

N26 Marketing Analyst Case Study

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Case

- Marketing data on N26: an online bank

Initial considerations

- 1. Digital-only business: relies on marketing reach without bricks-and-mortar presence*
- 2. Widely known and fast growing brand*

Data

- Describes how TV spending and marketing channels contribute to user acquisition
- Variables measured:
 - user id
 - marketing channel interaction: cpc, organic, affiliate, social
 - signup date
 - active TV spending date

Task #1

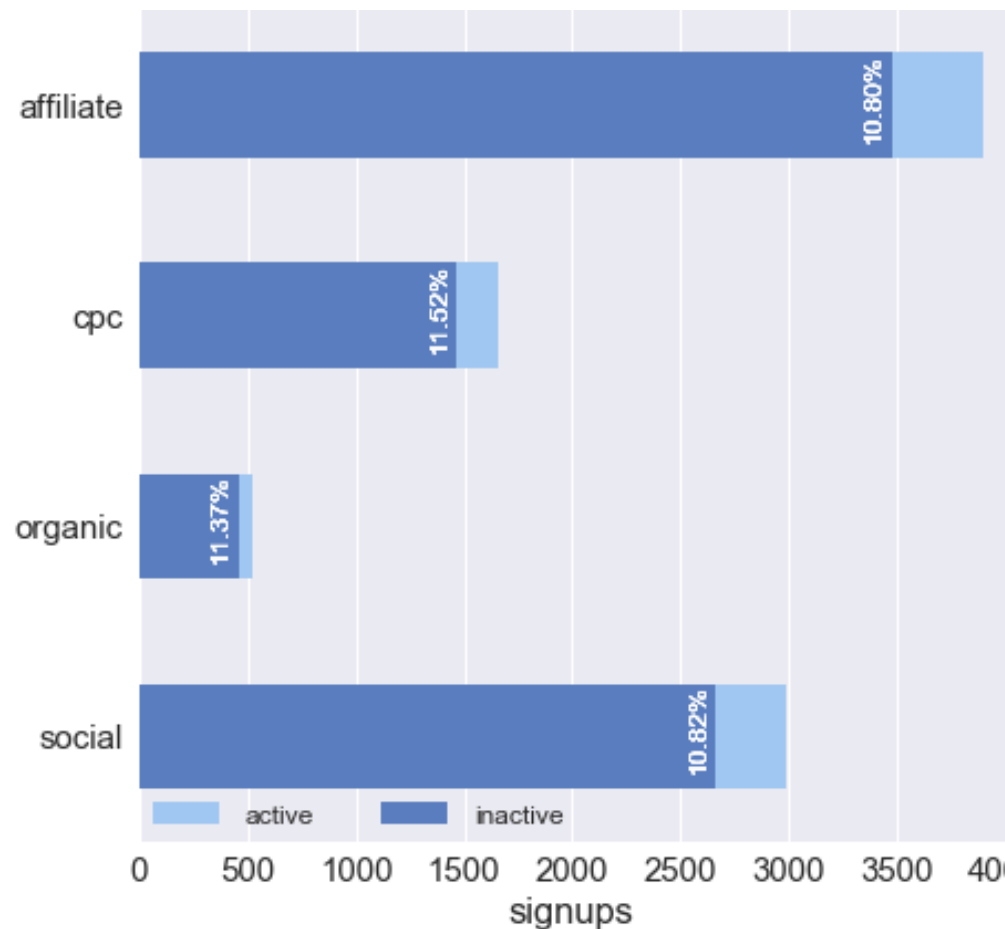
Give an overview of our channels and how they contribute to user acquisition.

I used a stacked bar chart and a summary table to provide an overview of each channel's contribution to user acquisition by visually representing both the total number of signups coming from each channel, and the proportion that were on active TV spending days.

Task #1

- Affiliate and social yield most user signups
- Signups on active TV days across channels similar at 10-11%

channel	active	inactive	total	active %
affiliate	421	3476	3897	10.803182
cpc	191	1467	1658	11.519903
organic	59	460	519	11.368015
social	323	2662	2985	10.820771



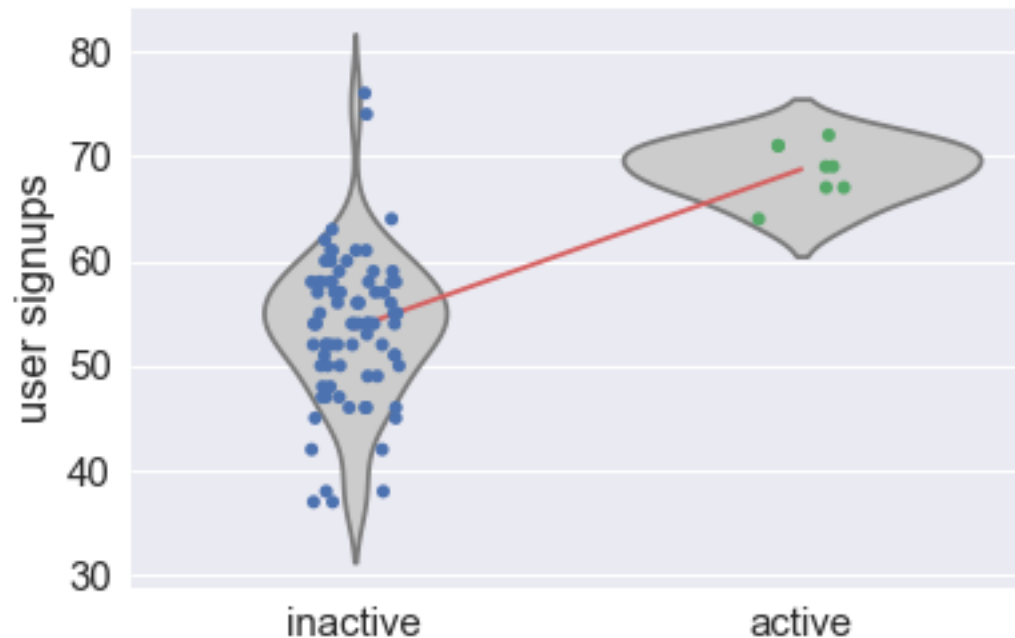
Task #2

Estimate the impact of doubling TV spending

I modeled the effect of TV spending on increasing the number of signups. To do this I estimated the increase in signups on active vs. non-active TV spending days using simple linear regression.

Task #2

- Fit linear regression to estimate effect of TV spending on signups
- Model indicated 28.28% increase on active vs. inactive days
- Doubling TV spending could* increase signups from 5000 to 5121



**Assuming linear relationship between TV spending and user signups*

Task #3

Make appropriate assumptions for the channel touchpoint cost. With your assumptions give recommendations how to change the budget allocation to maximize user acquisition with a constant budget

Touchpoint costs were estimated based on 2017 survey averages, using estimates for the financial sector where available.

Task #3

Channel	cost per signup	Estimate source
Affiliate	45 €	N26 official (link)
CPC	0.62 €	2017 average survey link
Organic	2.90 €*	SEO 500 € per month (link)
Social	3.20 €	Facebook CPC average (link)

**Cost per signup prices divided by number of signups for that channel per month*

- The affiliate channel has the highest signup rate (see slide 5), but is by far the most expensive. I would recommend allocating budget to the social channel – the 2nd highest signup rate and a lower cost.
- Some funding could also be allocated to the CPC channel which yields a high signup rate and has the lowest cost.