what is
PRESCRIPTIVE ATTRIBUTION?

DemandJump

If you think you know marketing attribution, think again.

Our industry is on the cusp of the biggest shakeup since the internet, and the only question that really matters is, "Are you ready?"

Advances in mathematics, network science, database structure and computational power are increasing the capabilities of modern marketing platforms. These factors and more are why solutions like DemandJump's award winning Traffic Cloud™ platform are pushing the limits on the capabilities of the modern marketer.

Traffic Cloud™, the customer acquisition platform, maps a brand's data, overlaid with their actual competitive digital ecosystem with unprecedented accuracy and delivers prescriptive attribution insights that fuel revenue generation.

Prescriptive attribution is not a mere change on the horizon.

It represents a tectonic shift in the way businesses and marketers grow revenue. Defined as prescribing action and directing marketing spend to the areas that will produce the best marketing outcome while improving return and reducing wasted spend, prescriptive attribution is the next logical step after historical standard marketing attribution methodologies that are now being rendered obsolete.

But to solve for prescriptive attribution, we must first start with data in its most granular form and then build an accurate map of a brand's ecosystem. In many ways, the process of solving for attribution in marketing is similar to autonomous cars navigating roads. Before we can actually go anywhere, we must first start with a map.
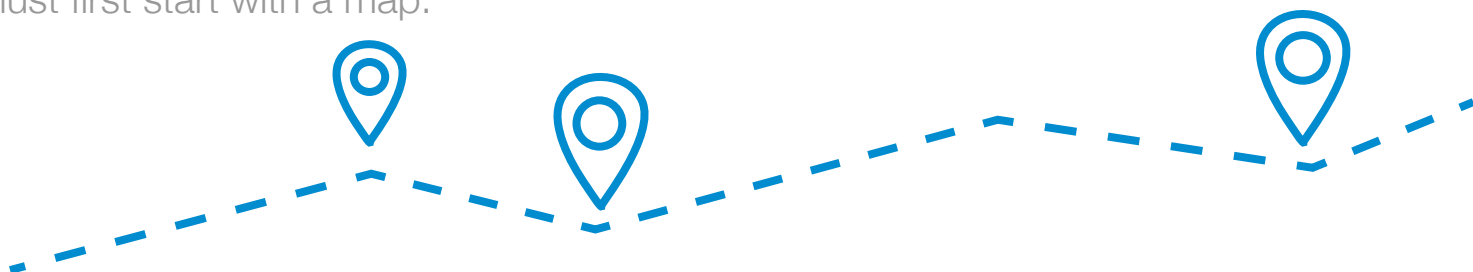
Knowledge is the ultimate weapon - drive more traffic than your competitors

What does an accurate ecosystem mean for marketers?

Think of it like a dynamic map that tracks the flow of users (customers) between massive networks of web domains over time. This means we can show you three critical things:

1. **Where** are the most powerful qualified traffic sources you should be focusing your time, team and budget on?

2. **When** should you invest, divest or maintain budget / resources on a specific source / channel?

3. How do you index **relative to your competitors** per channel, per source, etc...?

Attribution is the science of assigning value to your marketing dollars and actions. Prescriptive attribution takes this one step further - prescribing action and directing resources to the most profitable marketing investments.

The yellow represents the 20% of your digital network a marketer can currently see. DemandJump uncovers the other 80%

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Why does prescriptive attribution matter?

"Half the money I spend on advertising is wasted; the trouble is I don't know which half" - John Wanamaker.

The old words of John Wanamaker still ring true more than a century later. The marketing industry is fraught with guessing and guts. Companies are wasting billions of dollars on marketing and advertising initiatives that simply don't work. Look no further than Chase Bank or P&G. They are starting to figure out that digital advertising is broken, but these sophisticated companies are still missing the critical knowledge of where they should place their ads.

Can we really fault the marketers? Certainly not. Never in history has this group of professionals had access to a central source of the truth. We have never had a list of prioritized, quantifiable actions with proven forecasts for ROI.

Sales folks have this...look no further than a CRM. Finance teams have this... look no further than an ERP.

