

# Marketing Attribution Strategy

Generated by Nexus AI

## 1. Executive Summary

Our marketing performance shows a mixed landscape. Paid search leads significantly in ROI at 63.45%, contributing substantially to incremental revenue. Affiliates also demonstrate a strong positive ROI of 20.97%. However, display advertising presents a significant challenge with a highly negative ROI of -75.74%. Offline channels like billboard and TV have positive ROIs but lack detailed attribution data. Overall, paid search and affiliates are our strongest performing channels in terms of direct return.

## 2. User Journey Analysis

The Q-Matrix reveals several key 'feeder' channels. Organic search is a significant feeder, sending traffic to direct (15.3%), paid search (0.5%), and referral (1.0%) channels. Paid search also acts as a feeder, sending traffic to display (0.8%), organic search (9.2%), and referral (0.6%). Direct traffic is a substantial source for organic search (1.9%) and paid search (0.3%). Social media, while having a low direct conversion rate, feeds into organic search (0.9%) and display (0.1%).

**Transition Probability Matrix**

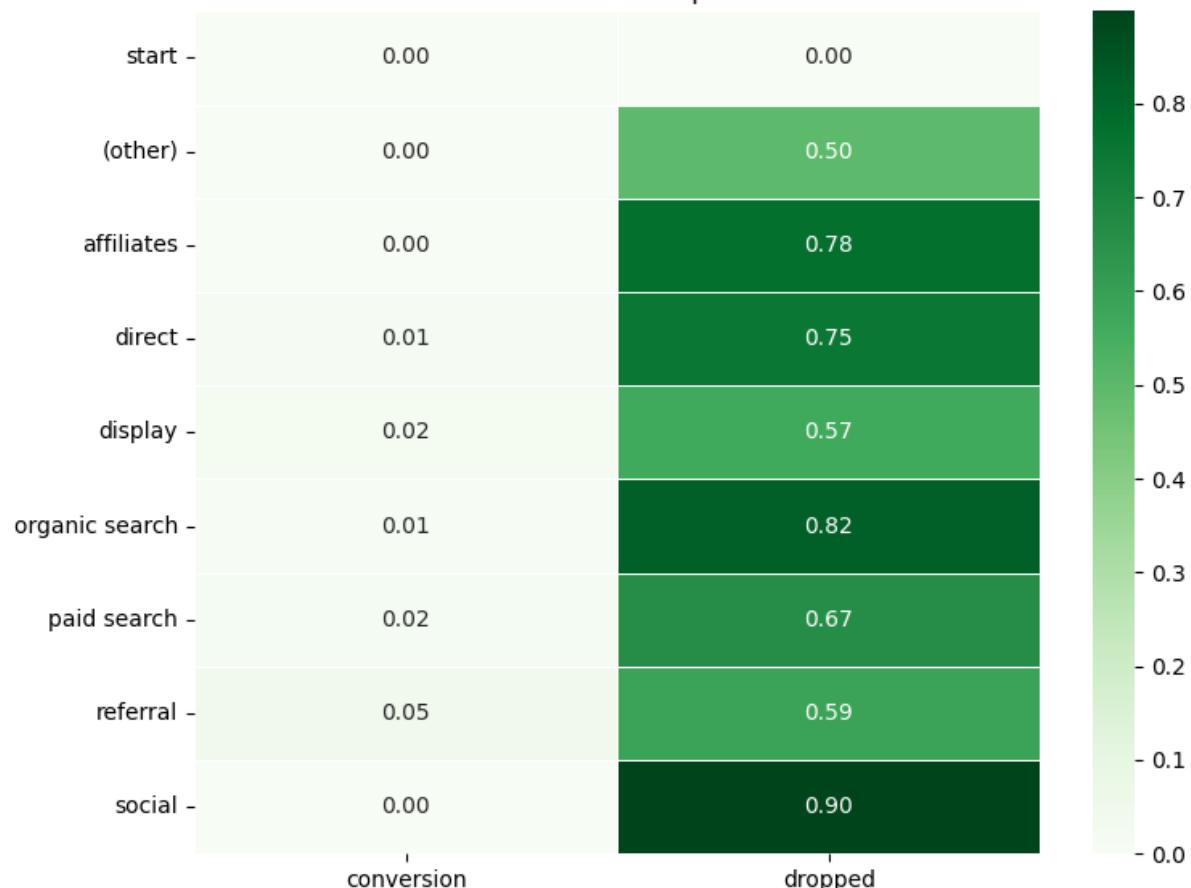
Q Matrix: User Journey Flow Probabilities									
start -	0.00	0.00	0.02	0.20	0.00	0.56	0.03	0.11	0.08
(other) -	0.00	0.00	0.00	0.00	0.00	0.17	0.00	0.33	0.00
affiliates -	0.00	0.00	0.17	0.00	0.00	0.02	0.00	0.03	0.00
direct -	0.00	0.00	0.00	0.19	0.00	0.02	0.00	0.02	0.00
display -	0.00	0.00	0.00	0.00	0.30	0.06	0.01	0.04	0.00
organic search -	0.00	0.00	0.00	0.00	0.00	0.15	0.00	0.01	0.00
paid search -	0.00	0.00	0.00	0.00	0.01	0.09	0.21	0.01	0.00
referral -	0.00	0.00	0.00	0.00	0.00	0.02	0.00	0.33	0.00
social -	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.08
start -		(other) -	affiliates -	direct -	display -	organic search -	paid search -	referral -	social -

### 3. Conversion & Drop-off

Referral channels exhibit the highest direct conversion probability at 4.7%, though they also have a considerable drop-off rate of 59.0%. Display advertising, despite its poor ROI, shows a 2.3% conversion probability but a high drop-off rate of 56.5%. Paid search has a 1.9% conversion probability with a high drop-off rate of 66.5%. Social media has a very low direct conversion probability (0.2%) and the highest drop-off rate at 89.9%.

**Absorption Matrix**

R Matrix: Conversion vs. Drop-off Probabilities



**Conversion Probability per Channel**



## 4. Strategic Channel Value

Referral channels have the highest removal effect at 85.0%, indicating they are critical 'load-bearing' channels for our conversions. Organic search follows with 57.0%, and direct traffic with 33.0%. While referral has a high removal effect, its ROI is not provided in the data. Organic search and direct traffic, despite their high removal effects, do not have directly reported ROIs in the provided data. Paid search, with a removal effect of 9.0%, has the highest reported ROI of 63.45%, suggesting it is a highly efficient channel that is not as critical for overall conversion volume as referral or organic search. Social media and display have low removal effects (3.0% and 2.0% respectively), which aligns with their lower ROIs (social: 7.82%) and negative ROI (display: -75.74%).

### Removal Effects Analysis

