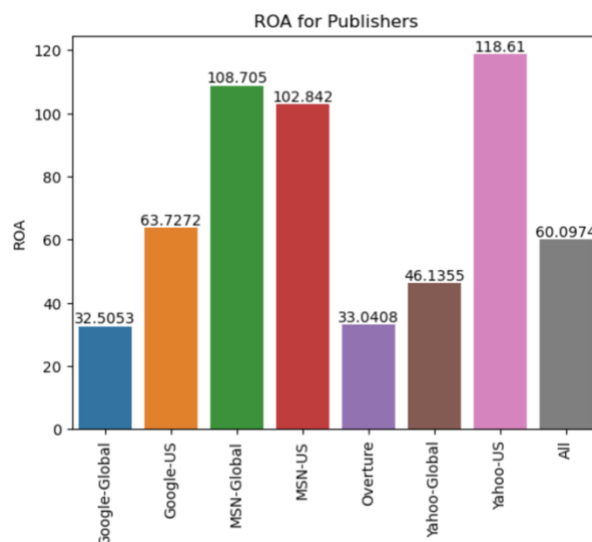


Blendo Games Case Analysis: Internet Marketing (PPC) Optimization

Publisher Performance Analysis:

1. Which publisher is providing the highest Return on Advertising (ROA) Dollar?



From the figure (left), we can see that Yahoo-US has the highest ROA 118.61.

Analysis: Evaluating the Need for Improvement in Google's Search Side Copy

2. Does Google require an improvement on search side copy? Why/Why Not?

	Clicks	Impressions	Avg Position	CTR
Publisher				
Google-US	3765	59880	4.253763	0.062876
Overture	587	13202	3.245140	0.044463
Google-Global	1886	46368	4.253844	0.040675
Yahoo-Global	717	77989	4.377599	0.009194
Yahoo-US	617	67990	4.263885	0.009075
MSN-US	289	42440	4.157771	0.006810
MSN-Global	466	74731	4.428363	0.006236

In evaluating the need for improvement in Google's search side copy, we employ two key metrics: Click-Through Rate (CTR) and Average Position of the ads.

Overall Performance:

The average positions for both Google-Global and Google-US are consistent, averaging around 4.25¹. This indicates that Google ads are consistently positioned in alignment with

the overall average. Furthermore, the average CTR for both regions surpasses the mean 'CTR' calculated from the entire dataset (0.006 and 0.004 compared to 0.016). This suggests that, on average, the Google ads are performing well in terms of click-through rates.

Ad Groups Performance:

- Avg Position: The average positions for ad groups vary, with some ad groups having lower positions (e.g., 'Zombie Games') and others having higher positions (e.g., 'Online Games'). Zombie Games has a relatively lower position for both Global and US ads, indicating a higher placement in search results.
- Avg. CTR: The click-through rates (CTR) also vary among different ad groups. Zombie Games has a relatively high CTR for both Global and US ads, indicating better performance in attracting clicks.

¹ In this scenario, we employ the average of averages, operating under the assumption that the group sizes utilized to compute these averages are equal across all groups.

Conclusion:

The overall performance of Google ads, both globally and in the US, reflects a commendable click-through rate that surpasses the mean. Given the successful engagement indicated by higher-than-average CTR values, there is no immediate suggestion for copy improvement at this time.

Analysis: Evaluating the Effectiveness of Yahoo's Website Side Copy

3. Does Yahoo require an improvement on website side copy? Why/Why Not?

	Clicks	Conversions	Impressions	CTCVR
Publisher				
MSN-Global	466	348	74731	0.746781
MSN-US	289	140	42440	0.484429
Yahoo-US	617	173	67990	0.280389
All	8327	1874	382600	0.225051
Yahoo-Global	717	154	77989	0.214784
Google-US	3765	716	59880	0.190173
Google-Global	1886	280	46368	0.148462
Overture	587	63	13202	0.107325

In evaluating the need for improvement in Yahoo's website side copy, we employ the metrics: Click-Through Conversion Rate (CTCVR)

