

JDS Academy

FINAL TASK - DILAN'S TRAVEL GUIDE

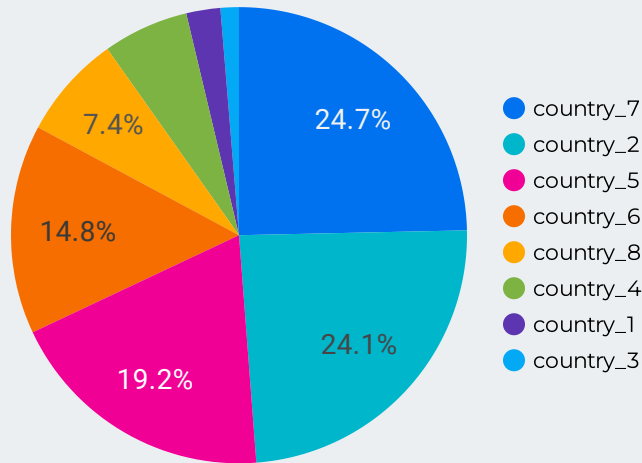
Solution

Péter Kaltenecker

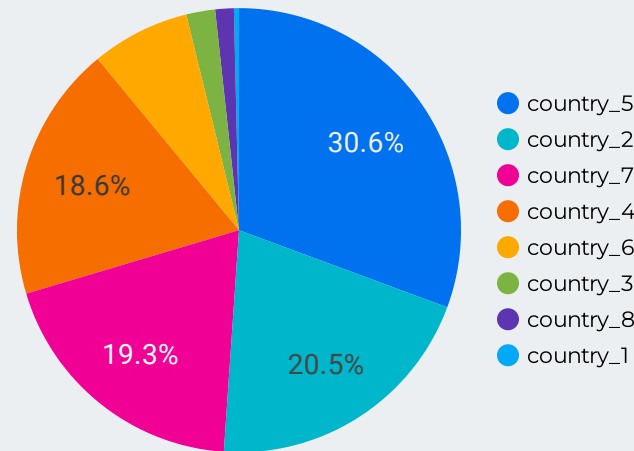
01.05.2023

User Segments by Country

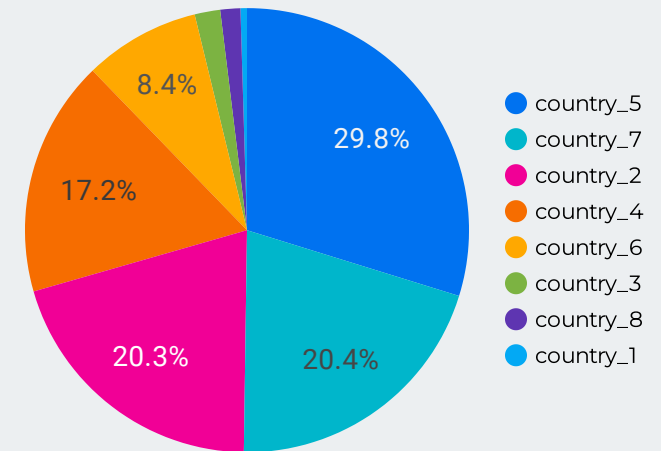
New Readers



Subscribers



Revenue



In order to get a proper image of the user segments, the segmentation analysis was done on three levels: new readers, subscribers and the revenue.

Most new readers are from country 7, however, almost the same amount of readers come from country 2 and country 5 is on the third place.

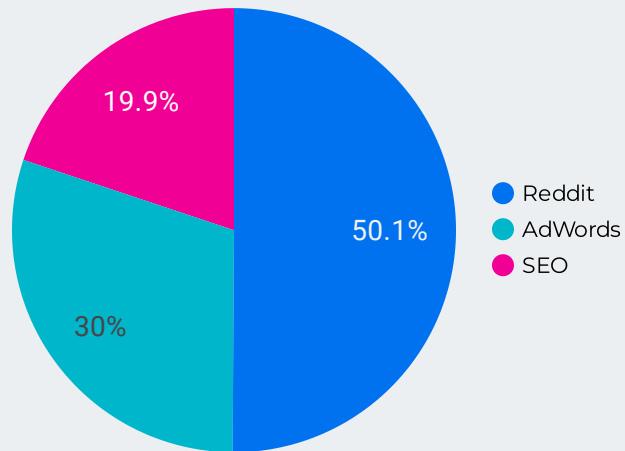
The same three countries bring the most subscribers but in a different order: most subscribers are from country 5, which is followed by country 2 and then country 7 (the number of subscribers is very close to each other in these two).

