

# Marketing Channel Effectiveness Analysis

## Summary

This analysis evaluates marketing channel performance across reach, traffic generation, customer acquisition effectiveness, and the impact of Local Radio (LR). Paid Search consistently emerges as the most cost-effective and scalable channel, while Affiliate (AFF) demonstrates exceptional efficiency in converting traffic into customers. Local Radio also shows a strong incremental effect, even after adjusting for digital spend.

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## 1. Cost-Effective Reach

We measured reach efficiency using **CPM (cost per 1,000 impressions)**.

- **Search: \$12.46 CPM** — most cost-effective at delivering impressions.
- **CTV: \$33.35 CPM**
- **Affiliate (AFF): \$50.00 CPM**
- **Social: \$82.20 CPM**
- **Display: \$159.30 CPM**
- **Local Radio:** spend not available, so CPM cannot be calculated.

**Conclusion: Search delivers the most cost-effective reach.**

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## 2. Site Traffic

We assessed each channel's ability to drive **site visits**.

- **Search: 89,187 visits (top driver)**

- **CTV:** 59,965 visits
- **Display:** 58,493 visits
- **Social:** 55,347 visits
- **Affiliate:** 5,548 visits

**Conclusion: Search is the dominant source of site traffic.**

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### 3. New Customer Effectiveness

We evaluated customer acquisition using both **conversion rate** and **CAC (Cost per New Customer)**.

- **Affiliate (AFF):**
  - Conversion Rate: **97.2%**
  - CAC: **\$50.65** (lowest cost per customer)
  - Volume: 5,391 new customers
- **Search:**
  - Conversion Rate: 7.4%
  - CAC: \$180.49
  - Volume: **6,610 new customers (highest volume overall)**
- **Social:**
  - Conversion Rate: 11.0%
  - CAC: \$102.00
  - Volume: 6,091 new customers
- **Display:** 9.5% CR, CAC \$183.18, ~5,548 new customers

- **CTV:** 8.1% CR, CAC \$266.39, ~4,845 new customers

**Conclusion:**

- **Most efficient (lowest CAC & highest CR): Affiliate (AFF)**
  - **Most new customers by volume: Search**
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## 4. Local Radio Impact

Local Radio was evaluated by comparing periods **with vs. without LR activity**, plus regression models controlling for digital spend.

- **With Local Radio:**
  - Site Visits: ~3,410/day
  - New Customers: ~371/day
- **Without Local Radio:**
  - Site Visits: ~2,131/day
  - New Customers: ~224/day
- **Incremental Lift (simple comparison):**
  - Site Visits: **+60%**
  - New Customers: **+65.6%**
- **Regression (controlling for daily digital spend):**
  - LR active adds **+1,023 site visits/day** (statistically significant).
  - LR active adds **+95.7 new customers/day** (statistically significant).
  - Each +1M LR impressions: **+624 visits** and **+61 new customers**.

**Conclusion:** Local Radio has a **substantial, statistically reliable impact**, driving both higher engagement and conversions beyond what can be explained by digital spend alone.

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## Summary

- **Most cost-effective reach: Search** (lowest CPM at \$12.46).
- **Most site traffic: Search** (89,187 visits).
- **Most effective at driving new customers: Affiliate** (highest conversion efficiency, lowest CAC).
- **Most new customers by volume: Search** (6,610).
- **Local Radio impact:** Significant incremental lift (+60% site visits, +65.6% new customers), confirmed by regression analysis.