Omnify Ads Returns Report

Maximizing Ads Returns

Background

- Omnify is a web-based booking software. Service providers e.g., a teacher, dance coach, etc. can use the software as a personalized booking platform for their customers.

- I was given ads data (Google ads + listing sites) for the period Q4 2020 to Q4 2021. It contained daily/weekly information on clicks, costs, prospects, and payments for various ads campaigns.

- In my analysis, I found that **Omnify spent on certain keywords (in case of Google Ads) and categories in certain regions (in case of listing sites) which did not generate any (enough) revenue**.

- I recommend the company to only focus on profitable keywords and categories. Both Google Ads and listing sites could be (more) profitable if ad campaigns were optimized.
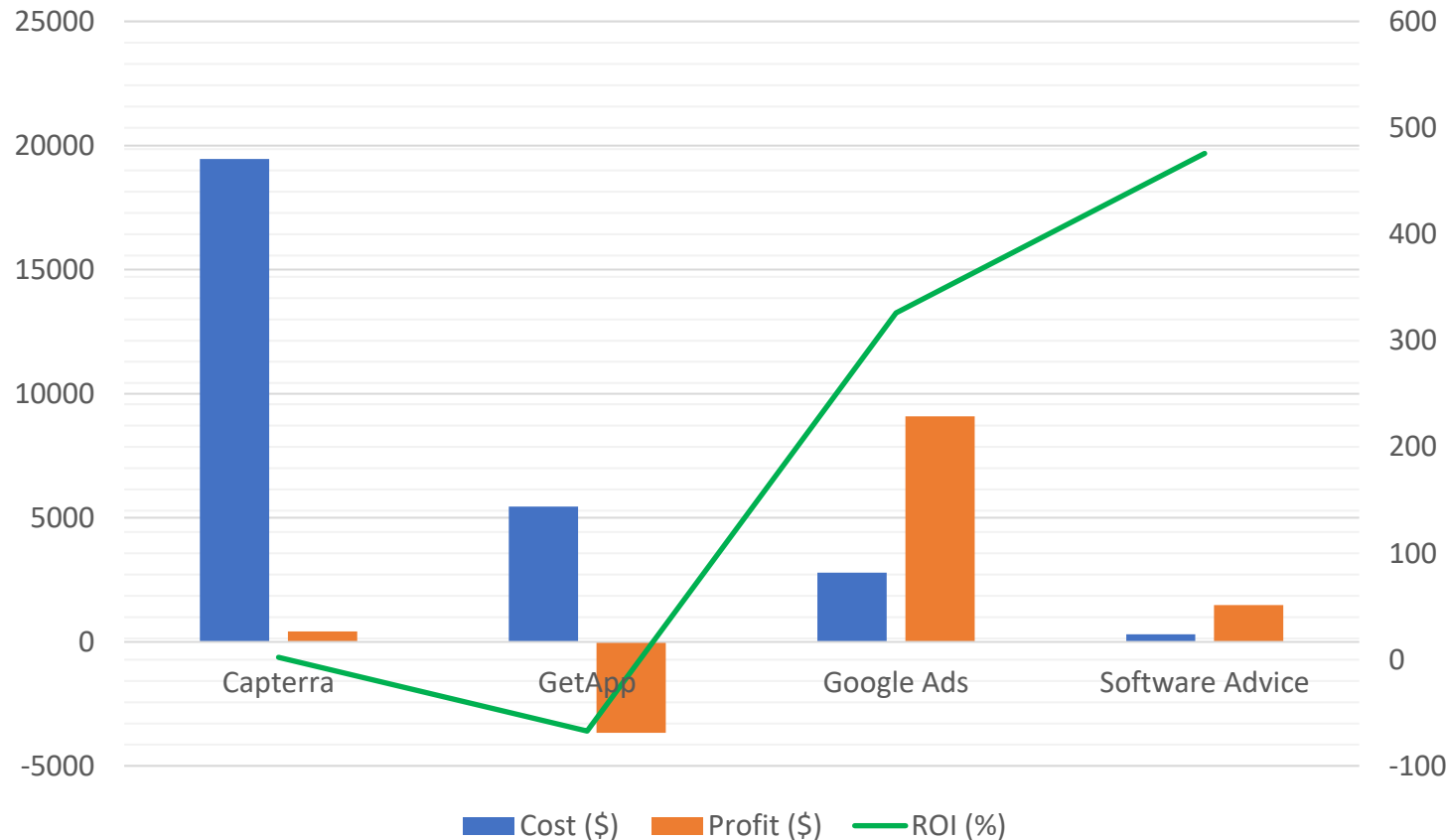
Highlights

Quarterly Profit/loss
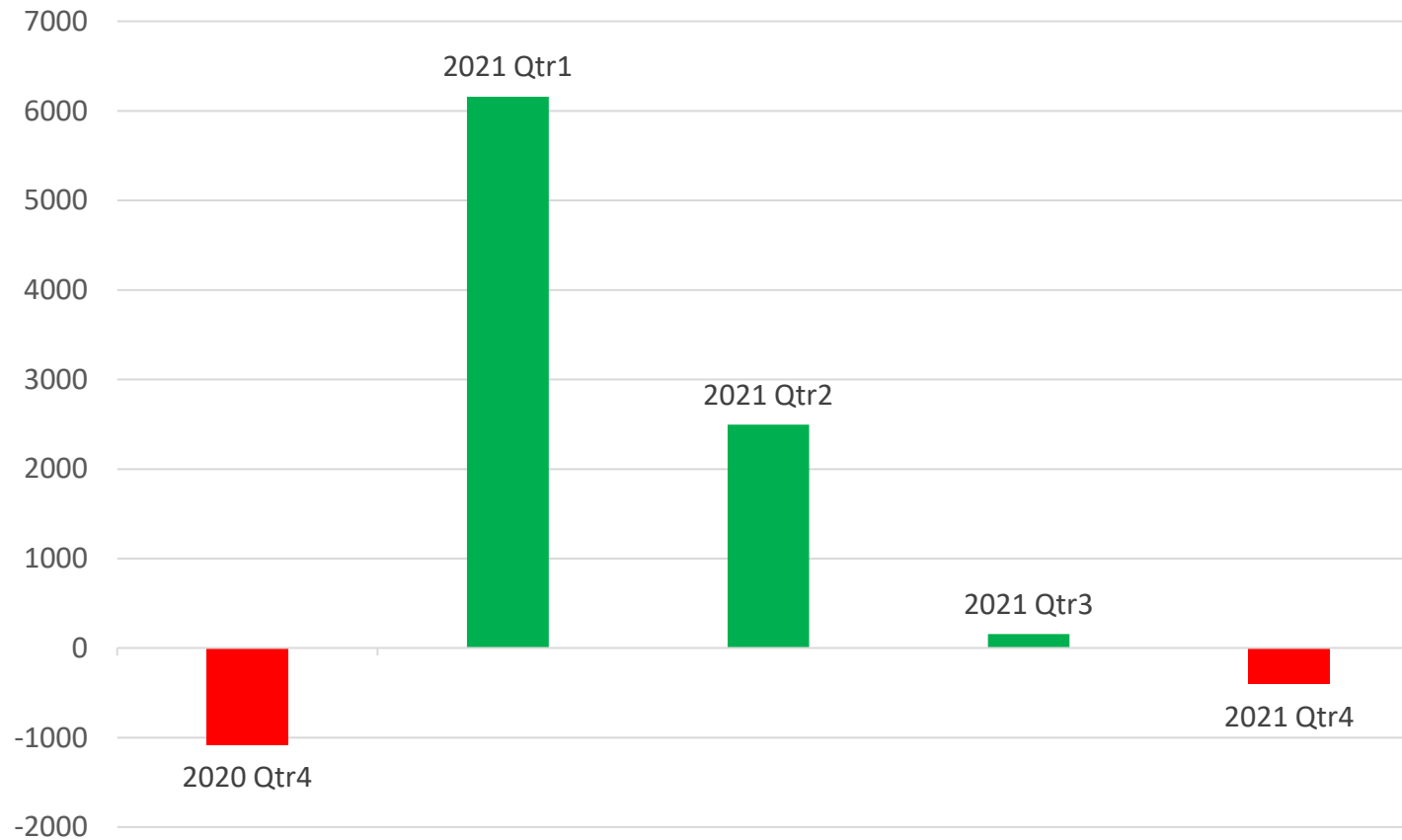
Over the 5-quarter-period, profits were reported only for Q1, Q2 and Q3 of 2021. Q4 2020 and 2021 both reported losses, as indicated in the chart.

