Connecting Attribution and Media Strategy:
A Meeting of the Minds
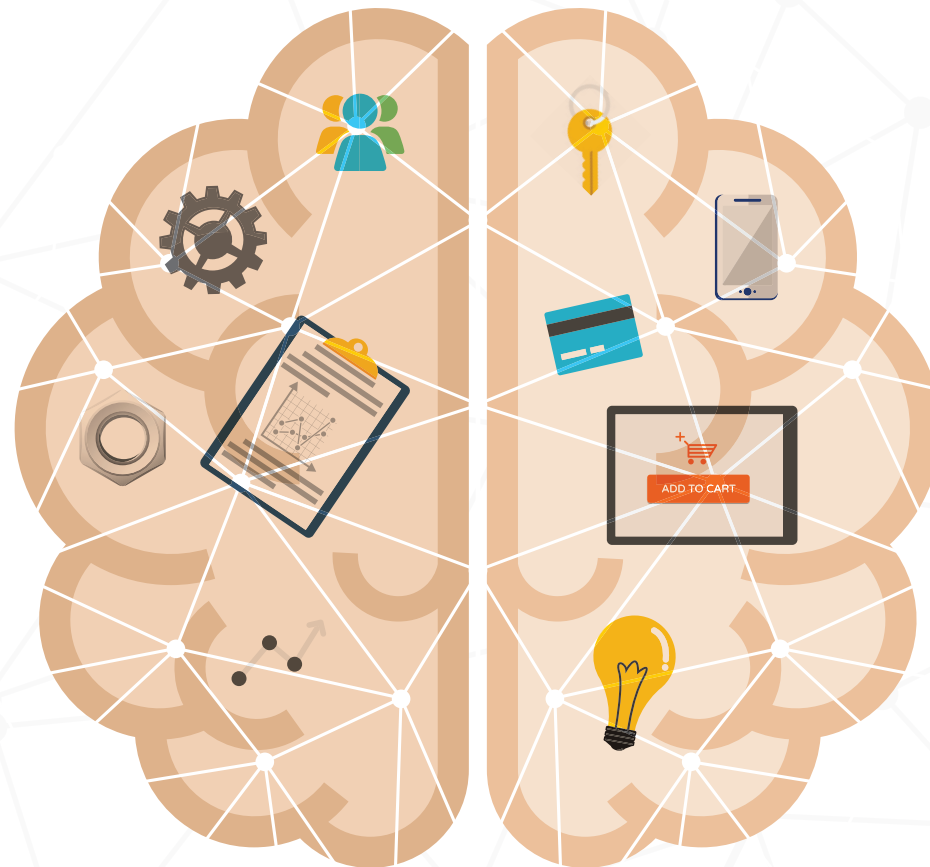
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ATTRIBUTION 101

The Nuts and Bolts of Measurement and Optimization

Although 2016 was deemed the "year of attribution," many marketers (and their C-suites) need more visibility into attribution and how it provides value. Conceptually, it is simple: attribute credit to media when it is due. In today's analytics-driven, multi-channel world, however, this can be very complex: marketers want to know if what they're doing is working, as well as where, when, with whom, and how well.

Drill down and many marketers have trouble identifying which measurement approaches are right for their business. Do I need high-level insights around budget planning, or tactical insights to optimize a channel? What can I get out of my existing tools, like site-side analytics? What's the difference between all the solutions that claim to offer attribution, and which make sense for me?

Answering these questions starts with an understanding of marketing attribution. In a nutshell, attribution reveals the complexities of your customer journey and helps you optimize those insights to drive profitability.

Let's look at an example:

A user starts with a Google search, sees your ad on Facebook, later receives direct mail from you, then visits your website where they end up converting.

Attribution tells you the actual contribution of each of these media exposures:

→ Google search **60%** responsible for the conversion

→ Facebook **10%** responsible for the conversion

→ Direct mail **25%** responsible for the conversion

→ Final direct web visit was only **5%** responsible for the conversion

With this information, you can make adjustments like expanding search and direct mail.

