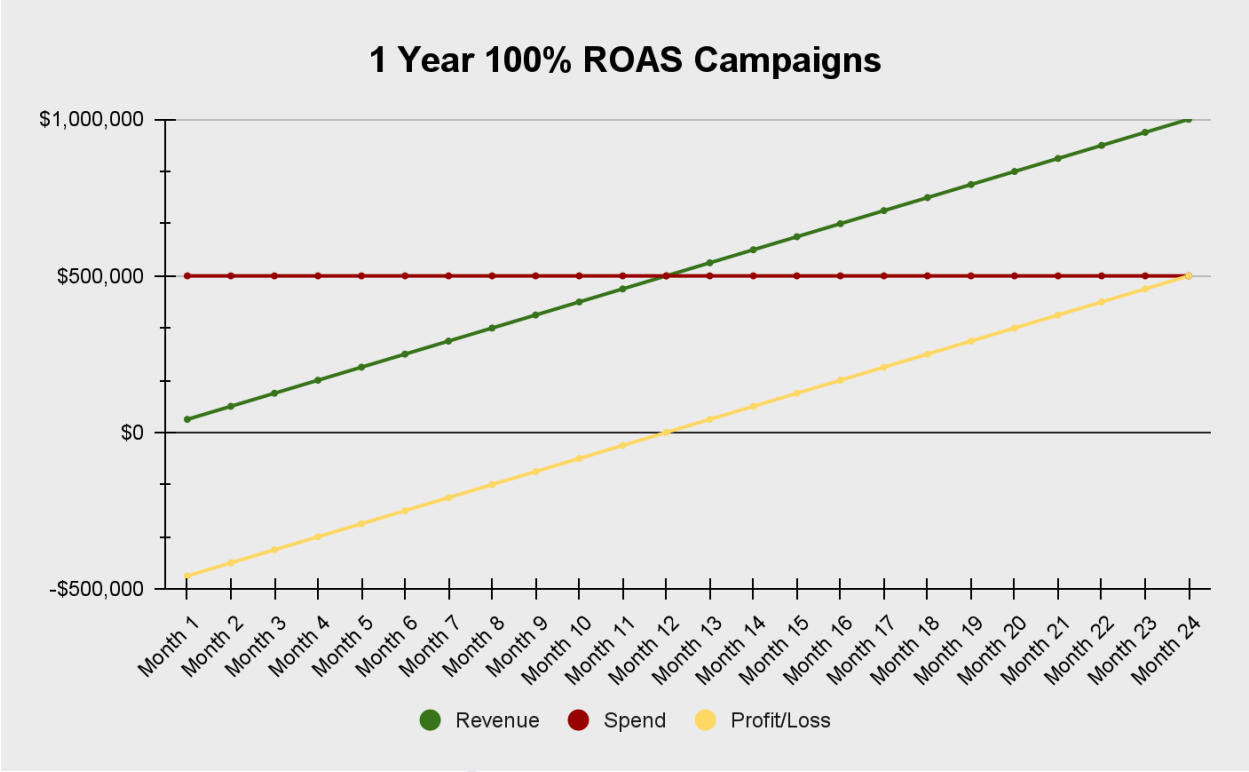
Q1a) For the past year, we've been aiming for a 100% Y1 ROAS on our performance marketing spend. We've received direction from the executive team to amend our target ROAS to 75% with the primary goal of increasing user and revenue growth. Please craft a plan to decrease ROAS.

Assumption: No restrictions on budget, and existing 100% Y1 ROAS campaigns will continue as they are. Following the principle of "if it's not broken, don't fix it."



Plan

Maintain Existing Campaigns

- Keep all current campaign variables (spend, social channels, geography, and demographics) unchanged.
- Continue allocating $500K to these campaigns to sustain a 100% Y1 ROAS.

Expand with Additional Budget

- Allocate an additional $500K to new territories with similar social, demographic, and geographic characteristics.
- Focus on brand awareness campaigns (impression- and click-based) to build brand recognition and capture market share.