In case of the revenue the situation is very similar to the subscribers: the biggest income is from country 5, the second is country 7 and the third is country 2, although the revenue is almost exactly the same in the case of the latter two.

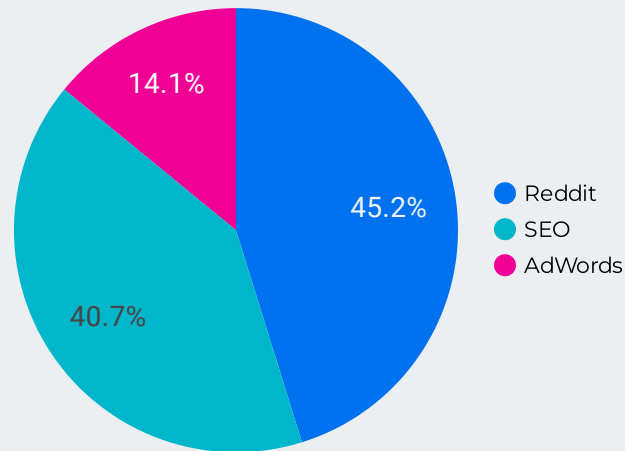
Considering that the subscribers and the revenue is essential for Dilan to keep the blog running it would be a smart thing to prioritize country 5 but focus on country 7 or 2 as well.

User Segments by Source

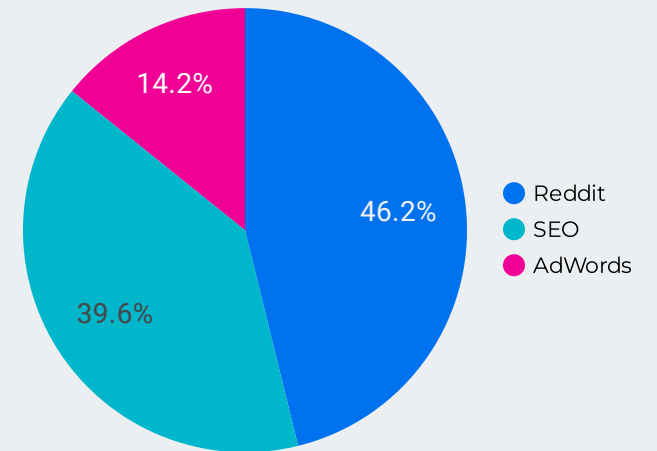
New Readers



Subscribers



Revenue



The distribution of user segments by source is very straightforward:

Reddit brings the half of the readers and the most subscribers to the blog, as well as, the biggest revenue comes from Reddit.

Right beside Reddit, SEO is also a powerful source in all three categories. Regarding the number of subscribers and the amount of income it produces very similar numbers to Reddit.

AdWords is definitely the least beneficial from all three sources.

Based on these, it would make sense to focus on Reddit and SEO, and care less about AdWords.

Answers for Dilan's Two Main Questions

1.)

If Dilan can focus on only one country it should be country 5.

Even though, only the ~20% of new readers are from country 5, most subscribers and the biggest amount of his income (~30%) is from here, therefore it might be profitable to invest more work in this country.

If he has more time and capable to focus on more than one country, he should consider country 7 and/or 2 as well.

There are more new readers from these two countries than from country 5, and a significant amount of subscribers and that of the revenue (~20-20%) comes from country 2 and 7. Putting more emphasis on catching even more users from any of them, besides country 5, might help to increase his revenue even more.

2.)

Regarding Dilan's investments, it would be necessary to rethink his marketing strategy:

He should prioritize Reddit and SEO over AdWords.

