



CASE STUDY

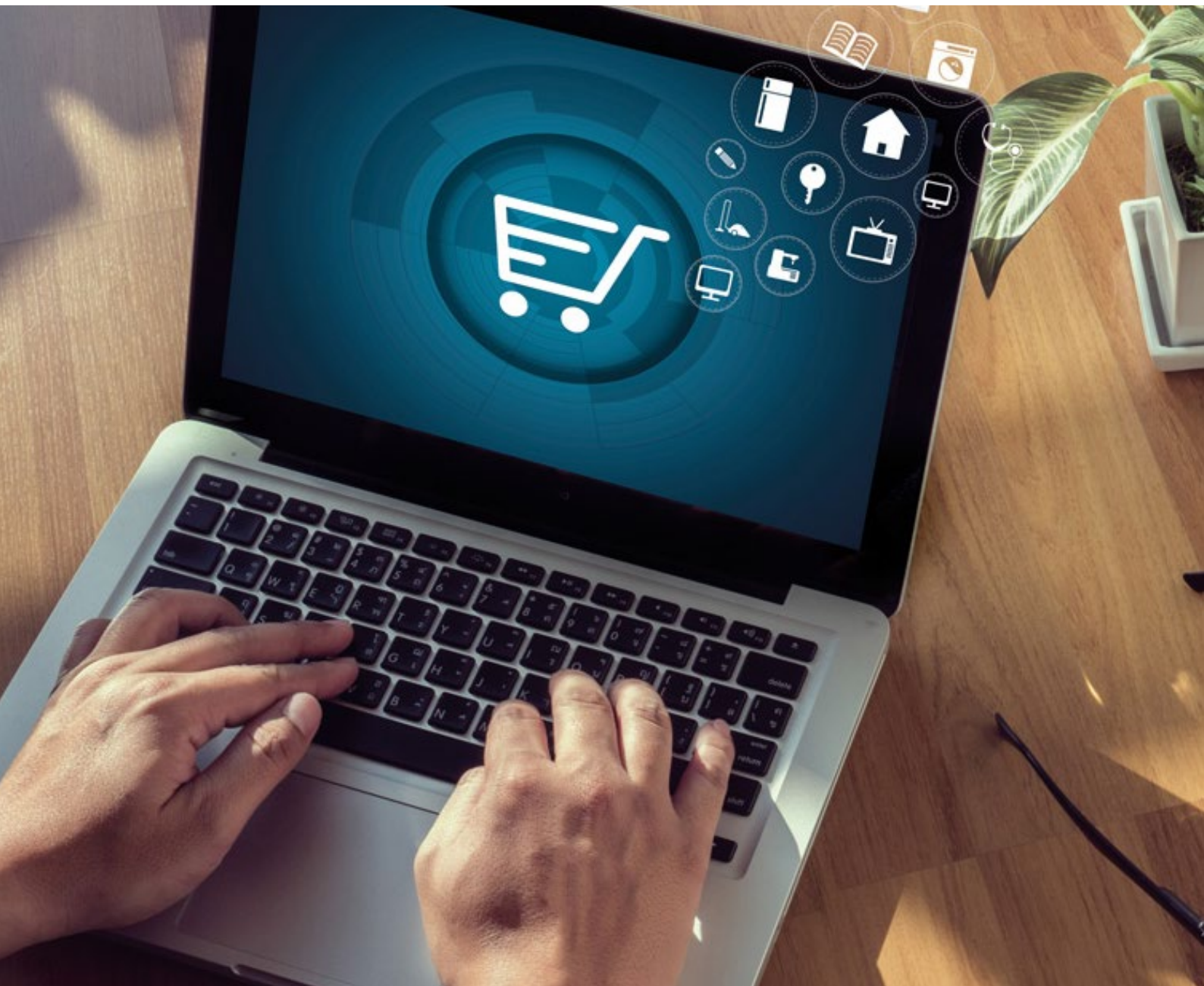
Digital Marketing: How to Ignite New Business Models and Establish Additional Revenue Streams Through Data Monetization

Digital Marketing: Technological developments and the pandemic have shifted consumers online and led to increasing individual personalization expectations. While global retail sales are said to grow by 21.8 percent in 2024, consumers can more easily compare brands and prices online – rendering the capture of loyal customers that much more difficult. This is why personalization, and other digital marketing tools are crucial for businesses to thrive online.

One of our clients, a leading global retailer in Brazil, realized that it was not leveraging Shopper data to its full potential. Lacking behind on digital marketing and consumer targeting, they sought expert help. Together with the team, we launched two different projects.

Together with the team, within our first project, we built new data-driven business models and activated three new revenue streams based on Shopper data, generated from revamped digital marketing capabilities.

Our second project resulted in a restructuring of the marketing organization and agencies providers to deliver on the new digital marketing model.



How we Create and Elevate Digital TopLine Power

We enable: We enable you to activate the most relevant digital channels to reach your customers.

We empower: We navigate you towards your future digital business.



We elevate: We elevate your pricing decisions to the next level by combining data, machine learning, and software.

We expand: We fuse marketing with digital to boost your return on ad spend, and customer lifetime value.

Case Study: Accelerate Digital Marketing by Monetizing Data

Situation & Objectives

A leading global retailer, with a revenue of around €10 billion, realized that they were not leveraging data to its full potential in the Brazilian market.

We decided to help them by conducting two different projects which helped tackle the client's gaps in digital marketing & consumer targeting. The retailer wanted to identify additional business models by leveraging data, focus on building additional digital marketing capabilities, and implementing these into a long-term organizational solution.

Approach & Solution

The first project resulted in three new data-driven business models that we identified based on the holistic digital marketing value chain of the retailer. This helped us understand local requirements, as well as identify, prioritize, and evaluate scenarios where data could be used to increase margins. We rated potential partners to fill the gaps in the existing digital marketing capabilities of the retailer and elaborated a sound strategic financial potential for the newly created revenue streams.

The second project aimed at restructuring the existing marketing team, required providers and management model to incorporate the new revenue generation into the organizational structure. This enabled us to determine required actions, as well as how the marketing strategy should be organized to drive long-term success within the digital marketing world.

Three new revenue streams were activated:



Data

Selling shopper insights



Ecommerce

Selling, cross-selling, up-selling, and retaining existing target segments online



Internet

Selling precision marketing services, such as behavioral targeting and personalized advertising, across the web

Within 12 weeks, together with the client, we:



Identified data-driven business models, and mapped digital marketing capabilities



Established a comparison tool, which helped to assess the financial potential of the digital marketing strategy



Established the external marketing organization, which helped the client harmonize their new monetization streams

Impact

+625% potential revenue increase for digital marketing in 4 years

The three newly activated revenue streams, leverage data to increase digital marketing revenue by an estimated +600 percent until 2024. By utilizing stronger solution providers with better conditions, we decreased fee per ad spend by 50 percent. We also doubled the estimated revenue per full-time equivalent (FTE).



At Simon-Kucher Elevate we are able to identify entirely new revenue streams through data, thanks to our unicorn and startup mentality, and our TopLine growth experience. This combo enables us to elevate any business, including such a large established multinational retailer.

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About Simon Kucher & Partners

For over 30 years, Simon-Kucher & Partners has been helping hundreds of clients around the world address their strategic and marketing challenges. We are regarded as the world's leading top-line advisor and thought leader. We have served more than 100 of the Global Fortune 500 companies, and our clients come from all major industries.

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