

# Targeted Marketing Campaign Plan

A Comprehensive Marketing Campaign Plan for Boots in Minnesota  
and Wisconsin

# Introduction

## Objective:

- Increase immediate sales for Boots while building a foundation for sustainable long-term growth.

## Target Market:

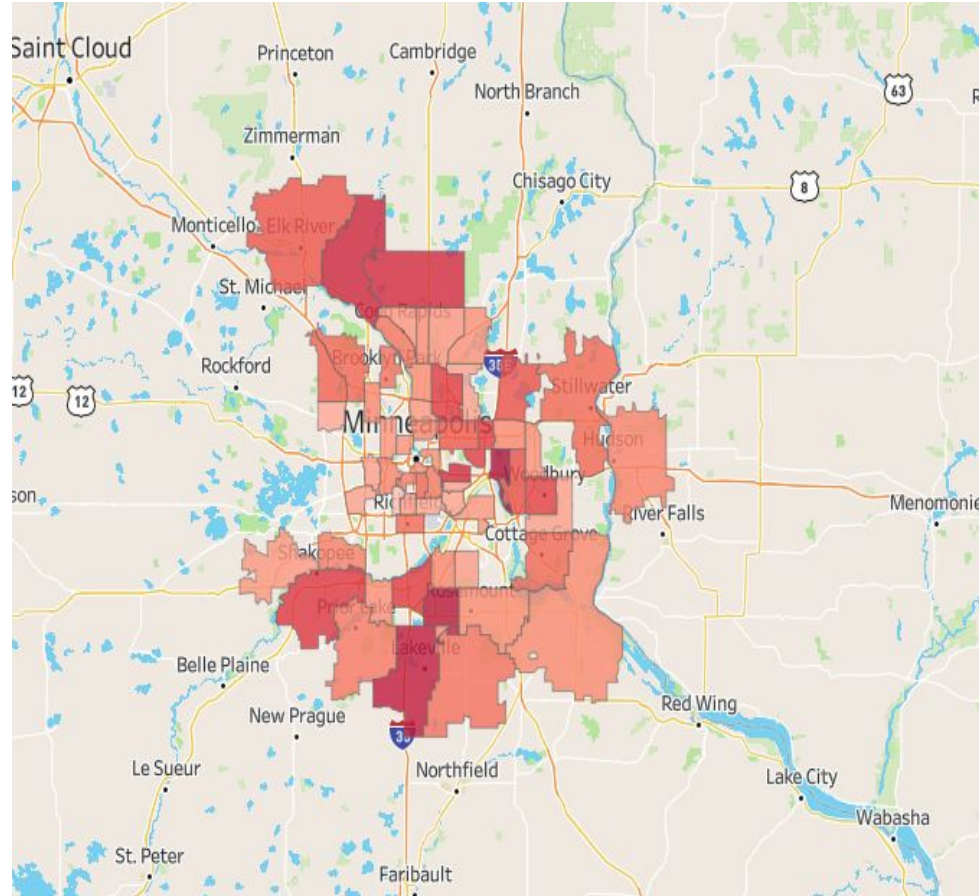
- **Demographic:** Aged 24-54, any gender, including fashion-focused individuals and blue-collar workers.
- **Price Point:** \$100-\$150 range, appealing to customers seeking quality and value.

## Strategy Overview:

- Short-term tactics to drive quick sales.
- Long-term initiatives to build brand loyalty and repeat customers.

## Goal:

- Strengthen Boots' presence in the region and create lasting customer relationships.



# Agenda

1. Data Exploration and Cleaning

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2. Category Selection

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3. Data Analysis: Regression and Visualization

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4. Data Validation and Outlier Detection

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5. Results: Targeted Category Selection

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6. Strategic Plan: Social Media Selection and Future Sales Trends

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# Data Exploration and Cleaning

01



02



03



04



05

**Removing Outliers**

**Removing Nulls**

**Follow-ups**

**Selecting Key Categories**

**Statistical Analysis**

- Removed any zip codes with a population of zero
- Removed any zip codes with too high or too low of sales
- Noted any removed zip code for future investigation

- Removed any rows with nulls, but only for the specific category.
- Noted any removed zip codes for future investigation.

- Followed up with supervisor to inform of the inaccuracy of the data.

- Selected only the most relevant categories aligned with the marketing plan.
- Excluded any irrelevant categories.
- Source any other necessary data (i.e income)

- Performed statistical analysis on relevant categories to assess their impact on sales.
- Used insights to identify and select key zip codes for targeted marketing.

# Goals + Category Selection

## GOALS

- Investigate the relationship between sales and each category.
- Select categories to drive immediate sales and focus marketing efforts.
- Identify the most promising zip codes for sustained long-term growth.

## METRICS

### Distance

How far, on average, a person residing in the zip code is from the store location.

### Population

The total population of a zip code.

### Sales Per Person

The total amount of revenue generated on average per person.

### Income

The average income of each person as well as the income needed to afford the target price range.

### Shoe Repair Sales

The total revenue generated from the zip code.