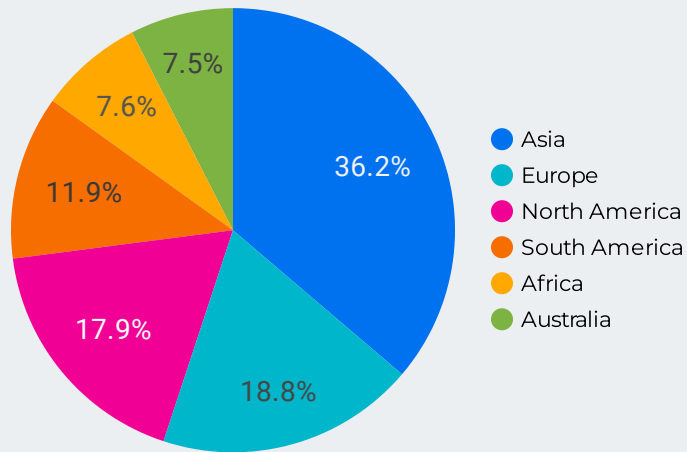
The number of subscribers and the amount of revenue that comes from Reddit and SEO are head to head and also cover the ~85% of these fields. The situation is very similar in the case of new readers as well. Unfortunately, AdWords massively falls behind these two sources.

Therefore, I would recommend to reshape Dilan's marketing budget to focus on Reddit and SEO with an equal amount and place Adwords behind them.

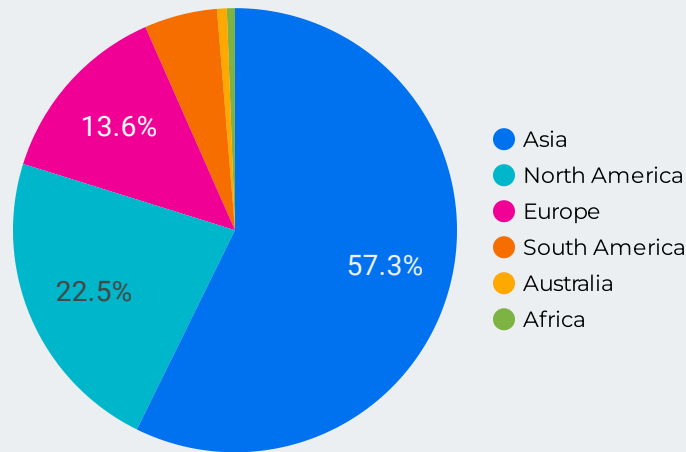
Perhaps a good starting point would be to spend \$400 on more content creation on Reddit, \$400 on making the SEO even better and only \$200 (or even less) on Adwords.