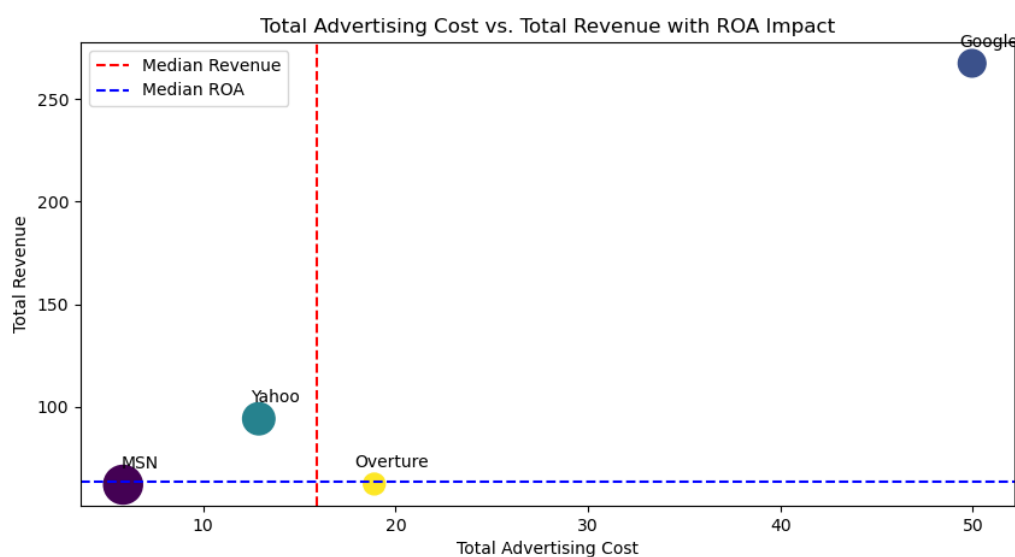
The average CTCVR for Yahoo-Global (0.0020) and Yahoo-US (0.0025) is the lowest among all the publishers, suggesting a challenge in the landing page's ability to effectively convert visitors into customers.

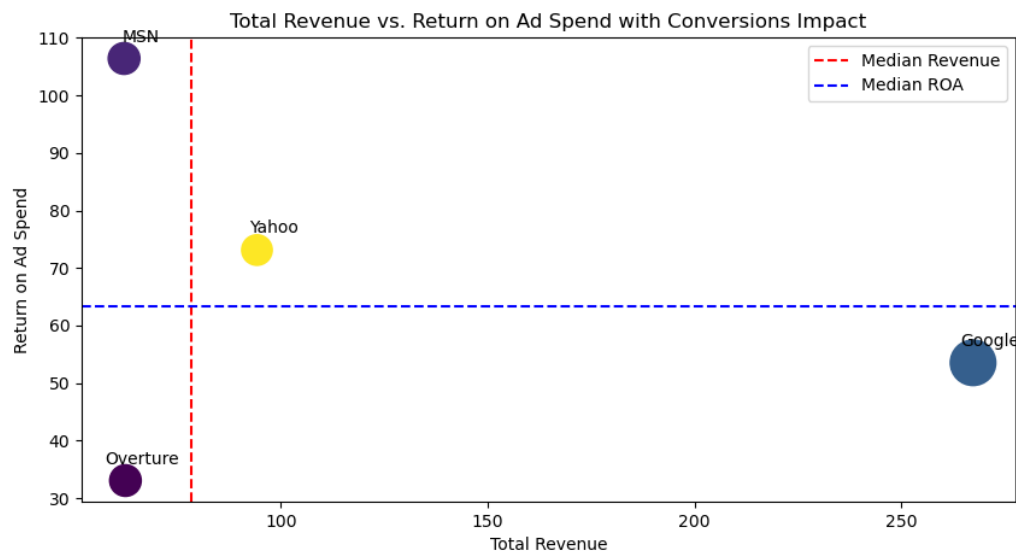
Conclusion:

The comprehensive examination of Yahoo's website-side copy, on both a global and US scale, underscores suboptimal CTCVR performance. This suggests a need for improvement in the alignment and effectiveness of the website-side copy to enhance user engagement and conversion rates.

