The State of Marketing Attribution

Insights on meeting attribution challenges
in the UK, France and Germany

AdRoll

Contents

1. Executive Summary

This is Econsultancy's first State of Marketing Attribution report, published in association with AdRoll. The research is based on an online survey of practitioners in the UK, France and Germany, aiming to establish current adoption levels and types of strategies organisations are using. The study evaluates tools and processes employed as well as the potential barriers to effective use of the capability.

Four in five organisations are using attribution

Customer journeys are increasingly complex – consumers are jumping across devices and moving between digital and offline worlds more quickly than ever. It's not surprising then that four in five organisations use marketing attribution because of its crucial role in enabling them to make sense of the data generated by audiences. This is imperative: consumers expect marketers to treat them as individuals and remember them, and this is increasingly a hygiene factor for engaging with brand campaigns.

This drive to keep up with the customer and deliver targeted (relevant) experiences was observed in the research, which found that over two-thirds of companies cite 'building an understanding of the customer/sales cycle' and 'optimising the media mix' as high-priority goals. Data-driven attribution is not just about justifying digital spending (although that's still a high-priority goal for 64% of companies), but also about improving the customer journey and informing the multichannel marketing mix.

The multichannel challenge

Despite the increasingly crucial role that attribution plays, the report found that less than a third of organisations carry out attribution across the majority of campaigns. This is partly due to the increasingly mobile-centric nature of consumers, with traditional methods of tracking (e.g. using cookies) not translating effectively to mobile. The vast majority (81%) agreed that mobile presents a significant cross-device attribution challenge, reflecting the complex nature of campaigns today as marketers seek to relate the impact of digital to offline behaviour.

For companies with smaller budgets, this ability to match up offline and online customer journeys may still be a distant objective. Less than half (42%) of companies are currently carrying out multichannel attribution. Of the offline touchpoints included in attribution models, direct mail is included in more than half (56%), followed by printed media (50%). These two, plus television/radio (43%), can be included through a measurement of direct website traffic timed with an offline campaign (a method called correlation analysis).

What are others doing with attribution?

The research also explored different types of attribution models and established that these could be split into two broad categories: rules-based and algorithmic. The former are typically based on assumptions (so can be biased), while the latter are reliant on how rich and solid your data is. The report found that organisations are lagging behind when it comes to more complex models, with nearly half (48%) still using last-click models. More worryingly, a similar proportion use first-click, a far less intuitive form of attribution.

Part of this is due to the complexity of the marketing technology landscape – 72% of companies agreed that the perfect attribution model is impossible to achieve. A third of companies blame disparate tech platforms and data sources for lack of progress with attribution. The research found that confidence needs to grow around data collection before companies can begin to fully understand the complexities of attribution in the context of the multichannel customer journey.

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The marketing technology stack and agency relationships

It was surprising that 73% of brand marketers felt their marketing technology stack delivered effective attribution, particularly as companies are lagging behind when it comes to using more complex attribution tools. This is partly due to the sheer man-hours and financial investment required for companies looking to build and refine capabilities in this area – it may be that organisations are simply accepting they might not have better options right now, and making do with what they have.

Looking more closely at agency relationships, agencies claim that their clients continue to rely on their media agency partners to help with attribution. It may be that clients view this with some scepticism as companies are 29% less likely to agree that's the case (24% versus 34% of agencies). When it comes to any potential biases, half of organisations are 'quite confident' that their agencies are impartial. However, there's still a significant minority (13%) who are 'not very confident' at all.

Skills and training are key to actioning insights

Proving the value of marketing attribution requires clean data as well as accurate modelling and skilled analysts – a stumbling block for 57% of companies who say that they don't action the insights they get from attribution. By comparison, a greater proportion of companies (74%) said that attribution had an impact on spend across digital marketing channels. However, this is more likely to result in decreases in investment rather than increases.

The study also highlighted a significant skills shortage, with 76% of respondents agreeing that they are challenged to find the right staff to take advantage of marketing attribution. Techniques and technologies are constantly evolving so no one candidate 'knows it all'. This explains why large proportions of respondents rely on vendor expertise for training (31%), emphasising that vendors need to recognise the importance of their consultancy capabilities in their role as supplier.

Regional variations – France and Germany

Compared to the UK, French and German practitioners regard 'better understanding of how digital channels work together' and 'better understanding of digital/offline interactions' as more important benefits of attribution, indicating that marketers in these countries find these areas particularly difficult.

In terms of the number of digital channels included as part of marketing attribution models, the research found that the UK was ahead of France and Germany (aside from content marketing, which appears to be widely included in Germany). As far as the impact of attribution on digital spend is concerned, decreases are more prevalent in France and Germany (60% and 55% respectively), showing signs of a dwindling economy in Europe.

1.1. Methodology

There were 590 respondents to our research request, which took the form of an online survey fielded in July 2016. Respondents included both in-house marketing professionals (75%) and supply-side respondents, including agencies, consultants and vendors (25%).

Information about the survey, including the link, was emailed to Econsultancy's and AdRoll's respective user bases and promoted via social media. The incentive for taking part was access to a free, advance copy of the report just prior to its publication on the Econsultancy website. Third-party panels were used to supplement the French and German samples.

Detailed breakdowns of the respondent profiles are included in the Appendix.

If you have any questions about the research, please email Econsultancy's Research Director, Jim Clark (jim.clark@econsultancy.com).

Respondents included both in-house marketing professionals (75%) and supply-side respondents, including agencies, consultants and vendors (25%).

1.2. About Econsultancy

Econsultancy's mission is to help its customers achieve excellence in digital business, marketing and ecommerce through research, training and events.

Founded in 1999, Econsultancy has offices in New York, London and Singapore.

Econsultancy is used by over 600,000 professionals every month. Subscribers get access to research, market data, best practice guides, case studies and elearning – all focused on helping individuals and enterprises get better at digital.

The subscription is supported by digital transformation services including digital capability programmes, training courses, skills assessments and audits. We train and develop thousands of professionals each year as well as running events and networking that bring the Econsultancy community together around the world.

Subscribe to Econsultancy today to accelerate your journey to digital excellence.

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• **London: +44 207 269 1450**
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2. Foreword by AdRoll

Attribution has often been described as trying to find a single source of truth when it comes to the relative impact of every channel on the customer path to conversion. With that truth comes power in the form of better insights on where and when to invest marketing budgets and better project return on investment.

The proliferation of the marketing stack, advertising channels and user devices has made the search for that truth ever more challenging, as has the various schools of thought around the strategy of attribution.

It's against this backdrop that AdRoll has partnered with Econsultancy to produce this report on The State of Marketing Attribution in the UK, France and Germany.

Here we look in detail at the strategies that agencies and brands across these markets are employing. We find out how well they are leveraging their data to attract, convert and grow their customer base. And we find out the challenges they face in integrating attribution into their marketing. From all of this we deliver key, actionable insights which you can apply to your business in implementing or optimising attribution modelling.

As a full-funnel performance marketing platform working with over 25,000 clients worldwide and crunching 20 times more data than the New York Stock Exchange every day, AdRoll is uniquely positioned to lead the charge in evaluating the state of attribution across the UK, France and Germany.

Marius Smyth, Managing Director, AdRoll EMEA

2.1. About AdRoll

AdRoll is a leading performance marketing platform with over 25,000 clients worldwide. Its suite of high-performance tools works across devices, helping businesses attract, convert and grow their customer base.

The company is home to the world's largest opt-in advertiser data co-op, the IntentMap™, with over 1.2 billion deterministic user profiles. AdRoll's goal is to build the most powerful marketing platform through performance, usability and openness.

AdRoll is a leading full funnel Performance Marketing Platform with over 25,000 clients worldwide. Find out more at: www.adroll.com.

