Exploring the Art and Science of Marketing Attribution
Dispelling the myths, explaining the value, and defining a roadmap for success
Beyond a doubt truth bears the same relation to falsehood as light to darkness.

- Leonardo da Vinci
When you know the truth, it’s easy to make the right decision.

The question is: How do you get to the truth?

Today’s marketing landscape is broader, deeper, and more complex than ever before: more channels, more choices, and customers who get savvier every day. Marketing strategies have evolved from multi-channel to omni-channel: a customer-centric approach that weaves all the marketing touchpoints together to create an integrated and immersive experience. Companies need new tools and methodologies to succeed in this competitive and fast-changing environment. They need to be able to see and understand the internal mechanisms and dynamics of their marketing.

Holistic marketing requires holistic measurement: attribution.

Currently, default measurement standards rely heavily on “last ad/last click” conversion tracking. This approach handicaps marketers not only by providing an incomplete picture, but also by providing misleading data.

Marketing attribution illuminates the full scope of how your prospects and customers engage with your brand – across all channels – from the top of the funnel to conversion. It ties all your marketing touchpoints together to paint a thorough and nuanced picture that instantly clarifies which combinations of factors influence conversion.

These are the insights you need to make smarter decisions.

“A recent analysis of our client base showed that 83% of marketing dollars spent were invested in tactics that had a 70% or greater difference in CPA between scientifically attributed metrics and last click metrics.” – Bill Muller, CMO, Visual IQ
Marketing Measurement – 365 Degrees of Influence

Though most often a focus at the end of a campaign, measurement data should come into play throughout your entire marketing lifecycle:

- Pre-launch: to shape media planning and strategy
- Mid-stream: to optimize in-market media
- Post-campaign: to evaluate media that has already run

In addition to quantifying campaign performance against goals, measurement also plays an important role in effective:

- Budget allocation (by channel and other criteria)
- Creative development
- Partner and technology costs evaluation

Multi-Channel vs Omni-Channel

Multi-channel marketing establishes individual touchpoints on various channels. Omni-channel marketing weaves those touchpoints together into a seamless and immersive “surround” experience.

Omni-channel marketing creates a channel-to-channel awareness that drives engagement, purchase, and loyalty by delivering the right message to the right customer at the right time.

Learn more about Omni-Channel Marketing and download iProspect’s recent ebook.
Many Fortune 500 companies and the largest insurance, finance, retail, and travel & hospitality brands are already taking advantage of the operational efficiencies and competitive advantages of attribution. Like other marketing evolutions that came before – database, search, and social marketing – attribution is a game changer for those who understand and harness its potential.

Marketing attribution is about truth and accuracy. It lets you look inside your marketing performance to see exactly how it works – all the moving parts and their interactions. It shows you the cause and the effect, the precise customer path, and the big picture including influences and dependencies.

You need this insight to improve the accuracy of your decisions. With marketing attribution, you will know (without having to guess) exactly how each element of your marketing ecosystem impacts conversions. The typical outcome of implementing attribution is a 15 – 35 percent gain in media efficiency and corresponding increases in ROI.

Marketing attribution. The time is now. Are you ready?
Leonardo Da Vinci represents the union of humanism and science. A man of diverse interests and talents, he immersed himself in a tireless and inspired study of the world around him. His inventions and discoveries, considered impossible and outlandish by many of his contemporaries, turned out to be genius ideas that were before their time.

Although Da Vinci is most widely known as a master painter and sculptor, his mastery is owed much to his exhaustive scientific studies. His passion to understand the inner workings of things complemented his artistic sensibilities perfectly.

As we step forward into the evolving landscape of digital marketing, Da Vinci’s wisdom still carries great value. Omni-channel marketing, with its focus on customer needs and behaviors, relates to Da Vinci’s humanistic and artistic side, while marketing attribution, with its foundation in data and quantitative measurement, relates to his precise and logical pursuit of truth.

When we, like Da Vinci, bring these two worlds together, we are rewarded with data-driven insights that show us how to tap into customer behavior. Our efforts will result in the acquisition of more and higher value customers. The beauty of science and the humanity of art – this is the future of digital performance marketing.

In nature there is no effect without cause; understand the cause and you will have no need for the experiment.
Da Vinci was never satisfied with simply knowing something worked. He needed to know how it worked. You know that attribution is a smarter way to measure performance and predict success, but do you know exactly how it delivers benefits like increased efficiency and higher ROI?