The Evolution of Multi-Touch Attribution

The previous example showcases the power of modern multi-touch attribution, in which we can clearly see how much each step of the user path contributed to the conversion. Attribution didn't always work this way. Early attribution methods relied on "last click," i.e. giving all the credit to the last thing a user did before making a purchase. In our example, that would translate to the web visit appearing 100% responsible for the sale. This might lead a marketer to invest in increasing traffic to the website, but that would not be effective.

Once marketers saw last click's limitations, they began to look at user paths and allocate credit through rules. These rules were based on sequence or pre-defined weighting, but still failed to identify actual media impact.

That's when marketers brought more math into the equation. They started using algorithms, leveraging models like linear or logistic regression to assign credit to individual channels. These methodologies turned statistical analysis into predictions that relied on complex information and assumptions by human experts.

Two recent shifts inspired more attribution innovation : big data and user-level analysis. Both require processing power far beyond traditional modeling – beyond, in fact, what humans are capable of on our own. This is where machine learning comes in.

Proving Value

There are three key components to getting value out of attribution: efficiency, scale, and testing. Increasing overall media efficiency by identifying and eliminating spend on underperforming assets improves ROI. Advanced modeling can even use predictive and observation algorithms to measure the propensity to convert so that marketers have a data-led forecast for future budget allocation. This can help you scale your investments and inform how you grow your budget, team, and scope of work. Lastly, when you innovate and experiment, you will have insight into incremental value and new areas of opportunity.

The Role of Machine Learning in Attribution

Today's sophisticated attribution solutions are powered by machine learning and deliver the flexibility, speed, automation, and scalability that the data demands. They use multiple algorithms based on the circumstances to return the most accurate results. This flips the paradigm. Instead of saying, "we think that logistic regression will give us the best answers," and then feeding the data into the model, it says "here is what we spent, here is what our users did, here are all the conversions," and decides which models will be best to identify the interactions. Machine learning models automatically go through hundreds of combinations to find the best fit for the data set, so marketers always receive the best possible analysis.

A machine learning approach to attribution serves up better insights and it does so significantly faster. All the computations, across those hundreds of models, occur in "relative" real time, dropping the time to results from months to hours. his is especially critical when your business or the environment is changing quickly. If you're launching a new product, you can't wait a month to learn that your messaging is tanking with your target market. If your business is highly seasonal, you need to know how your campaigns are performing now because it will be dramatically different in a month. Machine learning models can account for, adjust, and measure all of those variables on the fly, before you even know that they're impacting your campaign.

