

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% and contributes significantly to incremental revenue. Affiliates also demonstrate a healthy ROI of 20.97%. However, display advertising is a significant drag on performance with a negative ROI of -75.74%. Overall, while paid search and affiliates are performing well, the substantial loss from display advertising warrants immediate attention and strategic adjustment.

2. User Journey Analysis

The Q-Matrix reveals several key feeder channels. "Organic search" is a primary feeder, sending a substantial portion of its traffic to "start" (55.9%). "Direct" traffic also feeds into "start" (19.6%) and "direct" itself (19.3%), indicating strong brand loyalty or habitual behavior. "Paid search" shows a notable transition to "organic search" (9.2%) and "direct" (0.0%), suggesting users may move to organic search or direct navigation after initial paid exposure. "Social" traffic primarily feeds back into "social" (8.2%), which could indicate engagement within the platform or a loop. "Referral" traffic also shows a strong self-loop (33.3%) and transitions to "start" (0.0%) and "organic search" (2.1%).

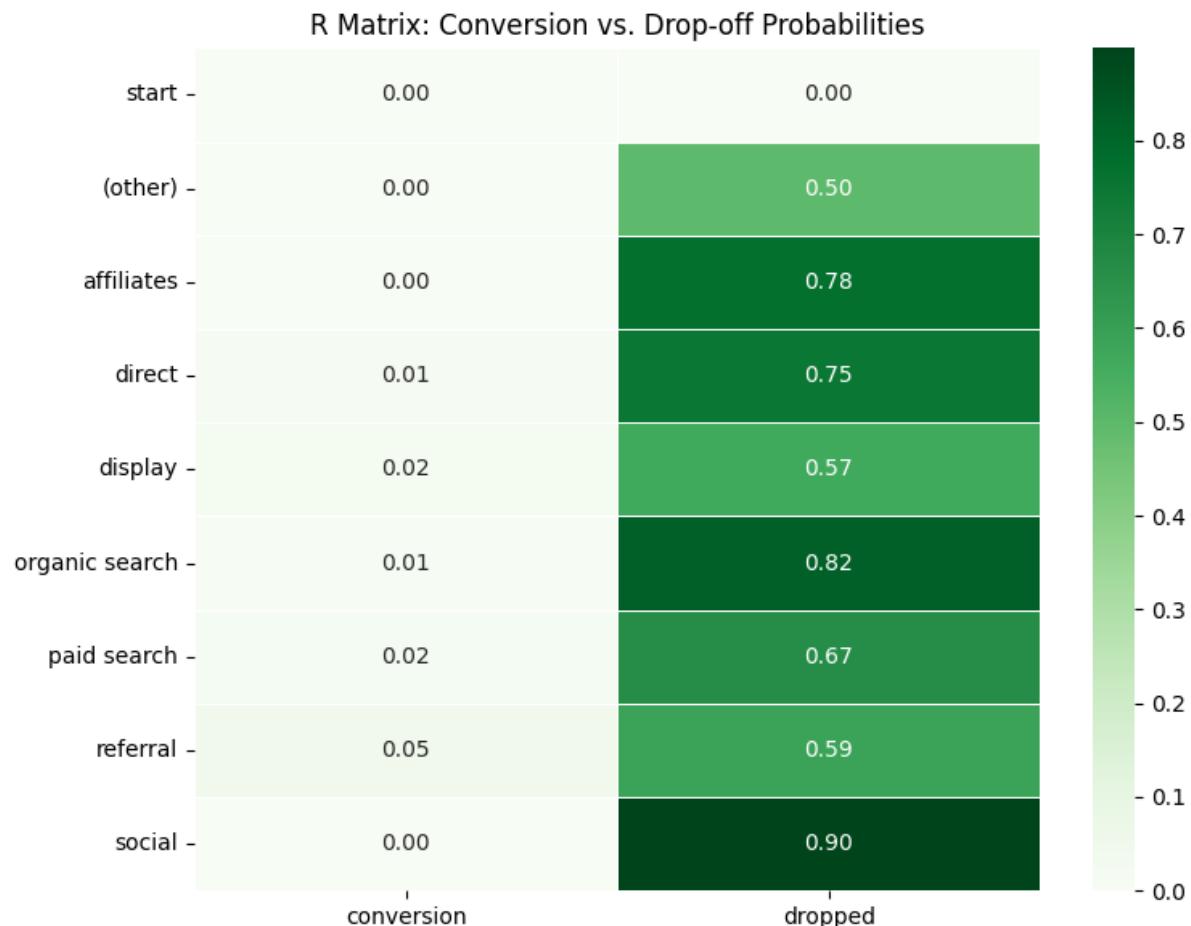
Transition Probability Matrix



3. Conversion & Drop-off

Analyzing the R-Matrix, "Referral" has the highest direct conversion probability at 4.7%, though it also has a significant drop-off rate of 59.0%. "Display" has a low conversion probability of 2.3% and a high drop-off rate of 56.5%, aligning with its negative ROI. "Paid search" has a conversion probability of 1.9% but a very high drop-off rate of 66.5%, suggesting that while it initiates a journey, many users do not complete a conversion directly from this channel. "Social" has the lowest direct conversion probability at 0.2% and the highest drop-off rate at 89.9%, indicating it's more of an awareness or engagement channel than a direct conversion driver.

Absorption Matrix



Conversion Probability per Channel



4. Strategic Channel Value

The Removal Effect data highlights "Referral" (85.0%) and "Organic search" (57.0%) as the most critical "load-bearing" channels, meaning their removal would result in the largest loss of total conversions. This is particularly interesting when compared to their ROIs: "Referral" has a solid ROI of 20.97%, while "Organic search" is not directly measured for ROI in the provided data but is known to be a foundational channel. "Paid search," despite its high ROI (63.45%), has a relatively low removal effect (9.0%), suggesting it's efficient but not as indispensable to the overall conversion volume as referral or organic search. Conversely, "Display," with a removal effect of only 2.0%, is clearly underperforming and should be a prime candidate for budget reallocation.

Removal Effects Analysis