3. Marketing Attribution: Moving From a Data Deluge to Actionable Insights

KEY POINTS

- Four in five organisations claim that the rise of big data has increased focus on attribution.

- Less than a third (31%) of those carrying out marketing attribution do so on the majority of or all their campaigns and analyse results.

- The issues which restrict marketers' ability to carry out attribution or implement it properly are mainly around a lack of knowledge (58%), lack of time (44%) and technology limitations (41%).

3.1. Ambition first, data second

Figure 1: Do you (or your clients) carry out any type of marketing attribution modelling to measure the effectiveness of your (or their) marketing?

	Company respondents	Agency respondents
We/they carry out attribution on the majority of/all campaigns and analyse results	31%	22%
We/they carry out attribution on some campaigns and analyse results	35%	29%
We/they carry out attribution but we/they are not sure how to effectively analyse results	13%	18%
No, but we/they are thinking about it	17%	23%
No plans for attribution	4%	8%

■ Company respondents   ■ Agency respondents

Company respondents: 389. Agency respondents: 125

While there's increasing evidence that marketers continue to exhibit tremendous ambition when it comes to the creative elements of their campaigns, data is often an afterthought and many organisations still don't truly understand which channels of their marketing mix are actually performing best or impact and complement their business goals.

It all goes back to the rigid (and false) dichotomy between the art and science of marketing. The industry has long been plagued with the perception that automation and data are taking over (or even inhibiting) creativity. However, it's never been an either/or approach and it's something those at the coalface of marketing can attest to.

In order to drive innovation and deliver a multichannel experience, marketers need to understand the effectiveness of their campaigns and how each channel contributes to the end conversion. None of this can be done without investing in processes to ensure the data becomes insightful and actionable. Marketing attribution is one such process and it should play an integral role in marketing strategies.
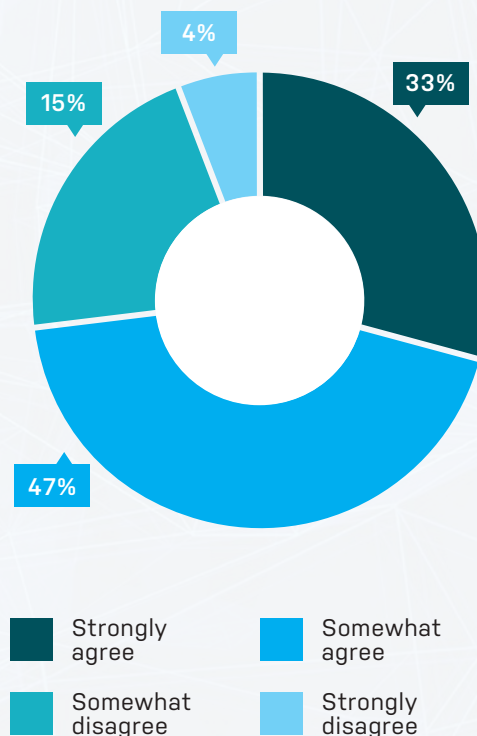
While it's encouraging that nearly four in five organisations carry out marketing attribution, less than a third (31%) do so on the majority of or all their campaigns and analyse results. With organisations fighting to cope with a deluge of data coming at them from all directions, most lack not only the confidence to analyse results, but also the resources to do so. Investment in a tech platform doesn't guarantee success as often results are only actionable if a significant amount of time, coupled with a large degree of human intervention, is invested.

The data challenge is less about amassing data and more about being able to select the most relevant datasets.

These findings are in line with those from separate research conducted by AdRoll[1], which revealed that the vast majority (90%) of marketers agree that marketing attribution is critical or very important to marketing success, but one in three aren't clear on how to track it.

In this context, 'big data' (referring to the vast amount of data generated by customer actions), is both a driver and a hindrance. As seen in *Figure 2*, four in five (80%) organisations claim that the rise of big data has increased focus on attribution. However, this growing volume of data is likely putting more pressure on marketers – the challenge is less about amassing data and more about being able to select the most relevant datasets, knowing what questions to ask and looking for insights that can make a difference. All this requires a firm hand and acknowledging that attribution is not a passive exercise.

Company respondents
Figure 2: 'The rise of big data has increased our focus on attribution' - agree or disagree

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

Respondents: 264

[1] https://www.adroll.com/resources/guides-and-reports/2016-state-industry

3.2. Barriers to attribution

As seen in *Figure 3,* the issues which restrict marketers' ability to carry out attribution or implement it properly are mainly around a lack of knowledge (58%), lack of time (44%) and technology limitations (41%). Agencies are 41% less likely to point to a lack of time as a hindrance, but they are 28% more likely to say that their clients lack the necessary knowledge.

Technology platforms generating data that is either hard to digest or not actionable enough pose a sizeable challenge for organisations, as they require specialist knowledge in order to dive into the data and extract meaningful insights.

On a positive note, less than a fifth (19%) of survey respondents cite internal politics as an issue. This suggests that while there is probably appetite for implementing attribution, organisations need to make sure that their teams are equipped with the skills necessary to make the most of the tools available.

74% of agencies say their clients lack the necessary knowledge to carry out attribution.

Figure 3: What are the reasons you (or your clients) don't carry out marketing attribution or have delayed its implementation?

	Company respondents	Agency respondents
Lack of knowledge	58%	74%
Lack of time	44%	26%
Technology limitations	41%	38%
Too much disparate data	28%	18%
Internal politics	19%	15%
We/they won't use the insights	7%	5%
Other	7%	15%
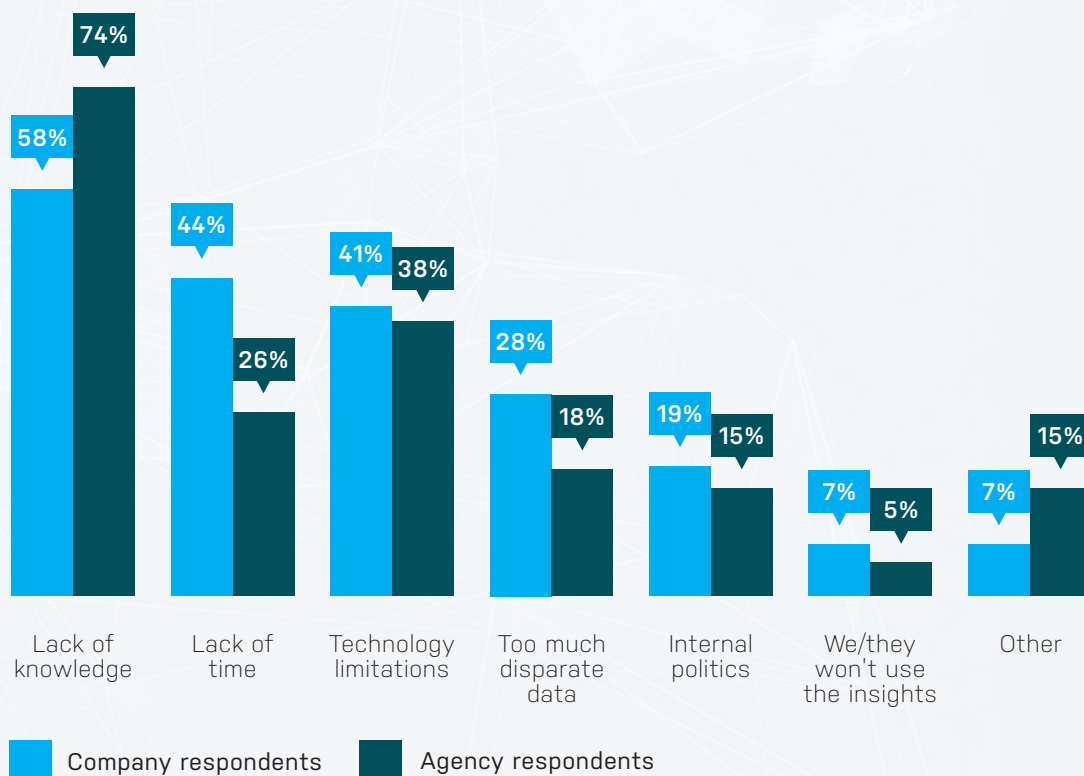
Company respondents: 81. Agency respondents: 39

4. Goals and Benefits of Attribution

KEY POINTS

- The majority of responding organisations state that building understanding of the customer journey/sales cycle and optimising media mix are their main goals for marketing attribution.