Analysis: Funding Allocation Decision Between Yahoo and MSN

4. The company intends to increase funding for Yahoo but decrease funding for MSN because Yahoo has a decent CTR but MSN has the lowest CTR among all publishers. Would you support this decision? Why/Why not?





- Despite MSN having the lowest Click-Through Rate (CTR) among all publishers, it boasts the highest conversion rate among the four platforms, indicating that the higher portion of users clicking on ads convert into desired actions, such as making a purchase.

Furthermore, the platform's low Average Cost Per Click (Avg. CPC) contributes to having the lowest Total Advertising Costs among all four. This cost-effectiveness results in a higher Return on Ad Spend (ROA) for MSN compared to other platforms. The combination of a high conversion rate and lower advertising costs makes MSN a favorable choice for maximizing return on investment.

Therefore, while we cannot fully support the decision to decrease funding for MSN, we strongly suggest revising the **Search Side Ad Copy** such that we can improve the CTR metric.

Optimizing Keyword Strategy: Evaluating the Impact of Match Types on ROA

5. The company expects that the exact match and phrase match keywords would provide higher ROA compared to broad match keywords. While updating their strategy they are thinking about bidding on only exact and phrase match keywords. Would you support this decision? Why/Why Not?

Keyword Type	Impressions	Total Advertising Cost	Total Revenue	ROA (desc.)
broad	163260	1836.14	160983.652	87.6750422
phrase	117230	1782.4	115844.5433	64.99357229
exact	102110	1883.36	53821.54786	28.57740839

Upon thorough analysis, it is evident that the initial hypothesis suggesting that exact match keywords yield higher ROA compared to broad match keywords is not accurate. Consequently, we cannot support the decision to bid solely on exact and phrase match keywords. Contrary to the initial hypothesis, the data reveals that broad match keywords lead to higher ROA, followed by phrase match, and exact match at the lowest.

Global Advertising Effectiveness: Evaluating the Impact on Product Purchases

6. The company feels that the global audience (targeted through Google-Global, MSN Global, and Yahoo - Global) does not purchase the products from it and wishes to know if it is worthwhile to still invest in advertising to the global audience. What do you recommend?

	Clicks	Conversions	Impressions	Total Advertising Cost	Total Revenue	CTR	CTCVR	Revenue per Conversion
Unified_Publisher								
Global	3069	782	199088	2098.85	97103.383812	0.015415	0.683887	124.173125
US	4671	1029	170310	3200.90	226867.161219	0.027426	0.685271	220.473432

Observations

While Global ads generate higher impressions, the lower Click-Through Rate (CTR) suggests a potential misalignment between the advertising content and the global audience's interests. Considering that the landing page (website side copy) performs similarly for both Global and US audiences, it may be worthwhile to investigate the content and messaging of the ads themselves.

Additionally, the observation that Blendo Games derives approximately 30% of its total revenue from global sales highlights the significance of the global market. However, the lower Revenue per Conversion for the Global audience compared to the US suggests possible differences in pricing preferences or game interests.

Conclusion

Further research is needed to make an informed decision about investing in advertising to the global audience. This could involve exploring the global market's specific preferences, adjusting pricing strategies, or refining ad content to better resonate with the global audience. Conducting targeted surveys or market research to gain insights into the preferences and behaviors of the global audience would be beneficial before making a final decision on advertising investments.

Recommendations

In the light of above data, we propose two strategic approaches based on resource availability and the management's risk appetite:

- *Approach 1:* Given the strong performance in the US market with high CTR and revenue generation, it may be prudent to focus efforts and resources on what is already working, avoiding the risk of wasting time and energy on less successful ventures.
- *Approach 2:* Despite Global CTR rates being half of US rates, the consistent performance of the landing page for both Global and US audiences suggests the need to investigate the content and messaging of the ads. Considering the already successful US marketing efforts, any additional fine-tuning may result in marginal gains. However, investing effort in improving Global CTR could yield higher returns and is worth exploring for potential revenue growth.

