ROI by Channel

Which Channel brings best ROI

Row Labels	Sum of member_inc€	Sum of revenue_1st_45_d	ROI
Affiliate	36600	6411.1	18%
Partnerships	127505	39433.6	31%
Referral	9400	18816.2	200%
Grand Total	**173505**	**64660.9**	37%

Channel Performance

Row Labels	Average of member_	Average of revenue_1st_4	Sum of Channel ROi
Affiliate	44.20	7.524765258	17.52%
Partnerships	58.35	8.703067755	30.93%
Referral	11.56	23.05906863	200.17%
Grand Total	**45.35**	**10.43085982**	**37.27%**

Above pivot is to measure the direct profitability of the promotional rule itself, alongside traditional metrics like Channel ROI.

This allowed us to measure the direct profitability of the promotional rule itself, alongside traditional metrics like Channel ROI.
First, promotions with **No Barrier** are overwhelmingly the most profitable, delivering a

Second, the Referral channel is the only profitable acquisition source (200% ROI).

Therefore, the marketing team should **maximize budget allocation to Referral and use the No Barrier mechanic** across all campaigns, while cutting spending on loss-making Affiliate and Partnership channels.

Performance by Incentive Barrier Type

Row Labels	Sum of member_inc€	Sum of revenue_1st_45_d	Count of member_id	Sum of Barrier ROI

Fund Barrier	120775	16923.3	2095	14.01%
No Barrier	5480	37869.9	3469	691.06%
Spend Barrier	47250	9867.7	635	20.88%
Grand Total	**173505**	**64660.9**	**6199**	**37.27%**

The data confirms the **No Barrier** mechanic is simply the **most efficient low-cost acquisition engine**:

Low Cost/High Volume Strategy: The **No Barrier** promotions are cheap to run (low average cost) and attract a high volume of users (Count: 3,469) who, *collectively* , deliver massive revenue compared to the cost.

The recommendation stands: To get the **"best bang for the buck,"** the marketing team must prioritize the **No Barrier** mechanic, as the high volume of low-cost members is overwhelmingly profitable

Barrier vs Channel ROI

Sum of ROI. Ratio	Column Labels			
Row Labels	**Affiliate**	**Partnerships**	**Referral**	**Grand Total**
Fund Barrier	11.06%	16.48%	1.74%	14.01%
No Barrier	275.13%	422.99%	3627.18%	691.06%
Spend Barrier	10.60%	20.71%	89.32%	20.88%
Grand Total	**17.52%**	**30.93%**	**200.17%**	**37.27%**

This analysis proves that the **promotional rule is more important than the acquisition channel**

The **No Barrier** incentive structure delivers profitable ROI in every single channel—from **275% (Affiliate)** up to an astronomical **3627% (Referral)**.

Conversely, all high-hurdle promotions (**Fund and Spend Barrier**) are consistently loss-making, even when used on the high-quality Referral channel.

The **Referral + No Barrier** combination is the undisputed leader and must be maximized.

Average cost vs Average Revenue

To know the Quality Customer Price Point (Cost vs Value)

Row Labels	Sum of ROI. Ratio	Average of member_incer	Average of revenue_1st_45_days
Fund Barrier	0.140122542	57.65	8.08
No Barrier	6.910565693	5.00	10.92
Spend Barrier	0.208840212	74.41	15.54
Grand Total	**0.372674563**	**45.35**	**10.43**

This data provides the mathematical proof for why the high-ROI strategy works: high cost does not equal high value.

The **No Barrier** model acquires a customer for an average incentive of just **£5.00** but returns an average revenue of **£10.92**, yielding the 691% ROI.

In sharp contrast, the **Spend Barrier** promotion costs nearly **£75** but only returns **£15.54** in revenue

his confirms that the marketing team is consistently **overspending** on incentives and that **£5.00 is the optimal cost** to acquire a highly profitable, high-quality customer.

Final Stratergy

The analysis shows that our biggest issue is not customer activity, it is how much we are spending to acquire them. We are paying too much for customers who generate very little revenue. In fact, our total marketing return is –37.27%, which means we are spending more than we are earning back.

High-cost promotions are performing the worst. For example, Spend Barrier offers cost around £74 per customer but bring back only £15 in revenue. On the other hand, our most profitable customers were acquired for just £5, using No Barrier promotions. This clearly shows that expensive incentives do not mean better results.

To fix this, we should do three simple things. First, pause spending on Affiliates and Partnerships, because both channels are losing money. That budget should be moved to Referral, which is performing the best. Second, we should stop using Fund Barrier and Spend Barrier offers, because they are too costly and not worth the return. Instead, we should make No Barrier promotions our main strategy, since they bring the highest profit at the lowest cost. Finally, the strongest combination we have is Referral + No Barrier, which gives extremely high returns and brings valuable customers at a very low incentive cost (around £5). This should become our standard approach for future campaigns.

In simple words: We don't need to spend more, we need to spend smarter. Our best customers already show us what works — low incentive, no conditions, referral-driven signups. If we follow this model, we will reduce costs, improve profit, and make our marketing budget work much harder.