- Better understanding of how digital channels work together and better allocation of budgets across channels are regarded as the main benefits of attribution.

- Some strong regional differences exist between the UK and mainland Europe in terms of the benefits of marketing attribution.

4.1. Goals not limited to justifying spend

Companies and agencies share similar goals when it comes to marketing attribution, but with slight differences between the two groups. *Figure 4* shows that over two-thirds (68%) of company respondents cite building an understanding of the customer/sales cycle and optimising the media mix as high-priority goals. These results are positive, revealing an understanding of the opportunity afforded by attribution to provide a better customer experience.

Company respondents
Figure 4: What are your main goals for marketing attribution?

Building understanding of customer journey/sales cycle: 68%, 29%, 2%
Optimising media mix: 68%, 29%, 3%
Justifying digital spending: 64%, 30%, 6%
Determining correct affiliate payments: 45%, 30%, 25%

High priority / Medium priority / Low priority
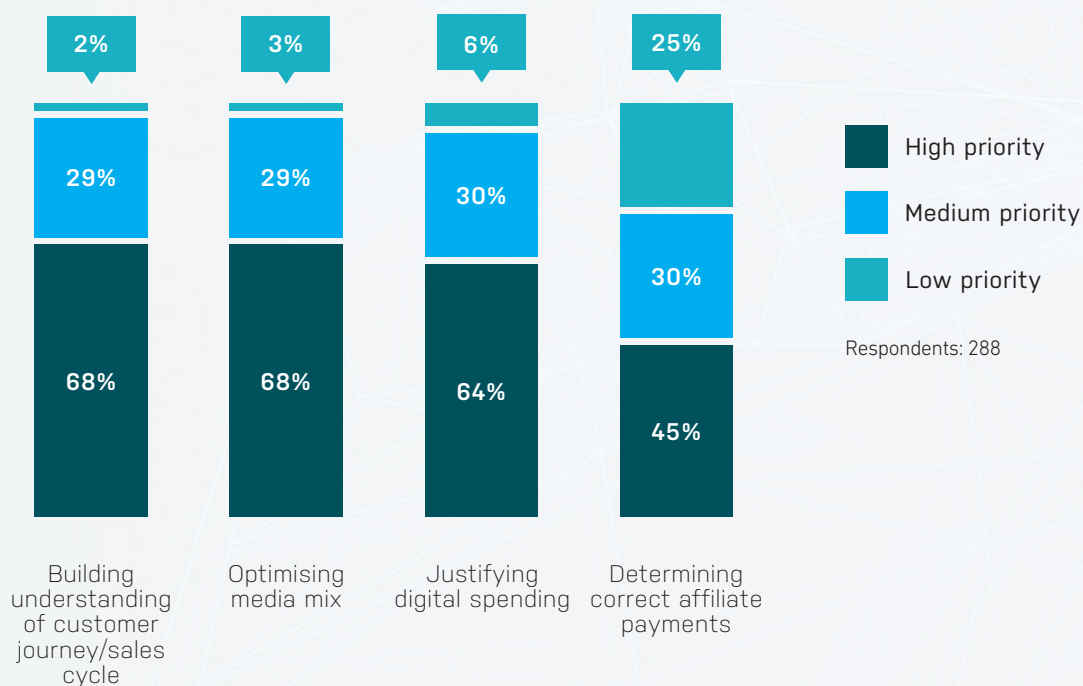
Respondents: 288

For marketers, data-driven attribution is not just about justifying digital spending, which is regarded as a high-priority goal among 64% of company respondents and 53% of agency respondents. The full promise of attribution is about improving the customer journey, finding the most influential consumer touchpoints, and optimising marketing channels and budgets accordingly. Marketers therefore realise that attribution has the power to inform the multichannel marketing mix.

Agency respondents
Figure 5: What are your clients' main goals for marketing attribution?

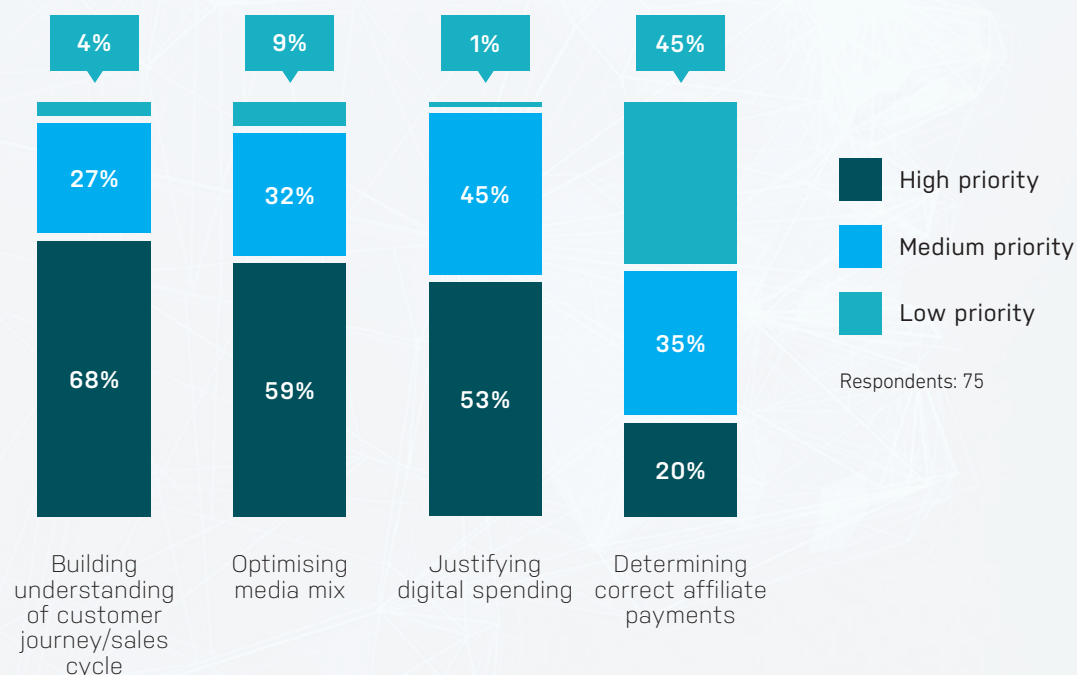|	Building understanding of customer journey/sales cycle	Optimising media mix	Justifying digital spending	Determining correct affiliate payments
Low priority	4%	9%	1%	45%
Medium priority	27%	32%	45%	35%
High priority	68%	59%	53%	20%

Legend:
- High priority
- Medium priority
- Low priority

Respondents: 75

Determining correct affiliate payments is regarded as a high-priority attribution goal by more than twice as many company respondents than agency clients *(Figure 5).* This perhaps underscores a concern among companies that affiliates are not correctly rewarded for their contribution to sales. Companies can use attribution to avoid duplicate payment to affiliates and to ensure that they are being paid fairly even if they are not driving the last click in the conversion funnel.

Data-driven attribution is not just about justifying digital spending.

