«Unit Economics Metrics»

Task: Analysis of key unit economics metrics
for the "Everything from cafe" service for the period from 04/30/2021
to 07/02/2021

Link to interactive dashboard in Tableau: Link

Purpose of the analysis

- Explore and visualize key monetization metrics.
- Conclude whether the product pays off.
- Make recommendations to the business.

Payback

- Does user acquisition pay off overall?
- At what day in life does the payback occur?

Conclusion: From the graph, we see that user acquisition does not reach the ROI level in a 7-day life cycle. On day 7, the graph approaches 1 with a value of 0.98.

ROI curve graph

payback level

Cohort Size

• Which advertising channels, cities, age segments and platforms are leading in terms of total cohort sizes?

Conclusion: The leading groups can be seen from the graphs for each position. We can highlight:

- By city, Saransk is a clear leader with 2847 users.
- By platform, Desktop leads with 2,596 users versus 1,385 users for Mobile.
- In the age segment, the leader is the group from 18 to 25 years old with 1294 users.
- Among inorganic sources, we can highlight Source_B c 2356 user.
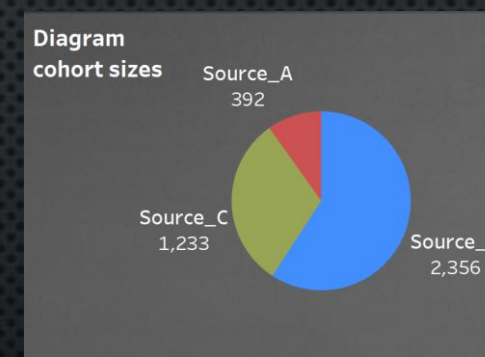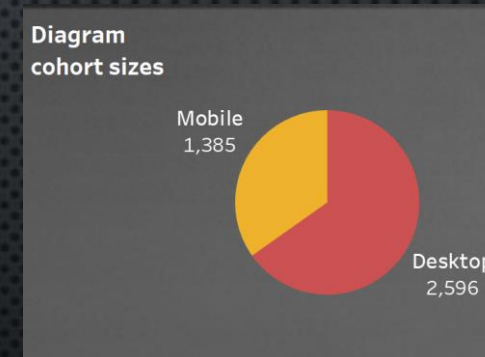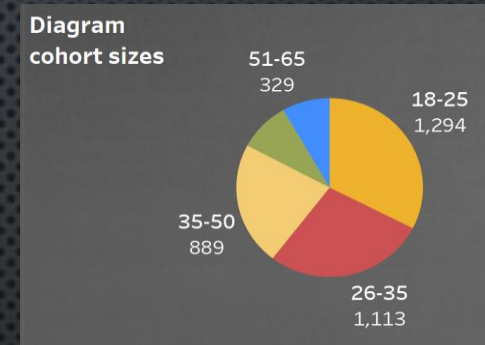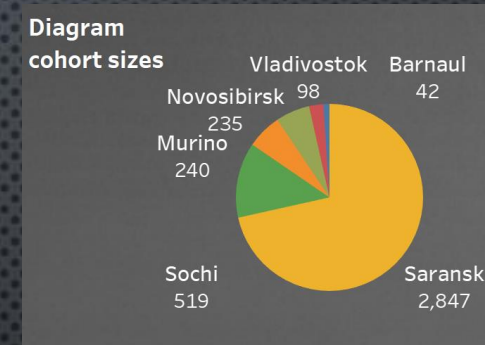
CAC distribution

• How is CAC distributed across advertising channels, cities, age segments and platforms?

Conclusion: The distribution by cohort looks like this:
* By city, Vladivostok is in the lead with 63.46.
* For advertising channels, Source_A stands out with 106.34.
* In terms of age segments, 65+ leads with 62.25.
* By platform, Desktop has a slight advantage with 60.48 versus 58.94 for Mobile.