### Farm Employees

The total amount of farm employees in a zip code.

### Expected Growth

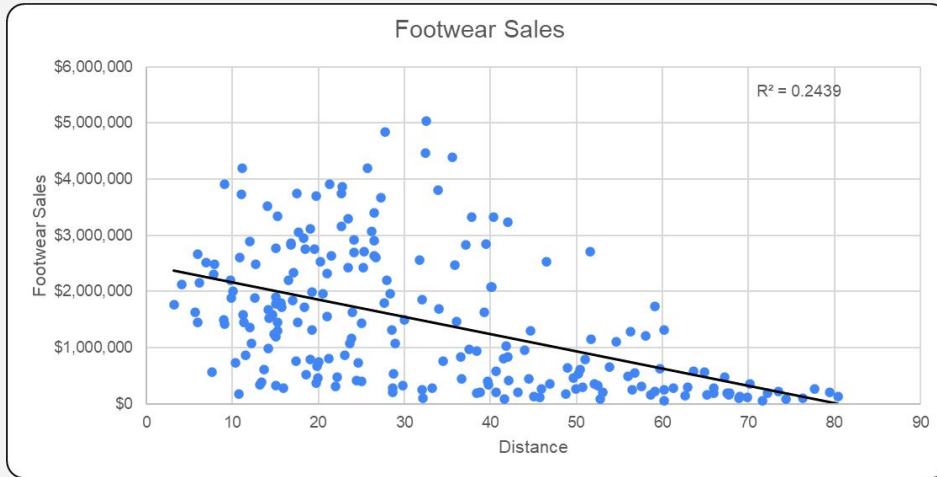
The expected 5 year population growth of a zip code.

# Statistical Analysis

## Methods:

- **Visualization of Relationships** – Used scatter plots to examine the relationship between sales and various categories.
- **Multiple Regression Analysis** – Used Excel's regression tool to analyze the impact of multiple variables on sales.
- **Multicollinearity Check** – Used the Variance Inflation Factor (VIF) method to detect multicollinearity among independent variables in the multiple regression analysis, ensuring accurate model interpretation.
- **Outlier Detection** – Flagged data points that deviated significantly from trends for further investigation. Identified outliers using box plots and the standard deviation method ( $\pm 2$  or  $\pm 3$  SD) to refine data accuracy and ensure reliable analysis.

# Distance



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**Distance Analysis** – Found an R-squared\* of 0.24, indicating a weak correlation, with a general downward trend in sales as distance from the store increases.

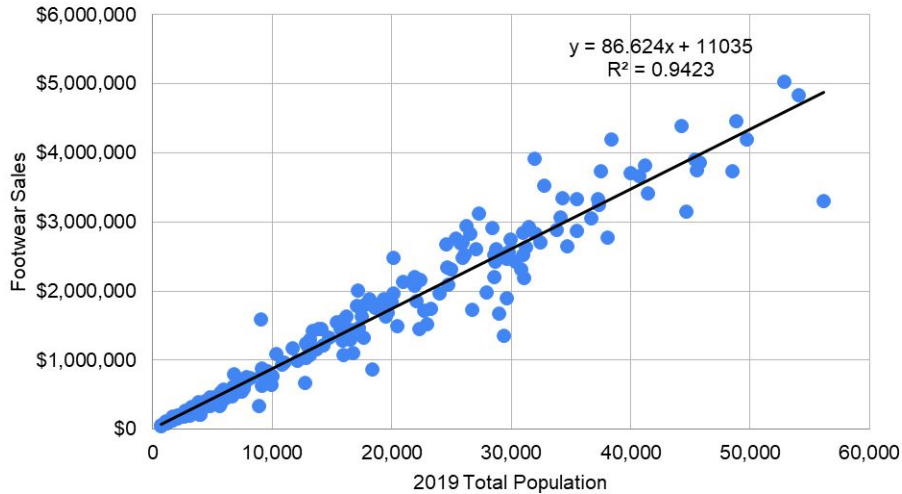
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**Marketing Implications** – Since distance shows a downward trend in sales it could be considered in marketing strategies, but due to the small R-squared it is likely not a top priority.

**\*R-Squared Definition** – R-squared ( $R^2$ ) measures the proportion of variance in the dependent variable explained by the independent variables. It is the square of the correlation coefficient ( $R$ ), indicating the strength of the relationship between variables.