Finally, machine learning makes it possible to analyze conversions at the individual level. This automated method can process the required volume of data at the necessary speed and level of granularity to tell us what is happening on the ground.
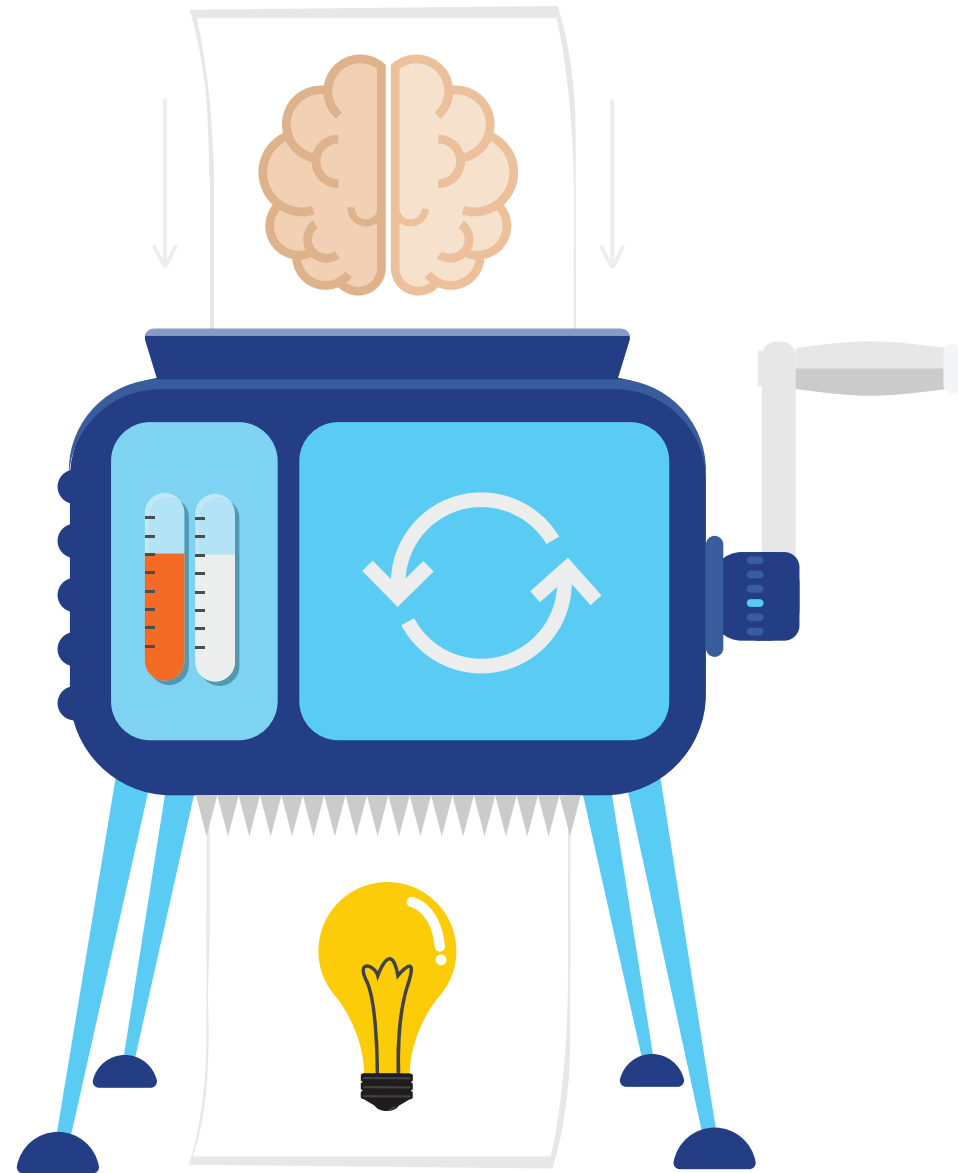
Team + Technology

Powerful technology is only half of the equation for successful marketing attribution. Brands that succeed with attribution also have the experts to turn data into fast, meaningful, actionable results. They can monitor cross-channel performance and gain advanced insights into traffic drivers, then act on those insights to increase efficiencies.

Most marketers already have more data than they know what to do with—and it isn't always clear how to interpret it so that it yields value. Working with a trusted partner that can make the insights actionable to optimize media investments can improve top and bottom lines. Understanding which channels and investments are driving true incrementality is key to running a successful multi-channel marketing program.