CAC Chart

Vladivostok	
Barnaul	
Saransk	
Novosibirsk	
Sochi	
Murino	

0 10 20 30 40 50 60
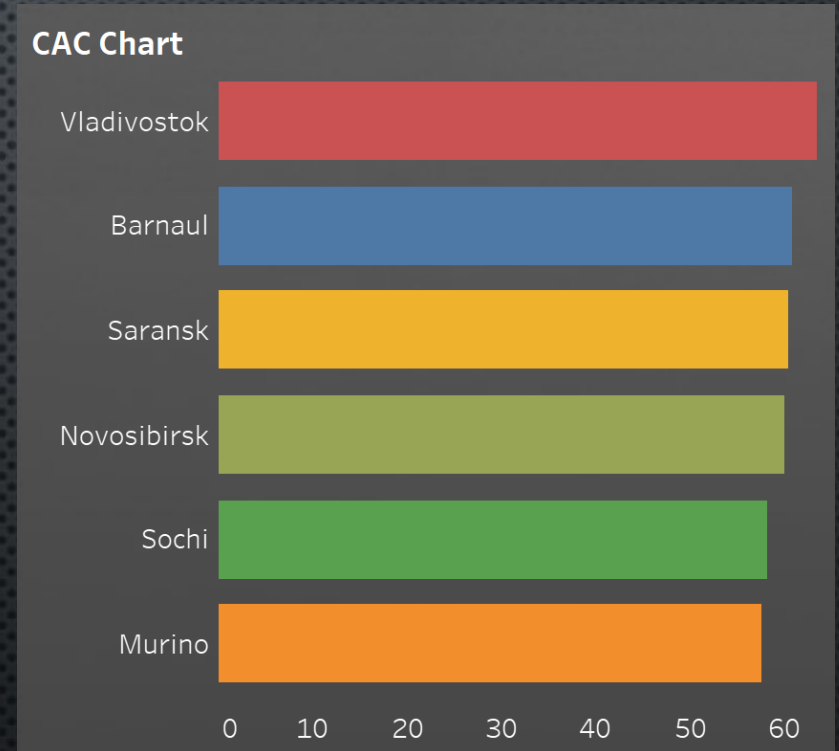
LTV dynamics

• What can you say about LTV dynamics by advertising channels, cities, age segments and platforms?

Conclusion: From the graphs on LTV dynamics you can see:

• From the age cohort, two categories can be distinguished: 51-65 and 65+. They show very strong fluctuations from low values close to zero to high values with croissant orders.

• By city, we can highlight consistently high LTV in Sransk and Sochi. The remaining cities show weak dynamics.

• Among the devices, Desktop stands out with stable dynamics and high orders.

• Source_A stands out across the channels with high fluctuations from zero to large orders.

| LTV table	1	2	3	4	5	6	7
Barnaul	5.35	5.35	5.35	5.35	5.35	5.35	5.35
Murino	16.87	17.86	17.86	17.86	17.86	17.86	17.86
Novosibirsk	29.73	31.68	31.68	31.68	31.68	31.68	31.68
Saransk	53.28	58.70	63.30	65.29	67.36	69.19	71.48
Sochi	31.95	32.61	33.17	33.18	33.61	35.51	35.53
Vladivostok	9.69	9.69	9.69	9.69	9.69	9.69	9.69

Change history CAC

• How can you characterize the history of CAC changes by advertising channels, cities, age segments and platforms?

Conclusion: From the graph you can see:
• In terms of referral channels, Source_B stands out with a consistently low CAC not exceeding 75 rubles.
• In cities, Sochi and Saransk have consistently low CAC.
• By age category, we will single out 65+ with a higher CAC, unlike other groups.
• Across platforms, CAC indicators are approximately equal.

