READY SET

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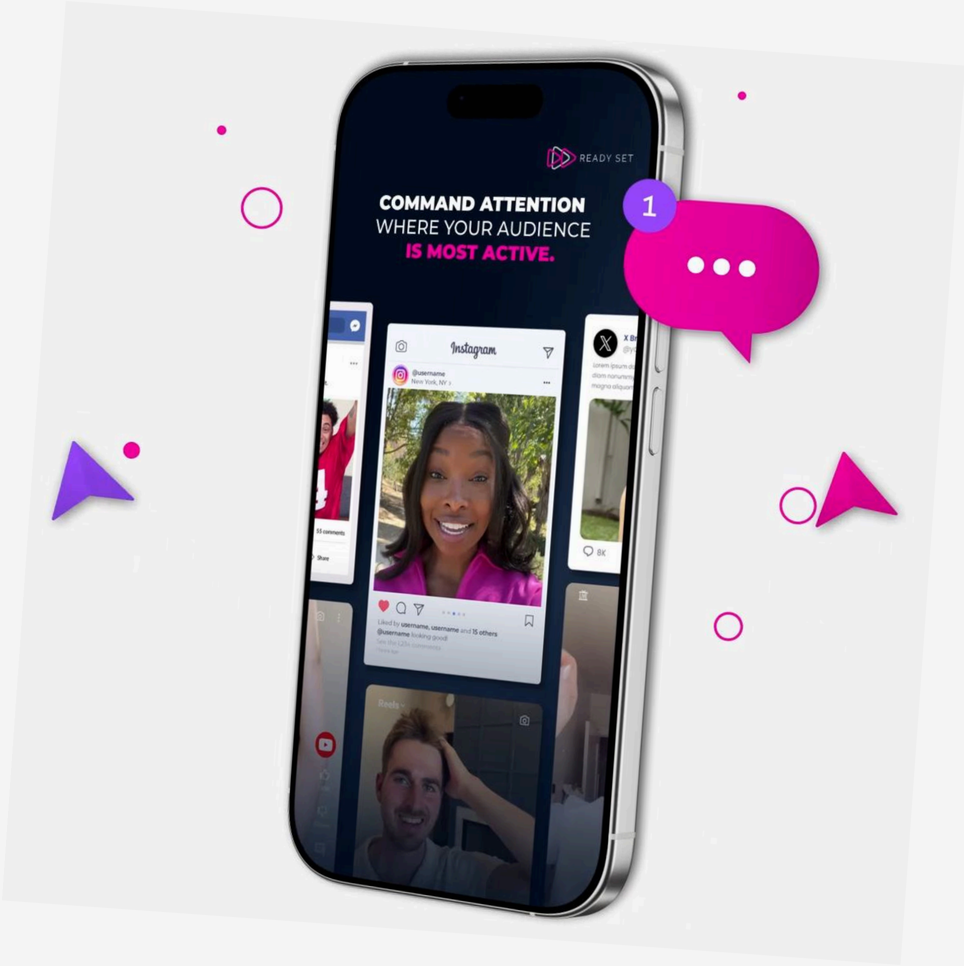
Budget Optimization



Objective

The goal of this analysis is to evaluate the performance of Meta and TikTok campaigns across clients, identify efficiency gaps in ad spend, and determine the optimal budget allocation strategy. By analyzing key performance metrics and modeling diminishing returns, we aim to provide actionable recommendations to maximize incremental revenue and ensure each platform receives the right level of investment.