*Note that data for Google Ads is available only for the period 25-Jan-2021 to 7-May-2021.
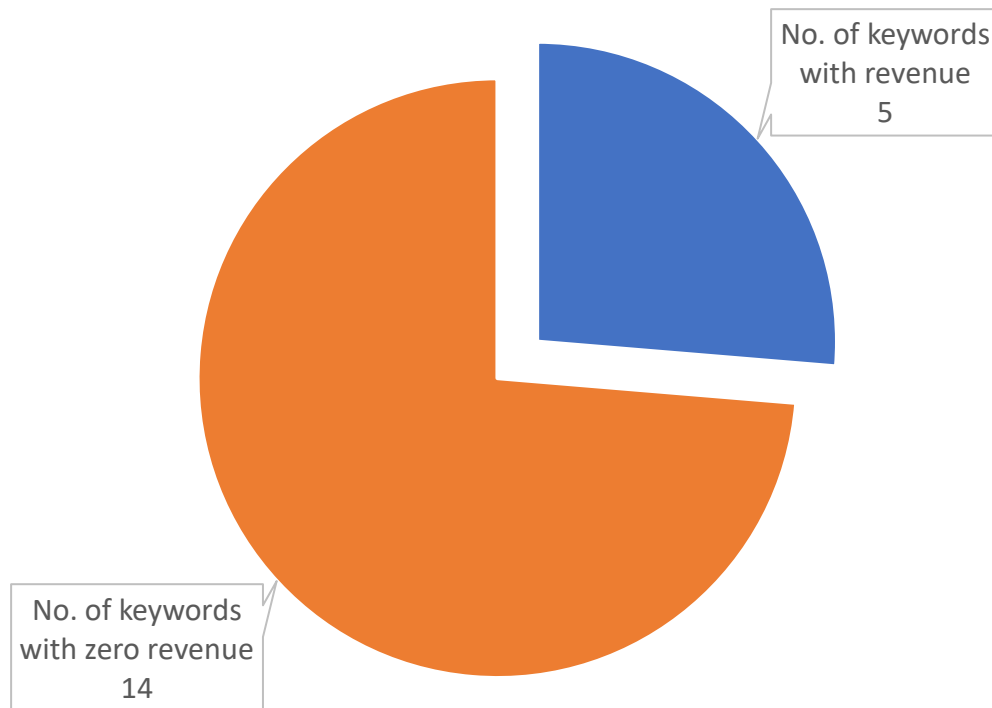
Channels' Profitability

Major ads investments were made in Capterra, Google Ads, and GetApp. Among these channels, only Google Ads gave significant returns (300%+ ROI). Capterra received the highest investment and yet gave a miniscule return of about 2% only. By contrast, we made losses on GetApp.

A note-worthy finding is that Software Advice, which received the lowest investment, reported the highest ROI (~500%). **Maybe, we need to rechannel funds.**

Keywords' Performance: Google Ads

In total, **we ran campaigns for 19 keywords** across exact, phrase, and broad match options. We **received a click(s) for only 13 of these keywords**. The keywords that resulted in no clicks are: pilates booking system, pilates management software, pilates studio management software, pilates studio software manager, yoga studio management software, and yoga studio scheduling software.

In addition to these six keywords, the following keywords generated ZERO revenue: booking management software, pilates studio booking software, pilates studio software, pool booking app, pool scheduling software, swimming pool booking system, swimming pool reservation system, and yoga studio app.

The winning keywords, keywords which generated revenue are: pool reservation software (broad and exact matches), pool reservation system (exact), reservation management system (exact and phrase), yoga studio booking software (broad), and yoga studio software (phrase).

No. of keywords with revenue
5

No. of keywords with zero revenue
14

Profitable Categories: Listing Sites

No category was profitable in Singapore and Australia. As for the rest, a list of profitable categories in Canada, the UK and the USA is given in the table as follows.

A detailed list of profit/loss made by different categories across target countries could be found in Appendix 2.

Row Labels	Total Profit
Canada	
Class Registration	679.5
Membership Management	1532.25
United Kingdom	
Scheduling	3055.5
United States	
Class Registration	970
Fitness	465
Parks and Recreation	3730.35