CAC dynamics chart

05-08   05-18   05-28   06-07   06-17   06-27
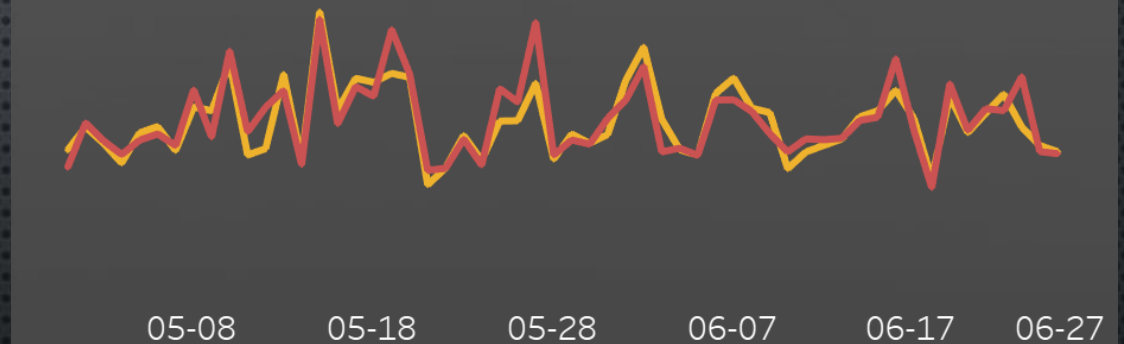
Payback 1/3

• Are there differences in user ROI for different advertising channels, cities, age segments and platforms?

Conclusion: From the built dashboard you can see: After distributing users into cohorts, differences in user ROI are observed. You can see problematic and more successful groups of users by age, city, acquisition channel and platforms.
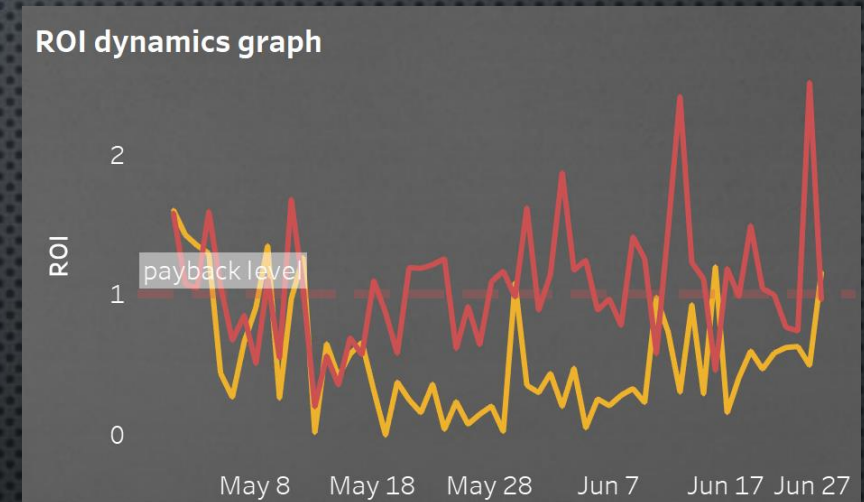

ROI dynamics graph

Payback 2/3

• How do user ROI dynamics differ for advertising channels, cities, age segments and platforms?

Conclusion: From the graph you can see:
- According to advertising channels, the most successful is Source_B, which consistently crosses the payback line.
- Among the cities, we will highlight Saransk with high dynamics in a positive direction.
- By age, two categories can be distinguished: 51-65 and 65+. They show very strong fluctuations from low values close to zero to high values with croissant orders.
- Among the messaging platforms, Desktop has an advantage.