# Population

Footwear Sales vs. 2019 Total Population



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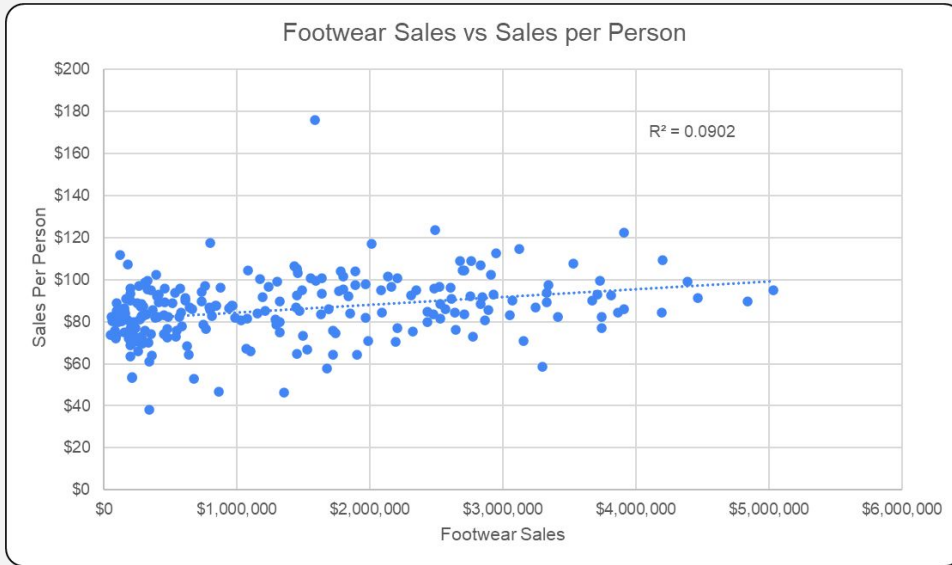
**Population Analysis** – Population has a strong positive correlation with sales, with an  $R^2$  of 0.94. This indicates that 94% of the variance in sales is explained by population. The positive trend has a slope of 86.6, meaning sales increase by approximately 86.6 units for each additional unit of population.

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**Marketing Implications** – High-population areas should be a key focus for marketing efforts, as they strongly influence sales. Targeting densely populated zip codes with tailored advertising and promotions could maximize impact and drive higher sales.



# Sales per Person

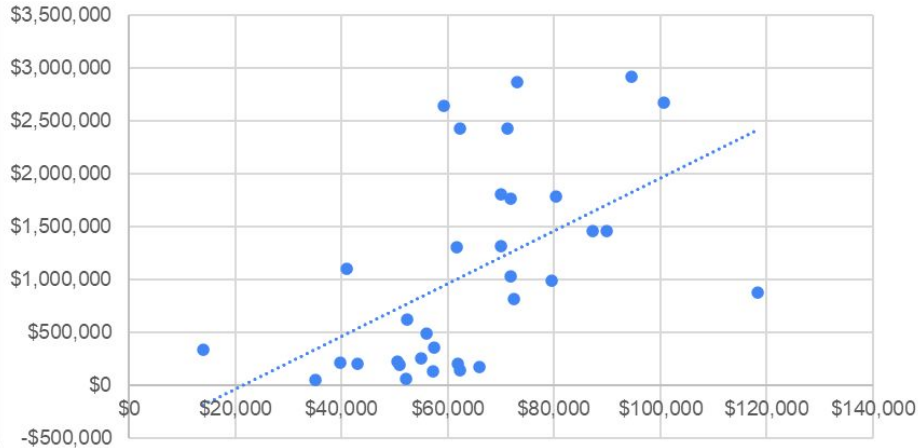


**Sales Per Person Analysis** – Sales per person shows no discernible trend, with an R<sup>2</sup> of 0.0902, indicating that only 9.02% of the variance in sales is explained by sales per person. The weak correlation suggests minimal relationship between the two variables.

**Marketing Implications** – Given the low R<sup>2</sup> and lack of a clear trend, sales per person should not be a primary focus for marketing strategies. Other factors, such as population or income, may offer more substantial opportunities for targeted marketing.

# Income

Average Income vs Sales  $R^2 = 0.2911$

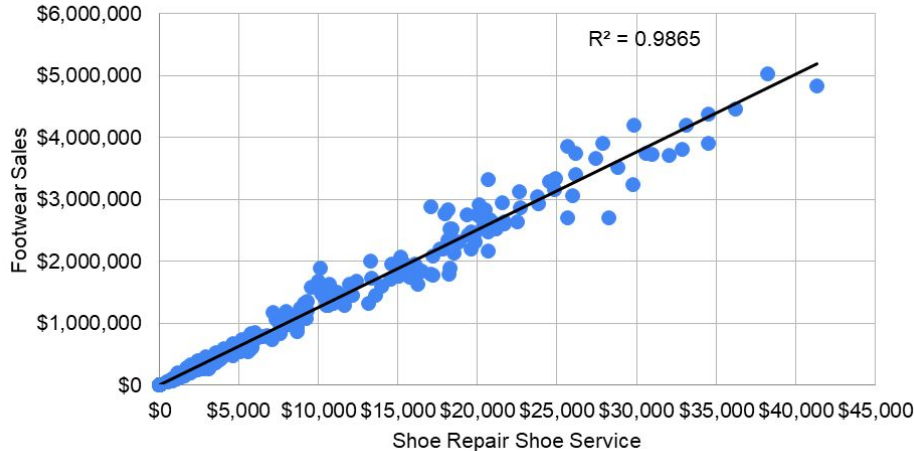


**Income Analysis** – Income shows a general upward trend with a modest  $R^2$  of 0.2911, indicating that only 29.11% of the variance in sales is explained by income. While there is a positive correlation, the relationship is relatively weak compared to other factors.