For many brands, each channel sits in its own silo with last-click attribution. A good agency partner or internal resource can evaluate the impressions, clicks, and conversions across many marketing channels to help brands better understand how they interact with one another, and the role each channel plays within the customer journey. Combining the right resources with best-in-class technology solutions allows brands to focus on the channels and campaigns that drive performance, extracting valuable insights from reports and custom analytics. When an expert team interprets and executes on the information the technology provides, the brand is empowered with a roadmap for optimization, strategy, and future investments.
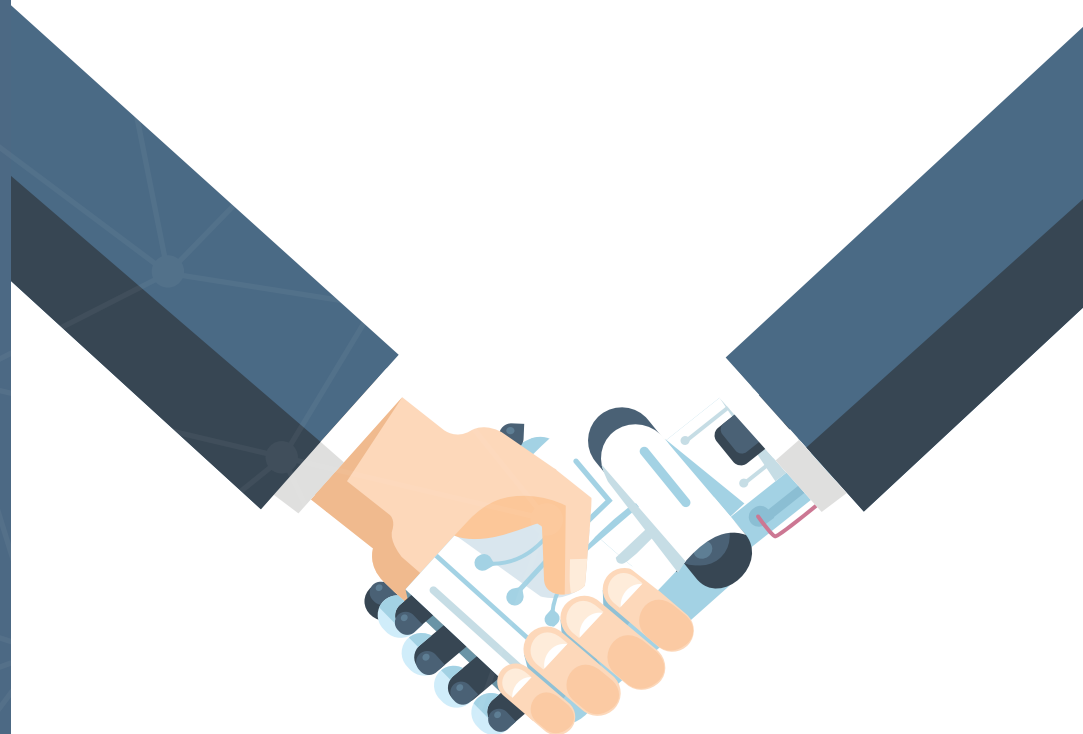
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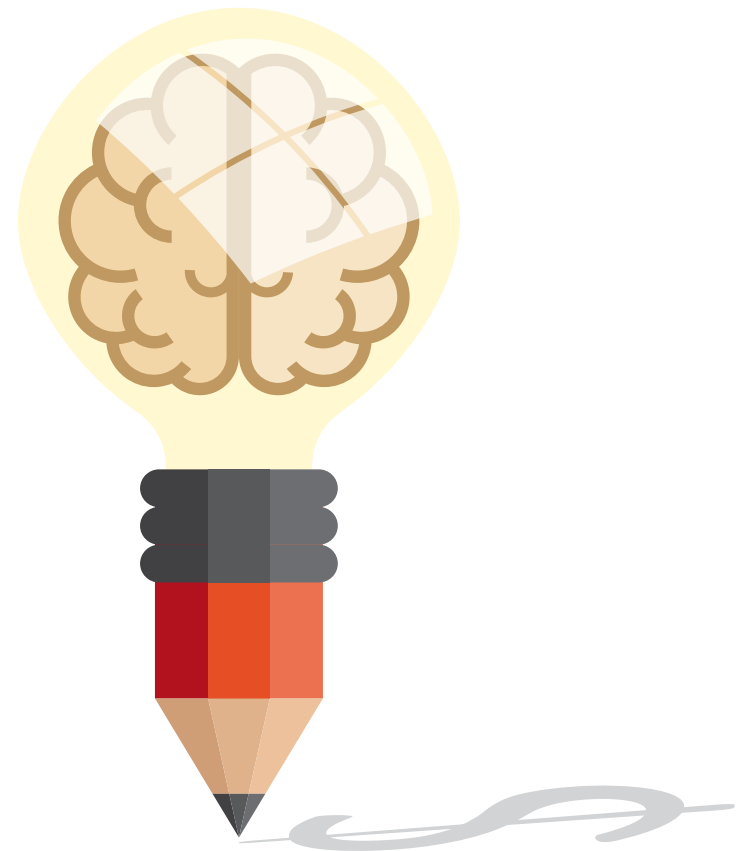
MEDIA STRATEGY
Data-Driven Decisions