Google Ads

Review of Google Ads campaigns

Overview of Google Ads Campaigns

Campaigns with 1 or more clicks
37%

Campaigns with ZERO clicks
63%
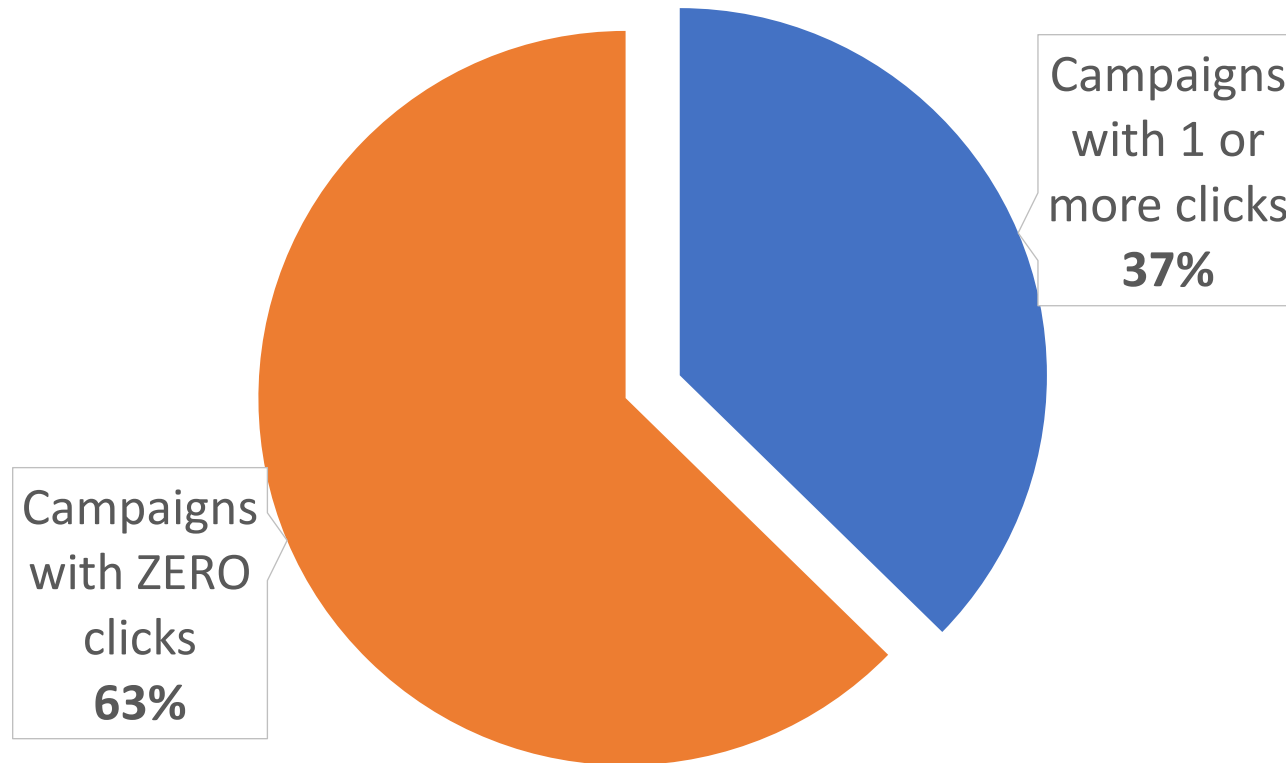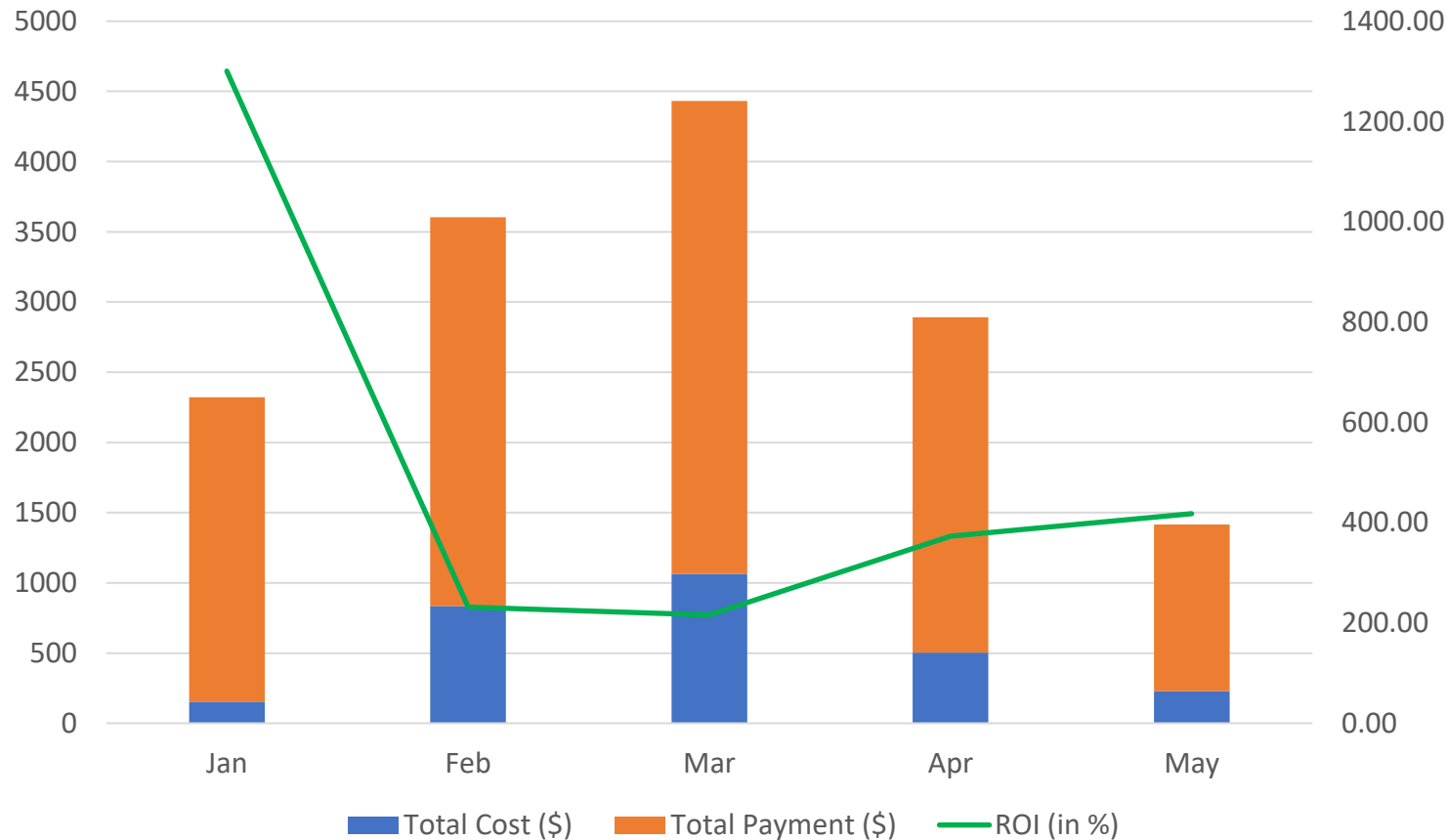
Over 60% of our Google Ads campaigns do not result in a single click.

But never mind, we are only billed for clicks.

Monthly Revenues & Costs

Our campaigns generated greater revenue in total during the months of February and March. However, costs were also significant during these months.

Return on investment (ROI) is computed as profit over cost as a percentage. The higher the ROI the more profitable is the keyword. So, in terms of ROI, January was the most profitable month.

Why was ROI lowest for February and March? Upon probing further, I found that these two months recorded more clicks and registered more prospects and yet made few sales/ payments.