User Segments by Topic

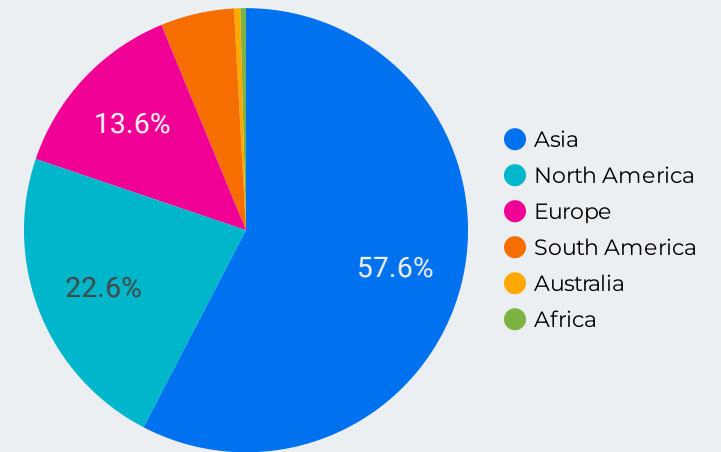
New Readers



Subscribers



Revenue

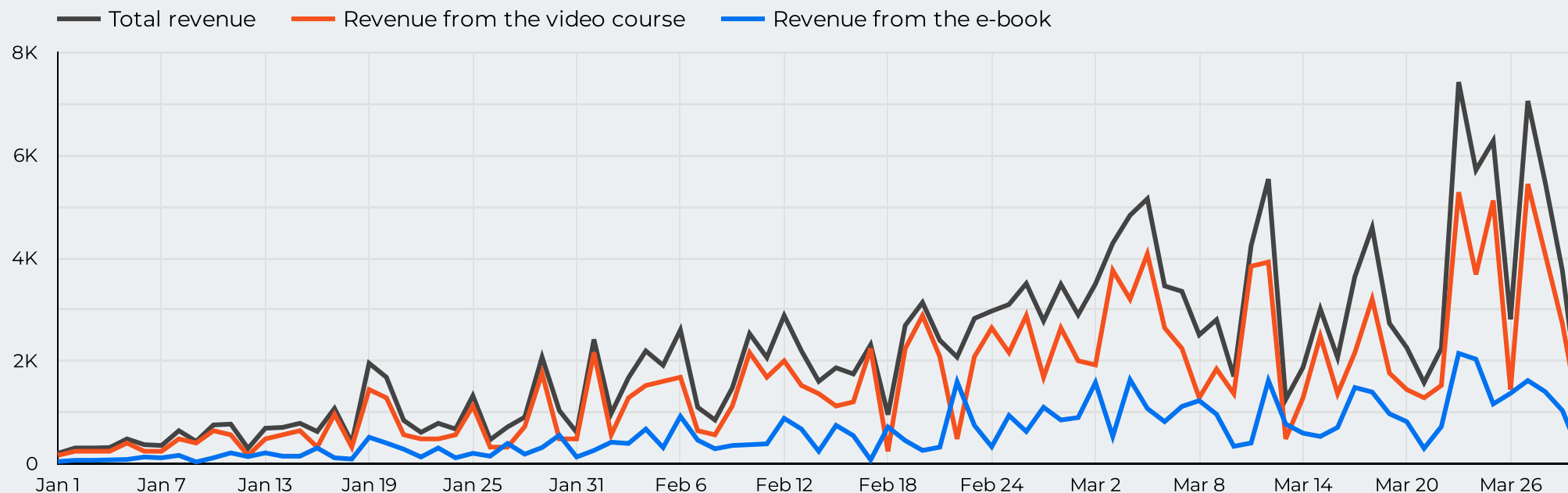


Asia definitely gets the most attention on Dilan's blog: new readers and subscribers are mostly interested in reading about this continent, and ~60% of the revenue is also related to those users who like this topic.

Besides that, North America and Europe are of interest as well and take the second and third places in these lists.

Considering that Dilan's blog is only three months old it would be a good strategy to focus on the fields that are already strong and seem to be reliable to build on (it also stands for all the previous suggestions), thus writing more frequently on the blog about these topics, most preferably about Asia, might be beneficial.

Revenue from the Two Products (e-book, video course)

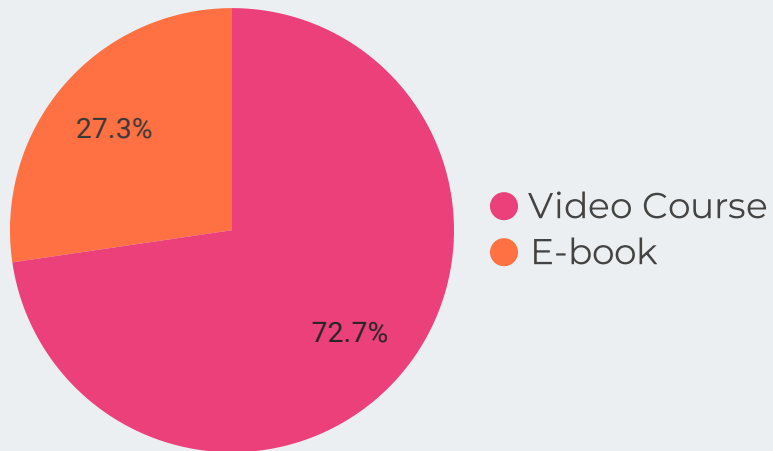


Another interesting aspect of the revenue is that it comes from two different products with quite a decent contrast in their prices. Apart from this, one of the products is an e-book (\$8) which format might be closer to the blog readers since most probably they like/prefer this type of content, whereas the other product is a video course (\$80).