Expected Outcome

- The blended ROAS across all campaigns should reach 75% by Month 12.
- Total marketing spend will increase to $1M.

- Primary targeting: Predominantly male, educated, tech-savvy individuals (ages 16-30) in Tier 1 countries, with a preference for regions with a high concentration of computer users.

Q1b) Assume our monthly ad spend is currently at $500k. How would you change the monthly ad spend (immediately and over the coming months) to meet the executive team's directive? Forecast the change in ad spend, revenue, and profit.

Assumptions:

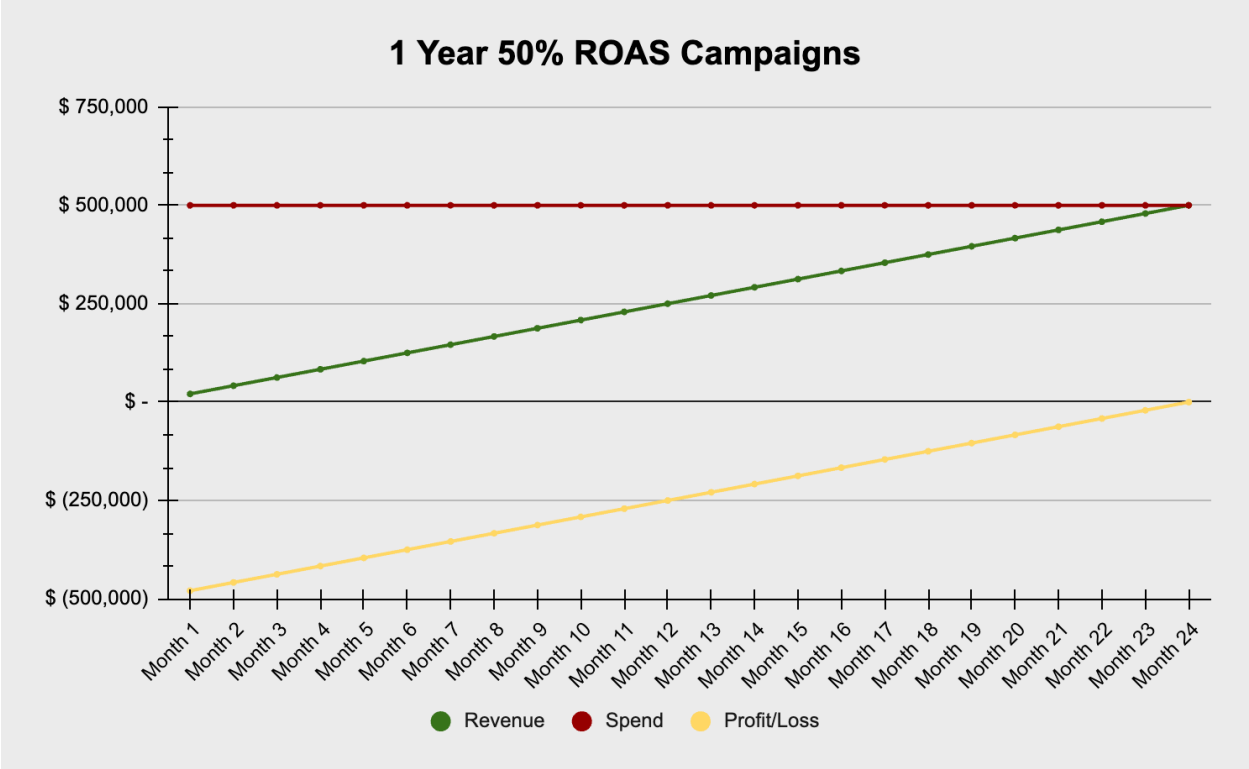
- 1 year 100% ROAS campaigns are "exceptional" and sustainable, currently yielding an 8% monthly return.
- Additional $500K budget allocation will yield diminishing returns, as brand and awareness campaigns typically drive lower initial performance but contribute to long-term growth.
- The goal is to scale revenue and users at the cost of short-term efficiency.