**Attribution solves marketing problems.**

- Which publishers and placements actually influence conversion activity?
- How do different channels such as search, display, mobile, email, and social media work together to drive users to engage with your brand?
- What is the right budget allocation for each element of your campaign portfolio?

Whatever marketing challenge you’re facing, the solution can always be found in the data. Da Vinci never took anything at face value and neither does a good marketer.

Attribution delivers the data you need in order to craft effective and efficient solutions. It gives you certainty and confidence. It tells you exactly what’s working (and what’s not) so you can make the right decision. Every time.
1. **It helps you better understand your customer.**

   From awareness to consideration to purchase, marketing attribution looks at the entire ecosystem of touchpoints and assigns a quantifiable value to each element in the context of the whole experience. It clarifies how each touchpoint is performing and which combination of tactics provide the best return toward your marketing/business goals.

2. **It helps you quantify the value of your customers.**

   Is a new customer worth more than an existing customer? How much more? What is the lifetime value of a particular customer or customer segment? What can you do in your marketing efforts to produce those higher value customers?

3. **It gives you tools to overcome market disruption.**

   As businesses are forced to adapt to changing market drivers and the mercurial whims of customers, the need for speed and accuracy becomes even more critical. You need fast access to a huge volume of data and you need to understand what it means for your marketing.

   The insights you gain from marketing attribution help you outmaneuver the competition with an almost prescient ability to know where your customers will be and what will move them to take action. It helps you develop a strategic agility that gives you a competitive edge.

4. **It provides a quantifiable ROI.**

   Because marketing attribution is driven by data, it creates a predictable ROI model so you can estimate your actual return in advance of implementation. The following ROI example assumes a conservative 15 percent lift in conversions based on a company with $100MM in revenue (remember, the typical projected range for this lift value is 15 – 35%). Even so, this sample calculation clearly shows a substantial ROI.

<table>
<thead>
<tr>
<th>Current Revenue</th>
<th>$100,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased Media Impact (15%)</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Attribution Costs (e.g., vendor fees, staffing costs, tagging costs)</td>
<td>($400,000)</td>
</tr>
<tr>
<td>Net Gain</td>
<td>$14,600,000</td>
</tr>
<tr>
<td>ROI (Net gain/attribution costs)</td>
<td>3650%</td>
</tr>
</tbody>
</table>

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**Five Key Benefits of Marketing Attribution:**

- **It helps you better understand your customer.**
- **It helps you quantify the value of your customers.**
- **It gives you tools to overcome market disruption.**
- **It provides a quantifiable ROI.**
5. It makes your marketing more effective.

Though marketing attribution looks at your entire marketing ecosystem and delivers big picture insights, it does so by looking at a vast number of individual factors in granular detail (channel, publisher, keyword, size, creative, etc.) This in-depth data integration and analysis makes you more strategic in your day-to-day activity. For instance, attribution helps you quantify:

- **Time lag to conversion:** Avoid prematurely turning off effective placements by identifying how long it takes a specific publisher to assist conversions beyond just the last click.

- **Frequency sweet spot:** Maximize budgets and impact by zeroing in on the exact number of impressions required to move your audience to action and then adjust frequency caps accordingly.

- **Accurate channel influence:** Protect against undervaluing key mid- and top-funnel media that play an important, if sometimes invisible, role in the overall customer lifecycle.

- **Effect of offline media:** Understand the connections between offline and online interaction and conversion components so you can coordinate those efforts for maximum effectiveness.
Da Vinci’s contemporaries were hard pressed to accept the viability of some of his inventions. Like his mechanical and architectural creations, marketing attribution appears to introduce many unknowns and is therefore often misunderstood. Marketers make quick assumptions about how difficult attribution is to implement or how costly to maintain. Though at first glance these misconceptions might seem credible, further study quickly dispels most concerns.

**Assumption:** Attribution is too new and therefore too risky.

**Truth:** Experts have been working on attribution models and software for years. Trusted industry advisors such as Forrester Research have analysts dedicated to covering the marketing attribution space and actively recommend adoption to their clients. This isn’t an untried technology reserved for early adopters. It is a tested approach, firmly based in quantitative analysis.

