

NIELSEN MARKETING MIX MODELING

Nielsen Meets Alcon's Need for Speed With Marketing Mix Modeling

SITUATION

Alcon is the largest eye care device company in the world with complementary businesses in Surgical and Vision Care. In 2018, the company introduced Systane Complete, a new formula of over-the-counter (OTC) eye drops designed to provide soothing relief for every major type of dry eye. The product joined the Systane family of dry eye drops as the brand's most advanced solution to date.

CHALLENGE

To jump-start product sales and awareness of Systane Complete, Alcon launched a 360-degree marketing campaign in April 2018 designed to reach the 30 million people living with dry eye in the US. Since the OTC dry eye drop segment has relatively low household penetration, the company needed to maximize the efficiency of its budget by strategically targeting its core consumers. Measurement would be critical to its success. But the window for analysis was short if Alcon's marketing team wanted to leverage those learnings to inform their 2019 plan and budget. Alcon turned to its long-time measurement provider Nielsen to get the performance insights it needed, fast.

GOALS

Optimize direct-to-consumer marketing budget and channel investments to drive short-term product sales and long-term brand equity growth for Systane Complete.

SOLUTION

Nielsen's Marketing Mix Modeling (MMM) solution delivered the timely, actionable insights Alcon needed to assess the impact of its 2018 360-degree marketing campaign and determine the optimal level of investment for 2019.

In order to deliver the results in time for the planning deadline, Nielsen worked with Alcon's Systane brand team to prioritize the business questions and factors that were most critical to understand, including competitive actions, retail distribution, price changes, promotions, TV, online video, print, online display, social media and coupons. Nielsen was able to leverage proprietary media and sales data, as well as its unmatched access to data through partnerships, to speed up the data collection process. Once collected, the data inputs were integrated into a robust regression model to tease out the incremental impact

CUSTOMER TESTIMONIAL

"The stakes are always high when launching a new product. We knew we had a solid measurement methodology in place with Nielsen, and their ability to quickly mine and draw performance insights from a tremendous amount of data gave us confidence that the right planning and investment decisions were being made. We're absolutely thrilled to be able to show that the dollars allocated to Systane are yielding a return that's growing the Alcon business overall."

—Jeff Huffman, Director of Marketing, Dry Eye & Ocular Health, Alcon

KEY BUSINESS QUESTIONS ANSWERED

- Which digital vehicles are the most efficient spends?
- How effective is the marketing support focusing on Systane Complete?
- How can the advertising plan be improved?
- What are the ROIs from each major marketing element?
- Which tactics should be leveraged to drive Systane growth?
- What can we learn to inform our 2019 media plans?

from each factor. The analysis revealed key insights and optimization opportunities that the Alcon team could use to get a head start on its 2019 planning.

KEY LEARNINGS

- **The marketing efficiency of each channel:** The analysis enabled the Alcon team to compare the efficiency of different marketing channels and tactics, including social media, digital display ads, print, online video and addressable TV, against one another. For instance, the analysis revealed that addressable TV was highly effective at reaching the target market, drove a sizable portion of incremental sales during the Systane Complete launch, and had a strong “halo” effect on the entire Systane brand portfolio. With an objective, big-picture view of the ROI of each channel, the team was able to make smarter and more effective budget allocation decisions.
- **The importance of granularity:** In addition to understanding individual channel performance, the Alcon team was able to layer in NCS analysis to drill down to evaluate the performance of different dimensions within each marketing channel. For instance, the team was able to see specific results for each of its addressable TV vendors, and remix its spending among national and regional providers to help improve sales lift and ROI.
- **How performance fluctuates over time:** Since this was Alcon’s second MMM analysis with Nielsen, the team was able to compare and contrast performance over time. By understanding and isolating these fluctuations within and across channels, the team was able to plan its go-forward marketing strategy with confidence.
- **The effectiveness of the overall mix:** Perhaps most importantly, the analysis confirmed that Alcon’s media mix was solid, its creative was resonating with its audience, and that the team had the right plan in place. With sales volume and brand equity for Systane Complete on the rise, the team could turn its focus to refining the plan to optimize results going forward.

RESULTS

With MMM’s strategic insights, Alcon grew Systane’s share of equity sales by 8.7%, driven in large part through the launch of Systane Complete. The team has since received funding for continued media support, and is basing its marketing investment decisions on recommendations from the analysis.



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