Monthly Clicks and Sales

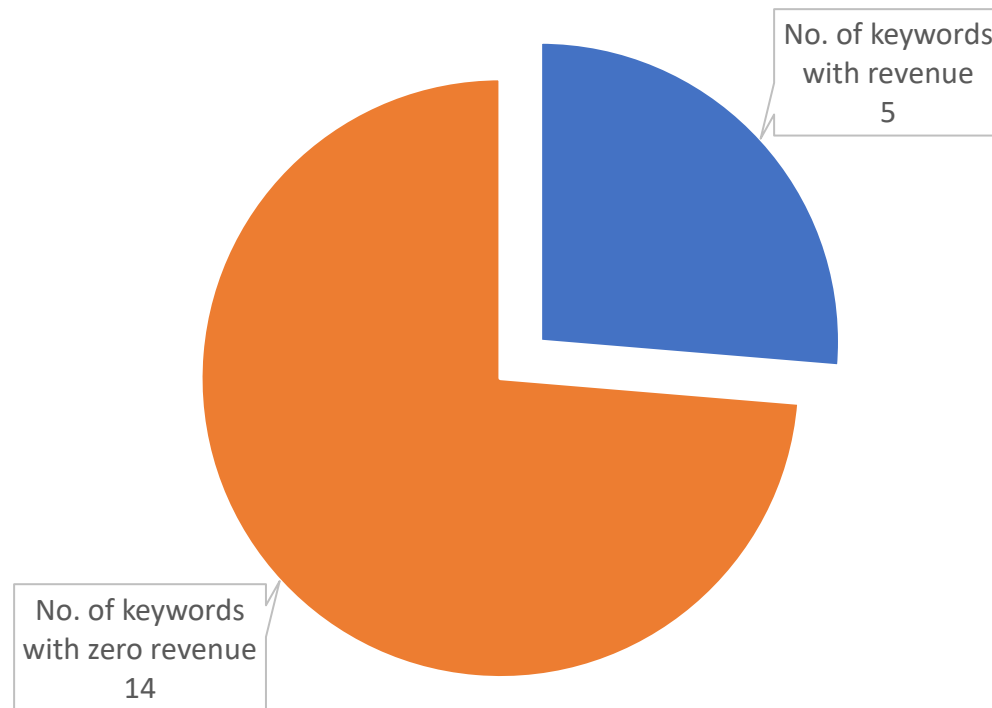More campaigns were run in Feb, Mar and Apr, all of which, together, generated more impressions and clicks which resulted in increased campaign costs during these months.
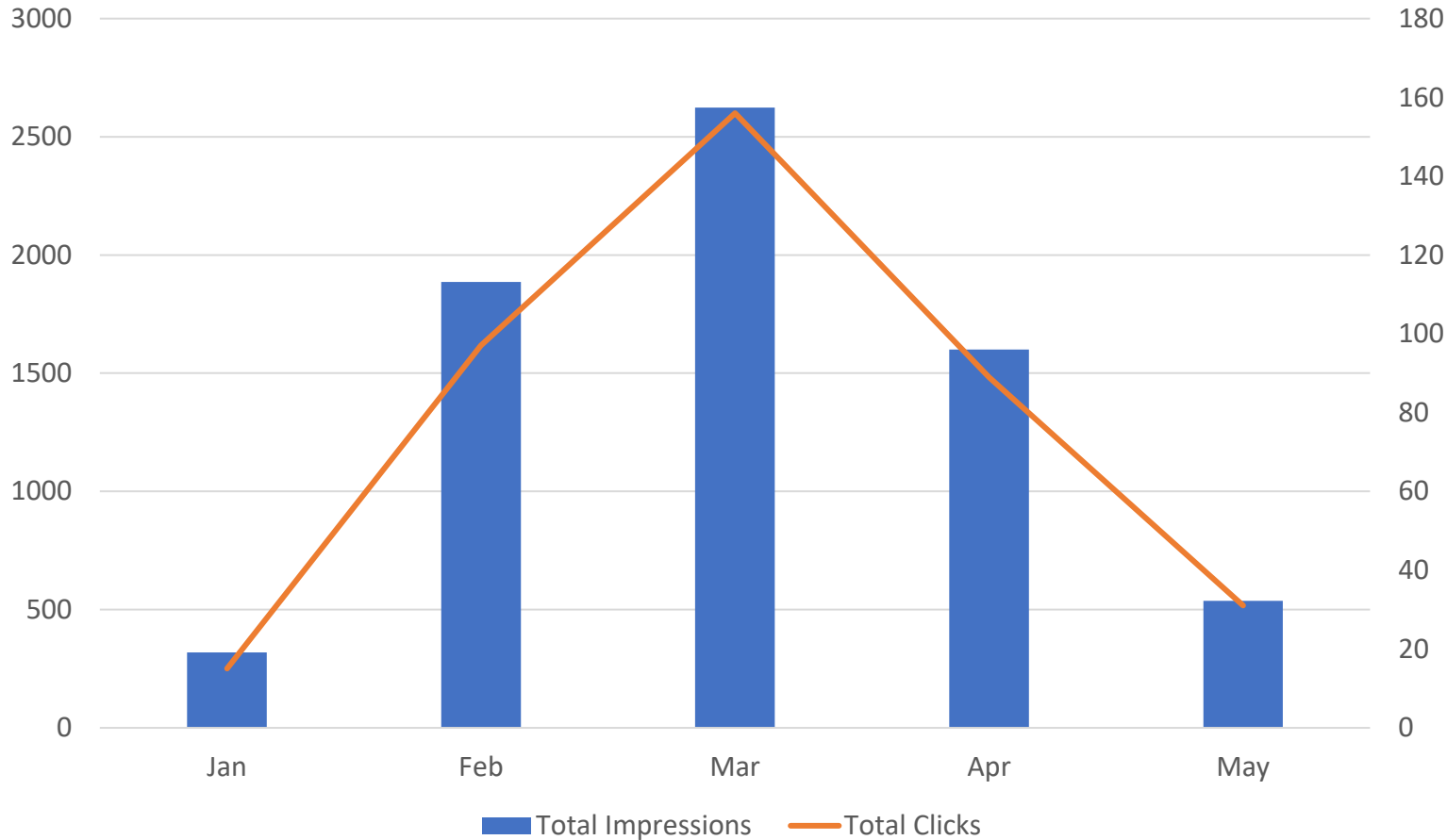
However, as seen in the previous slide, revenue did not scale enough with increased investment. Upon probing further, I found that during these months, we spent a lot on keywords that did not generate any revenue. See Appendix 1 for detail.

Keywords' Performance

In total, **we ran campaigns for 19 keywords** across exact, phrase, and broad match options. We **received a click(s) for only 13 of these keywords**. The keywords that resulted in no clicks are: pilates booking system, pilates management software, pilates studio management software, pilates studio software manager, yoga studio management software, and yoga studio scheduling software.

No. of keywords with revenue
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No. of keywords with zero revenue
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In addition to these six keywords, the following keywords generated ZERO revenue: booking management software, pilates studio booking software, pilates studio software, pool booking app, pool scheduling software, swimming pool booking system, swimming pool reservation system, and yoga studio app.

The winning keywords, keywords which generated revenue are: pool reservation software (broad and exact matches), pool reservation system (exact), reservation management system (exact and phrase), yoga studio booking software (broad), and yoga studio software (phrase).