4.2. The benefit of understanding

Figure 6 demonstrates that the perceived benefits of marketing attribution align with the goals of responding organisations. Three-quarters (75%) of company respondents cite better understanding of how digital channels work together as the primary benefit of attribution, followed by better allocation of budgets across channels (72%).
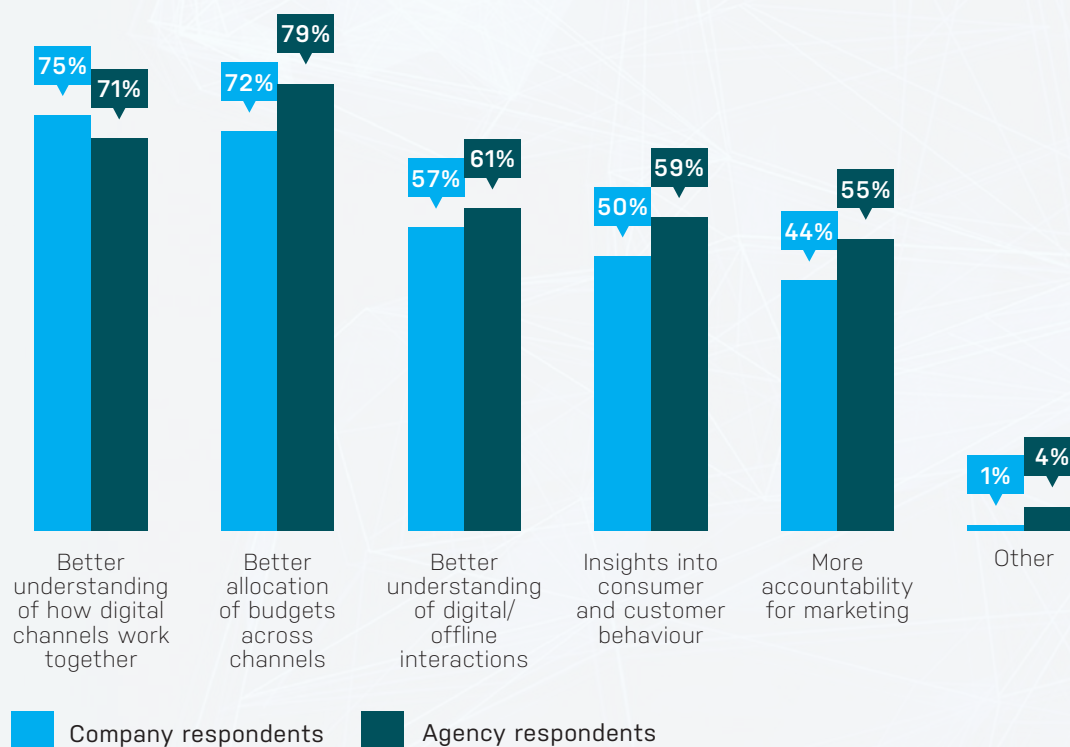
Better understanding of digital/offline interactions is also rated as a key benefit of attribution (57% of companies, 61% of agencies).

The goal for any multichannel retailer is to make informed decisions on how best to engage with customers. For bricks-and-mortar retailers, for example, there remains a measurement chasm – preventing advertisers from getting a clear view of the impact of their digital strategy (in particular understanding whether ads on desktop or smartphones are driving sales).

Getting 'the bigger picture' across the digital and physical realm is also a strategic imperative for brands looking to differentiate their products and services. In getting a better understanding of the full customer journey, marketers are better positioned to build rich personas of users in order to optimise their experiences.

Customer experience (CX) has become a key focus in recent years and according to Econsultancy's 2016 Digital Trends report, optimising the customer experience is rated as the single most exciting opportunity for organisations in the next 12 months by 22% of marketers.[2] The critical importance of CX is reinforced again in this survey as insights into consumer and customer behaviour are regarded as a benefit of attribution by 50% of company respondents and 59% of agency clients.

Figure 6: What do you (or your clients) regard as the benefits of marketing attribution?

Company respondents: 371. Agency respondents: 112

[2] https://econsultancy.com/reports/quarterly-digital-intelligence-briefing-2016-digital-trends/, p8

Regional comparison – companies carrying out attribution
Figure 7: What do you regard as the benefits of marketing attribution?
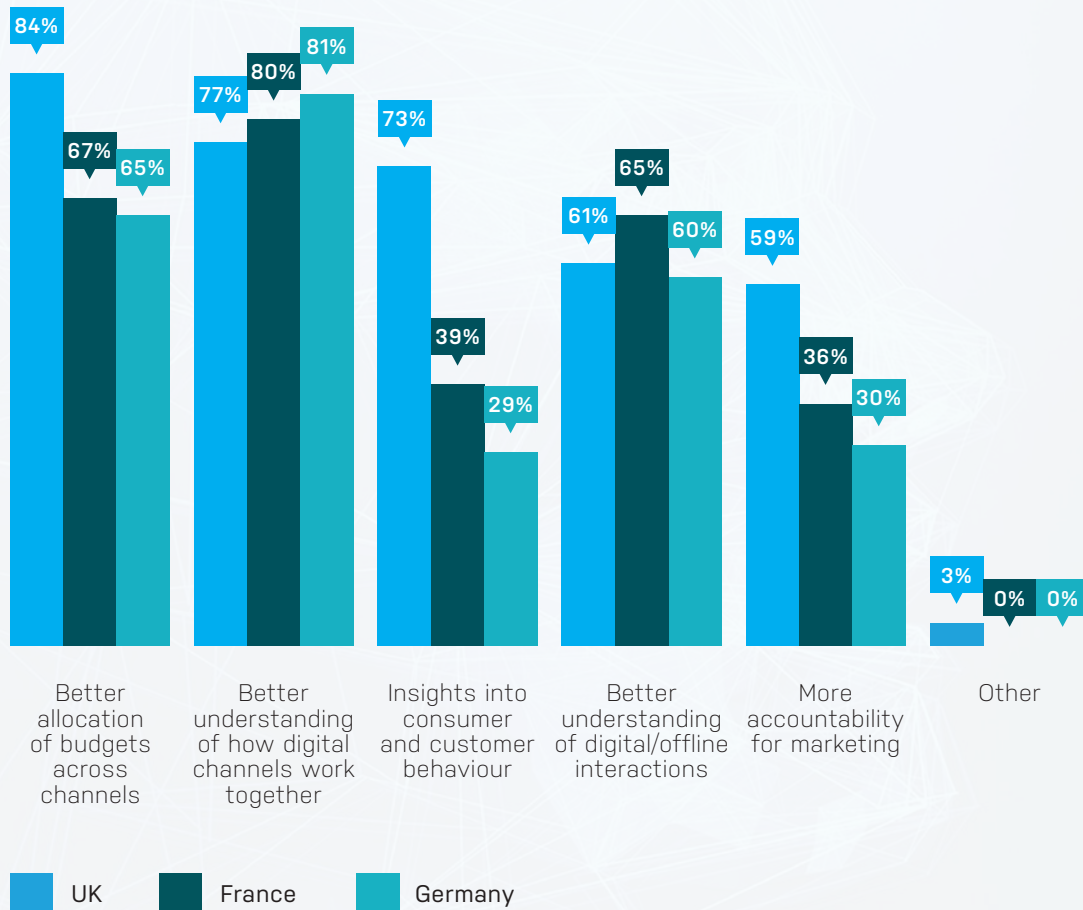
Respondents: UK – 74 | France – 69 | Germany – 106

Figure 7 shows regional variations regarding marketers' opinions on the benefits of attribution. The results reveal a clear disparity between these countries, with over 84% of marketers in the UK regarding better allocation of budgets across channels as a benefit of attribution compared with 67% of French and 65% of German respondents. Additionally, the UK leads the way in placing a higher emphasis on insights into consumer and customer behaviour (73%) and more accountability for marketing (59%) as benefits of attribution.

In France and Germany, better understanding of how digital channels work together and better understanding of digital/offline interactions are regarded as more important benefits of attribution. This perhaps indicates that marketers in these countries find these areas particularly challenging, though it can be argued that a better understanding of how channels work together directly facilitates the allocation of budgets across channels, so in reality the two benefits are inherently linked.