Marketing teams do not. Until now.

Prescriptive attribution means we can start thinking about marketing the way Wall Street thinks about financial markets and investment decisions. Marketers can adjust their advertising "portfolio" to grow revenue, maintain margins, or make any other decision to align marketing investments with a company's financial goals and objectives.

With prescriptive attribution, marketers and executives can work together to make highly strategic, well-informed decisions about where to invest online to drive the most revenue.

In fact, the real value of prescriptive attribution doesn't come from attribution at all. It comes from the ability to accurately allocate budget and resources where they will return the most value to a business.

Why are current attribution and analytics tools so limited?

There are many limitations with current attribution and analytics tools.

To truly deliver prescriptive attribution requires an entirely new methodology, from mathematics and development, to messaging and positioning.

Most importantly, attribution must be based on the slice of the internet you actually live within, not just based on the silo data provided by ad vendors.

> *Marketers are accustomed to "the old way" - guess and test and hope for the best. Not to mention, the entire ecosystem of marketing tools has been built upon this unproductive, insufficient and broken foundation.*

What happens when the internet pops up - seemingly out of nowhere - and an ecosystem evolves without rhyme or reason?

This...

1. The silo effect

The internet is connected. That's the whole point, right?

Actions on the web don't occur in a vacuum. They make ripples across the network that transcend any one source or channel.

However - thanks to the haphazard construction of the web and the isolated structure of marketing departments (and agencies), the thronged martech landscape evolved with more silos than the United States grain industry.

Seriously, just look at this graph!

http://chiefmartec.com/2017/05/marketing-techniology-landscape-supergraphic-2017/

Your customers don't live in a silo world. An attribution or analytics solution that is not equipped to process advanced, multi-touch, cross-channel attribution is simply a waste of time and energy.

2. Goliath's bias

How well would you do in school if you graded your own tests and papers?

4.0? Most likely. So let's try this on for size… the global digital advertising market is controlled by just a few players. And it just so happens that these companies sell attribution tools.

Should we rely on companies selling ads to power how we think about attribution? It's probably not a good idea. This would be akin to the fox guarding the hen house.

There are several analytics and attribution providers that also own digital advertising networks - including Adobe. And many marketers still rely on social platforms for analytics on paid campaigns and ad performance. So not only are we again plagued by silos, but we're also relying on data and insights to inform media and advertising decisions, which are provided by the same person selling you the advertising real estate.

Forrester forecasts that advertisers are wasting billions by underestimating true costs, determining that as much as **56% of all display ad dollars were lost to fraudulent or unviewable inventory in 2016**

56%
The amount of display dollars lost to fraudulent or unviewable inventory in 2016

$10.9B
How much money will be wasted by 2021 if no steps are taken to address this problem.