Marketers have two main responsibilities: allocate budget as effectively as possible and create the most relevant experiences for customers. Understanding the impact of your marketing efforts helps determine which tactics to continue to employ, where to allocate future budget, and how to work to improve customer interactions. While most marketers have some idea of which investments are driving results, it's difficult to attribute the channel or tactic (or a combination thereof) that directly contributed to those results. As a result, they are unable to understand and activate on the true value of each touchpoint to drive the highest possible return on ad spend or cost per lead.

When your team knows how different media experiences at different points on the path to conversion influence customers, your media experts can test and optimize strategies that deliver results at each stage of the funnel. With a view into how each channel is performing against other channels, you have a more robust understanding of how your optimization efforts will affect and influence your entire media portfolio.

In fact, organizations that add attribution to their marketing measurement programs typically realize 30-50% gains and often see return on investment in the first 90 days. The system soon begins to pay for itself, so any additional budget optimizations can be cycled back into campaigns, optimized with the learnings from the attribution system.

"Organizations that add attribution to their marketing measurement programs typically realize 30-50% gains"

MEDIA OPTIMIZATION
Leveraging Actionable Insights

Attribution is about more than data, technology, and performance. It's a key component to an optimized media strategy. It can help answer many of the recurring questions marketers face and inform media investment decisions.

The first step is to establish a unified framework for marketing measurement that ensures you are working towards a return on investment goal. Then, you can configure your campaign-based attribution to understand the influence of each channel and tactic on the ROI. While this process can get complex, bringing all digital and offline (TV, print, out-of-home) media channels as well as conversion channels (online, mobile, in-store) together into a holistic view of your marketing efforts is essential. Armed with this data, your media teams can work together to efficiently test, prove, and allocate media dollars to the most effective channels and tactics.

To make the most of a marketing attribution framework, you may need an analytics expert to build a custom reporting solution that focuses on the metrics specific to your business model or KPIs. For example, your brand

may value new customers more than returning; or perhaps you're looking for additional insight into a loyalty campaign that is only relevant to specific channels. Custom reporting built by a trusted analytics advisor empowers media teams to activate on granular insights that drive business. Utilizing a team plus technology approach can also provide opportunities for media experts to leverage innovation, best practices, or new techniques to deliver returns through continuous spend optimization.

While attribution provides actionable insights into the customer's path to conversion, it also measures the power of your brand equity. Using a baseline metric, you can gain perspective into the results you could expect if you stopped all media and let your brand equity alone contribute to driving success. With this comprehensive view of performance, you can build out a plan to extract additional value from your investments.

GETTING READY FOR ATTRIBUTION
Preparing Your Organization

Identify   **Align**   **Organize**

Why have marketers struggled to bring attribution into the mix? Often there's a barrier between marketing and IT; for others, there's a feeling that they just aren't "ready" for the investment.

Today's attribution has eased many of the implementation challenges, so companies contemplating or experimenting with advanced attribution can finally make it a fundamental component of their measurement framework. Here's how to get started:

1. Identify your objectives.

What business challenges are you trying to solve? Attribution provides an intelligence layer that connects all the dots, but you need to understand where to apply the insights to make them meaningful.