5. Types of Attribution

KEY POINTS

- Nearly three-quarters (72%) of marketers surveyed agree that a perfect attribution model is impossible to achieve.

- The three most popular attribution models are last-click (48%), first-click (47%) and post-click (35%). Algorithmic attribution also ranks highly, with agencies being 26% more likely to say that their clients use this method.

- Custom attribution features among the most effective models, with the vast majority (89%) claiming it's 'very' or 'somewhat' effective.

5.1. Adoption of complex models continues to lag

Figure 8: What specific methods do you (or your clients) use for marketing attribution?

	Company respondents	Agency respondents
Last-click	48%	64%
First-click	47%	35%
Post-click	35%	41%
Custom	23%	22%
Algorithmic	23%	29%
First-touch	23%	15%
Last-touch	19%	20%
Linear	18%	19%
Position-based (U-model)	14%	20%
Time decay	14%	17%
View-through	9%	23%
Other	4%	9%
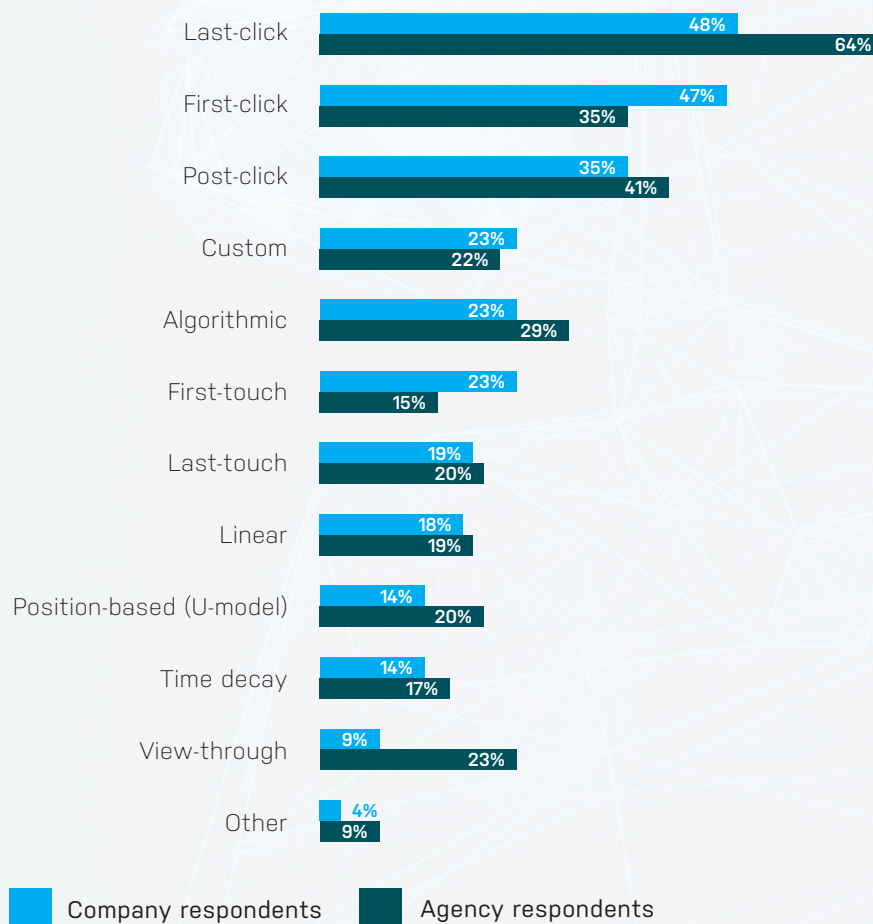
Company respondents: 307. Agency respondents: 86

Attribution models are roughly split into two broad categories: rules-based and algorithmic. While a rules-based model is typically based on assumptions (and as a result, it can be fairly biased), algorithmic methods are heavily reliant on how rich and solid your data is, so are typically used by those further up the data maturity scale.

Despite continued improvements in technology and expertise, *Figure 8* shows that adoption of complex attribution models lags behind.

While the marketing industry has broadly acknowledged that last-click models (whereby 100% credit is given to the touchpoint or channel giving the last click before conversion) are inadequate, nearly half (48%) of responding organisations still use them. Perhaps more worryingly, a similar proportion (47%) use first-click, a basic form of attribution which is considered to be even less intuitive than last-click.

Regional comparison – companies carrying out attribution
Figure 9: What specific methods do you use for marketing attribution?

Method	UK	France	Germany
Last-click	71%	53%	28%
First-click	37%	63%	50%
Post-click	24%	33%	47%
First-touch	16%	30%	25%
Time decay	16%	24%	5%
Last-touch	16%	28%	17%
Custom	13%	45%	17%
Algorithmic	13%	33%	27%
View-through	12%	14%	5%
Position-based (U-model)	10%	31%	6%
Linear	5%	31%	19%
Other	7%	1%	2%
Don't know	4%	1%	0%
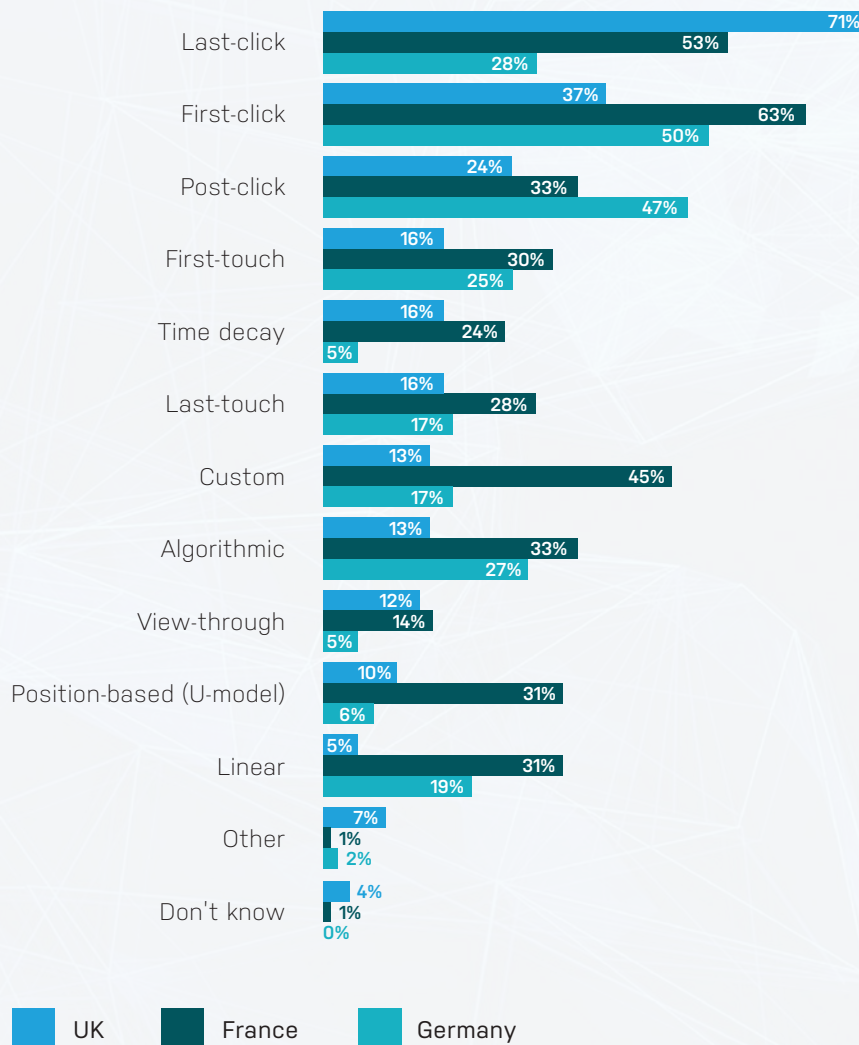
Respondents: UK – 82 | France – 80 | Germany – 108

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Encouragingly, custom attribution modelling is the fourth most used attribution method, with nearly a quarter of respondents (23% of companies and 22% of agencies) citing it. A custom model is built by using one or more standard models as the starting point, and then layering in other factors unique to a business. While it is more complex to set up and monitor, the method increases accuracy as the model produced is most relevant to the business.