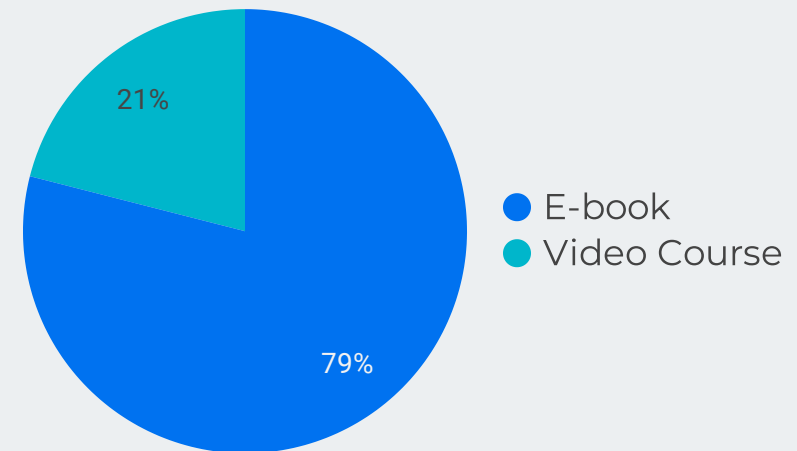
By comparing the revenue of these products separately it becomes clear that the video course provides a much bigger income than the e-book on the timescale (above) and in total (next page) as well.

Revenue from the Two Products (e-book, video course)

Revenue



Number of Purchases



Even though, ~70% of the revenue comes from selling the video course we cannot say that the e-book is not a successful product. In fact, it is the contrary since almost 80% of the time readers bought the e-book but the higher price of the course was enough to bring significantly more income in total.

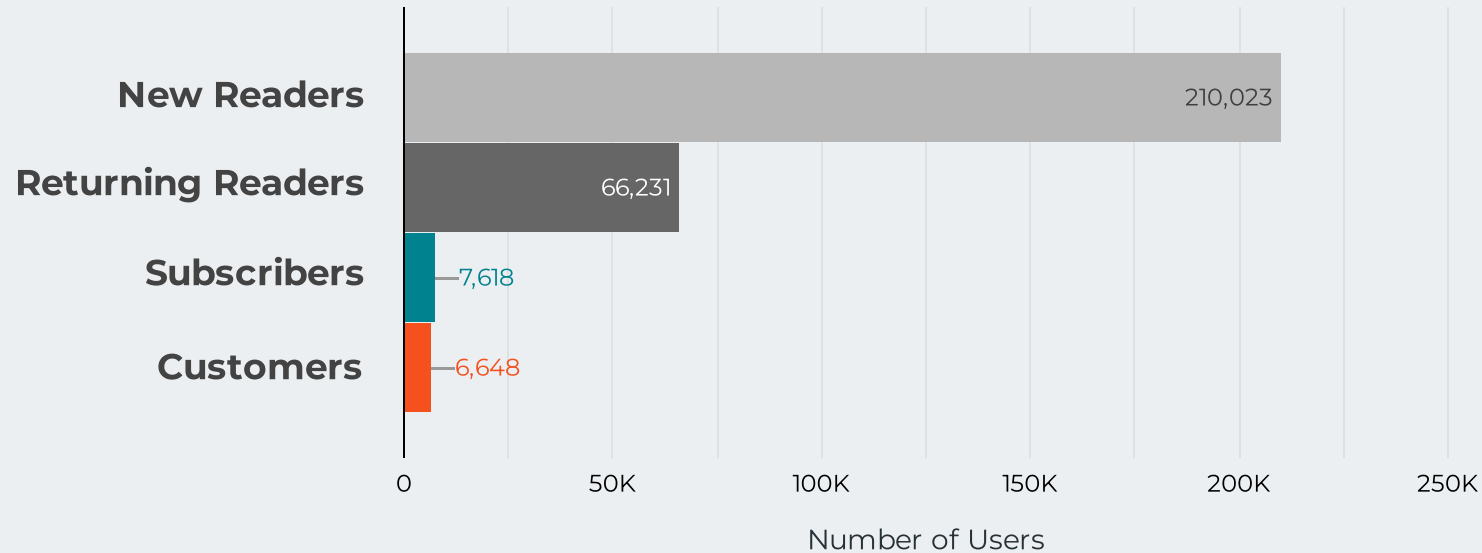
Because of this reason, it might be useful to consider some other points regarding the video course:

Perhaps blog readers are not the best targets for a video course, thus advertising it on other platforms to find new audiences may help

Occasional discounts or small discounts to subscribers or those who have already bought the e-book might help too

Adding a bit more extra value to the video course may make it even more attractive to buy even at this price

Funnel analysis of Dilan's Blog



In order to map the readers journey on Dilan's website from the first visit up until the point they actually buy a product the users were categorised into the following four groups: 1. new readers, 2. returning readers, who revisit the blog from time to time, 3. subscribers and 4. cutomers, who bought at least one of Dilan's products.