**Marketing Implications** – To afford shoes in the \$100-\$150 range, individuals would need an income of approximately **\$40,000-\$50,000** annually. While income does have some positive effect on sales, its lower  $R^2$  suggests it should not be the primary focus of marketing efforts. Targeting areas with higher income levels could still be beneficial, but it is less influential than factors like population or farm employees.

# Shoe Repair Sales

Footwear Sales vs. Shoe Repair Shoe Service

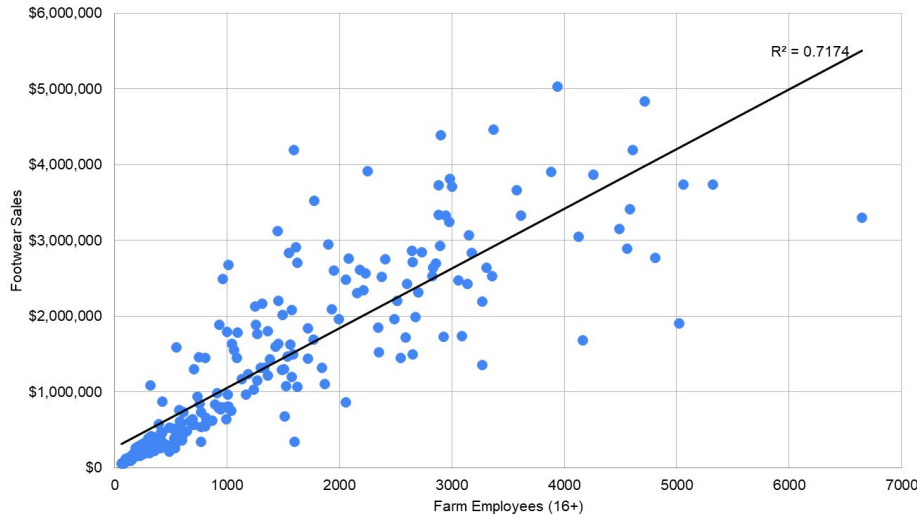


**Shoe Repair Sales Analysis** – Shoe repair sales show a strong positive linear trend with an  $R^2$  of 0.9865, indicating that 98.65% of the variance in shoe repair sales is explained by the trend. However, this relationship does not provide meaningful insights into overall sales performance.

**Marketing Implications** – While the strong correlation suggests a consistent pattern in shoe repair sales, it does not directly contribute to understanding broader sales trends. Marketing efforts should focus on other factors that more directly influence overall sales growth, rather than relying heavily on shoe repair sales data.

# Farm Employees

Footwear Sales vs. Farm Employees (16+)



**Farm Employees Analysis** – The amount of farm employees shows a positive trend with an  $R^2$  of 0.7174, indicating that 71.74% of the variance in sales is explained by the number of farm employees. This suggests a moderate to strong correlation between farm employment and sales.

**Marketing Implications** – Given the strong positive correlation, targeting areas with a higher number of farm employees could be a valuable marketing strategy, particularly in regions where agricultural workers play a significant role in the local economy. This could help drive more sales in these communities.

# Expected Growth

Zipcode	Population 2019	Population 2024
55106	56,132	57,061
55124	54,086	56,702
55044	52,894	56,188
55303	49,745	51,635
55304	48,819	50,528
55104	48,518	48,868
55379	45,799	48,712
55337	45,541	45,772
55112	45,364	45,769
55117	44,635	44,635
55125	44,276	44,365
55119	41,466	42,832
55110	41,217	41,964
55330	40,715	41,514
55113	39,969	41,341