Algorithmic attribution also ranks highly, with agencies being 26% more likely to say their clients use this method. While it requires some heavy lifting, especially in the initial stages, this model gives a more comprehensive view of interactions across channels and is typically one of the most actionable methods.

Surprisingly, less than one in ten (9%) organisations use view-through attribution. Instead of dismissing display as a poor performer solely based on click-through rates, use of view-through conversions enables organisations to make better decisions by understanding the true impact of upper- and middle-funnel activity. Agencies are nearly three times more likely to say their clients use this method.

Further analysis of the data revealed that while French organisations lead the way when it comes to custom and algorithmic attribution, the most popular model in the region is still first-click *(Figure 9)*.

5.2. Attribution effectiveness

The increased accuracy and augmented effectiveness of algorithmic attribution is reflected in *Figure 10*, with the vast majority (96%) of those surveyed rating it as 'very' or 'somewhat' effective. It's worth noting that more than half of the attribution methods shown in the chart below were rated as 'very effective' by at least two-fifths of those surveyed, which suggests that the benefits of using marketing attribution are widely acknowledged.

Custom attribution also features among the most effective models, as only one in ten (11%) of those surveyed claim it's ineffective. Three-quarters of marketers rate view-through as 'very' (32%) or 'somewhat' (43%) effective, which might suggest that many organisations are missing out by not using this method.

Somewhat worryingly, three of the five most popular methods (as seen in *Figure 8*) are among the least effective: last-click, first-click and time decay. This indicates that many organisations could improve their optimisation efforts if they reconsidered the models they were using.

Across the board, agencies (*Figure 11*) are less likely to say that their clients rate these attribution methods as effective. Although they pointed to increased adoption of view-through models (as seen in *Figure 8*), agency respondents were nearly five times less likely to say that their clients rate them as 'very effective'. While agencies probably understand the value of these methods, they might find it difficult to convince their clients that it's something they should explore.
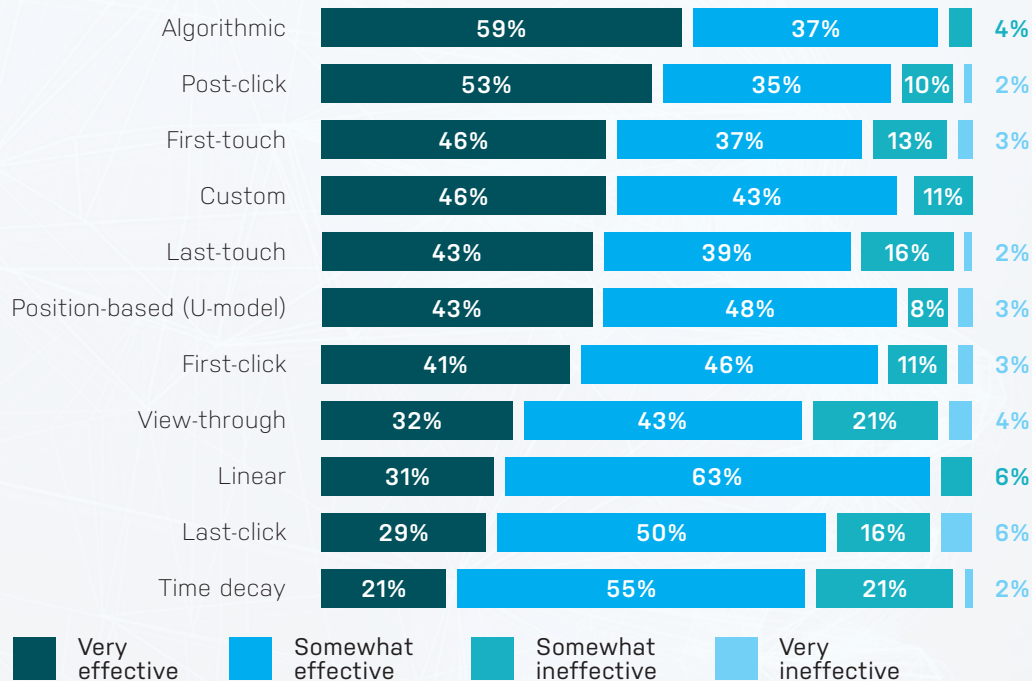
Similarly, agencies are nearly twice as likely to say that their clients rate post-click models as ineffective (21% compared to 12% of companies).

96% of companies rate algorithmic attribution as 'very' or 'somewhat' effective.

Company respondents
Figure 10: How would you rate the effectiveness of these attribution methods?

Method	Very effective	Somewhat effective	Somewhat ineffective	Very ineffective
Algorithmic	59%	37%	4%	
Post-click	53%	35%	10%	2%
First-touch	46%	37%	13%	3%
Custom	46%	43%	11%	
Last-touch	43%	39%	16%	2%
Position-based (U-model)	43%	48%	8%	3%
First-click	41%	46%	11%	3%
View-through	32%	43%	21%	4%
Linear	31%	63%	6%	
Last-click	29%	50%	16%	6%
Time decay	21%	55%	21%	2%

Legend: ■ Very effective ■ Somewhat effective ■ Somewhat ineffective ■ Very ineffective

Respondents: 145

Agency respondents
Figure 11: How would your clients typically rate the effectiveness of these attribution methods?

Method	Very effective	Somewhat effective	Somewhat ineffective	Very ineffective
Algorithmic	55%	36%	9%	
First-touch	36%	55%	9%	
Custom	29%	65%	6%	
First-click	27%	62%	8%	4%
Position-based (U-model)	21%	64%	14%	
Post-click	21%	58%	15%	6%
Last-click	15%	52%	27%	6%
Linear	14%	64%	21%	
Last-touch	13%	60%	27%	
Time decay	7%	79%	7%	7%
View-through	7%	67%	13%	13%

Legend: ■ Very effective ■ Somewhat effective ■ Somewhat ineffective ■ Very ineffective
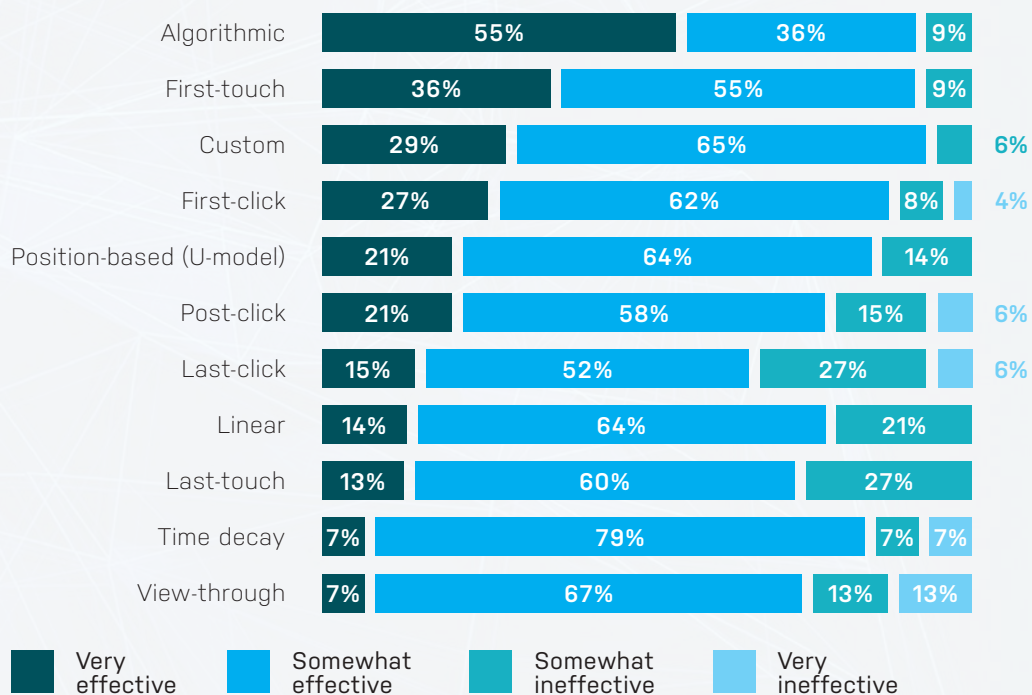
Respondents: 52

5.3. Is a perfect model possible?

The complexity of attribution modelling is reflected in *Figure 12*, which shows that 72% of company respondents agree that a perfect attribution model is impossible to achieve. Agencies are 24% more likely to say that's the case – this is not surprising as the more experienced you are with attribution, the more likely you are to understand that there are many moving parts that must be accounted for in order to ensure success.

