Marketing Attribution Strategy

Generated by Nexus AI

1. Executive Summary

Our marketing efforts show a mixed performance, with Paid Search leading in ROI at 63.45%. Affiliates and Billboard advertising also demonstrate positive returns. However, Display advertising is significantly underperforming with a negative ROI of -75.74%. Paid Search and Affiliates are our strongest performers in terms of ROI.
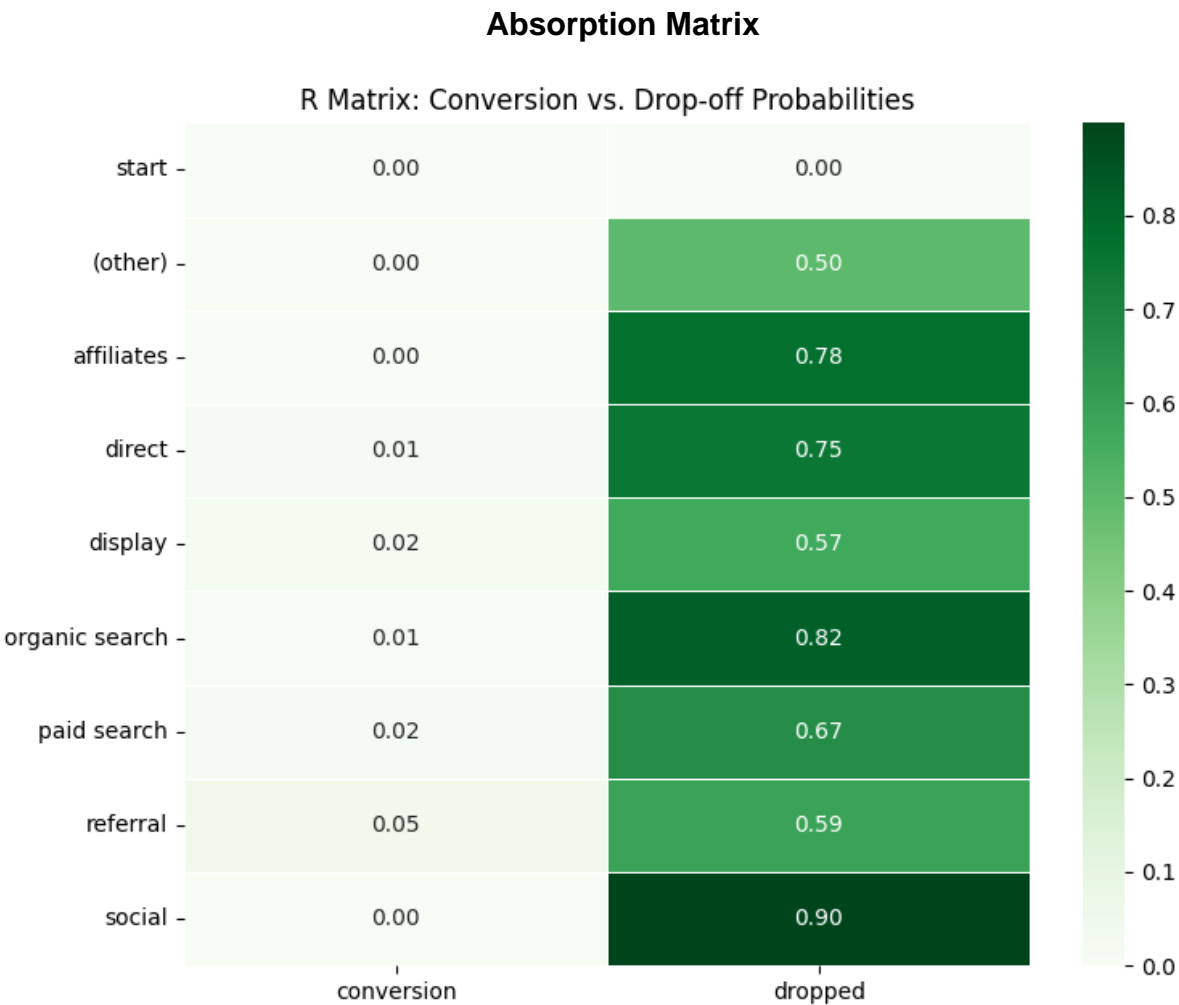
2. User Journey Analysis

The Q-Matrix reveals that "organic search" acts as a significant feeder channel, sending traffic to "paid search" (0.005), "referral" (0.010), and "social" (0.002). "Direct" traffic also feeds into "paid search" (0.003) and "social" (0.002). Interestingly, "paid search" itself shows a strong tendency to loop back to itself (0.208), suggesting users may be repeatedly engaging with our paid search ads. "Referral" traffic also exhibits a self-looping behavior (0.333).

Transition Probability Matrix

Q Matrix: User Journey Flow Probabilities

3. Conversion & Drop-off

"Referral" traffic has the highest direct probability of conversion at 4.7%, although it also has a substantial drop-off rate of 59.0%. "Display" traffic has a low conversion probability of 2.3% and a high drop-off rate of 56.5%. "Paid search" has a conversion probability of 1.9% with a high drop-off rate of 66.5%. "Social" channels have the lowest direct conversion probability at 0.2% and the highest drop-off rate at 89.9%.

Absorption Matrix

R Matrix: Conversion vs. Drop-off Probabilities

	conversion	dropped
start	0.00	0.00
(other)	0.00	0.50
affiliates	0.00	0.78
direct	0.01	0.75
display	0.02	0.57
organic search	0.01	0.82
paid search	0.02	0.67
referral	0.05	0.59
social	0.00	0.90

Conversion Probability per Channel

Direct Conversion Probability by Channel

4. Strategic Channel Value

"Referral" has the highest removal effect at 85.0%, indicating it is a critical "load-bearing" channel. However, its ROI is only 20.97%, which is moderate. "Organic search" is also crucial, with a removal effect of 57.0%, but its ROI is not directly provided in the data. "Direct" traffic has a removal effect of 33.0%. In contrast, "Paid search" has a relatively low removal effect of 9.0% but boasts the highest ROI of 63.45%. "Social" and "Display" have low removal effects (3.0% and 2.0% respectively) and "Display" has a highly negative ROI. This suggests that while "Referral" and "Organic Search" are essential for overall conversion volume, "Paid Search" is the most efficient channel for generating returns on investment.

Removal Effects Analysis