We're not pleading deliberate foul play, but imperfect competition helps ad networks return internal massive profits and margins, year after year after year.
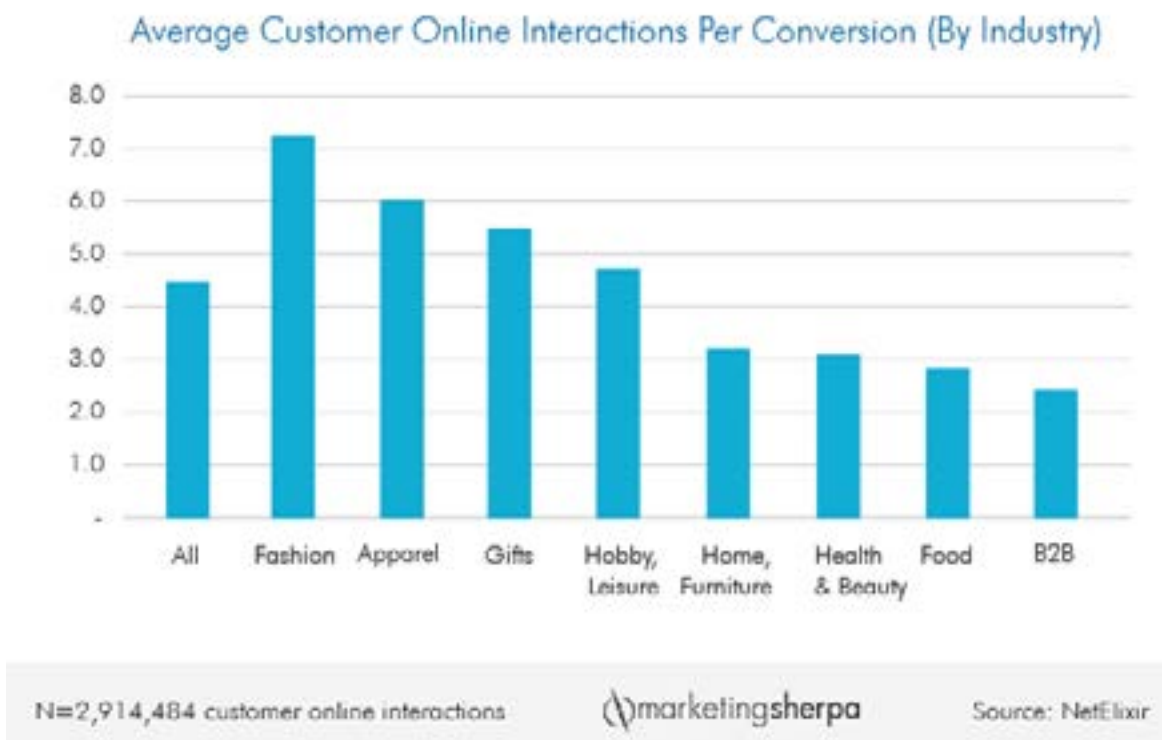
3. First and last click attribution are dead

Most analytics and attribution tools on the market today are based on first or last click attribution. It's a model that has failed marketers for more than a decade, yet most modern solutions still lack the technological capacity to offer anything better.

As we discover a much better way to approach attribution at DemandJump it leads us to the realization that first and last click attribution aren't really dead. They're too irrelevant to have ever really existed in the first place.

The only time there is ever any real credibility to a first or last touch model are when a customer engages with your brand only one time and converts.

This model is inherently flawed considering most research shows it takes between 3 and 8 touches (just online!) before a customer converts.

Average Customer Online Interactions Per Conversion (By Industry)

N=2,914,484 customer online interactions   marketingsherpa   Source: NetElixir

https://www.marketingsherpa.com/article/chart/marketing-attribution-chart

4. Technology limitations

Computational power, database structure and (certain) mathematics have only recently evolved to handle the massive workload required to solve multi-touch prescriptive attribution.

Tools built on older principles and methods are simply too far down the rabbit hole to redact. Short of erasing cumbersome amounts of technology debt and effectively rebuilding the software from square one, it would be difficult for an outdated analytics and attribution tool to catch up with a modern solution like Traffic Cloud™.

It takes the right math applied to the right job, cutting edge database and development principles, and much more in order to truly solve for prescriptive attribution.

What does a prescriptive attribution solution look like?

Want to know what powers a prescriptive attribution solution like DemandJump?

It all comes down to the science of networks. In the case of marketing, this network is the flow of users (customers) between massive networks of web domains (sources) over time. Once constructed, the network becomes a map for marketers, directing them to the most powerful sources of qualified traffic and revenue in their unique ecosystem.

Constructing this map takes sophisticated mathematics, data processing and artificial intelligence. At its highest level, however, we take a company's own cross-channel data. Traffic Cloud™ then overlays market intelligence, collected from our proprietary web crawlers, 3rd party data sources, etc.

We then apply different forms of math to the right problems to deliver prescriptive analytics and ultimately prescriptive attribution. The end result? A marketer can show up to work every day with a clear plan of action with predictable forecasts and results.

There are several advantages that come out of solving for: attribution in such a way.

1. **Data Collection and Centralization:** DemandJump was built to connect disparate data sources into a single platform. It's not possible to solve for attribution in silos. The power of the network lies in the relationship between sources over time. Social influences search, which influences content, which influences PR, and so on. DemandJump integrates all your data in one place to construct a complete model of your digital ecosystem.