While attribution is not a perfect science and the insights it provides are not always clear-cut, models and technologies are improving all the time. Attribution is a key component of marketing optimisation efforts, particularly given the cross-channel nature of today's consumer. It can help you steer your efforts in the right direction through a better allocation of resources, reduced media waste and a better understanding of the customer journey.

Case Study: Domino's

Objectives and aims
Pizza chain Domino's had been allocating budget to its performance media channels based on the strength of its overall CPA, but the marginal cost per sale was not being considered.

Additionally, the business was rapidly evolving and online sales via the website had started to slow down, with sales growth coming via the Domino's mobile app. The app delivered 30% of digital sales at the start of 2014 and this figure was forecast to hit 50% by the year's end. This shift meant that media CPA calculations (based on website sales only) had become increasingly less relevant in terms of measuring success.

Consequently, Domino's was keen to take a fresh approach to budget setting. Rather than favouring channels that delivered the most direct sales, it wanted to prioritise media placements that offered the most value to the business in the form of customer behaviour change.

Implementation
To assess the value of its performance media, Domino's conducted a number of tests and scored the contribution of each media channel, looking at direct sales contribution as well as the brand effect of media and cross-device attribution.

The findings allowed Domino's to make many changes to its media mix.

Each digital channel was split into sub-channels that reflected the differing role they played for consumers, such as brand versus generics, prospecting versus re-targeting and incentive versus non-incentive affiliates. Adopting a new 'value-based, bottom-up' planning method, Domino's was able to take a fresh approach to budget setting.

Generic PPC was boosted significantly as although it scored one of the worst last-click CPA in the media mix, it delivered the highest overall value to the business. Prospecting display budget was also up-weighted. By contrast, brand PPC spend was heavily reduced and was deployed only at times of high conversion rate.

Results
Digital revenue for 2014 was £509m, surpassing Domino's sales target by £46m, and representing a YoY sales growth of £118m (30%). ROI rose to record levels of £212:1.
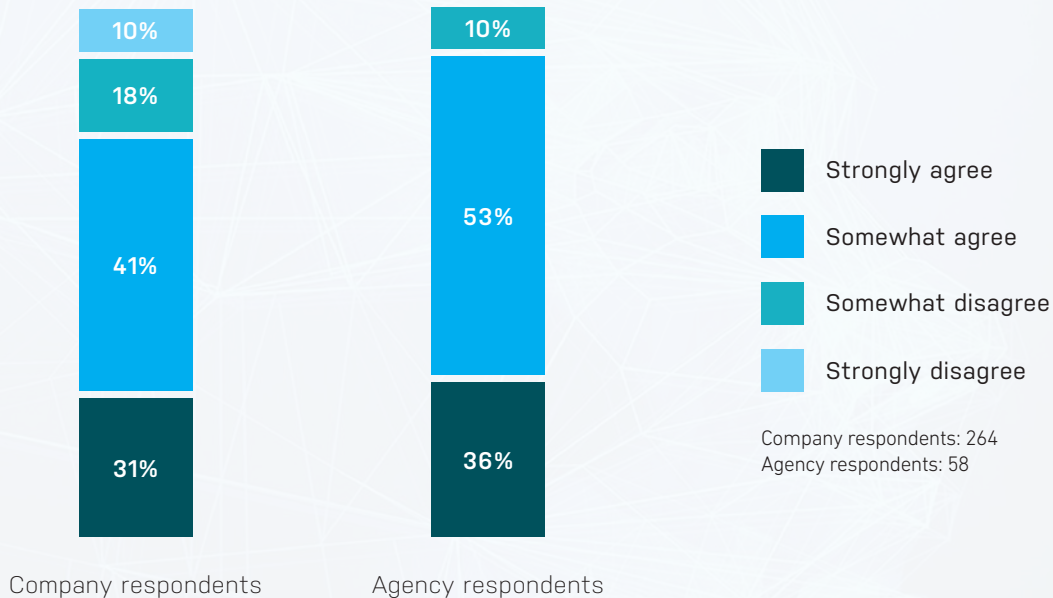
While CPAs across all digital channels went up, Domino's stopped targeting 'easy win' sales. This optimisation of the media mix gained an additional £201m YoY from 'free' channels such as SEO, the mobile app and direct site traffic.

Source: Domino's and Arena Media

Company respondents
Figure 12: 'A perfect attribution model is impossible' – agree or disagree

Company respondents

Agency respondents

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

Company respondents: 264
Agency respondents: 58

Is there any type of attribution or approach that has proved to be particularly effective?

"The effectiveness of an attribution model depends on what you're looking to understand. They each have their place and merits. We use first-click to look at the role of awareness driven by display and last-click to pass something to Business Intelligence as it's what the rest of the business appear to understand. We've not yet found anything overly effective but have a plan to move to a fully developed model later this year."

"All are relatively effective as they serve different purposes and for different stakeholders. The main issue we have is that it is very resource intensive."

"We have tried multiple models. However, we feel that first-click weighted across PPC works best for our company."
Company respondents

6. Types of Technology and Vendors

KEY POINTS

- More than 70% of brand marketers feel that their marketing technology stack delivers effective attribution.

- Significant proportions of both client-side and agency executives (42% and 46% respectively) state they (or their clients) are still resorting to manual attribution with the use of spreadsheet data.

- Agencies claim that their clients rely on their media agency partners to help with attribution. However, companies view this with some scepticism as they are 29% less likely to say that's the case (24% versus 34% of agencies).

- There is a large discrepancy between the agency and client view of attribution flexibility. More than a third (36%) of client-side marketers are bullish about applying multiple models to their data while a scant 7% of agencies feel their clients are equipped to do so.

6.1. Marketing technology is supporting effective attribution

It's undeniable that the marketing technology landscape is hugely varied and complex. Indeed, in Section 10 it is noted that a third of company respondents and slightly more (36%) agency representatives blame disparate tech platforms or data sources for a lack of progress in using attribution more effectively.

Despite this complexity, brand marketers do largely feel that their marketing technology stack delivers effective attribution, with 73% stating that this is the case *(Figure 13)* and only 6% feeling strongly that their marketing technology is failing them.

This result was surprising given that the research revealed that organisations are lagging behind when it comes to using more complex attribution models. For example, nearly half (48%) of companies are still using last-click, with a similar proportion using first-click models.

The research also found that marketers are not optimistic when it comes to potentially establishing the 'perfect model', with 72% of companies agreeing that this was impossible to achieve.

Part of this may be due to the sheer man-hours and financial investment required for companies looking to build and refine capabilities in this area. Attribution specialists and tools are costly. Some organisations may need to start from scratch, and in these cases it can take many months – even years – before the business benefits are felt. It can also require executive sponsorship to sign off on costs, availability of which depends on the prevailing culture of a given organisation.