Increasing Populations

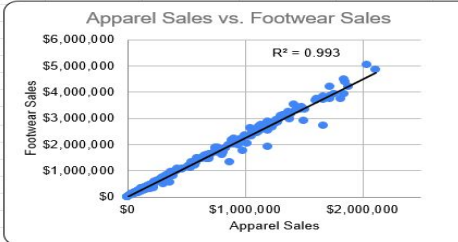
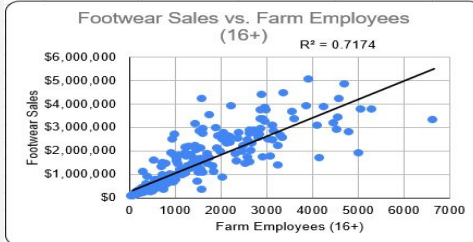
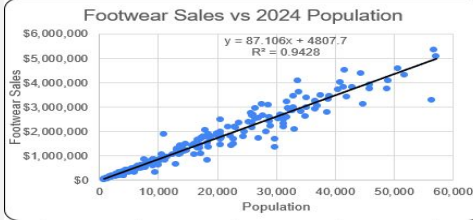
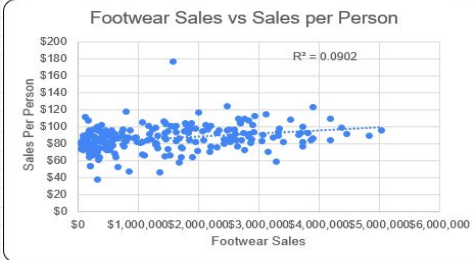
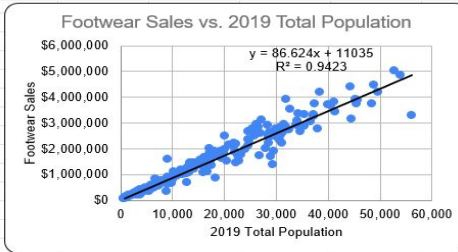
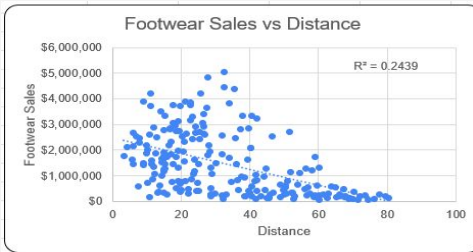
ZIP	2019 Total Population	2024 Population	Footwear Sales	2024 Sales (Using R)
55051	9,975	9,935	\$639,598	\$637,115
55075	20,457	20,396	\$1,496,591	\$1,492,233
55108	15,699	15,605	\$1,450,051	\$1,441,607
55120	4,425	4,398	\$411,525	\$409,129
55126	25,938	25,756	\$2,707,467	\$2,689,073
55127	17,703	17,579	\$1,796,183	\$1,783,980
55130	18,417	18,306	\$859,821	\$854,814
55314	1,287	1,259	\$94,808	\$92,784
55334	2,787	2,717	\$222,376	\$216,980
55335	1,630	1,591	\$132,227	\$129,147
55338	1,087	1,063	\$121,170	\$118,583
55384	1,693	1,686	\$181,716	\$181,011
55396	2,185	2,161	\$196,363	\$194,267
55412	22,951	22,699	\$1,527,219	\$1,510,914
55420	22,687	22,619	\$1,719,976	\$1,714,968
56044	2,102	2,073	\$201,382	\$198,646
56050	1,623	1,608	\$133,609	\$132,442
56058	5,901	5,860	\$485,534	\$482,235
56353	9,135	9,080	\$623,931	\$620,298

Decreasing Populations

**5-Year Population Growth Analysis** – Using the provided estimated percentage growth rates, I calculated the 5-year population growth for each zip code and identified areas where the population is expected to decrease, as well as the zip codes with the highest projected population growth. Additionally, I calculated the expected sales in these areas using the correlation from the regression analysis.

## Marketing Implications –

- **Areas with population decreases** should be deprioritized for marketing strategies, as a shrinking customer base may lead to lower sales potential.
- Focus marketing efforts on **zip codes with the highest projected population growth**, as these areas are likely to see an increase in demand, providing a significant opportunity for growth.



## Overall Comparison

- **Population** has the strongest relationship with sales ( $R^2=0.94$ ), indicating that targeting high-population areas will likely drive the most significant impact on sales.
- **Farm Employees** also shows a strong positive correlation ( $R^2=0.7174$ ), suggesting that regions with more farm employees could be another valuable focus for marketing.
- **Income** demonstrates a weaker correlation ( $R^2=0.2911$ ), meaning it plays a smaller role in influencing sales and should not be a top priority for marketing.
- **Distance** shows a weak correlation with sales ( $R^2=0.24$ ), with a general downward trend in sales as distance from the store increases. Although distance could be considered in marketing strategies, it is not a top priority.
- **Sales per Person** has the weakest relationship ( $R^2=0.0902$ ), indicating it is not a significant factor for shaping sales trends.
- **Shoe Repair Sales** shows a very strong positive trend ( $R^2=0.9865$ ), but it does not provide actionable insights into overall sales growth, so it should not be a focal point for marketing strategy.

**Marketing Implications** – To maximize marketing effectiveness, focus should be on high-population areas and regions with a significant number of farm employees. Income and sales per person have a weaker influence and should not be prioritized, while shoe repair sales, though correlated, do not provide useful insights for broader sales growth.

# Multi Regression Analysis

SUMMARY OUTPUT								
<i>Regression Statistics</i>								
Multiple R	0.997135559							
R Square	0.994279322	Great R <sup>2</sup> , predicts sales well						
Adjusted R Square	0.994138419	Basically the same, so all data used is significant and doesn't overfit the data						
Standard Error	92452.03968							
Observations	209							
<i>ANOVA</i>								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significance F</i>	<i>&lt;0.5 so atleast one effects sales</i>		
Regression	5	3.01571E+14	6.03143E+13	7056.460936	1.8675E-225			
Residual	203	1.73512E+12	8547379642					
Total	208	3.03306E+14						
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Lower 95.0%</i>	<i>Upper 95.0%</i>
Intercept	-75634.29422	38002.47378	-1.9902466	0.047905546	-150564.488	-704.1003843	-150564.488	-704.1003843
2019 Total Population	48.68391353	3.19711191	15.22746619	1.99141E-35	42.38010772	54.98771934	42.38010772	54.98771934
Farm Employees (16+)	-220.9987541	18.92516902	-11.67750491	1.95343E-24	-258.3138666	-183.6836417	-258.3138666	-183.6836417
DriveDistanceMiles	-804.1065925	388.7396057	-2.068496702	0.039860493	-1570.5918	-37.6213847	-1570.5918	-37.6213847
Apparel Sales	1.497401849	0.055523351	26.96886667	4.95674E-69	1.387925411	1.606878286	1.387925411	1.606878286
Average Household Income	1.428385043	0.413574857	3.453752126	0.000672875	0.612931701	2.243838384	0.612931701	2.243838384

