



# Measure Your Marketing

The Basics of Attribution

## What is attribution?

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Attribution is the process of identifying and assigning a value to a combination of events and user actions that contributes to your desired outcome. It goes beyond just display advertising to look at every channel (with advanced attribution that includes organic) and the influence that every digital channel has on the shopper's decision to convert on your site.

## Why does this matter for your budget?

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As little as a decade ago, the way people shopped was incredibly simple. Our online and offline worlds weren't as interconnected as they are today; there were fewer ways to buy, it was harder to discover new things, and shopping (even online) was mostly linear. Technology—and our relationship to it—has drastically evolved the way we live, work, and play online.

Despite our online and offline lives being more connected, our lives have become more fragmented. Things are radically different today from even just a few years ago. People are always on their phones, Amazon has changed online shopping, and at the end of the day, you're seeing a once-linear shopping pattern replaced by a circuitous customer journey, with many stops along the way. On average, it takes about 56 touchpoints to make an online sale.\* This complexity makes it incredibly difficult to understand the impact digital marketing has on your bottom line.

In a multi-channel world, you need to know the monetary value of each marketing channel and activity. Reliable reporting and measurement help with figuring out what is and isn't working, making it easier to put your budget toward the channels that are contributing revenue. That's why more marketers are eager to funnel money and resources into cross-channel measurement and attribution.

\* Cisco, 2018  
[https://www.cisco.com/c/dam/en\\_us/solutions/industries/docs/retail/a-retail-thrive-guide-preparing-for-the-consumer-2020.pdf](https://www.cisco.com/c/dam/en_us/solutions/industries/docs/retail/a-retail-thrive-guide-preparing-for-the-consumer-2020.pdf)

## Where are you on your attribution journey?

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All brands want to tell relevant, engaging stories—through display ads, emails, social media ads, and more—that create seamless customer experiences and quickly grow revenue. However, the complicated nature of advertising and marketing online can get in the way of that. The reason for this is disconnected data.

If you're advertising on multiple channels, ensuring that all this data is working together can be almost impossible. This disconnect creates a disjointed, limited view of your customers, making it unnecessarily difficult to figure out which channels and marketing activities are influencing customers to buy.

This fragmented picture leads to inefficient use of advertising spend and faulty testing frameworks—for example, cutting off advertising spend on a channel and seeing its impact, as opposed to measuring the effectiveness of that channel against desired goals. Attribution solves this by looking into the marketing activities and channels that factor into a person's decision to convert. Below, we break down the different stages of attribution modeling and recommend next steps to ensure that you're moving in the right direction.

## Not using attribution

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Advertising channels won't be connected to a desired outcome—be it a purchase, demo request, download, or signup—if campaigns aren't measured. Typically, success is measured on set costs for vanity metrics, like cost per thousand impressions (CPM), click-through rate (CTR), and cost per click (CPC). These metrics only scratch the surface and don't delve into the nuances of your target audiences. You're currently missing out on opportunities to understand your audience and improve your marketing.

### **Recommended next step:**

To get started with attribution, you'll need to define your goals, know what data points you're collecting, and identify which channels you'll be collecting them from. Once you've launched a campaign tied to a specific goal, you can begin tracking which channels are providing results, gain a basic understanding of how customers move along the purchase path, and determine which attribution model works best for your business.

## Taking the first step with last-click attribution

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Last-click attribution awards 100% of the credit to the last action taken by a customer before they completed the desired action. If you're just getting started, this model will suffice, though it limits your view of your customer's journey. This model is ideal for limited-time promotions or when you need to compare and contrast between two different marketing channels. A more comprehensive attribution model that goes beyond clicks will help you gain a better understanding of what's really behind your ROI.

### **Recommended next step:**

Start looking into how multiple products and campaigns impact the customer journey, and avoid limiting your view to bottom-funnel metrics, such as the last interaction before purchase. Once you know more about your digital channels, you'll be able to define your goals, align your attribution objectives with your overall business goals, and identify the most relevant metrics to track.

## Understanding the entire customer journey with blended attribution

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Blended attribution takes into account both view-through and click-through conversions when measuring the impact of your digital marketing campaigns. Based on your selected rule-based attribution model (e.g., first-click, last-click, linear, time-decay, and positional), weighted credit will be assigned to the touchpoints and interactions that led to the desired outcome.

### **Recommended next step:**

Consider a custom attribution model. Take an existing weighted model, and then adjust it incrementally to align better with your business. It's critical to carefully monitor how these adjustments impact end conversions. For instance, if conversion quality declines, course correct immediately. As you begin to experiment with more complex media mixes, the challenge of measuring incremental impact will become apparent.

## Bridging the gap between offline and online with multi-touch attribution

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Multi-touch attribution uses machine learning AI to calculate and assign credit for a given success metric to the marketing touchpoints and dimensions (campaign, placement, publisher, creative, offer, etc.) that influenced it along the customer journey.

### **Recommended next step:**

Getting leadership to shift to a "testing" mindset is critical. Their blessing will loosen up the purse strings and allow for better alignment between marketing budgets and business revenue goals. Use those extra resources to invest in technologies that can scale your experiment(s) by connecting marketing touchpoints and their impact on sales. Additionally, hiring experienced data-minded talent who can analyze the results and use that data to optimize each advertising channel more effectively will extend this mindset to the rest of the company. It's imperative that you explore and select an agnostic measurement partner to aggregate your digital marketing deliveries data and consider the pros and cons of the available data-driven models.

## Criteria for your attribution solution

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There is a gold standard for marketing attribution, and it starts with understanding the complete picture. Every touchpoint within the customer journey should be captured in a way that highlights the specific value it adds to driving results.

In order to complete your picture, you need access to three critical insights (all touchpoints): clicks and views, a time stamp for each touchpoint, and a unique identifier for each user (across devices).

With this foundation, you're better equipped to reach the gold standard. There are four key criteria to keep in mind when designing your golden attribution strategy:

### **1. It must be data-driven.**

A data-driven model uses data and statistical analysis to determine credit throughout the customer journey. It takes arbitrary rules out of the mix and lets your actual data make decisions on where to invest or divest, making attribution actionable by removing the guesswork, with machine learning.

### **2. It must be transparent.**

There's been a fear that giving marketers access to too much data poses the risk that a vendor's unique algorithms could be reverse engineered. This makes it difficult to validate results and understand how models make decisions. The right solution delivers actionable results that allow learning through transparency.

### **3. It must be easy to integrate.**

Typically, integrations take 6–9 months. This lengthy process, coupled with the complexity of ensuring your data sources operate well together, can make integrations unnecessarily difficult. A seamless setup can help you connect and maintain relevant data in one place, without the heavy burden.

### **4. It must reduce the time to results.**

Patience is crucial when it comes to seeing results, yet many vendors take too long to produce insights. After integration, it often takes three months for marketers to see results. This is why it's important to get insights within weeks, not months, to inform your decisions.

## Turning disparate data into real revenue with AdRoll

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From the first visit to final sale, AdRoll is where your attribution comes together. We help simplify the complexity of attribution by aggregating data from multiple channels and touchpoints and converting spend to revenue growth.

**AdRoll customers have generated over 120 million shopper conversions**