2. **Unbiased, Transparent Data:** We mentioned "Goliath's Bias" above. DemandJump is completely independent of any sell-side advertising platforms. We have no incentive to mask the truth from our customers. Transparency is in our DNA, so our customers know they are always seeing one thing… the truth.

3. **Side-by-Side Analysis**: See all your data, anyway you want it. Including side-by-side prescriptive attribution models.

4. **Algorithmic Attribution:** Rather than shoehorn all customer interactions into an error-prone linear model, we view attribution as a Bayesian network of interactions between channels. Taking this view of the world allows us to account for all possible interactions a consumer has with a brand without having to sacrifice statistical rigor in order to solve the problem that really matters… optimal allocation of marketing spend across channels.

5. **Unsupervised Machine Learning:** DemandJump's algorithms are always getting smarter. The more good data we collect, the stronger the insights become.

With the proper techniques and implementation, prescriptive attribution is not only possible - it's available now. This type of technology signifies the next great wave of marketing, which could result in the reallocation of billions of dollars in digital spend.

What light would be shed on this industry if marketers could rely on a truly independent prescriptive attribution and analytics solution, complete with robust data integration and centralization capabilities, endlessly customizable dashboards, cutting edge mathematics and AI, and accurate integration of a brand's owned data with market intelligence.

Marketers would have, for the very first time, a centralized source of the truth. A marketing brain.

DemandJump gives marketers the the tools they need to stay ahead of the competition at all times.

Simplify your world: Prescriptive attribution now and into the future

How does the face of business change when prescriptive attribution becomes the new reality as opposed to the innovative exception? What happens when marketers have a platform they can rely on the way sales teams rely on a CRM?

While the potential gains are seemingly endless, here are three of our favorites:

Marketing will no longer be treated like a cost center. Instead we'll be treated like a revenue center

With the ability to accurately forecast the value of a future marketing investment, businesses will flip from thinking about marketing as a cost center and start thinking about it as a revenue generating machine.

We will no longer spend so much time and energy debating budget and spend and start speaking in terms of quantifiable and predictable ROI.

> *Innovative organizations might stop thinking in terms of marketing budgets at all. Instead they will set ROAS or ROI targets, and investments will be effectively limitless so long as certain returns are met.*

If you knew every dollar you spent on marketing would turn into $10 in revenue, why would you ever set a budget at all?

Marketers will start to think like investors

Even in a world that claims data is king, marketers are still operating within a largely spray and pray model.

We guess and test ad nauseum hoping to stumble across something that actually works. The waste that goes into this approach is immense - but accepted - because it is the only way we know.