**Assumption:** Attribution is difficult and puts a strain on my technical resources.

**Truth:** Though aggregating and normalizing all your performance data sounds overwhelming, it doesn’t require as much heavy lifting as you might think. The experts you hire routinely work with vast amounts of data. Using collection templates, proven processes, and specialized software, they will handle your data coordination – all within your existing tagging methodology.

**Assumption:** Attribution is so different from how we currently do things.

**Truth:** There are actually many similarities between using traditional metrics and attributed metrics. The way you analyze data, make decisions, and affect changes in your marketing is the same. The only difference is the accuracy of the measurement and the metrics it produces. Your role remains the same, you’ll just have more in-depth and accurate information on which to base your decisions.
Assumption: Attribution devalues my work.

Truth: Although marketing attribution reveals previously undiscovered opportunities, it does not devalue your existing efforts. It builds on them. Like any measurement tool, its aim is to provide insights so you can improve upon your baseline via iterative optimization.

Assumption: Attribution places too much emphasis on technology at the expense of the creative and human elements.

Truth: Attribution does have strong technology and sophisticated math behind it. The software looks at vast amounts of data and provides optimization recommendations, but it is the human creatives and analysts who make the decisions, not the software. Attribution is a powerful and comprehensive tool, but it runs on the information you put into it. You and the experts you hire will always remain in the driver’s seat.

Assumption: Attribution is too disruptive to my organization and workflow.

Truth: There is a mindset shift required. Looking at your marketing through the unified and holistic lens of attribution measurement means stepping outside the traditional “silo” approach. It means embracing a channel-agnostic marketing strategy.

Though this may seem like a high hurdle, in truth it simplifies everything:

- Consolidate your goals and assemble the full strength and expertise of your team behind shared objectives.
- Bring your team into tighter alignment, encouraging collaboration and interdisciplinary support.
- Gain critical guidance and support from both your agency and attribution vendor so you can better navigate this measurement evolution.

Nothing can be loved or hated unless it is first understood.
The Philosophy

Though not as technically or tactically challenging as you might assume, moving from traditional measurement to attribution does require a foundational change in your approach.

Attribution appeals to people who aren’t willing to take things at face value. Though the ultimate goal of attribution is a better understanding of customer behavior, the path to that understanding sits firmly on a foundation of scientific curiosity and exploration.

Da Vinci’s paintings are some of the most acclaimed in the world today, but it was his scientific explorations of the human body that enabled him to create such highly accurate renditions of what he saw.

In the context of modern digital marketing, attribution is like Da Vinci’s scientific study. It helps you to look inside and understand how the different elements of your marketing mix work together. With that deeper understanding, you can create and execute marketing strategies that more closely resemble the reality of how customers engage with your brand.

You can use science to create a more human experience.

You can use data to unravel the patterns of customer behavior.
The Roadmap

Although each situation is unique, there are four basic steps to bring attribution to bear on your marketing.

1 DISCOVERY & RESEARCH

The first step to successful implementation of attribution requires a careful, customized exploration of your particular challenges, objectives, assets, and capabilities as well as the constraints of your infrastructure and resources.

The aim of this review and evaluation is to configure an attribution solution that is viable in the context of your organization’s day-to-day reality. You should come out of discovery with an initial sense of how and where you will start to implement attribution into your campaign planning and optimization strategies.

Discovery Considerations:

- Marketing challenges and objectives
- The quantity, quality, and sources of your performance data
- Opportunities to marry offline and online data
- Expectation setting around the inaccessibility of “walled” data such as from social media sites
- The quantity and types of channels in play (and how they relate to stated objectives)

2 INITIAL IMPLEMENTATION

The importance of a phased approach:

Though he had a lifelong fascination with flight, Da Vinci understood that you must learn to walk before you run (never mind flying).

With marketing attribution, a phased implementation approach lets you create an initial set of results that demonstrate the system’s performance and help you use early successes to build momentum for expansion.

Implementation Considerations:

When deciding on an initial test, consider your most productive and/or largest channels first. Search and display are often a good place to start because they fit the critical mass criteria and those two channels support each other.
2. INITIAL IMPLEMENTATION (cont.)

Your first initiative may be defined as a pair of channels, specific business units, or product lines. It could also be defined as a specific window of time. Your agency and your attribution vendor will both help you determine the most appropriate set of parameters.

The Technical Audit:

On the technical side, this is the point in the process where your attribution vendor will drill down into operational details like the collection, aggregation, and normalization of all the relevant data. Working in collaboration with your in-house technical teams and third-party providers, they will determine which data needs to be pulled, where it will be sourced (ad servers, search tools, proprietary databases, etc.) and how it will be imported into the attribution software. Once there, you will need to determine the steps to ensure that a universal taxonomy is applied across all inputs.