Sources for the analysis:
Looker Dashboard - Ready Set

Github Repo

Analysis Approach

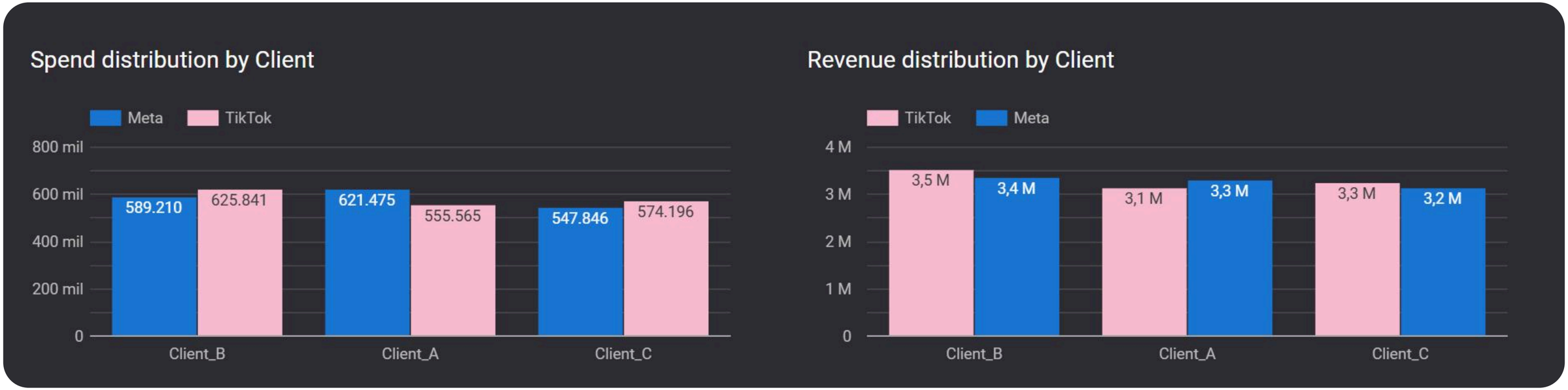
To address the client's concern about TikTok underperforming relative to Meta, I structured the analysis in this steps:

- Define Key Metrics – Calculated CTR, CPC, CPA, and ROAS to measure platform efficiency beyond spend and revenue alone.
- Segment & Compare – Aggregated performance at the client–platform level and ad creative level to understand better the performance of each creative.
- Quartile-Based Marginal ROAS Analysis – Divided weekly spend into quartiles (Q1–Q4) for each client–platform combination, calculated marginal ROAS (Revenue/Spend) at each level, and identified saturation points where efficiency dropped by more than 15%.
- Optimal Allocation – Used weighted efficiency averages and response curves to recommend the ideal budget split that maximizes total revenue.
- Visualization & Tracking – Built a Looker Studio dashboard to monitor performance by Client, Platform, and Ad Creative, including marginal ROAS charts, spend vs revenue curves, and efficiency heatmaps.

Key Findings

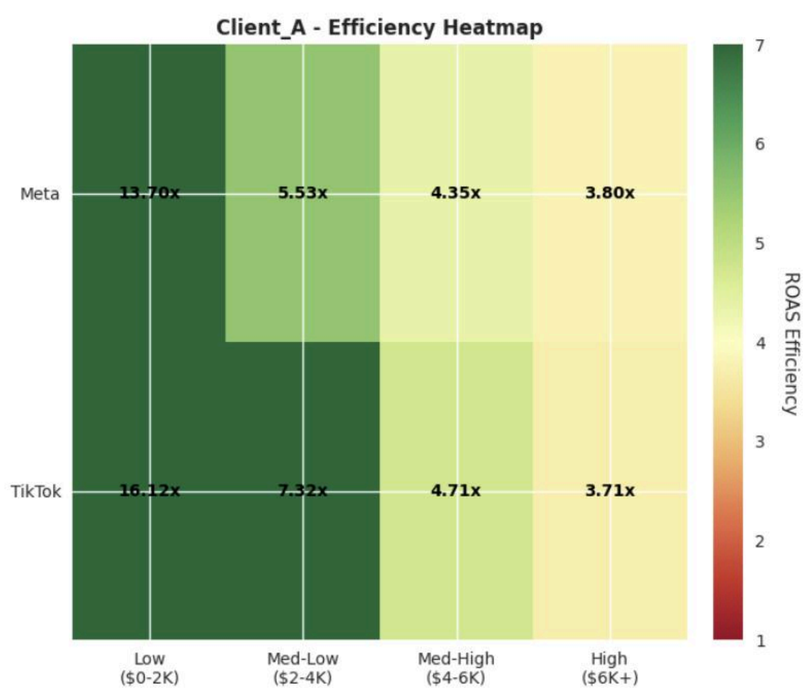
The client's concern that "TikTok spend is not delivering results comparable to Meta" is not supported by the data of Clients A and B. In fact, the CPA in clients A and B is lower while ROAS is similar or better than Meta.