Profitable Keywords

Profitable keywords and key metrics:

Row Labels	Total No. of Clicks	Total Cost ($)	Total Payment ($)	Payment-to-cost ratio*
Pool_Reservation_Software_Broad	16	62.2	3368	54.15
Pool_Reservation_System_Exact	2	38.33	980	25.57
Reservation_Management_System_Exact	3	15.97	1788	111.96
Reservation_Management_System_Phrase	2	19.64	2388	121.59
Yoga_Studio_Booking_Software_Broad	9	87.39	2168	24.81
Yoga_Studio_Software_Phrase	8	65.66	1188	18.09

*Payment-to-cost ratio is computed as the total payment over total cost for that keyword. The higher the ratio the more profitable is the keyword. The ratio indicates the amount (in USD) generated in revenue for a dollar invested in the given keyword.

Findings

Problem diagnosed: We are targeting keywords which do not generate clicks and/or revenue. Only five out of 19 target keywords generated revenue. Out of the rest, six keywords generated zero clicks and the rest eight keywords generated some clicks but zero revenue. These eight keywords which are being clicked upon but fails to generate revenue increases the total cost.

Solution: We should only target profitable keywords.

Listing sites

Review of ad campaigns on listing sites

Channels: Investment/ Cost

Omnify published ads across three listing channels: Capterra, GetApp, and Software Advice (in order of total cost/ investment) between September 2020 to December 2021.

Software Advice, $311.5

GetApp, $5449.9

Capterra, $19461.85
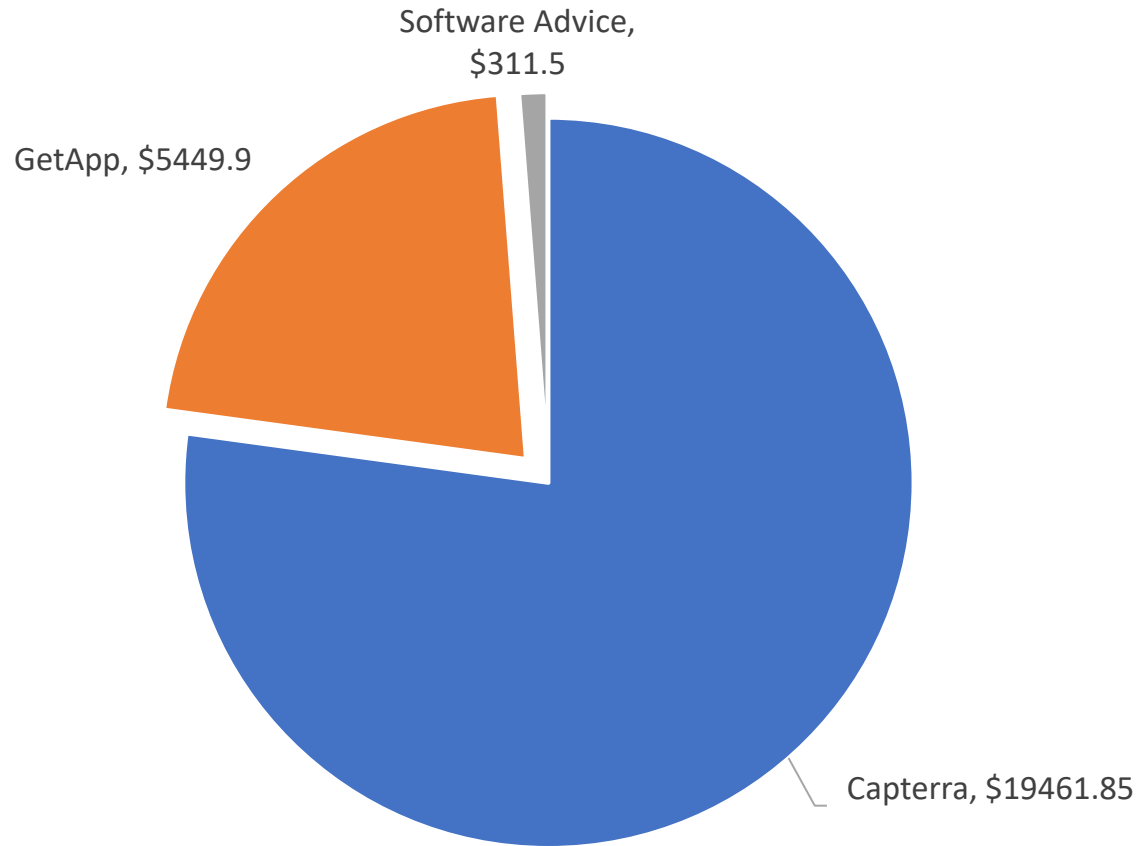
These channels, together, generated 3477 clicks and 68 prospects, at a total expense of about $25,200.

However, only 14 of these were eventually converted into sales/ payment, generating a total revenue of only $23,460 i.e., a loss of about $800.

Quarterly Profit/loss
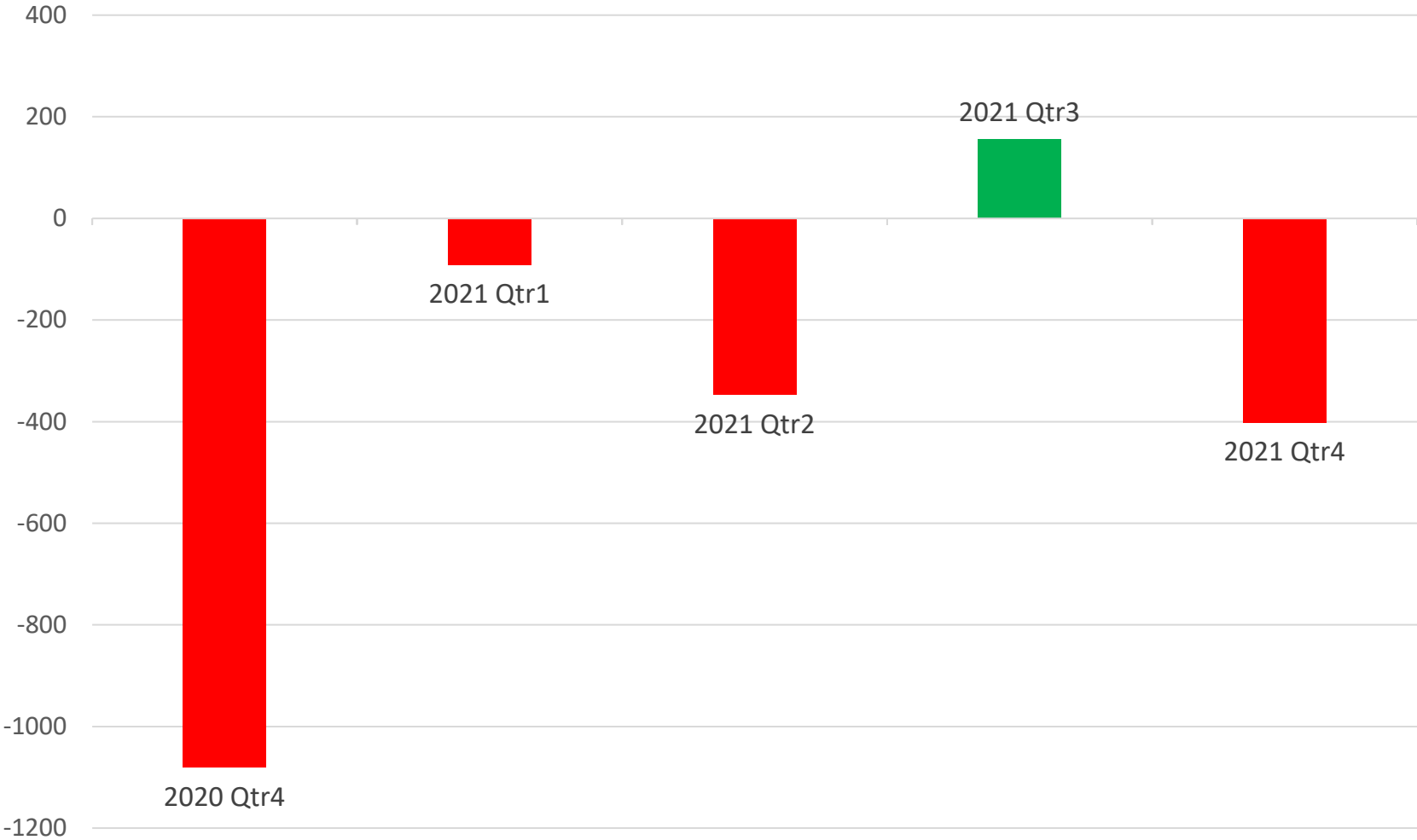
Over the 5-quarter-period, the ads were making losses in four of these quarters i.e., ad expenses were greater than the revenue they generated. Only in Q3 2021, the ads reported a small profit of $156.