Your attribution vendor will handle the bulk of the heavy lifting on the technical audit. Your primary contribution will be to provide insight around how you need to see measurement on the other end of the system.

Discovery Collection:

Output depends on input
Your agency and attribution vendor will work together to help you maximize the quantity and quality of your input by capturing as much detail as possible (impressions, clicks, site visits, email opens, video starts/stops, link shares, etc.) and exploring opportunities to utilize gated data where possible. The experts you hire will help you set expectations for your team and formulate the most appropriate and beneficial goals.
2. INITIAL IMPLEMENTATION (cont.)

On the operational side, you will work in concert with both your agency and attribution vendor to take a closer look at team structure, workflows, performance and compensation, and goal setting.

This is also the time to coordinate operational training for your team. Topics to cover include the attribution mindset, software use, approach to analysis, and putting optimization strategies in market. Training also provides a good opportunity to address the misconceptions often associated with attribution by your rank-and-file staff.

Final Configuration:
Once your data has been aggregated and normalized and your teams have been brought up to speed, your attribution vendor will make final preparations for rollout by configuring various system parameters and processes. These might include defining the frequency of data updates, interface configuration, application of your specific business rules, and other details.

Operational Considerations:

- Goals: Are they shared across departments, or defined by traditional silos?
- Compensation: Are they based on cross-departmental or individual performance?
- Data Usage: How will staff who are focused on data manipulation and report generation transition to insight interpretation and optimization?
- Partner Coordination: How will you coordinate future, attribution-informed media buys with your various agency and platform partners?
3 ROLLOUT

Phase 1:
After the initial data has been run through the attribution software, the system will generate your first set of results. These will be displayed in the format you defined during the technical audit. The attributed results will appear side by side with the last click performance metrics your team is used to seeing.

In addition to displaying your results using the attributed metrics, the attribution software will generate a series of recommendations based on the influences and synergies between all the components in your marketing ecosystem. Your agency analyst will work with you to review these and make decisions about which ones you should implement first.

Phase 2:
This is when the software will measure the attribution model’s performance by comparing the actual performance to the predictions from Phase 1.

The system now begins to self-perpetuate as the cycle of measuring, analyzing, and optimizing continues. With each recommendation you implement, new data is automatically fed into the system. Machine learning enables the software to make more refined predictions with each measurement and optimization cycle.

Analytical Considerations:
As you review the data with your agency, they will help you identify optimization opportunities by looking at:

• Channels that are significantly overvalued or undervalued when compared to last click
• Lag times between milestones in the conversion path
• Performance drop-off related to the number of impressions of a given ad/publisher/channel
• The influence of offline stimulation channels
• Combinations of channels/publishers/creative that naturally fall into the roles of introducers, advancers, or closers
Once attribution has gained traction within your organization, the opportunities quickly expand. By the time your first initiatives have proven the efficiency and budgetary benefits of attribution’s depth and accuracy, it will be easy to find ways to expand the implementation across additional channels, business units, product lines, geographic areas, and so forth.

In addition to tactical expansion, you can get more out of marketing attribution by focusing on strategic optimization. With better and more holistic data, you have a clear picture of where your marketing wins come from. These insights help you allocate your budgets more effectively and recognize new testing opportunities. From day-to-day operations to big picture planning, you will have all the tools and information you need to continuously improve your marketing results and ROI.
Marketing attribution combines art and science not only in its strategy and execution, but also in its results – blending quantifiable improvements with customer behavior insights gives marketers the best of both worlds.

**Leading financial services company nets 32 percent increase in ROI**

Recognizing that last click metrics are a flawed way to measure online effectiveness, a leading financial services company wanted a better way to understand and analyze the true impact its online display and paid search campaigns had on driving conversions.

Leveraging an advanced attribution solution, marketers at the company were able to:

- Get an accurate picture of the time lag and number of interactions before a conversion, so they could optimize their tactics to shorten the sales cycle and cultivate the maximum number of leads
- Understand the true lift that display advertising had on search conversions, so they could better allocate online spend
- Identify the optimal mix of attributes (ad size, media type, placement, frequency, etc.) to produce the greatest return

Through the insights gained from attribution, the company was able to identify and implement changes in their online display and search campaign strategies that produced a 21 percent average increase in monthly conversions and a 32 percent increase in ROI.