# Multi Regression Analysis

The regression results revealed the following coefficients:

- **Population:** Positive coefficient of 48.6, suggesting that as population increases, sales are expected to increase by 48.6 units for each additional unit of population.
- **Farm Employees:** Initially showed a positive slope with an  $R^2$  of 0.7174, indicating a strong positive relationship with sales. However, the regression coefficient of -220 suggests that after accounting for other variables, the number of farm employees negatively impacts sales, which could be due to confounding factors or the influence of other predictors.
- **Distance:** Negative coefficient of -804, meaning that as distance from the store increases, sales are expected to decrease by 804 units for each additional unit of distance.
- **Income:** Positive coefficient of 1.4, suggesting that an increase in income leads to a small increase in sales by 1.4 units for each additional unit of income.

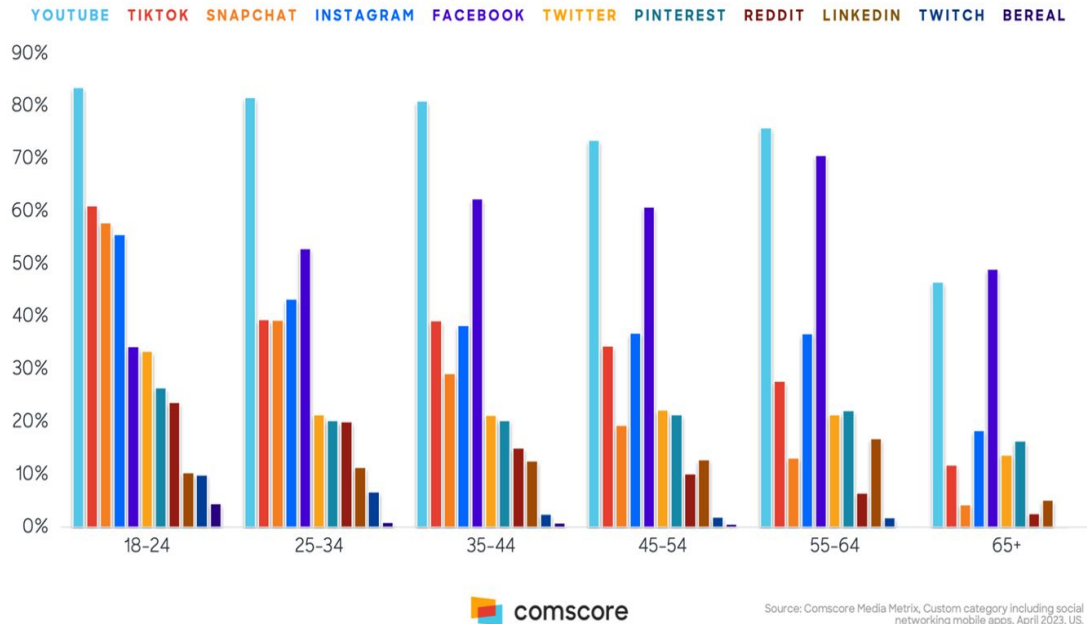
## Marketing Implications –

- **Population** remains a key driver for sales and should be prioritized in marketing strategies.
- **Farm Employees** showed a positive initial relationship with sales, but the negative coefficient in the multiple regression indicates that other factors are influencing the overall sales trend. This suggests that farm employees might not be a strong predictor for marketing decisions on its own.
- **Distance** has a strong negative impact, so marketing strategies should focus on areas closer to the store to optimize sales.
- **Income** has a positive but small effect, meaning it could be considered in targeted strategies, though its impact is less significant compared to population.



# Social Media Analysis

## Social Media Reach by Age Group



**Media Platform Insights** – According to a graph from Comscore, the top media platform for all age groups is **YouTube**, followed by **Facebook** and **Instagram**. For younger generations, **TikTok** also ranks highly as a preferred platform.

### Marketing Implications –

- For the target age group of **24-54**, **YouTube**, **Facebook**, and **Instagram** should be the primary platforms for reaching a broad audience.
- **TikTok** can be considered for younger segments of the 24-54 range, especially those leaning towards more interactive and trend-driven content.
- Combining **YouTube** for mass reach and **Facebook/Instagram** for more targeted, age-specific engagement will provide a balanced, effective marketing strategy.

# Action Plan

01

## Population

**Priority:** Focus marketing efforts on high-population areas, as population is the strongest predictor of sales

**Action:** Direct resources towards zip codes with large populations to maximize reach and sales potential.

02

## Income

**Priority:** Target areas with higher income levels, particularly those with a median income of **\$40,000-\$50,000**, as these are more likely to afford \$100-\$150 shoes.

