

Marketing Attribution Strategy

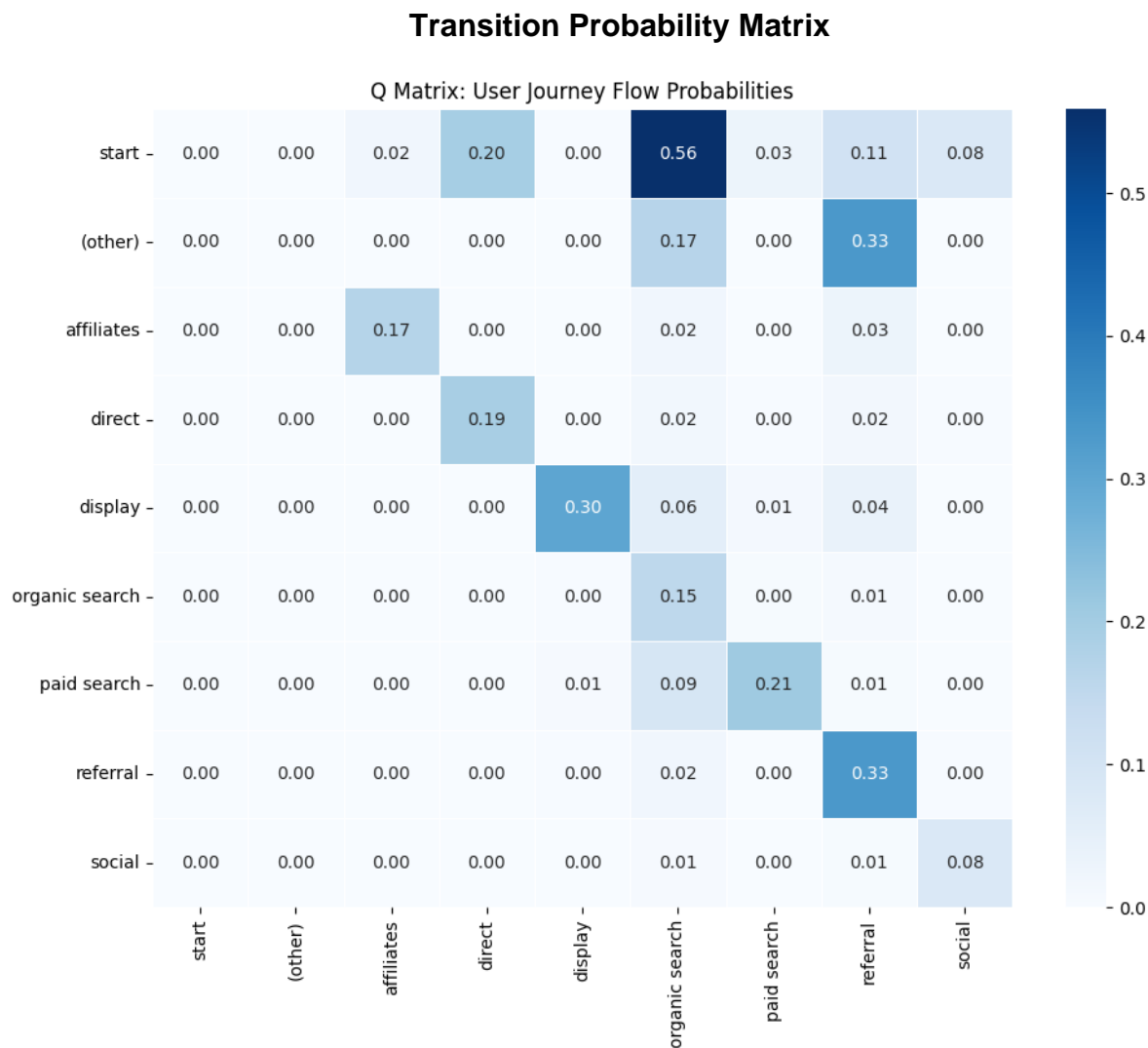
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1. Executive Summary

The current marketing strategy shows a strong performance in ROI, with "billboard" leading at 28.93%, followed by "affiliates" at 20.87%, and "performance_ads" at 19.44%. However, the attribution weights reveal a significant reliance on "affiliates" (31.93%) and "performance_ads" (22.14%), which are not necessarily the highest performing channels in terms of direct ROI. This suggests a potential over-investment or misattribution in these channels. "Social" media, despite a lower ROI of 10.10%, has a small but present attribution weight, indicating some customer journey influence. The removal effects highlight "referral" (0.85) and "organic search" (0.57) as critical drivers that significantly impact conversions when removed, suggesting these channels are crucial for sustained performance.