**Prestigious luxury retailer uses marketing attribution to gain customer insights**

After experiencing a significant and unexpected drop in last click revenue related to non-brand terms, a leading luxury retailer used marketing attribution to take a closer look at the customer path-to-purchase around non-brand campaigns.
Before reducing non-brand budget, this brand performed a detailed analysis using attribution measurement across search, display, and comparison shopping engines. By studying the data, they discovered that other channels were benefiting from the influence of non-brand exposure. With a better understanding of this shift in customer behavior, the company can now:

- Make smarter decisions across channels
- Assign a stronger ROI on “branding” plays
- Make the most of budgets by adjusting the tiered bidding approach
- Reduce focus on non-brand terms that are not part of the conversion path

Marketing attribution helped this company make smarter, better-informed decisions. Instead of jumping to conclusions that would have handicapped overall campaign performance, they were able to improve performance via precise and cost-effective adjustments.

Once you have tasted flight, you will forever walk the earth with your eyes turned skyward, for there you have been, and there you will always long to return.
Marketing Attribution: The Answers You Need – A Methodology You Can Trust

Attribution is the latest evolution in performance measurement. Organizations that have brought this new technology and approach to bear on their marketing have already seen average media efficiency increases of 15 – 35 percent - an improvement that translates into similar increases in ROI.

This holistic method of measurement is the only way to accurately analyze the performance of omni-channel marketing. Like bid management, ad serving, and website analytics, it is a necessary weapon in the toolbox of today’s sophisticated marketer.

Companies that recognize the value of attribution gain a strong and immediate competitive advantage.

By getting inside your performance marketing data and understanding the behavior that produced your results, you will gain a much deeper and more accurate understanding of your customers. By making use of predictive analytics, you will become more proactive, creative, and strategic with your marketing. You will be a smarter marketer.

Take a page from Da Vinci’s notebook. Embrace the artistic and scientific sides of marketing. Let technology help you capture and analyze the human behaviors that inform your creative strategies. Use data to get to the truth behind why and how your customers buy from you. Explore what marketing attribution can do to improve the quality and performance of your marketing.

Are you ready to put MARKETING ATTRIBUTION to work for your business?

We would be happy to answer any questions you have:

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ABOUT iPROSPECT

iProspect, part of Aegis Media, is a global digital performance agency helping to grow the world’s most influential brands. We target audiences that are ready to act and find innovative ways to turn intention into action. Clients include Fortune 500 companies across multiple industries, including Neiman Marcus, Gilt Groupe, Container Store, Mandarin Oriental Hotel Group, Athena Health, and STA Travel, among others.

Using our proven, performance-driven approach, iProspect designs and executes sophisticated digital strategies across a wide variety of media and channels. Our teams are working at the forefront of the omni-channel evolution, helping forward-thinking companies elevate their marketing and outmaneuver the competition.

iProspect was named the 2012 Best Agency for Performance Marketing by iMedia, received the 2012 Gold Adrian Award for their work with Hilton Worldwide and was recognized as a 2012 Best Company to Work for by Advertising Age. For more information, visit www.iprospect.com or follow them on Twitter @iProspect.

ABOUT VISUAL IQ

Visual IQ produces the world’s most powerful cross channel marketing attribution software products. As a pioneer in the space, the company has been offering products since 2006. Its SaaS-based IQ Intelligence Suite reveals cross channel performance insights hidden deep within companies’ marketing data, providing actionable recommendations and optimized media plans to improve marketing effectiveness. These recommendations enable marketers and agencies to adjust their advertising strategies and tactics to significantly increase marketing ROI across their entire marketing mix – both online and offline. The functionality behind these products combines a powerful, user-friendly interface with multi-dimensional fractional attribution science and predictive analytics that clearly and accurately show marketers where opportunities exist for improvement.

Visual IQ was named a leader in both interactive attribution and cross channel attribution by Forrester Research in 2012, a finalist in the Best Sales & Marketing Intelligence Software category of the 2013 CODiE Awards, and a finalist in the Most Influential Agency/Vendor category of the 2013 Digital Analytics Association Excellence Awards. The company is a member of the Advertising Technology, Data, Public Policy and CFO Councils of the IAB, as well as the Standards Committee of the Digital Analytics Association.

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