Quarterly Profit/loss: Channels

Capterra, which accounted for nearly 80% of total investments, made losses in two quarters over a 5-quarter-period. It reported an overall positive revenue of $416.5 (20% of total investment on the channel). GetApp reported losses in all quarters, and Software Advice reported an overall profit of about $1500.
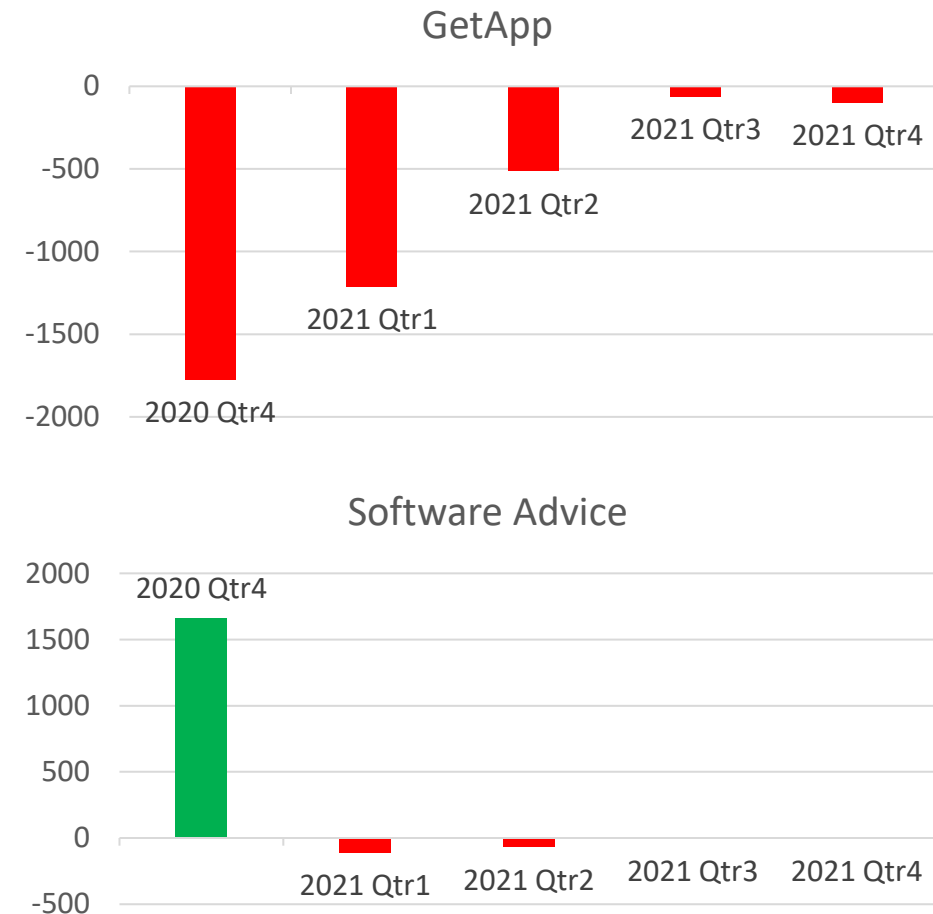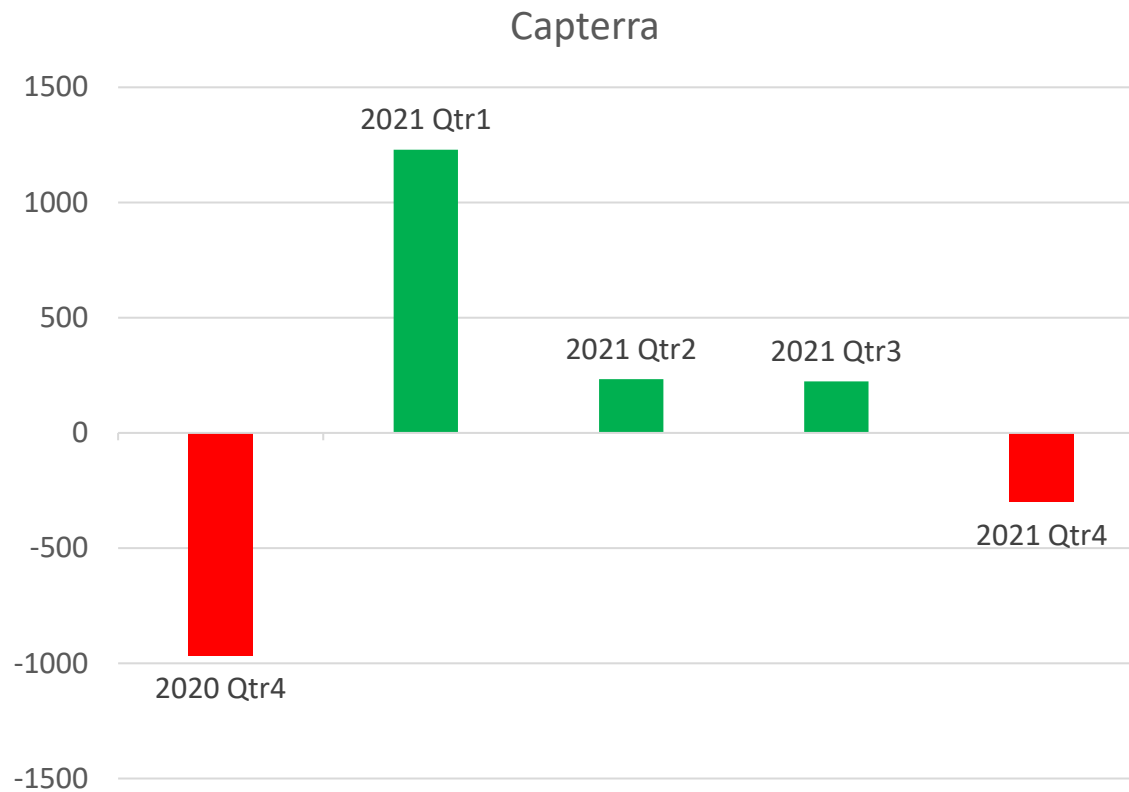
Countries: Costs & Profit/loss