2. Get aligned organizationally.

You have a lot of stakeholders that need to be in sync from the beginning. Successful alignment requires:

→ **Executive buy-in.** Leadership must know how attribution relates to both organizational needs and business outcomes.

→ **Cross-functional champions.** From tech selection to implementation and upkeep, you need a designated team to support the vision.

→ **Ownership.** It's important to have an individual dedicated to streamlining execution and coordination across the team.

3. Organize your data.

Strong data governance is critical to successful attribution. Whether you're measuring high-level metrics or diving deep into specifics, you'll need to structure your variables, fields, and naming conventions to support that.

MEASURING SUCCESS
From Architecture to Outcomes

Getting consistent value out of your attribution program requires consistent activation on the granular insights that address your business goals.

As you consider an investment in attribution, your partners can provide case studies, like the one on the next page, to illustrate how the right measurement framework can make an impact. Getting the answers you need starts with asking questions, so engage with your team of technology and analytics experts early and often. Bringing attribution and media strategy together can help lift the entire organization, so implement a meeting of the minds today.

Here is a checklist that can help you assess your organization's readiness for an attribution measurement framework:

✓ How are you measuring media performance and ROI?

✓ What is your optimal budget allocation across marketing channels?

✓ What is the combined impact of your online and offline marketing activities?

✓ What is the true value of each media exposure?

✓ What marketing channels, strategies, and tactics drive value for your organization?

✓ Can you access actionable insights for efficiency, scale, and testing?

# CROSS-CHANNEL ATTRIBUTION DRIVES INCREMENTAL REVENUE

A global leader in professional training wanted to drive incremental revenue and effective marketing investments to reach educational training customers.

THE STRATEGY

To gain deeper insights, Rise Interactive recommended that the client implement an advanced attribution solution that would uncover the customer's path to purchase and more accurately measure the efficacy of marketing activities across all channels. To enable the client to see exactly which marketing channels and tactics led to conversions, Rise leveraged Conversion Logic's cross-channel attribution platform and built customized analytics reporting. Armed with the right data and actionable insights, the teams worked with the client to execute strategic and tactical optimizations to improve the return on media investments.