The funnel analysis showed that there is a significant drop in the amount of returning readers compared to the number of new readers which means that only about 1/3 of the visitors were interested enough to come back again to Dilan's blog.

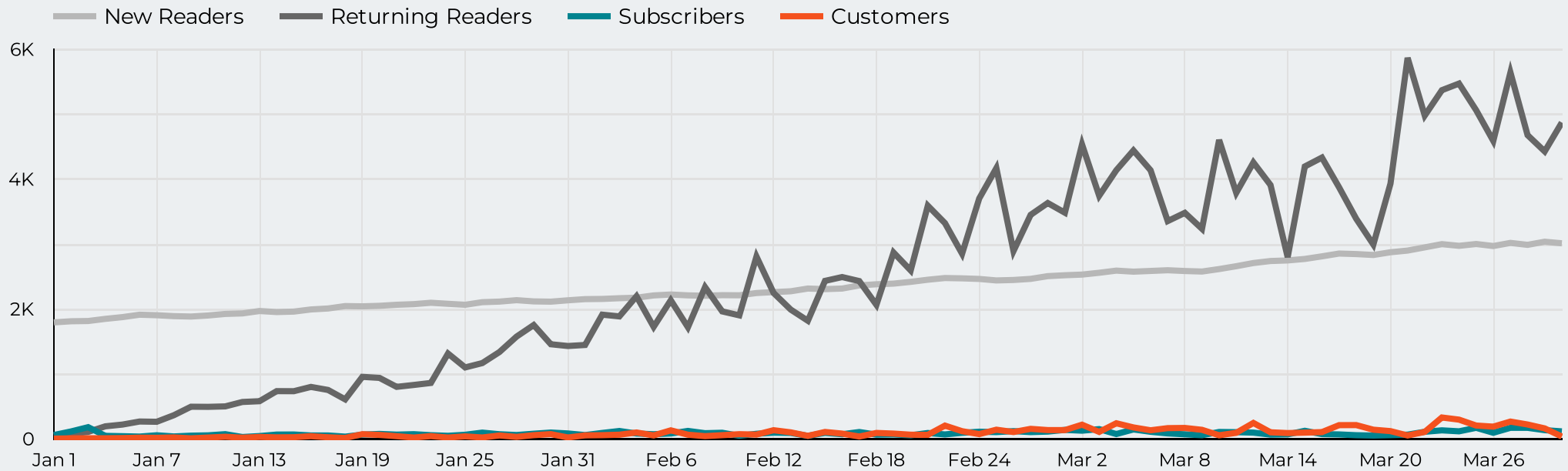
It has also become clear that the number of subscribers and customers (these two numbers are relatively close to each other) is about 10 times less than the returning readers therefore Dilan loses even more users at these stages.

It would be very important to improve these conversion rates in the future to let Dilan's blog grow:

Making the content even more interesting and/or focusing on the most popular topics (Asia, North America, Europe) might help to keep the readers who visited the blog

Considering that the income that the customers produce is necessary to keep Dilan's blog running it would be essential to reach hihgher numbers at these areas (more about this aspect later)

