

Web Analytics Assignment

Assignment 1: Channel Performance Measurement:

An online travel portal has been investing in a multi-channel acquisition strategy - Direct, Organic, Paid (Social, Search, Display) and Email. Its brand is relatively unknown and the market has 2-3 competitors with strong brand presence. Assume boundary conditions as necessary.

As a manager, how would you decide on future budgets for each channel using the data in the file Assignment1.xlsm ?

You can set objectives based on

- a) Creating Awareness
- b) Sales Generation
- c) Return on Investment

Specify the objective(s) you choose and why? You may choose 1 or multiple from the list above, but provide an explanation of your choice

In order to fix the budget you should be looking at return on investment – to calculate that, assume Average cost per visit as below and Gross Margin on Sales as 30%. Assume also that average sales value is Rs 18,400 per sale

- i. CPC – Rs.125 per Visit
- ii. Direct – Rs.8 per Visit
- iii. Organic – Rs. 12 per Visit
- iv. Email – Rs.40 per Visit
- v. Referral – Rs. 60 Per Visit

Solution approach and hints:

For ROI calculations: Use cost per visit as an input into monthly costs per channel. ROI should have return on the numerator (sale * margin), and cost in the denominator (Sale Value + Channel Cost)