Our ads were displayed in five countries. The US accounted for most of these clicks but was not profitable. Only Canada (~100% ROI) and the UK (~10% ROI) reported an overall profit.

Cost distribution

- AUSTRALIA, 1224.25
- CANADA, 1369.75
- SINGAPORE, 2243.25
- UNITED KINGDOM, 4361.85
- UNITED STATES, 16024.15

Profit/loss by country

- CANADA
- UNITED KINGDOM
- SINGAPORE
- AUSTRALIA
- UNITED STATES
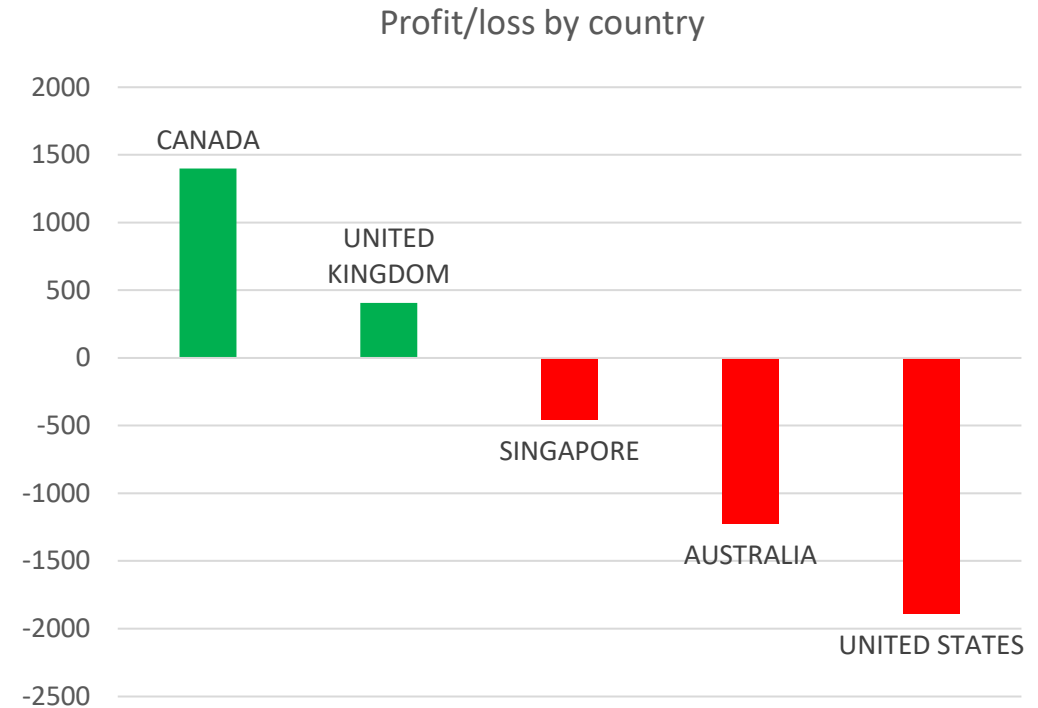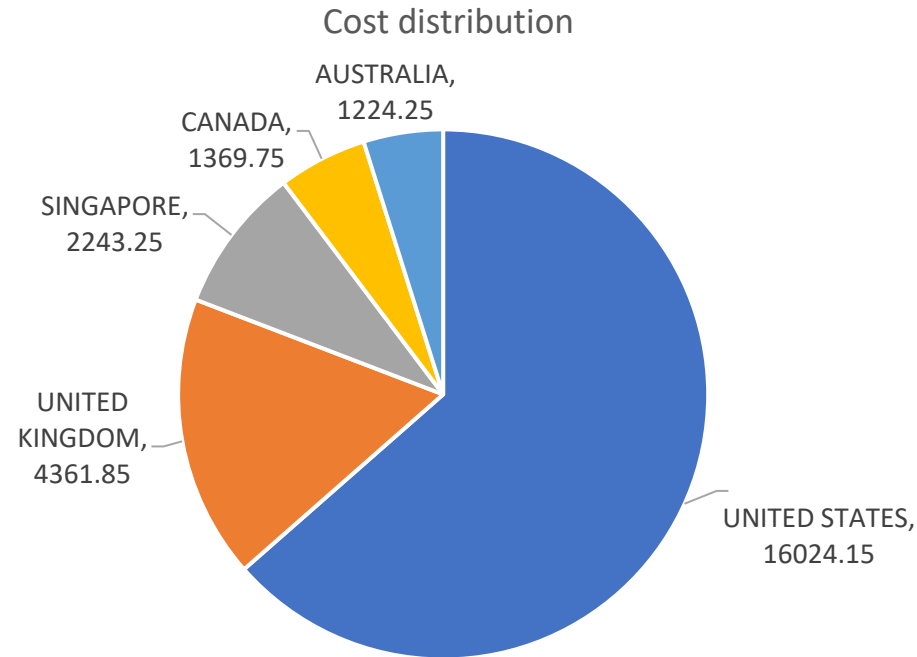
Categories: Profit/loss

Only two out of 19 categories made an overall profit e.g., Parks and Recreation (855.45% ROI) and Class Registration (47.84% ROI).

Other major categories (in terms of investment) include Fitness (-4.08% ROI), Scheduling (-6.09% ROI), Coaching (-100% ROI), Reservations (-21.16% ROI), and Membership Management (-58.16% ROI).