ROI dynamics graph

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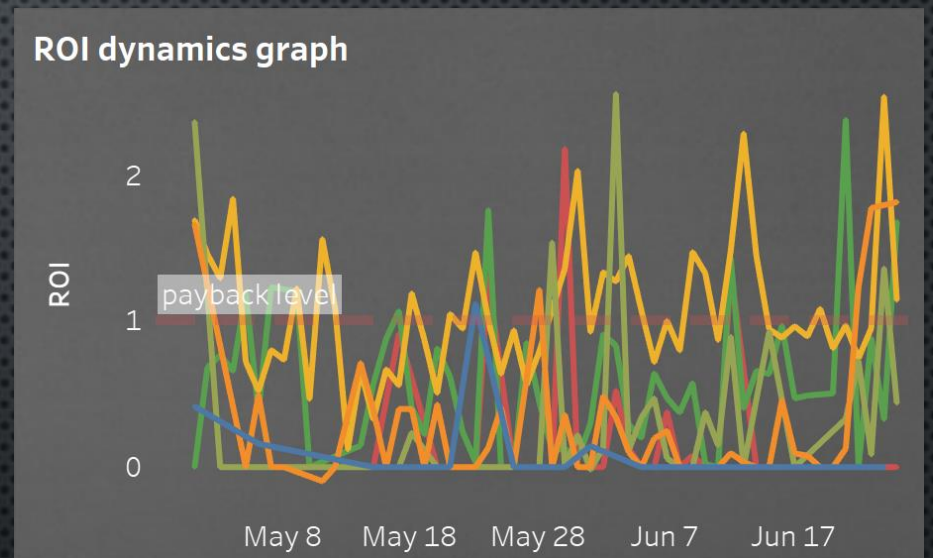
Payback 3/3

- Is it possible to identify leaders and outsiders in terms of payback among the cohorts? Describe them, form hypotheses about the reasons for the abnormally high or low return on investment. Analyze for which cohorts the unit economics converges and for which it does not.

Conclusion: From the graph you can see:
- In terms of payback, we will single out an obvious outsider, Source_A. Perhaps Source_A is advertising on an unpopular social network with low online presence and high advertising prices.
- In terms of device, the leader is Desktop, because it is a more popular platform than Mobile. Food is also most often ordered home or to the office.
- By age, older categories can be distinguished; they place orders more frequently, but for higher amounts.
- In terms of cities, Barnaul is a clear outsider, most likely due to the weak advertising campaign of marketers in this region.

ROI dynamics graph

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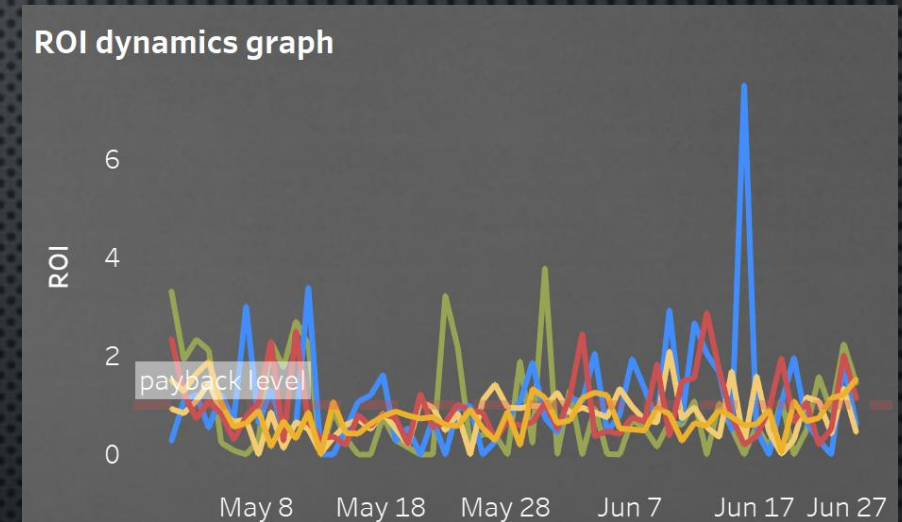
Action Points

From the analysis we can draw conclusions:
- For cities, it is worth considering stopping the service in Barnaul. It is also worth changing your marketing company and switching to advertising in more successful sources in cities such as Vladivostok, Murino, Novosibirsk.
- It is worth increasing the advertising budget for Source_B, reducing the budget for Source_C and refusing advertising through Source_A.
- Work more on marketing in Web services than in APP.
- Build a marketing company to attract young people.

Thank you for your attention!

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