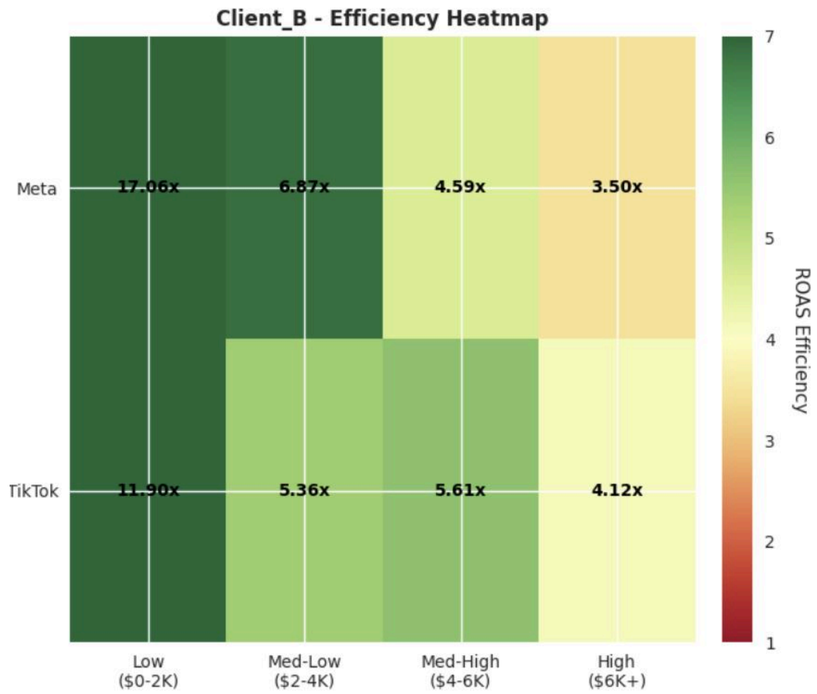
- All clients have strong ROAS performance
- TikTok vs Meta performance is balanced across all clients
- Budget allocation is nearly 50/50 between platforms.

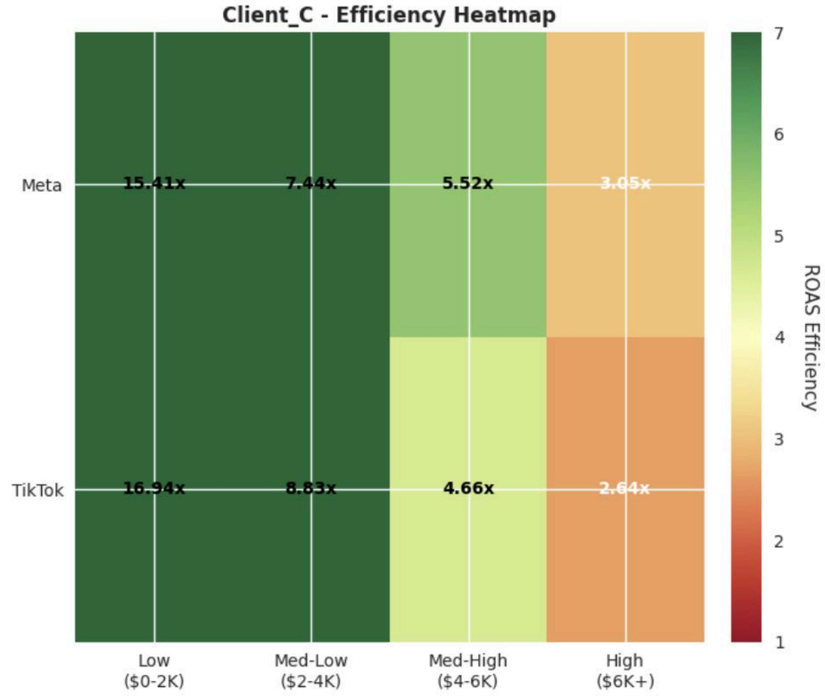


Advanced Spend Efficiency

This analysis matters because ROAS can hide inefficiencies—spend may look profitable overall while the next dollar is already underperforming. By modeling revenue response curves and calculating marginal ROAS, we identify the exact points where platforms saturate, guiding budget reallocations that maximize incremental revenue.







Strategic Recommendations

After this analysis I recommend, based on the marginal ROAS analysis, the spend efficiency, the CPA and the creative performance this next steps:

Client A

Meta shows slight efficiency advantage in higher spend quartiles (Q3-Q4). Both platforms maintain strong performance without significant saturation. Recommendation: 52% Meta, 48% TikTok

Test these high-performing Meta concepts on TikTok: UGC, Static

Client B

TikTok demonstrates better efficiency retention at higher spend levels, while Meta shows steeper decline in Q4. Recommendation: 45% Meta, 55% TikTok

Test these high-performing Meta concepts on TikTok: Carousel, Video

Client C

Meta consistently outperforms across all spend levels with better scale efficiency. TikTok shows earlier saturation signs. Recommendation: 55% Meta, 45% TikTok

- Test these high-performing Meta concepts on TikTok: Video, Static
- Avoid spending in UGC on Tiktok due to high CPA.