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INTELLIGENCE REPORT

Confidential Performance Analysis

June 1, 2026

PREPARED FOR

ABC Co.

E-commerce / DTC Brand · Google Ads + Meta Ads

62	48	71
/ 100	/ 100	/ 100
OVERALL HEALTH	SPEND EFFICIENCY	FUNNEL INTEGRITY

EXECUTIVE SUMMARY

ABC Co. is operating a paid acquisition program that looks healthy at the blended level but is hiding a meaningful efficiency problem inside Meta. Blended ROAS of 3.2x masks Meta prospecting performance that has degraded from 2.1x to 1.4x over the last 90 days, while Google branded search is doing the heavy lifting and being credited for demand it did not create. Top-of-funnel volume is sufficient, mid-funnel engagement is strong, but post-add-to-cart conversion has dropped 18% — almost entirely on mobile. The strategic priority is not to spend more; it is to stop scaling Meta prospecting at current creative fatigue levels, reattribute branded search away from paid, and fix the mobile checkout regression before the next inventory drop. Doing so should recover an estimated 22–28% of wasted spend within 30 days and unlock the scale headroom you are currently buying with inefficiency.

WHAT'S WORKING

+ **Google Ads non-brand search is operating at best-in-class efficiency for your category.**

  Non-brand search ROAS of 4.1x with a CPA of $38 sits in the top quartile of DTC apparel benchmarks ($45–$72). Search query reports show high commercial intent terms converting at 3.8% — well above the 1.9% category median. This is genuinely earned demand capture, not branded cannibalization.

  Principle / The problem is rarely where you think it is.

+ **Email-driven revenue is compounding without proportional spend.**

  Owned-channel revenue grew 34% QoQ while email send volume only grew 9%. Flow-based revenue (welcome, abandoned cart, post-purchase) now accounts for 41% of email revenue, up from 28%. This is durable, margin-accretive growth that does not show up in your paid dashboards but is materially subsidizing your blended ROAS.

+ **Mid-funnel engagement signals are healthy and trending up.**

  Average session duration on PDPs increased 22%, scroll depth past the fold improved from 54% to 68%, and add-to-cart rate is up 11% YoY. The top of the funnel is doing its job — the leak is downstream, which is good news because it is a fixable conversion problem, not a demand problem.

  Principle / Most dashboards describe the past. None of them explain it.

WHAT TO FIX

! **Meta prospecting is in advanced creative fatigue and you are scaling into it.**

Frequency on your top three prospecting ad sets has climbed from 1.8 to 4.6 over 60 days. CPM is up 41%, CTR is down 38%, and prospecting ROAS has collapsed from 2.1x to 1.4x — yet daily budget on these ad sets increased 28% in the same window. You are paying more to reach the same people with creative they have already ignored. Pause and refresh before adding another dollar.

Principle / Scaling spend before fixing efficiency just makes the problem bigger.

! **Branded search is being credited for revenue it did not create.**

Branded search accounts for 31% of Google Ads spend and 52% of attributed revenue at a 9.4x ROAS — a near-certain sign of attribution inflation. An incrementality test (paused branded for 7 days in two DMAs) would likely show 70–85% of branded clicks are demand you would already capture. Conservatively, $14–$18K/month of branded spend is buying revenue you would capture organically.

Principle / Blended metrics are where bad decisions go to hide.

! **Mobile checkout has regressed and nobody has noticed because blended CVR looks stable.**

Desktop CVR held at 3.4%. Mobile CVR dropped from 1.9% to 1.4% over 6 weeks — an 18% decline concentrated entirely between add-to-cart and shipping form. Mobile is 71% of your sessions. The blended number didn’t move because desktop and email-driven traffic absorbed the loss. At current traffic this regression is costing approximately $38K/month in lost revenue.

Principle / Your best channel is probably cannibalizing another one.

! **Your reported MER is overstating true marketing efficiency by ~22%.**

MER of 3.2x includes branded search (inflated), organic-attributed-to-paid via last-click (inflated), and email-driven repeat purchases (not paid-acquired). After correcting for these, true new-customer MER is closer to 1.9x. This matters because budget decisions are being made against the 3.2x number, leading to overconfidence in headroom that does not exist.

STRATEGIC PRIORITY

Stop scaling. Reattribute. Fix mobile. Then grow.

The single highest-leverage move in the next 30 days is not to add budget — it is to stop misallocating the budget you already have. Pause the three fatigued Meta prospecting ad sets and ship three net-new creative concepts (UGC-led, problem-framed, and offer-led). Run a 7-day branded-search incrementality holdout in two matched DMAs to size true incremental contribution and reallocate the freed spend to non-brand search and Meta retargeting. In parallel, instrument and fix the mobile shipping-form regression — heatmap, session recordings, and a payment-method audit will identify the cause within a week. Only after these three moves should you increase Meta prospecting budget into refreshed creative.

Timeframe: 30 days

Expected impact: Recover 22–28% of wasted spend (~$28–$36K/month) and unlock 1.4–1.7x scale headroom on Meta prospecting once creative is refreshed.