**Action:** Tailor messaging and promotions to attract consumers within this income range, though it's not the top priority due to its relatively weak correlation with sales.

03

## Distance

**Priority:** Minimize marketing efforts in areas with high distance from the store, as there is a negative correlation between sales and distance.

**Action:** Focus on zip codes closer to the store location to increase accessibility and drive more foot traffic.

04

## Farm Employees

**Priority:** Although initially showing a positive correlation, farm employees have a negative regression coefficient, suggesting a decline in sales as the number of farm employees increases.

**Action:** Be cautious in targeting areas with a high number of farm employees, as this may not yield positive results. Focus on other more reliable predictors.

05

## 5 year growth

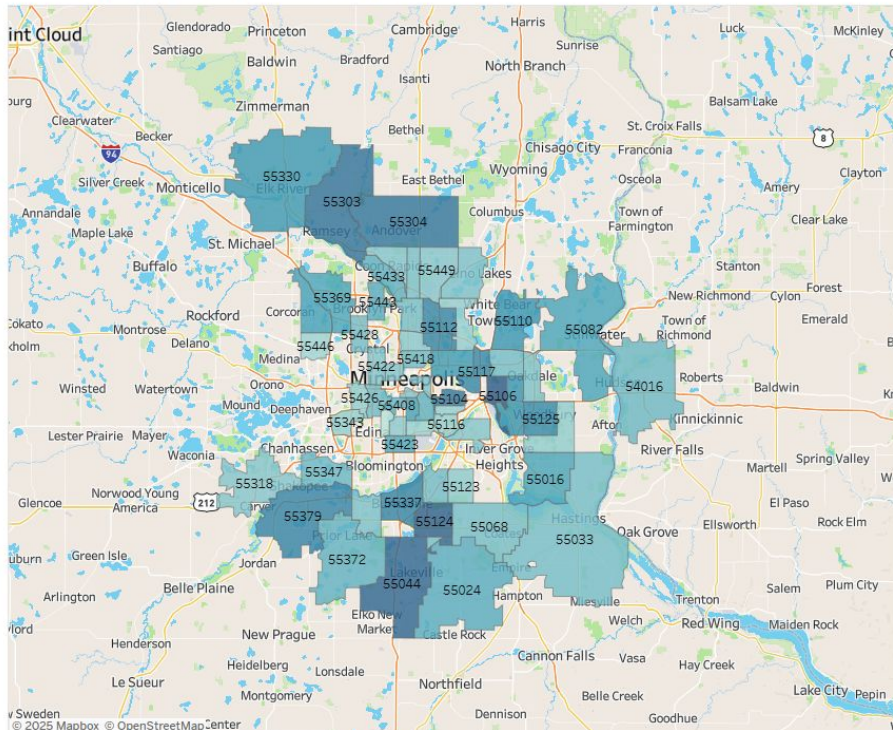
**Priority:** Focus on zip codes with the highest projected population growth over the next five years, as these areas will likely see an increase in demand.

**Action:** Prioritize marketing strategies in areas where the population is projected to grow, while also taking sales growth into account.<sup>18</sup> Monitor population trends to adjust strategies.

