

Telecommunications Marketing Analysis

FAIL-SAFE: Austin Introna (Spatial Analyst), Art Eursenko (Audience Analyst), Alyssa Ayala (Creative Analyst), Eddie Li (Inventory Analyst)

Introduction

FAIL-SAFE, a marketing agency, is helping a global telecommunications company analyze its campaigns with a dataset provided by COOP based on **location strategy**, **audience goals**, **creative strategy**, and **inventory and viewability**. The primary goals are \$250 CPA for the audience, \$350 CPA for desktop conversions, \$400 CPA for smartphone conversions, and 60% viewability. The secondary goals are 0.015% CTR for the audience and conversions and \$80 vCPM for viewability.

Key insights

Location strategy: The dataset shows that the telecommunications company is marketing among 15 states. A majority of which are along the East Coast and in big cities. Taking a look at both the performance metrics as well as the branding metrics for each state can help determine how cost-effective the campaigns are running in each state. The KPIs that are important to consider are the CPA, CVR, CPC, CPM, CTR, and viewability. After calculating the KPIs for each state the bottom-performing states for the telecommunications campaigns are Arkansas, Georgia, Michigan, South Carolina, and Tennessee. These states performed in the bottom percentile in multiple metrics. On the other, we have the top-performing states being California, Illinois, Indiana, New York, and Ohio, who are consistently performing in the top-mid percentile of each metric.

Audience goals: This marketing campaign has reached over 8.5 million impressions and progressed to over 200,000 clicks, leading to 8,474 conversions. While these figures are strong by their own right, a deeper understanding and targeting of audiences would have produced stronger results. All of the creative messages had generic messages that didn't resonate with any audiences in particular and had a wide, firehose distribution. As a result, the users that over-indexed on conversions tended to be older, including "empty nest" parents, 50+ or 65+, suburbanites, and traditionalists. While an "early adopting elite" also trended toward the top 3, there is a severe lack of users 40- represented in conversions. A higher focus campaign that connects with users based on socio-demographics and their interests would have proven much more efficient, and is recommended for the next one. The generic "Save 10%" message had similar resonance among "Offline Seniors" as with "Male Heads of Household" and "City Center" residents. The most egregious example was on MicrosoftCasualGames.com which includes ages 25-64, it saw the 12th highest number of impressions but only converted once, with CPA exceeding \$5,000 for the one transaction. This suggests the ad is inconveniently positioned in a place where users are not ready to perform a transaction and was almost a nuisance. Furthermore the 25-64 age range is far too broad and doesn't impact firmly. This weak segmentation issue repeats dozens of times and produces mediocre conversions.

Creative strategy: There are three creative sizes, which are 300×50, 300×250, and 320×50. 300×50 and 320×50 are solely used for smartphones, so they thrive more in urban areas like Florida and Ohio. So 300×250 includes both smartphones and desktops. Desktops are more viewable with an average viewability of 46.35%, great for rural states like Alabama. The click performance has a low CPC of \$49.59 but a high CTR of 0.36%. However, 320×50 has the best customer performance with a low CPA of \$682.26 and a high CVR of 11.80%. Larger screens make users trust ads and become customers, like tablets since they have large screens like desktops but are mobile-friendly.

Inventory and viewability: When analyzing the breakdown of impressions into measurable and viewable, we are able to see the top performing exchanges are: Google Ad Manager, PubMatic, BidSwitch. The worst performing exchanges in terms of impressions are: Kargo, Sharethrough, and Sovrn. However, after analyzing the KPIs for these exchanges, we are able to see that the worst performing ones have the best performing KPI metrics. Analyzing Apps/URLs, we are able to see a similar pattern of the apps/urls with the highest impressions not even showing up for the best performing KPI metrics. A reason this occurs can be the high level of spam activity happening, where the ad is being viewed but also ignored. In order to optimize cost per acquisition and conversion rates, our client should focus on increasing inventory on ads that perform well in CPA and CVR with low levels of impressions and viewability.

The next steps

Location strategy: Considering each state's individual metrics, we can cut our losses with Louisiana, Arkansas, and South Carolina which are costing us a lot of money to market, and start adding more resources into Ohio, Indiana, and Kentucky which are our top 3 cost-effective states. With more time and research we can try and work on Tennessee and Georgia as they are the last 2 states in our bottom percentile and see if we can bring their numbers up utilizing some of the strategies from our other 3 data analysts.

Audience goals: Knowing one's audience is paramount in an online marketing ecosystem, so we highly recommend conducting deeper market research on your customers, identifying 6-12 ideal users and describing their personas, then crafting more niche, specific messages to reach these exact users. A/B Testing can also prove useful for refining a message for a specified group.

Creative strategy: Mobile-friendly ads are more likely to have more conversions, especially in urban states like Ohio and Florida, where phones are popular. Making campaigns mobile-friendly for urban places and compatible with all devices for rural states like Alabama can help increase the conversions between all creative sizes and the campaign's ROI.

Inventory and viewability: Exchanges with low levels of impressions perform well in KPI metrics. Decreasing inventory for exchanges with high impressions but a low conversion rate could benefit greatly. Viewability is also very important, but it should also reflect the vCPM level. Increasing inventory for exchanges with low impressions could help boost visibility without depleting the budget completely. If the focus is viewability, consider increasing inventory for apps/urls with a decent viewability percentage and low CPA. If the focus is conversions and clicks, increase inventory for exchanges and apps/urls with high CTR and CVR and low impressions.