Marketing Attribution Strategy

Generated by Nexus AI

1. Executive Summary

Our marketing performance shows a strong ROI from Paid Search, which is our top-performing channel with a ROI of 63.45% and contributes significantly to incremental revenue. Affiliates also demonstrate a healthy ROI of 20.97%. While Billboard and TV have positive ROIs, their contribution is less significant compared to digital channels. Social and Display channels are currently underperforming, with Display showing a negative ROI of -75.74%. Overall, Paid Search and Affiliates are the key drivers of our marketing success.
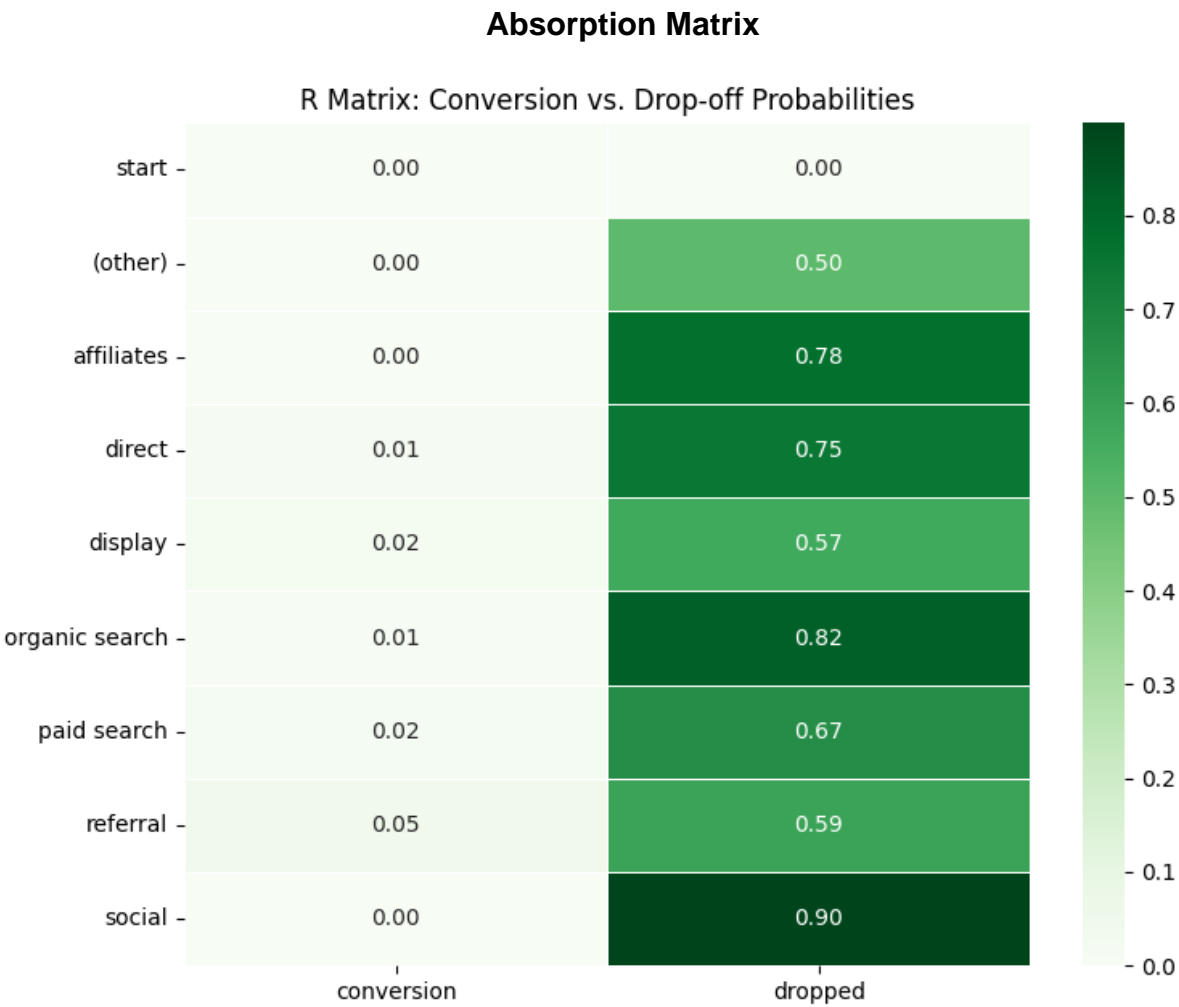
2. User Journey Analysis

The Q-Matrix reveals that "start" is a significant feeder channel, directing traffic to Organic Search (55.9%), Direct (19.6%), and Referral (10.8%). Organic Search also acts as a feeder, primarily to itself (15.3%), but also sends traffic to Display (0.2%) and Paid Search (0.5%). Direct traffic is also self-feeding (19.3%) and contributes to Affiliates (0.2%) and Referral (1.6%). Paid Search shows a strong self-transition (20.8%) and also feeds into Display (0.8%) and Organic Search (9.2%). Social media primarily feeds into itself (8.2%) and also contributes to Display (0.1%) and Referral (0.6%).

Transition Probability Matrix

Q Matrix: User Journey Flow Probabilities

3. Conversion & Drop-off

Referral traffic has the highest direct conversion probability at 4.7%, although it also has a substantial drop-off rate of 59.0%. Display traffic has a 2.3% conversion probability but a high drop-off rate of 56.5%. Paid Search shows a 1.9% conversion probability with a significant drop-off rate of 66.5%. Direct traffic has a 1.2% conversion probability and a high drop-off rate of 75.1%. Social media has the lowest direct conversion probability at 0.2% with the highest drop-off rate of 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 not provided in the provided data, making a direct comparison difficult. Organic Search is the next most critical channel with a removal effect of 57.0%, also without a direct ROI figure. Direct traffic has a removal effect of 33.0%. Paid Search, despite its high ROI of 63.45%, has a relatively lower removal effect of 9.0%. Social media has a removal effect of 3.0% and a low ROI of 7.82%. Display has a removal effect of 2.0% but a significantly negative ROI of -75.74%. Affiliates have a removal effect of 1.0% and a strong ROI of 20.97%. The data suggests that while Referral and Organic Search are crucial for overall conversion volume, Paid Search is the most efficient channel in terms of ROI.

Removal Effects Analysis