But other industries can teach us a thing or two about our own. Take the world of financial securities for example. It wasn't long ago that investors, like marketers today, made decisions based on little more than gut feel and disjointed data.
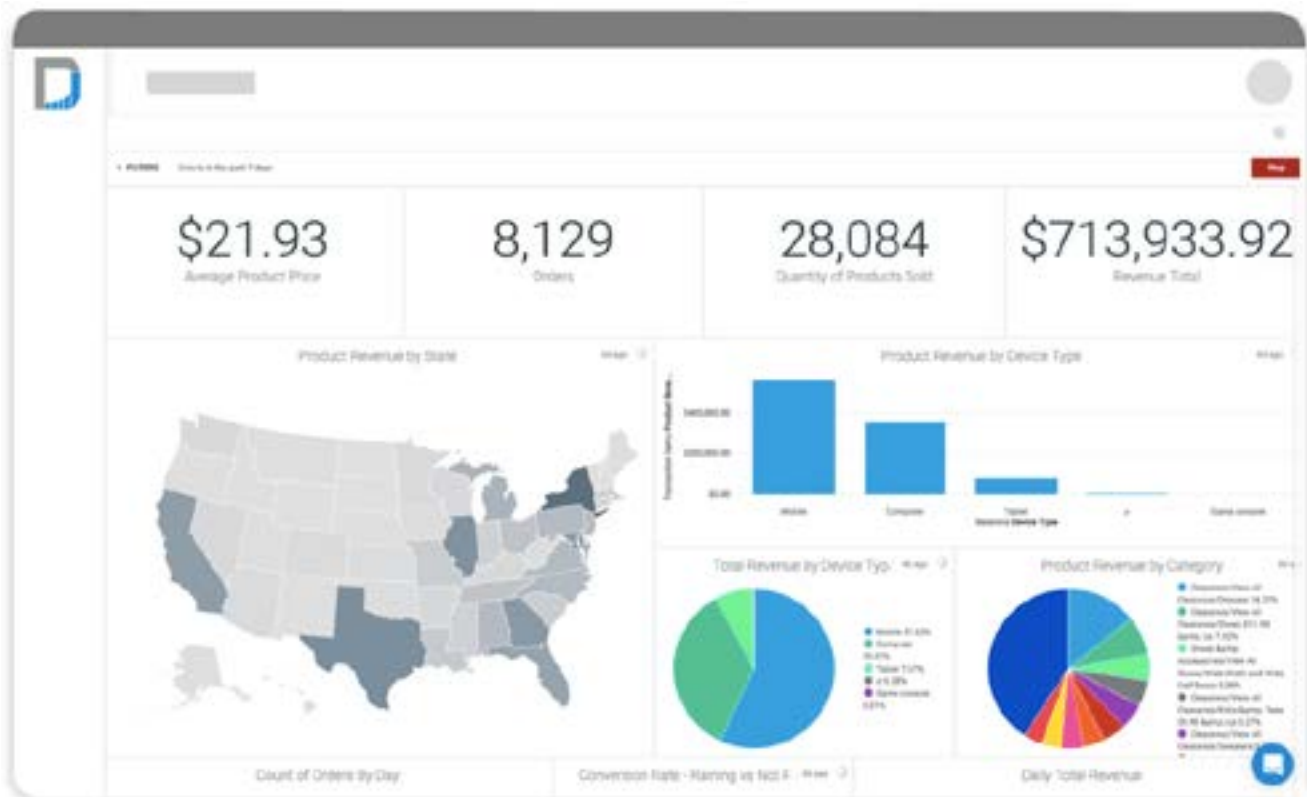
Make decisions based on quantifiable data, DemandJump's customizable dashboards show you where you're winning and eliminate the guesswork.

But between the 1970s and 1980s, some of the brightest thinkers in the world descended on Wall Street and started applying complex mathematics to financial markets. Today, just 10% of trading volume in stocks are made by fundamental discretionary traders. The vast majority of activity is categorized as either algorithmic trading (AT) and high-frequency trading (HFT).

With the onset of prescriptive attribution, marketing is poised for a similar shakeup. Guess and test strategies will fade away, and humans and computers will work together to build marketing plans around financial goals and overall cost and revenue objectives. Marketing investments will be calculated and predictable as opposed to random crap shoots.

Marketers have their first ever central source of the truth (a marketing brain)

Marketers have never once been connected to a centralized source of daily truth - think a CRM system for a sales person. There are over 5,300 marketing technology tools, many of them serving a totally siloed purpose. And while certain analytics providers can connect disparate data sources together, all fall flat when it comes to critical performance characteristics like multi-touch attribution, data ownership, unlimited drill-down capabilities and full customization.

What if a marketer could walk into work every day, flip open a single platform, and quantifiably know what to do next to maximize revenue, grow qualified traffic and prove ROI to the rest of the organization.

Massive amounts of waste will be eliminated when marketers can see all their data overlaid with market intelligence, creating a transparent and accurate picture of their entire digital ecosystem.

Conclusion

If this sounds too good to be true, it's not.

Prescriptive attribution from DemandJump is here right now. Traffic Cloud™ is the first and only prescriptive attribution platform built to quantifiably show businesses where and how to acquire new customers, with predictable cost and revenue forecasts.

Are you interested in trying Traffic Cloud™ for yourself? Contact sales to schedule a free custom demo today

www.demandjump.com/live-demo

Set up a
DEMO TODAY