THE RESULTS

The team + technology approach produced clear insights that enabled a strategy to identify and eliminate inefficient spend, allocate budget to the most effective channels and tactics, and optimize media performance. The client drove incremental revenue through their media and had a better idea of where to invest in the future.
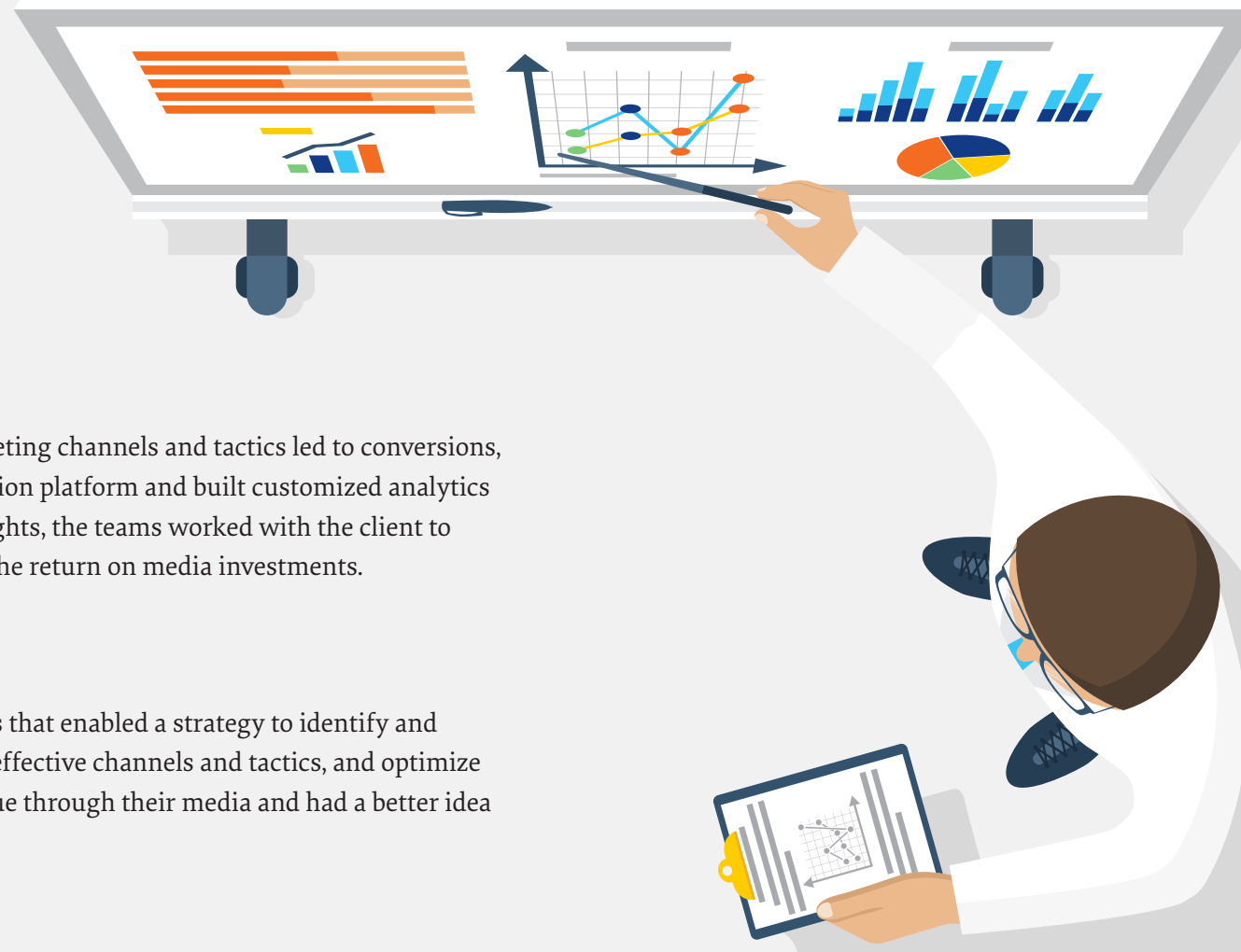
ABOUT THE AUTHORS

rise interactive. **+** **CONVERSION LOGIC**

Rise Interactive and Conversion Logic have partnered to create a holistic, leading-edge attribution practice purpose-built for clients' success. By combining two organizations with the same values – innovation, agility, and precision – Rise and Conversion Logic empower clients to accurately measure, analyze, and optimize the impact of all of their marketing investments. The Rise + Conversion Logic partnership enables a data-driven approach to marketing with a razor-sharp focus on client performance across all channels.

rise interactive.

Rise Interactive is a digital marketing agency, specializing in media, analytics, and customer experience. The agency is a strategic partner, helping marketing leaders make smarter investment decisions, grounded in data insights. Rise manages enterprise-level campaigns across all channels of digital marketing and is a recognized industry leader. Rise helps marketers allocate marketing dollars more effectively and shift budgets faster to maximize ROI. Sophisticated, accurate attribution is critical to this process. Visit www.riseinteractive.com to learn more.

CONVERSION LOGIC

Conversion Logic delivers attribution, evolved: a cross-channel measurement platform that combines cloud analytics and machine learning for enterprise marketers. Built from the ground up for agility, innovation, and speed, Conversion Logic translates the most sophisticated data science on the market into clear, actionable insights across the customer journey. With media agnostic, real-time analytics and optimization, clients reduce friction, adapt and realize value more quickly than ever before. Meet attribution, evolved, at www.conversionlogic.com.