Plan:

Month 1 – Immediate Changes:

- Maintain $500K spend on existing 100% ROAS campaigns to ensure continued efficiency.
- Allocate an additional $500K for brand awareness and interest generation, targeting:
    - Predominantly male, educated, tech-savvy individuals (ages 16-30) in other Tier 1 countries, focusing on regions with a high concentration of computer users.
    - Additional $500K is expecting a 4% ROAS per month as these campaigns focus on the first two stages of the marketing funnel (awareness & interest).

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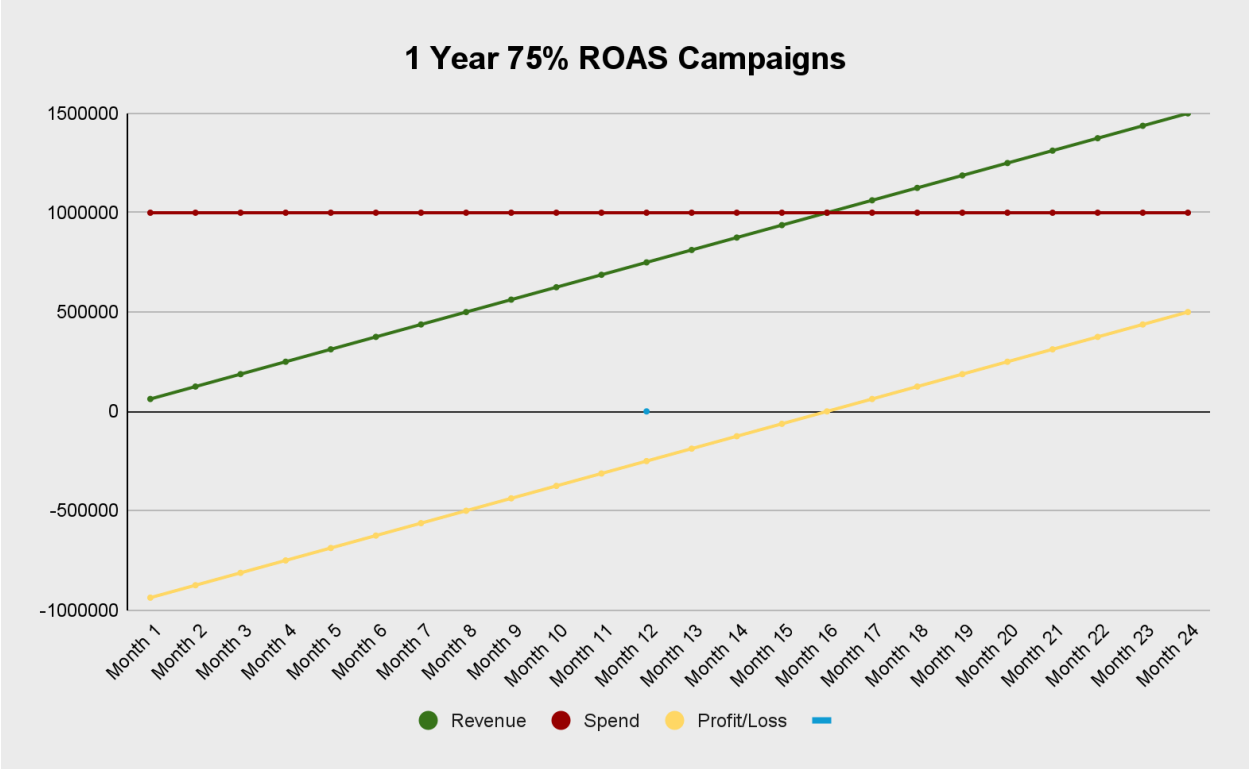
Months 2-12 – Scaling & Optimization:

- Per new $500K spend:
    - Adjust brand awareness spend allocations, targeting, and creatives to optimize reach and engagement while maintaining a 4% ROAS target.
    - Implement retargeting campaigns to acquire interested customers.
    - Monitor campaigns and reallocate budget or readjust targeting or creatives based on performance data.