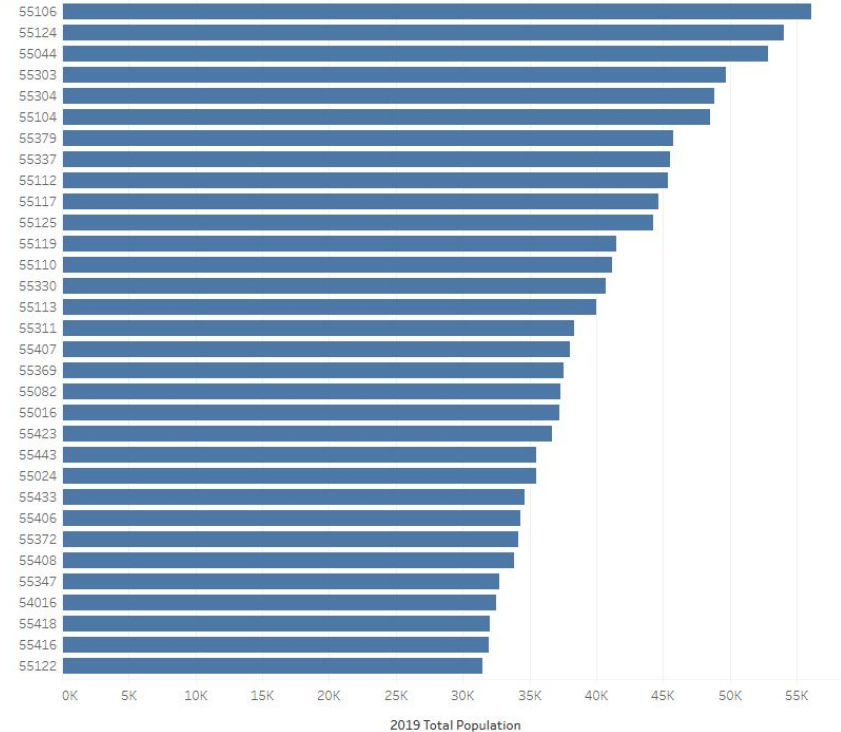
# Immediate Target Zip Codes

# Top Population

2019 Target Zip Codes by Population

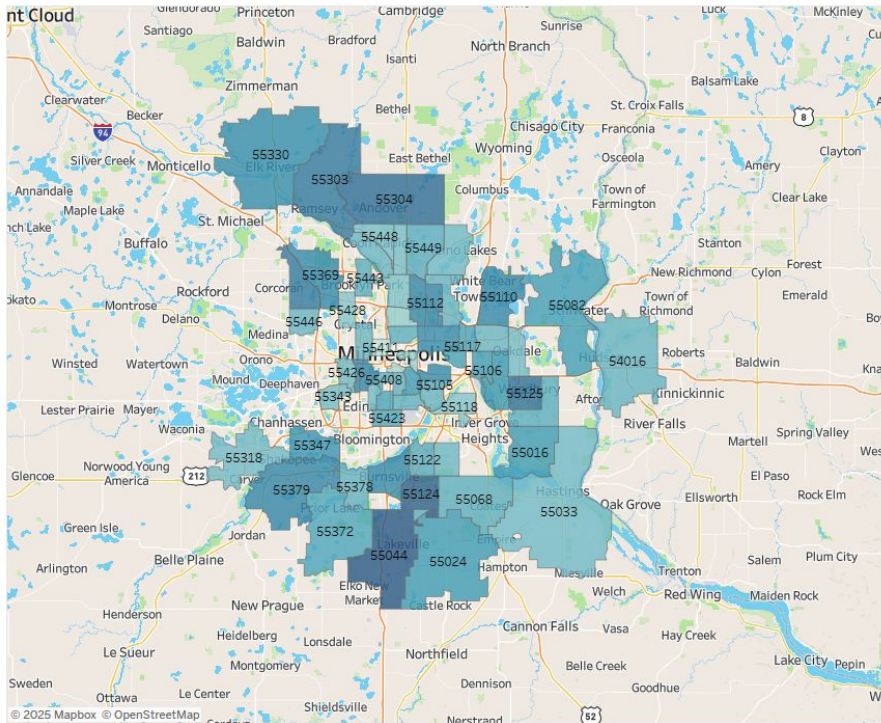


Target Zip C...

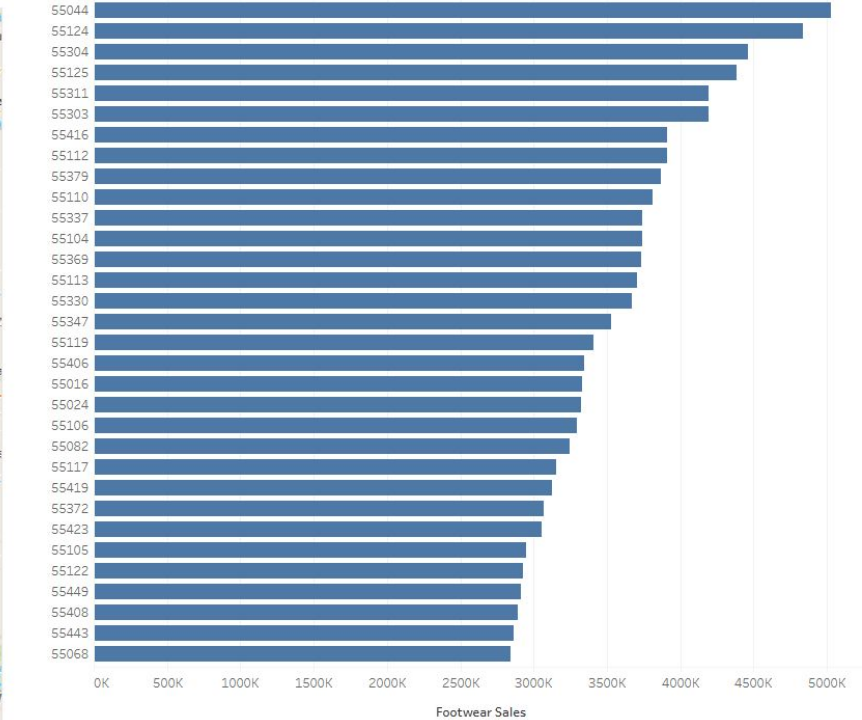


# Top Sales

2019 Target Zip Codes by Sales



Target Zip C.



# Future Efforts

## Investigating outliers



Ensures more accurate analysis and better-targeted marketing.

## Comparing Marketed vs Unmarketed Areas ROI



Identifies high-performing areas and optimizes future campaigns.

## Get more data

Repeat customers, specific sales categories, age, gender, etc.



A better understanding customer behavior and demographics. Allows for more targeted, personalized marketing strategies.