Tailoring Search Strategies: Differentiating Approaches for US and Global Audiences

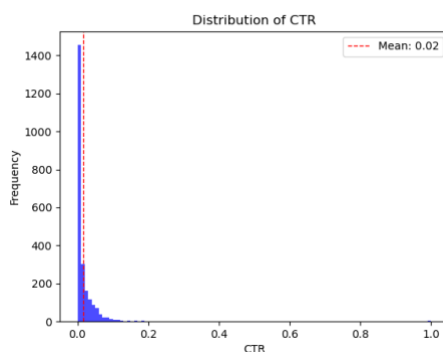
7. Would the search side strategies that the company should employ be different for the US audience and Global audience? Please explain what the strategies should be.

In the previous analysis, we observed:

- Higher impressions for Global ads but lower Click-Through Rate (CTR) indicating potential misalignment with global audience interests.
- Similar performance of the landing page (website side copy) for both Global and US audiences.

Thus, the difference in CTRs calls for different search-side strategies for US and Global audiences.

For the Global marketing, although the Click-Through Rate (CTR) in the global market is almost half of that in the US, the landing page performs similarly for both audiences. This situation underscores the importance of improving the search-side ad copy to enhance the Global CTR.



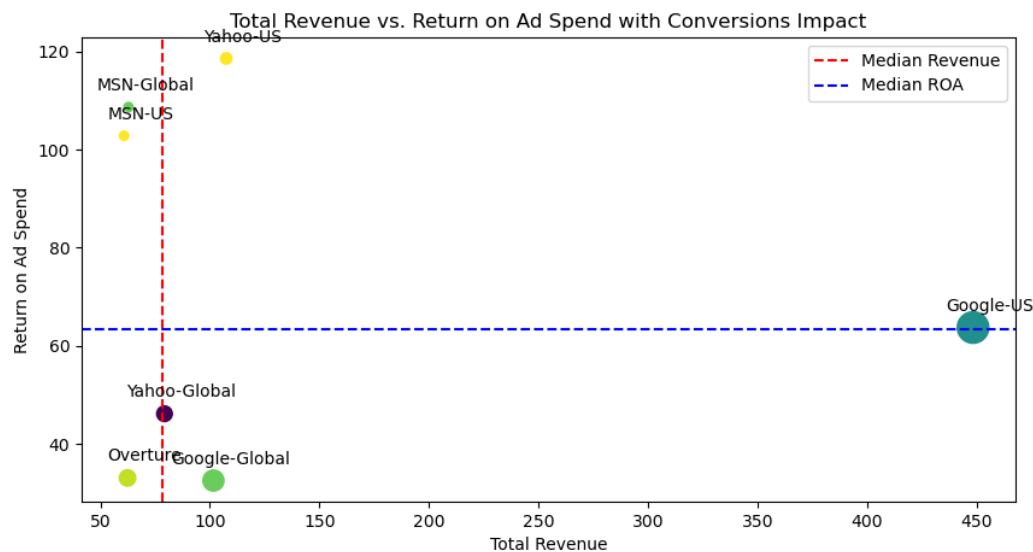
Unified_Publisher	Keyword Type	Ad Group	
US	broad	Battleship	0.000000
	phrase	Plants vs. Zombies	0.000000
	exact	Battleship	0.000000
		Boxhead	0.000000
		Shooting	0.000000
Global	broad	Shooting	0.000000
		Online Zombie Games	0.000000
	phrase	Zombie Games-M	0.002436
	phrase	online games-MG	0.002500
		kids games-MG	0.002579

For US marketing, our analysis showed that:

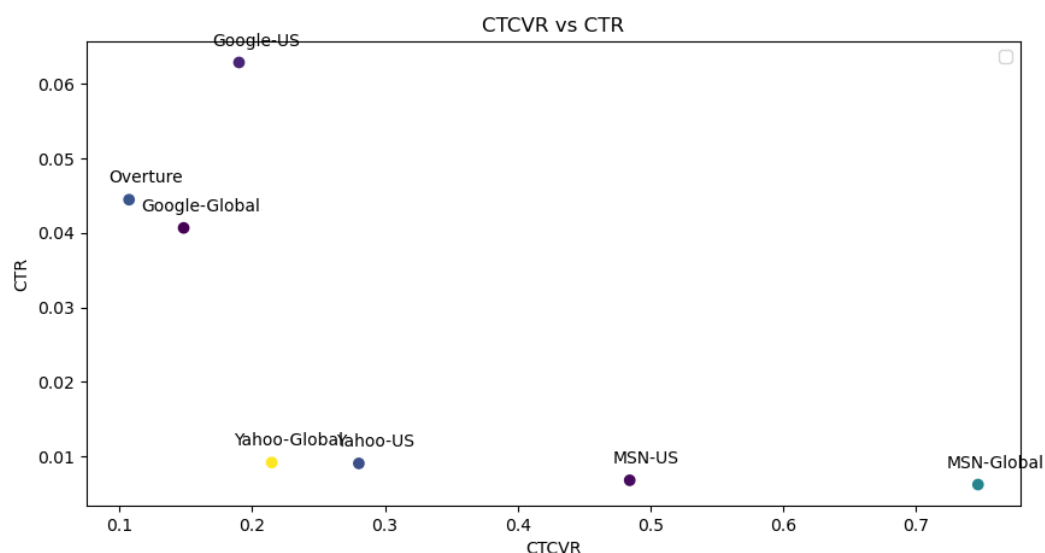
- More than 33% of the ad copies are performing below the average benchmark.
 - The CTR distribution (above) exhibits a positive skew, indicating a higher concentration of lower (~0) values.
- To address this, it is recommended to refine ad copy through experiments, starting with those yielding the least favorable results.
 - Addressing the underperforming ad groups and keywords on identified publishers, specifically Yahoo and MSN, should be the initial focus.
 - Additionally, considering a strategic reallocation of funds from exact match to Broad or Phrase match is worthwhile, given that the latter options typically yield a higher ROA.

Publisher-Specific Performance Enhancement Strategies

8. What strategies would you suggest for improving performance for each of the publishers?



- **For all:**
 - **Re-Marketing Ad Campaigns Based on User Behavior:** Implement tracking mechanisms to monitor user traffic to specific pages on our site and develop re-marketing ad campaigns for users visiting those pages to increase engagement.
 - **Audience Segmentation and Targeting:** Conduct a demographic analysis on the audience, gathering data on age, location, gender, and economic indicators and utilize insights to redefine marketing strategies through targeted ads.



- **Overture:** Despite achieving a high Click-Through Rate (CTR), Overture faces the challenge of having the least Revenue and Return on Ad Spend (ROA) due to poor conversion rates. Our hypothesis attributes the high CTR to a low count of Impressions, implying a lack of marketing benefit. To address this, we recommend reallocating ad spend from Overture to other publishers to enhance overall returns.
- **Yahoo:** In our assessment of Yahoo ads, both on a global scale and in the US, we identify suboptimal positioning and CTR. Lower-than-average CTR values indicate

reduced engagement, prompting our recommendation for a revision and enhancement of the ad copy to achieve better results.

- *Yahoo-US*: Improve the search side copy tailored for US customers.
 - *Yahoo-Global*: Enhance both the search and website side copy using keywords and product offerings that better resonate with global customers.
- **MSN**: While MSN boasts the highest Click-Through Conversion Rates among all publishers, it grapples with remarkably low CTRs. This observation leads us to infer that the search side ad copy for MSN ads may be inadequately designed for the target audience.
- **Google**: Despite having high CTRs for both Google US and Global, there are significantly low conversions. This signals the need for improvement in the website side copy or the overall landing page experience. Ensuring alignment between keywords and ad copy on the search side with the website side copy is crucial. A preliminary step involves performing micro and macro conversion analyses. Aligning landing pages with ad copy to improve conversions is recommended, and conducting experiments will help assess and enhance overall performance.