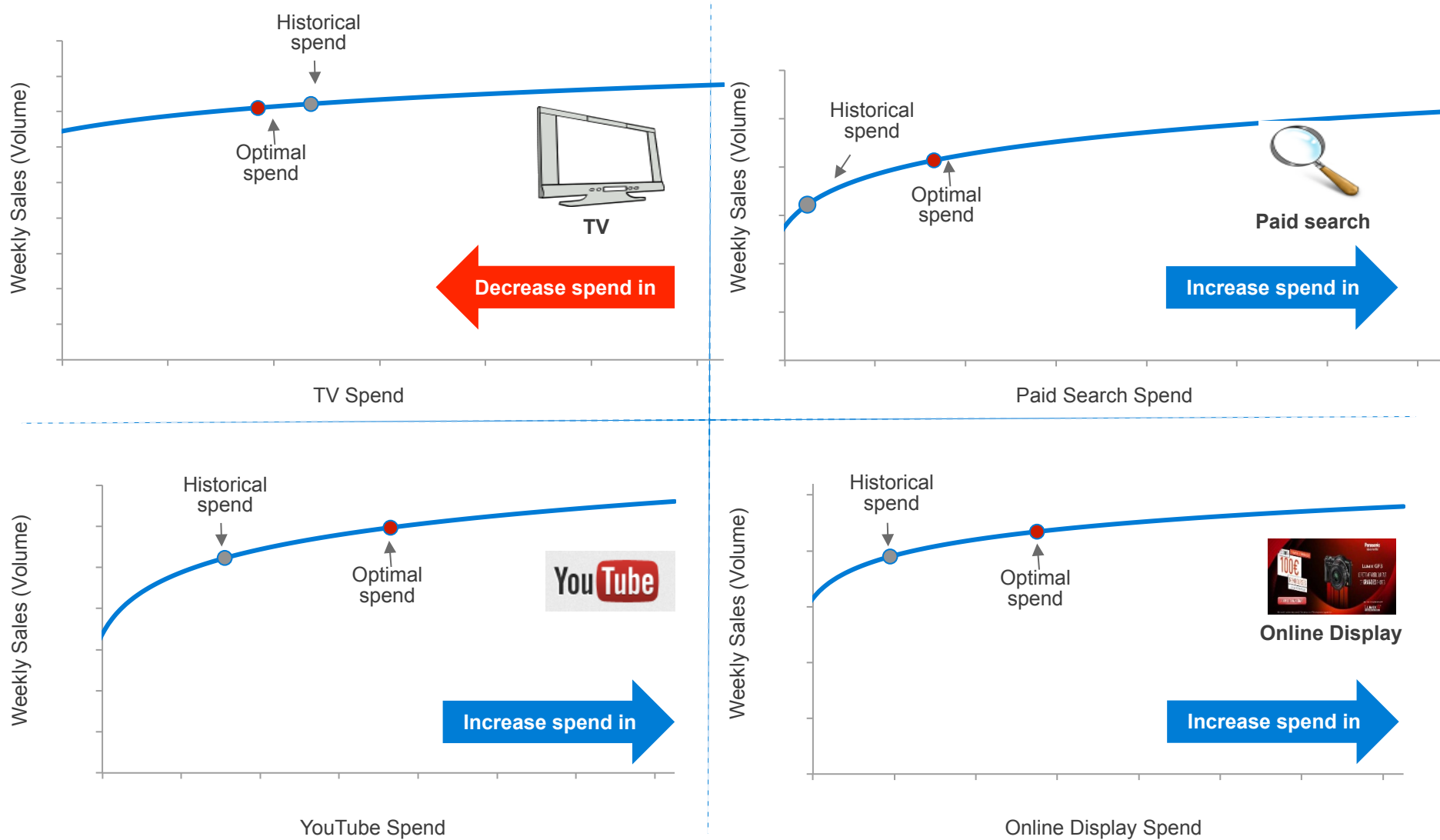


## Project Forecast

What is the Optimal point for Brand Investment Activity?

# Optimal spend levels for each communication channel

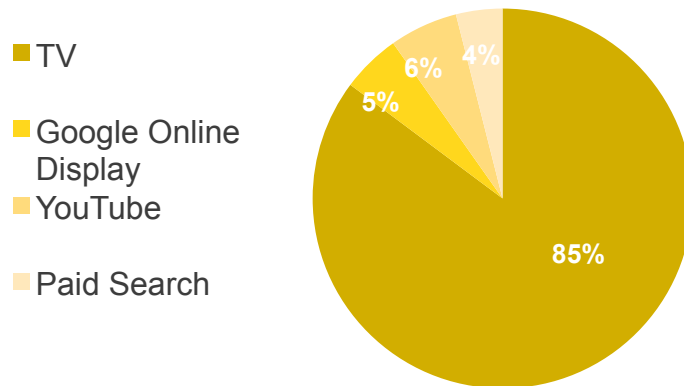
Finding the right level on each of the curves identifies the most efficient mix.