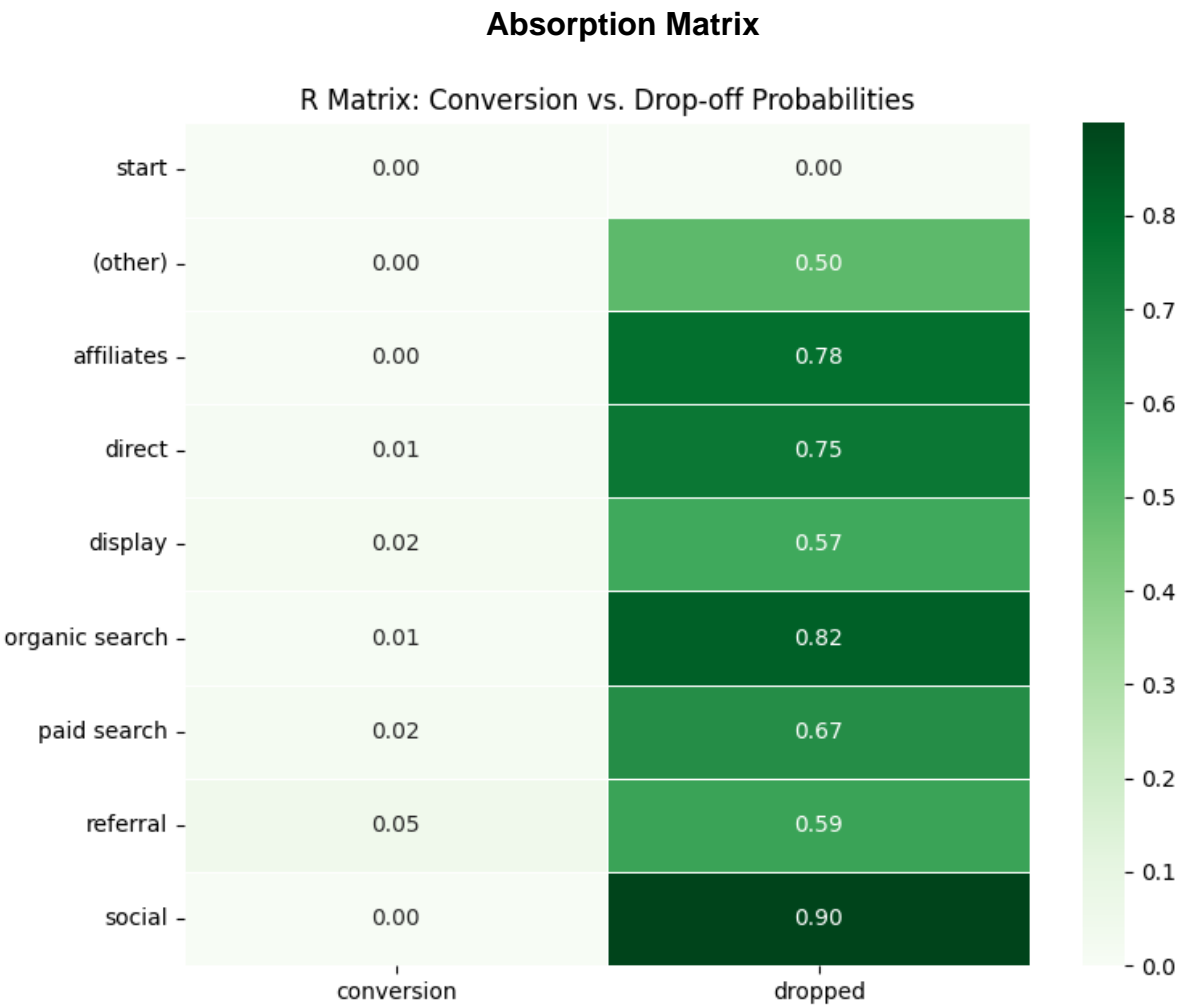
2. User Journey Analysis

The transition matrix (Q) indicates that "organic search" is a primary starting point for customer journeys, with a significant probability of transitioning to "start" (0.5587). "Direct" traffic also shows a notable entry point (0.1959). "Affiliates" appear to be a strong downstream channel, receiving traffic from "start" (0.0213) and potentially influencing further interactions. However, the low transition probabilities from other channels to "affiliates" suggest it might be more of an end-point or a channel that captures customers already in advanced stages of their journey.



3. Conversion & Drop-off

The absorption matrix (R) reveals that "referral" channels have the highest conversion rate (0.0465), making them a critical driver for actual sales. "Display" (0.0227) and "paid search" (0.0189) also contribute to conversions, though at lower rates. Channels like "social" (0.0023) and "affiliates" (0.0011) have very low direct conversion rates, suggesting their value might lie more in brand awareness or influencing other touchpoints rather than direct sales. The high "dropped" percentages across most channels, especially "social" (0.8986) and "affiliates" (0.7752), indicate significant drop-off points in the customer journey, highlighting opportunities for improved engagement and conversion optimization.



Conversion Probability per Channel



4. Strategic Channel Value

The removal effects data strongly emphasizes the importance of "referral" (0.85) and "organic search" (0.57) as critical drivers of conversions. If these channels were removed, we would see a substantial negative impact on overall performance. "Direct" traffic (0.33) also plays a significant role. Conversely, "social" (0.03), "display" (0.02), and "affiliates" (0.01) have minimal removal effects, suggesting that while they may contribute to the customer journey, their absence would not critically jeopardize conversion rates. This insight is crucial for resource allocation and strategic focus.

****Optimization Opportunities:****

- * ****Conversion Rate Optimization:**** Focus on improving the conversion rates of channels with high drop-off rates, particularly "social" and "affiliates," by analyzing user behavior and optimizing landing pages or calls to action.
- * ****Channel Re-evaluation:**** Re-evaluate the investment in "affiliates" and "performance_ads" given their high attribution weights but potentially lower direct ROI compared to other channels. Explore if their role is more about top-of-funnel awareness or influencing other channels.
- * ****Leverage High-Impact Channels:**** Increase focus and potentially investment in "referral" and "organic search" due to their high removal effects, indicating their critical role in driving conversions.

****Critical Drivers:****

- * ****Referral Traffic:**** This channel is the most critical driver, showing the highest removal effect and a strong conversion rate.
- * ****Organic Search:**** This channel is also a critical driver, with a significant removal effect and a substantial role in the customer journey as indicated by the Q matrix.
- * ****Direct Traffic:**** While not as impactful as referral or organic search in removal effects, direct traffic still plays a notable role and has a reasonable conversion rate.

Removal Effects Analysis

