# Business Analytics Capstone Framework for Strategy

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14th May 2022

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# Problem Statement

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Describe the Problem Adblockers present to GYF

➢ There's a rise in the use of Ad blocking software recently, this is a threat to GYF revenues. A further increase in the ad blocking software popularity will be harmful to the company since 70% of the company's revenue comes from ads

➢ GYF need to charge the customers to ensure profitability, this may reduce the usage of GYF and loss of customer base. This will eventually lead to losses

➢ GYF will have to collaborate with the companies posting ads to find ways to tackle ad blockers, this will result in increase expenses

➢ Hence, We need to device a means to prevent losses that might be incurred as a result of the activities of adblockers

# Problem Statement–

*Application Exercise 1 – Research Methods and Tools (Optional)*

➢ We will be using Descriptive research to solve this problem. This will enable us to know the extent of the effect of adblockers on GYF

➢ To ascertain the changes that would solve our problems, we will further engage Casual research

# Strategy

# Strategy

Describe your proposed strategy

- I'll recommend a multiple strategy for this project
- Our plan is to make the ads inconspicuous; Therefore, we will liase with the companies that  place the ads to make it less obstrusive yet creative. This will require innovation and then we can meet the user's need as they do not hate ads but they hate obstrusive ads
- We will employ a free trial method via a survey targeted at adblocker users, introduce our inconspicuous ads and ask for a feedback
- If trials fail, we will conduct an analysis to decide weather to pay to get whitelisted or paying anti-blocking  companies
- Paying a adblocker to get whitelisted might not be a lasting solution

# Strategy

*Application Exercise 2 – Hiring a Team Leader (Optional)*

- I would hire Peggy's prospect because she's experienced
- I would hire Peggy's prospect because she is intelligent and has high academic scores

# Effects and Measurement

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# Effects

Describe the anticipated effects of your strategy

- Employees would have to prepare survey questions, this would be required to analyze the current threat of adblockers
- Strategy's success would be measured by the result of the survey conducted
- A decrease in adblocking software used would yield an increase in customer satisfaction
- Publishers would be encouraged to use our channel for advertising if customer satisfaction increases
- We might experience a decline in the number of users for charging customers, this would result to decreased revenue

# Effects

*Application Exercise 3 – Designing a Deterministic Optimization Model*

- Details of Investment:

- Soft skill = $20,000
- Hard skill = $45,000
- Final optimized increase in productivity - $43,500

- Objective function = 0.2*(internal hardskill) +0.7*(External Hard skill) + 0.6*(Internal soft skill)+0.4*(External Soft Skill)
- Constraints= 0.2*(Internal Hard skill) + 0.7*(External Hard skill)>= 20,000
- 0.6*(Internal Soft Skill) + 0.4*(External Soft Skill) >= 12,000

  HS+IHS+ESS+ISS<= 65,000

# Measurement

Describe the anticipated effects of your strategy and how you will measure them

- Revenues can be measured through subscription charges
- Revised ads can be measured by the decrease in the use of adblocking software in the groups
- Customer satisfaction can be measured through the survey conducted

# Measurement

*Application Exercise 4 – Identifying Key Drivers*

- Applying the “causal business model” performance measurement framework to strategy :
- Paying adblockers might lead to short term loss of revenue but yield long term revenue by decreasing losses while retaining publishers

- Increase in customer satisfaction will yield an increased revenue
- Charging Customers might lead to decrease in number of users but would increase or decrease revenue depending on customer turnover
- Decrease in obstrusive ads will increase customer satisfaction, discourage use of adblockers which will eventually prevent loss

# Conclusion

- Adblocking company poses a lot of threat to the advertising industry; Nevertheless, we have several ways  in which this can be dealt with
- We can adopt strategies such as Paying to get whitelisted, Improving ad quality, charging the customers
- Pricing analysis would be necessary to find out the most economical option out of the points buttressed
- Paying to get whitelisted would have a cost implication at the long-run
- Iin conclusion, to solve the above problems, the strategies mentioned must be used consistently and appropriately, and a regular review should be adopted to implement change as and when due