Funnel analysis of Dilan's Blog

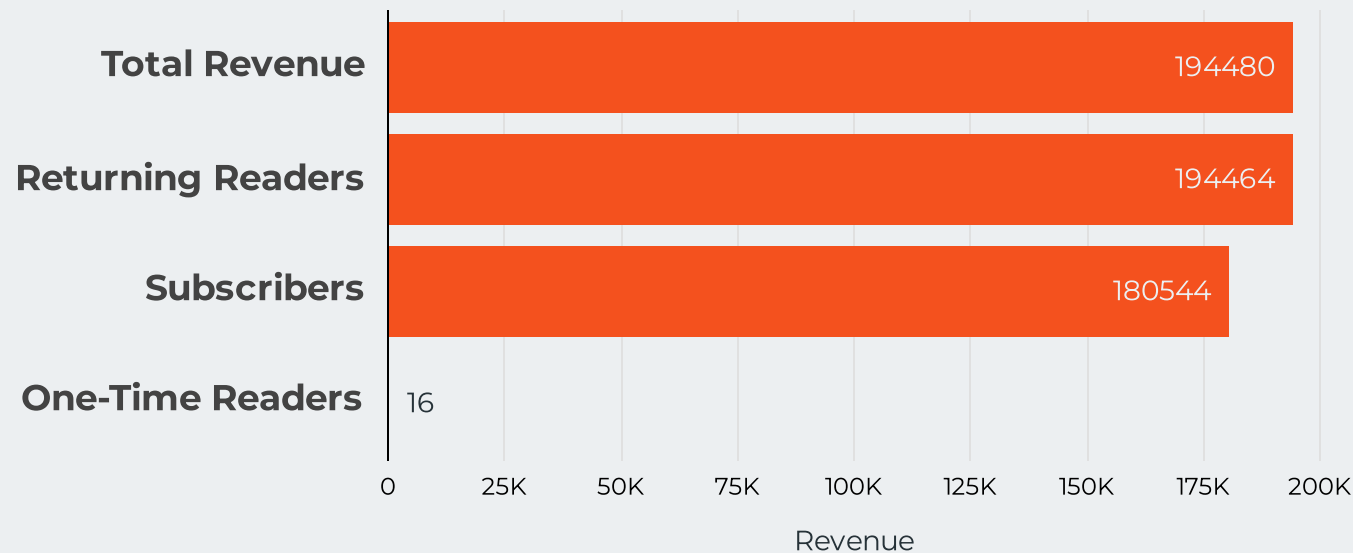


By looking at the funnel on the timescale we can see very similar tendencies with one exception: regarding returning readers it reveals new information which highlights the role of this group of users.

But first, although the number of subscribers and customers is low and vary periodically the number of new readers show a slow but stable growth during these three months. Based on my prediction, Dilan's blog can hit ~3300 daily new readers in the next 30 days (linear regression, prediction = 3374, r2 score = 0.978) and by concentrating on the right advertisement and by taking into account the previous suggestions he might be even more optimistic.

Even though, there are much less returning readers than new readers in total (previous page) the people who liked the blog revisited it many times as it is shown by the diagram above. There is quite a big range in the number of times users revisit the blog after the first time (from 1 to 52) but on an average they come back 4-6 times (median = 4, mean = 5.53). It would be a good strategy to focus on this user segment: the more visitors become returning readers the bigger the activity will be on Dilan's website which will probably increase his revenue as well.

Total Income by User Segments



Obviously, Dilan's total revenue comes from the customers who bought his products but by looking at other user segments too we can find some additional information. Almost all of the revenue comes from the returning users. There were only two occasions when one-time readers bought a product. Interestingly, subscribers produced less income than returning readers which means that there are some returning users who are not subscribed to Dilan's blog but still bought the e-book and/or the video course.

These findings highlight the importance of the returning readers and subscribers.

Based on these, besides the number of customers or the amount of revenue, the number of returning readers could be a good metric to indicate whether Dilan is reaching more and more people who are interested in his blog and might stick around for a while, and potentially spend their money too.

For similar reasons, monitoring the number of subscribers could also be a good strategy to get a proper image about the dedicated readers of Dilan's blog.

Findings about Dilan's Blog and Suggestions for the Future

- 1. Dilan should concentrate on country 5, 7 and 2 (in this order).**
- 2. He should focus on Reddit and SEO in his marketing strategy, not on Adwords.**
- 3. Asia is the most popular topic of his blog followed by North America and Europe.**
- 4. With proper marketing and by finding the right audience, the video course could make even more income.**
- 5. He should put more time and effort into optimizing the users journey: getting more returning readers and subscribers is the right way to grow his blog which most likely will lead to a bigger revenue as well.**