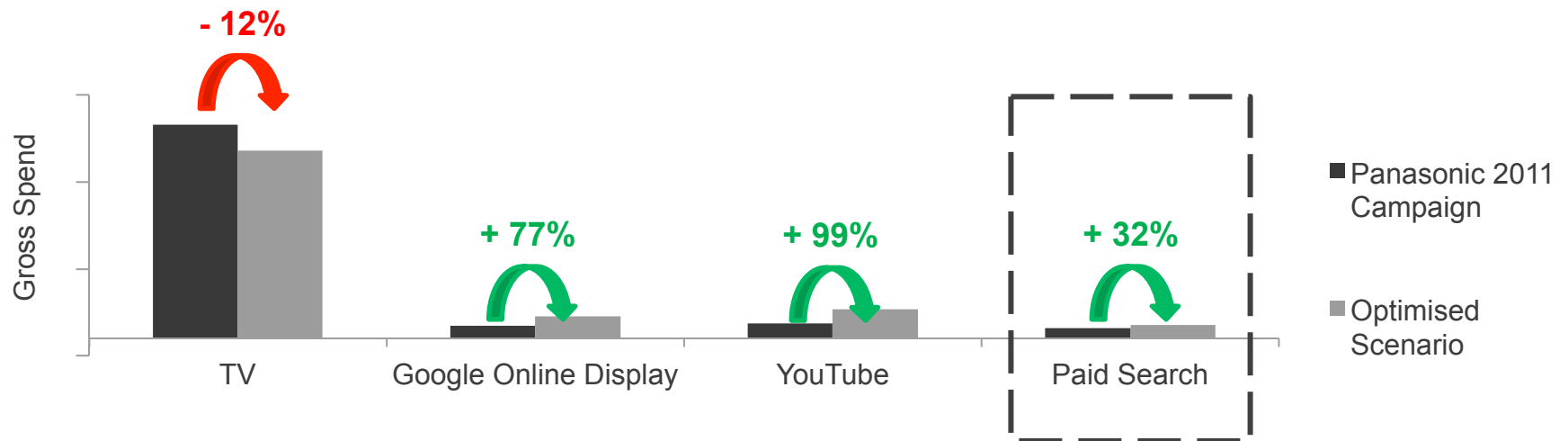
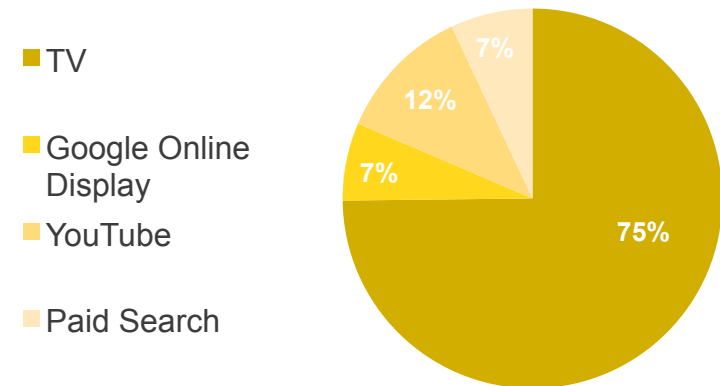
# Increasing revenues with the optimal media mix

Shifting a share of the TV plan to digital channels **delivers an opportunity to increase sales by 9%** with the same level of spend.

## Panasonic 'Product X' Campaign



## Optimised scenario



**Constraints :** inventory constraints on Search and GDN + minimal GRP coverage achieved through TV plan



## Insights Summary and Actions

# Insight > Action

## Insights

1. **Consumers research on the manufacturer website prior to in-store purchases**
2. **The 'Product X' campaign also drives purchases of other products in the Panasonic category portfolio**
3. **Opportunity to increase sales by 9% by reallocating the marketing mix**
4. **Paid Search and YouTube have the highest ROI across all media drivers**

## Actions

- **Ensure you drive visits on your website through online media activity**
  - **Synchronize budget levels and timing with offline activity to capitalize on traffic conversion**
- Balance brand messaging with Product information to increase Panasonic overall sales**
- Scenario planning for next campaign and deployment of optimal integrated media mix**
- **Complement any offline plan with Paid Search and YouTube to achieve higher revenues and incremental reach**
  - **Anticipate by planning always-on campaigns and briefing creative agencies well in advance**