Row Labels	Total Cost ($)	Total Profit/loss ($)	ROI (%)
Parks and Recreation	418.65	3581.35	855.45
Class Registration	2910.5	1392.5	47.84
Martial Arts	2	-2	-100
Pilates Studio	3.5	-3.5	-100
Gymnastics	6	-6	-100
Spa	21.75	-21.75	-100
Music School	42	-42	-100
Camp Management	48	-48	-100
Fitness	1238.5	-50.5	-4.08
Venue Management	52.75	-52.75	-100
Personal Trainer	84	-84	-100
Dance Studio	202.25	-202.25	-100
Club Management	245.5	-245.5	-100
Yoga Studio	394	-394	-100
Swim School	403	-403	-100
Scheduling	8246	-502	-6.09
Coaching	1003.25	-1003.25	-100
Reservations	5627.75	-1190.75	-21.16
Membership Management	4273.85	-2485.85	-58.16
Grand Total	**25223.25**	-1763.25	**-6.99**

Profitable Categories Across Target Regions

No category was profitable in Singapore and Australia. As for the rest, a list of profitable categories in Canada, the UK and the USA is given in the table as follows.

A detailed list of profit/loss made by different categories across target countries could be found in Appendix 2.

Row Labels	Total Profit
Canada	
Class Registration	679.5
Membership Management	1532.25
United Kingdom	
Scheduling	3055.5
United States	
Class Registration	970
Fitness	465
Parks and Recreation	3730.35

Findings

Problem diagnosed: We are spending on categories, in regions, that are not profitable.

Solution: We should only invest in categories in regions where they generate profit.

Appendices

Appendix 1

List of keywords which generated clicks, but not necessarily revenue, between Jan-May 2021.

Row Labels	Total Cost ($)	Total Payment ($)
Jan		
Pool_Booking_App_Exact	11.7	0
Pool_Reservation_Software_Broad	9.82	0
Pool_Reservation_Software_Exact	13.44	0
Pool_Reservation_System_Exact	38.33	980
Pool_Scheduling_Software_Phrase	23.91	0
Reservation_Management_System_Phrase	6.08	0
Yoga_Studio_Booking_Software_Broad	51.51	1188
Feb		
Pool_Booking_App_Exact	33.7	0
Pool_Reservation_Software_Broad	83.56	980
Pool_Reservation_System_Exact	116.22	0
Pool_Scheduling_Software_Phrase	71.18	0
Reservation_Management_System_Exact	15.97	1788
Reservation_Management_System_Phrase	294.62	0
Swimming_Pool_Booking_System_Exact	1.52	0
Swimming_Pool_Reservation_System_Exact	4.64	0
Yoga_Studio_Booking_Software_Broad	198.39	0
Yoga_Studio_Booking_Software_Exact	15.11	0

Row Labels	Total Cost ($)	Total Payment ($)
Mar		
Pilates_Studio_Booking_Software_Broad	46.89	0
Pool_Booking_App_Exact	27.79	0
Pool_Reservation_Software_Broad	174.53	2388
Pool_Reservation_Software_Exact	6.61	0
Pool_Reservation_Software_Open_Broad	20.86	0
Pool_Reservation_System_Exact	29.36	0
Pool_Scheduling_Software_Phrase	22.84	0
Reservation_Management_System_Exact	40.18	0
Reservation_Management_System_Phrase	325.44	0
Swimming_Pool_Booking_System_Exact	10.47	0
Swimming_Pool_Reservation_System_Exact	13.08	0
Yoga_Studio_App_Broad	30.2	0
Yoga_Studio_Booking_Software_Broad	311.93	980
Yoga_Studio_Software_Broad	4.62	0
Apr		
Pilates_Studio_Booking_Software_Broad	53.99	0
Pool_Reservation_Software_Broad	33.24	0
Pool_Reservation_Software_Exact	6.4	0

Appendix 1

Row Labels	Total Cost ($)	Total Payment ($)
Apr		
Pool_Reservation_Software_Open_Broad	6.82	0
Pool_Reservation_System_Exact	3.12	0
Pool_Scheduling_Software_Phrase	21.05	0
Reservation_Management_System_Phrase	94.56	2388
Swimming_Pool_Booking_System_Exact	14.78	0
Swimming_Pool_Reservation_System_Exact	1.93	0
Yoga_Studio_App_Exact	10.56	0
Yoga_Studio_App_Phrase	10.63	0
Yoga_Studio_Booking_Software_Broad	223.77	0
Yoga_Studio_Booking_Software_Exact	23.96	0
May		
Pilates_Studio_Software_Exact	39.16	0
Pool_Booking_App_Exact	0.93	0
Pool_Reservation_Software_Broad	6.33	0
Pool_Reservation_Software_Open_Broad	3.77	0
Pool_Reservation_System_Exact	53.69	0
Pool_Scheduling_Software_Phrase	7.58	0
Swimming_Pool_Booking_System_Exact	12.89	0
Yoga_Studio_App_Exact	11.73	0
Yoga_Studio_Booking_Software_Broad	4.57	0
Yoga_Studio_Software_Exact	23.06	0
Yoga_Studio_Software_Phrase	65.66	1188

Appendix 2

Profit/loss made in different categories across the five target countries.

Row Labels	Profit/loss
AUSTRALIA	-1224.25
Camp Management	-4
Class Registration	-84.5
Club Management	-6
Coaching	-81.5
Dance Studio	-30
Fitness	-75
Membership Management	-466.5
Music School	-4
Parks and Recreation	-34
Personal Trainer	-10
Reservations	-207.25
Scheduling	-193.25
Swim School	-10.25
Venue Management	-8
Yoga Studio	-10

Row Labels	Profit/loss
CANADA	1398.25
Camp Management	-10
Class Registration	679.5
Coaching	-101.25
Dance Studio	-25.75
Fitness	-158
Membership Management	1532.25
Parks and Recreation	-69
Personal Trainer	-20
Reservations	-149.25
Scheduling	-247
Spa	-2
Swim School	-12
Venue Management	-6
Yoga Studio	-13.25

Row Labels	Profit/loss
SINGAPORE	-455.25
Class Registration	-16.5
Club Management	-8
Coaching	-17.75
Dance Studio	-14
Fitness	-21.25
Membership Management	-463.25
Parks and Recreation	-4
Personal Trainer	-4
Reservations	-286.75
Scheduling	405.25
Spa	-3.25
Swim School	-2
Venue Management	-4
Yoga Studio	-15.75

Appendix 2

Row Labels	Profit/loss
UNITED KINGDOM	406.15
Camp Management	-4
Class Registration	-156
Club Management	-190.75
Coaching	-101
Dance Studio	-33
Fitness	-261.25
Membership Management	-1163.35
Music School	-2
Parks and Recreation	-42
Personal Trainer	-14
Reservations	-646
Scheduling	3055.5
Spa	-4
Swim School	-10
Venue Management	-8
Yoga Studio	-14

Row Labels	Profit/loss
UNITED STATES	-1888.15
Camp Management	-30
Class Registration	970
Club Management	-40.75
Coaching	-701.75
Dance Studio	-99.5
Fitness	465
Gymnastics	-6
Martial Arts	-2
Membership Management	-1925
Music School	-36
Parks and Recreation	3730.35
Personal Trainer	-36
Pilates Studio	-3.5
Reservations	98.5
Scheduling	-3522.5
Spa	-12.5
Swim School	-368.75
Venue Management	-26.75
Yoga Studio	-341