Month 12

For months 1 -12 we will spend $1M a month. By the end of month 12 we will have spent $12M with $9M in return. Thus we will be at 75% ROAS as the executive team requested.

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Q1c) How would you decide where to change spend? That is, what factors would you consider when deciding how to prioritize?

Campaigns conditions for increasing spend:

- Low CAC
- New customers with engagement/events
- Seasonality where costs are low and engagement has potential to be high

Campaigns conditions for increasing spend:

- High CAC
- Low amount of newly acquired users
- New customers without occurrence of critical engagement/events

Metrics assessments should be reflective of company's organic and paid traffic, industry performance, and seasonality.

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2. Today as PC desktop app and so we're primarily buying ads on desktop

inventory. Mobile ad inventory is larger than desktop. How might you go about effectively advertising on mobile? What resources and/ or assets might you need to maximize your likelihood of success?

Ads & Creative Strategy:
The ad creative must clearly communicate that we is a desktop application to set the right expectations.

- Imagery: Use visuals featuring PCs or gaming laptops instead of mobile devices
- Messaging & CTAs: Clearly state is PC-based in both the copy and/or call-to-action buttons.

Tracking & Measurement Setup:

- To effectively track mobile-to-desktop conversions, the following assets are required:
- MMP (Mobile Measurement Partner) & Deep Links
- Google Analytics 4 (GA4) & Google Tag Manager (GTM)
- Optimized Mobile Landing Page
- Purchase Confirmation & Access Instructions

User Flow & Tracking Details:

- MMP with deep links directs users from mobile ads to a dedicated landing page optimized for mobile.
- GA4 tracks user behavior, including:
    - The source of traffic (mobile ad click).
    - Time spent on the page and engagement actions.
    - Completion of purchase (conversion event).
    - Internal Data Tracking then captures post-purchase events such as downloads, first-time app opens, and user activity.

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3. You recently ran a creative test where, compared to the Control, the Test variant produced a decrease in our free → Pro upgrade rate. However, for the users who did upgrade on the Test variant, they were more likely to purchase an Annual plan vs a Monthly plan.
1. How would you decide if this test was successful?
2. What additional data might you need access to to make an informed call?

Critical Questions
Success depends on the original hypothesis and the business objectives. Here are some critical questions to reflect on:

- What was the primary goal?
- Was the test's goal aimed to see what we can do to increase the free to Pro upgrade ratio?
- Was the point to drive more annual plan subscribers?
- Or was the A/B test objective to identify better practices to increase some revenue metrics?

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So first we need to be clear on what the point of the test and the hypothesis is. Then review the relevant metrics related to the goal of the A/B test.

Dependent on the A/B test's goal, some data points to evaluate the success of the campaigns are the following:

- Total revenue generated per user cohort (A vs. B).
- ARPU & LTV
- Churn & Retention data
- Did the 2 segments (A and B) of users use or engage with the platform differently (time spent, types of games, events triggered)?"

4. There's a lot of hype around AI and large language models, but these new technologies are also changing the way we work. Supports thousands of different game titles and millions of users visit websites every month. How could you foresee using AI to scale up performance marketing. Be as concrete and specific as possible.

Used AI to generate copy for Google Ads Search. - Sample prompt (a portion of it) I've used to ideate and structure my ads: "create a Google Search Ads campaign that focuses on driving maximum conversions at the lowest possible cost per acquisition (CPA). Use best practices for headline writing, ad copy, keyword targeting, and ad extensions to ensure a high quality score and ad rank."

Used AI for persona research. - Terms used by Gen Alpha: sigma, rizz.

Use AI to create various types of ads and iterate - https://icon.me/pricing

Use AI for visual creations - such as graphs, flow charts, presentation slides, images (https://docs.anthropic.com/en/docs/build-with-claude/vision)

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