

Capstone Public Project Summary

CEU Business Analytics MSc

Optimizing the Use of Reddit for Social Media Marketing Success

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1. Problem Definition

1.1. BrokerChooser Company Overview

BrokerChooser is a company of providing deep reviews and comparisons of online brokerage services. The company's main mission is helping investors and traders identify the broker that best suits their specific needs and preferences. Through in-depth analysis and comprehensive evaluations, BrokerChooser provides users with reliable information.

1.2. Social Media Marketing Strategy Using Reddit

BrokerChooser aims to venture into the realm of social media marketing. Currently, the company lacks a comprehensive understanding of how to effectively utilize various social media platforms. This report proposes a new marketing strategy centered around the use of Reddit to enhance BrokerChooser's online presence and engagement.

1.2.1. Proposed Strategy: Focus on Advertising on Reddit

While there are various strategies to consider, this report will focus specifically on advertising on Reddit.

1.2.2. Background and Hypothesis

A significant number of users reach the BrokerChooser website through Google searches. However, many users also encounter Reddit links related to BrokerChooser during their Google searches. The hypothesis is that targeting these users through Reddit can effectively expand BrokerChooser's marketing reach. The goal is to identify and target new audiences on Reddit by placing effective advertisements for BrokerChooser's services.

1.2.3. Understanding Subreddits

Reddit operates through communities known as subreddits, each focused on a specific topic. When companies advertise on Reddit, they choose specific subreddits to place their ads. These subreddits consist of members interested in particular topics, meaning the choice of

subreddit significantly impacts the effectiveness of the advertisement. This project aims to identify the optimal subreddits for BrokerChooser to advertise in.

1.3. Steps to Identify Optimal Subreddits

1.3.1. Data collection:

- Retrieve the top 200 Google search queries leading to the BrokerChooser website using Google Search Console.
- Focus on searches from the US, UK, and Germany.

1.3.2. Analyze Reddit Presence in Google search:

- Determine the number of Reddit links appearing in the top 15 search results for each query, assuming that users typically only view the first page of search results.
- Identify which subreddits these links belong to.

1.3.3. Evaluate Subreddit Effectiveness:

- Rank subreddits based on the number of appearances in search results.
- Assess the average position of these links in the search results by subreddit.
- Consider the relevance between subreddits and BrokerChooser, based on the number of clicks of brokerchooser.com from the queries leading to the subreddit.

1.3.4. Select Target Subreddits:

- Based on the analysis, select subreddits with high link appearances, favorable average positions, and high relevance with BrokerChooser.
- These subreddits are likely to yield the highest ad impressions and engagement.

1.3.5. Country-Specific Analysis:

- Conduct the above analysis for multiple countries to identify differences in optimal subreddits.
- Ensure all data is collected for the same period to maintain consistency.

2. Quantitative Comparison

To increase the reproducibility of this project, it is aimed to compare these candidates more quantitatively. A function, $f(x)$ is considered, involving four variables to determine the most suitable subreddit for our project. The function is defined as follows:

$$f(\text{subreddit}) = L \times \frac{N + 1 - P}{N} \times C \quad (1)$$

where the terms are defined as:

- L = Total number of Reddit links from a Google search using 200 keywords, which directly relates to the support content of BrokerChooser.
- N = The number of links in the Google search results, constant at 15.
- P = The average position of these links in the search results.
- C = Average number of clicks on brokerchooser.com from keywords leading to the subreddit.

In this formula, L is assumed to be linearly related to the advertising impressions, significantly influenced by C which means the relevance between BrokerChooser and the subreddit. The term $\frac{N+1-P}{N}$ assumes that the value decreases linearly from 1 at the top position to $1/N$ at the bottom, a factor that considers user behavior where only the first page of Google search results is typically viewed. This is a reasonable assumption given user search habits.

This formula is applied to the identified subreddits in the US, UK, and Germany to evaluate their potential for effective advertising.

3. Result

For US, UK, and Germany, the top 200 Google search queries leading to BrokerChooser's website were obtained using Google Search Console. These queries were ranked based on the number of clicks that directed users to the BrokerChooser site. In common with the three countries, there was no strong correlation between the following three evaluation indicators:

- 1) The frequency with which subreddits appear in search results using a list of search queries with high traffic to brokerchooser.com.
- 2) The average position of these links in search results.
- 3) The extent to which search queries driving subreddits contribute to traffic to brokerchooser.com.

Based on the quantitative calculations with the function, the best subreddits for marketing in each country are concluded. In the US, there is not much difference in scores between subreddits, but in the UK and Germany, the difference between the first and second place subreddits is significant. In particular, in Germany, the first-place subreddit, "**Finanzen**", scores more than twice as high as the second-place subreddit, "BlockchainStatrtups".

Country	Subreddit
US	Daytrading
UK	Revolut
Germany	Finanzen

4. Learning Experiences

As a Business Analytics student, I was able to sharpen various skills I have learned so far, including coding skills and visualization, in a practical environment. The next step would be to design a model with various variables to predict the effectiveness of advertising in social media, which would be a more valuable analysis.