

Project 6 - Evaluate a Display Advertising Campaign

Assumptions

Marketing Objective: You are running an advertising campaign with the goal of signing up students for the Digital Marketing Nanodegree

Cost: The cost of the degree is \$999

Profit: For the purpose of this assignment, assume a profit margin of 30%, meaning that Udacity makes \$299 in profit per student that signs up.

Campaigns: We want to aggressively grow the program, but, we want to do it without losing money. We ran two different advertising campaigns. One was a display advertising campaign, one a video advertising campaign.

Formulas:

Conversion Assumption: 0.2% Conversion via Landing page

Calculating #of Sign Ups: Clicks to the landing page *0.002 = # of Student Sign Ups

Note: Please round to the nearest whole number

CPA: Cost of Campaign/# sign ups = CPA

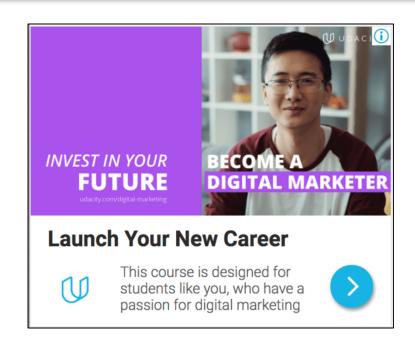
Note: Please round to the nearest cent

ROI: [(299 Profit) - CPA] * # of Student Sign Ups = ROI

Display Image Campaign: Overall Result

Find below the result of overall Display Image Campaign

	Ad group 1	Status	Default max. CPC	Ad rotation	Clicks	lmpr.	CTR	Avg. CPC	Cost	Ad group type	Active bid adj
0	Affinity Audience	Campaign ended	\$3.00 (enhanced)	-	1,243	200,957	0.62%	\$0.36	\$448.95	Display	None



Results: Calculate the ROI

Creative	Clicks	Impressions	CTR	Avg. CPC
Affinity Audience	1243	200957	0.62%	\$0.36
Cost	Conversion Rate	#New students	СРА	ROI+/-

- The total cost of the campaign was \$448.95. The ad was shown 200957 times, with 1243 users clicking on the ad to land up on the home page. This comes to a CTR of 0.62% of the 1243 people who landed up on the homepage, assuming a 0.2% conversion rate, we could find the total users who ultimately signed up were 2. The CPA calculated is \$224.48 (Total cost of campaign/ total signups).
- The overall ROI is \$149.04 positive.

How would you optimize this campaign?

According to me the campaign is doing good, but would like to suggest following ideas and see whether it will help to optimize campaign or not.

Suggestion 1: A/B testing different Ad Creative

Suggestion 2: A/B testing different Colors

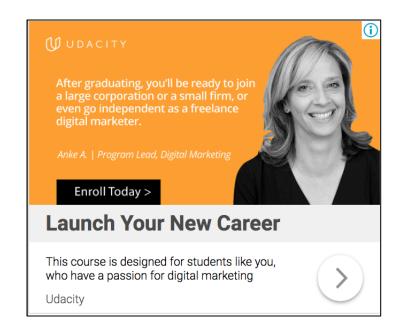
Suggestion 3: Changing the target audience

Suggestion 4: Optimizing based on devices, geolocation and income of the target audience

Display Image Campaign: Site Targeting

Review below the overall results of the Display Image Campaign targeting placements (site targeting).

•	Ad group ↑	Status	Default max. CPC	Ad rotation	Clicks	lmpr.	CTR	Avg. CPC	Cost	Ad group type	Active bid adj
0	Site Targeting	Campaign ended	\$5.00 (enhanced)		407	67,833	.6%	\$0.57	\$231.99	Display	None



Results: Calculate the ROI

Creative	Clicks	Impressions	CTR	Avg. CPC
Site	407	67833	0.60%	\$0.57
Targeting				
Cost	Conversion	#New	СРА	ROI+/-
Cost	Conversion Rate	#New Students	СРА	ROI+/-

- The total cost of the campaign was \$231.99. The ad was shown 67833 times, with 407 users clicking on the ad to land up on the home page. This comes to a CTR of 0.6% of the 407 people who landed up on the homepage, assuming a 0.2% conversion rate, we could find the total users who ultimately signed up were 1. The CPA calculated is \$231.99 (Total cost of campaign/ total signups).
- The overall ROI is \$67.01 positive.

How would you optimize this campaign?

Suggestion 1: Would display the Ads on the sites where target audience would visit more frequently.

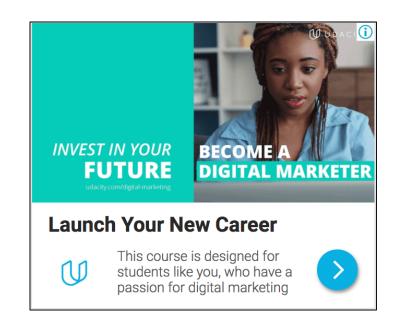
Suggestion 2: Expand the keyword list, add the keywords similar to the one performing well.

Suggestion 3: A/B testing different creative.

Display Image Campaign: Overall Results

Review below the overall results of the Display Image Campaign targeting visitors to the Digital Marketing Nanodegree Program landing page.

	Ad group 1	Status	Default max. CPC	Ad rotation	Clicks	Impr.	CTR	Avg. CPC	Cost	Ad group type
0	Remarketing	Campaign ended	\$3.00 (enhanced)		670	109,994	.61%	\$0.35	\$234.50	Display



Results: Calculate the ROI

Creative	Clicks	Impressions	CTR	Avg. CPC
Remarketing	670	109994	0.61%	\$0.35
Cost	Conversio n Rate	#New Students	СРА	ROI+/-

- •The total cost of the campaign was \$234.50. The ad was shown 109994 times, with 670 users clicking on the ad to land up on the home page. This comes to a CTR of 0.61% of the 670 people who landed up on the homepage, assuming a 0.2% conversion rate, we could find the total users who ultimately signed up were 1. The CPA calculated is \$234.50 (Total cost of campaign/ total signups).
- The overall ROI is \$64.50 positive.

How would you optimize this campaign?

Suggestion 1: Pause the Ad group that doesn't perform well.

Suggestion 2: A/B testing different colors.

Suggestion 3: A/B testing different creative.

Which campaign performed best the best? Why?

- Campaign 1-Affinity Audience performed best as it has highest positive ROI and also the number of new students (i.e. Conversions) is 2.
- Campaign 2 and Campaign 3 also performed well as both have positive ROI and have similar number of new students enrolled (i.e. Conversion) is 1.
- However the CTR is almost same for all the 3 campaigns i.e. 0.62%, 0.60% and 0.61%. But Campaign 1 has highest no. of Clicks, Impressions and conversion resulting into best performed campaign

Recommendations for future campaigns

- I would focus on Ads and Keywords which are performing well and would pause the Ads and Keywords which are not performing well and has high CPC.
- I would as perform A/B testing with different Ad creatives and Ad Colors.
- Landing page should be clear and target audience should understand what we are offering and should have clear call to action.

Appendix Screenshot for Campaign Result

						Conv.	New		
Creatives	Clicks	Impr.	CTR	Avg. CPC	Cost	Rate	Students	CPA	ROI+/-
Affinity									
Audience	1243	200957	0.62%	\$0.36	\$448.95	0.20%	2	\$224.48	\$149.04
Site									
Targeting	407	67833	0.60%	\$0.57	\$231.99	0.20%	1	\$231.99	\$67.01
Remarketing	670	109994	0.61%	\$0.35	\$234.50	0.20%	1	\$234.50	\$64.50