

Marketing Attribution Strategy

Generated by Nexus AI

1. Executive Summary

Our marketing performance shows a mixed landscape. Paid search leads with a strong ROI of 63.45%, contributing significantly to incremental revenue. Affiliates also demonstrate a healthy ROI of 20.97%. However, display advertising is a significant underperformer with a negative ROI of -75.74%. Billboard and TV advertising show moderate ROIs but have zero attributed weight, suggesting their impact is not fully captured by current attribution models and may require a Marketing Mix Modeling (MMM) approach for accurate assessment. Social media's ROI is currently low at 7.82%.

2. User Journey Analysis

The Q-Matrix reveals interesting 'feeder' dynamics. Organic search is a primary feeder, with a substantial portion of its traffic going to 'start' (55.9%). Direct traffic also heavily feeds into 'start' (19.6%). Paid search acts as a feeder to 'organic search' (9.2%) and 'start' (3.2%). Social media traffic primarily feeds into itself (8.2%), indicating potential for brand loyalty or retargeting loops. Display traffic shows a tendency to move towards 'organic search' (5.7%) and 'paid search' (1.2%).

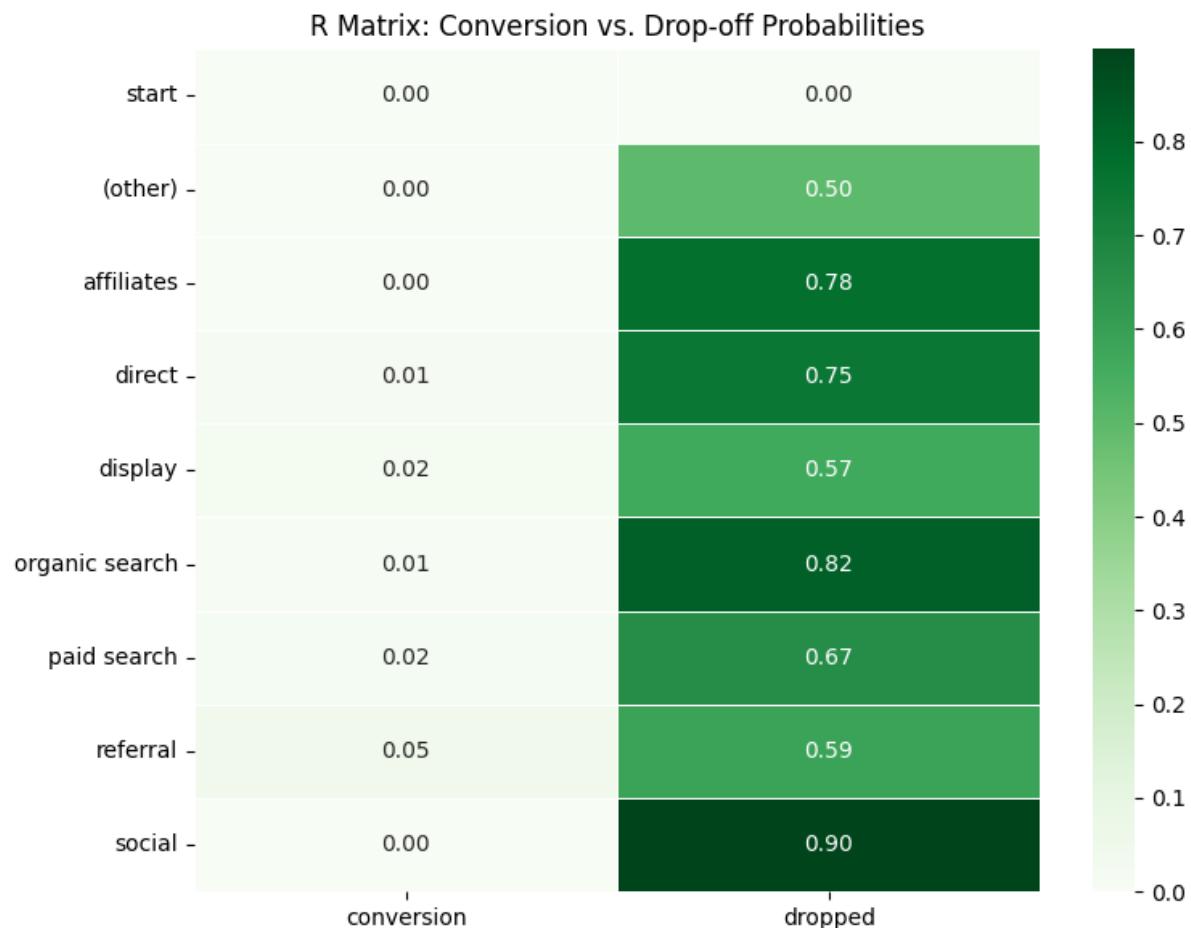
Transition Probability Matrix

| 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%, although they also have a significant drop-off rate of 59.0%. Display channels have a 2.3% conversion probability but a high drop-off rate of 56.5%. Paid search, while having a strong ROI, shows a lower direct conversion probability of 1.9% with a high drop-off rate of 66.5%. Social media has a very low direct conversion probability of 0.2% and the highest drop-off rate at 89.9%.

Absorption Matrix



Conversion Probability per Channel



4. Strategic Channel Value

Referral channels have the highest removal effect at 85.0%, indicating they are critical for maintaining current conversion volumes. Organic search follows with 57.0%, highlighting its importance. Direct traffic also shows a substantial removal effect of 33.0%. In contrast, paid search, despite its high ROI, has a relatively low removal effect of 9.0%. Social media and display have even lower removal effects (3.0% and 2.0% respectively). This suggests that while paid search is highly profitable, its removal would not drastically impact the total number of conversions compared to referral or organic search. The low removal effect for display, coupled with its negative ROI, strongly suggests it is a channel that could be considered for significant reduction or complete removal.

Removal Effects Analysis