So while it's likely that practitioners are aware that their more basic models aren't providing them with a full view of campaign activity, the large proportion reporting that their marketing technology stack delivers effective attribution is a sign that organisations are simply accepting that they might not have better options right now, and have to make do with what they have.

Marketers also suffer from an embarrassment of choice in this environment. A November 2015 Marketing Week article[3] on the subject of choosing marketing technologies noted that senior marketers are bombarded with sales calls and emails from vendors, often with little understanding on both sides as to what solutions might actually be needed.

"The trouble with vendors in this space is that they go into 'solutioning' and providing answers to specific problems. If the business only wants that specific problem answered, then brilliant," stated Waterstone's Head of Ecommerce, Ed Armitage. The implication is of course that rarely is a match so fortuitous.

In the same article it was noted that not one product solves all problems, resulting in a potential hotchpotch of solutions that all have to deliver coherent, useful analytics to marketers.

Company respondents
Figure 13: 'Our marketing technology facilitates effective attribution models' – agree or disagree

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
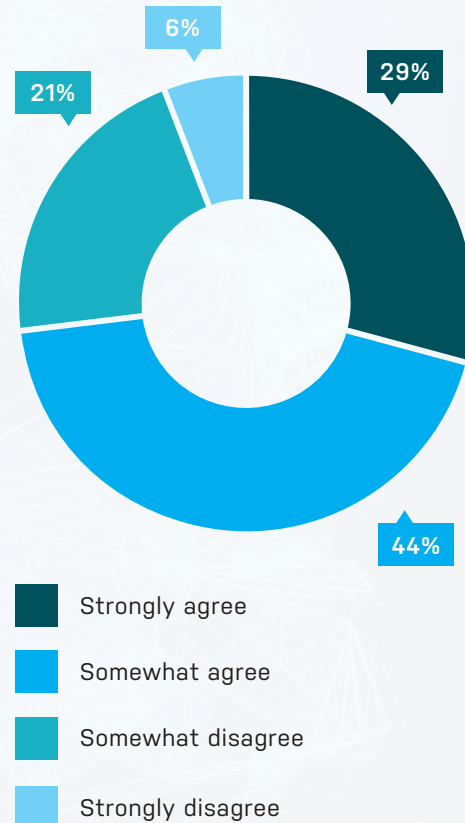
Respondents: 264

6.2. Off-the-shelf or custom-built?

For many marketers, the solution has been to build in-house capabilities and particularly for digital-first companies, this has been successful. However, many bricks-and-mortar companies or those with a culture and skillset built for offline struggle to integrate the iterative process required or indeed even attract the staff needed to develop attribution tools in-house.

Many client-side marketers choose off-the-shelf vendor technology (see *Figure 14* – 51%) while marginally fewer agencies (42%) say that's the case.

A further 44% of client-side marketers opt for custom-built technology. A more expensive option but one that makes sense for organisations that rely heavily on understanding attribution and whose needs are specialised and not catered for in the wider market. It may also be because these businesses have reached a scale to warrant the cost of bespoke solutions.

[3] https://www.marketingweek.com/2015/11/12/how-to-choose-a-data-management-platform/

Surprisingly, large numbers of client-side marketers and agency executives (42% and 46% respectively) state that they (or their clients) are still resorting to manual attribution with the use of spreadsheet data. It may be the case that some respondents are hacking together attribution systems themselves, applying a mix of Excel knowledge and channel analytics.

Agencies claim that their clients continue to rely on their media agency partners to help with attribution and clients view this with some scepticism as they are 29% less likely to say that's the case (24% versus 34% of agencies).
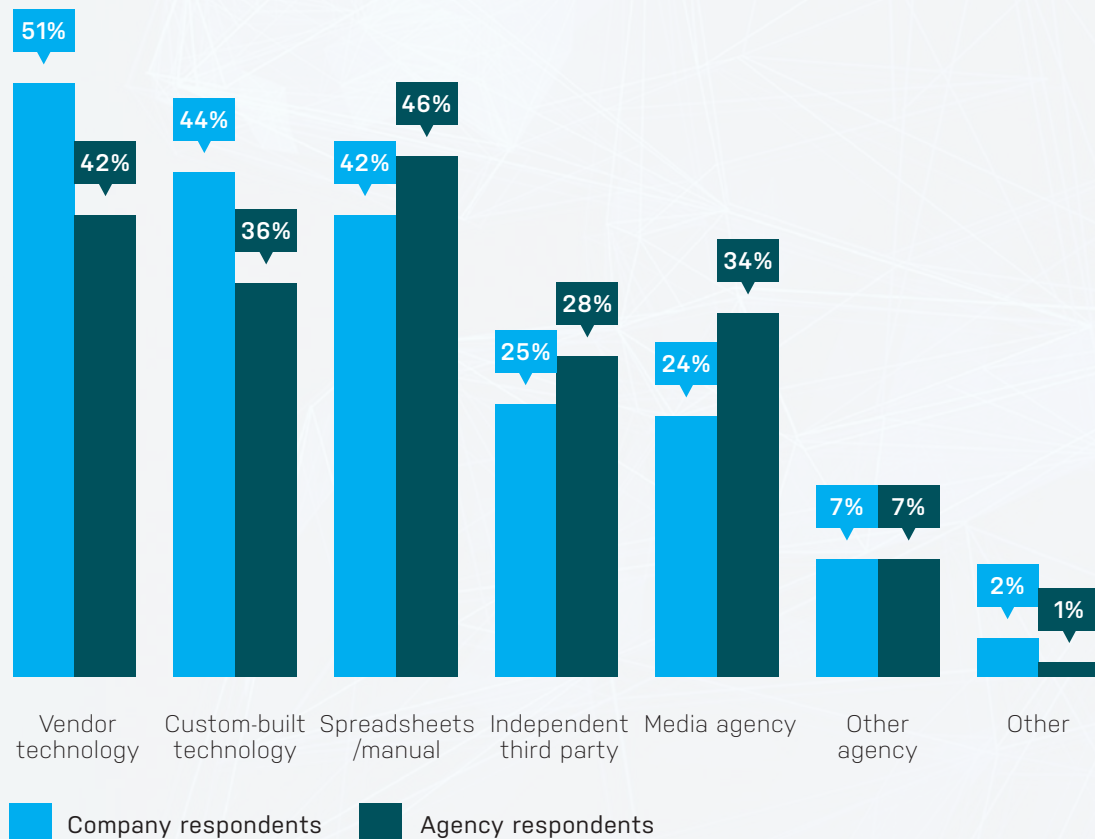
When carrying out attribution in partnership with a media agency one has to weigh up the opportunities from using experts in the field with any potential bias they might hold. As can be seen from *Figure 15*, responding organisations state that they are largely confident that their agencies are impartial but nearly half (49%) can only state that they are 'quite confident'.

There is still a significant minority (13%) who are 'not very confident' at all.

Involving third parties in attribution remains low in comparison to other in-house methods. Data protection is almost certainly at the heart of this as well as other reasons, including timeliness, understanding of attribution's end goal and relevance to the specific needs of the business.

42% of marketers are still resorting to manual attribution with spreadsheet data.

Figure 14: How do you (or your clients) carry out marketing attribution?

|	Company respondents	Agency respondents
Vendor technology	51%	42%
Custom-built technology	44%	36%
Spreadsheets /manual	42%	46%
Independent third party	25%	28%
Media agency	24%	34%
Other agency	7%	7%
Other	2%	1%

Company respondents: 284. Agency respondents: 74

6.3. The question of agency impartiality

Company respondents
Figure 15: How confident are you that your agency is impartial when carrying out marketing attribution?

38%	49%	13%	0%
Very confident	Quite confident	Not very confident	Not at all confident
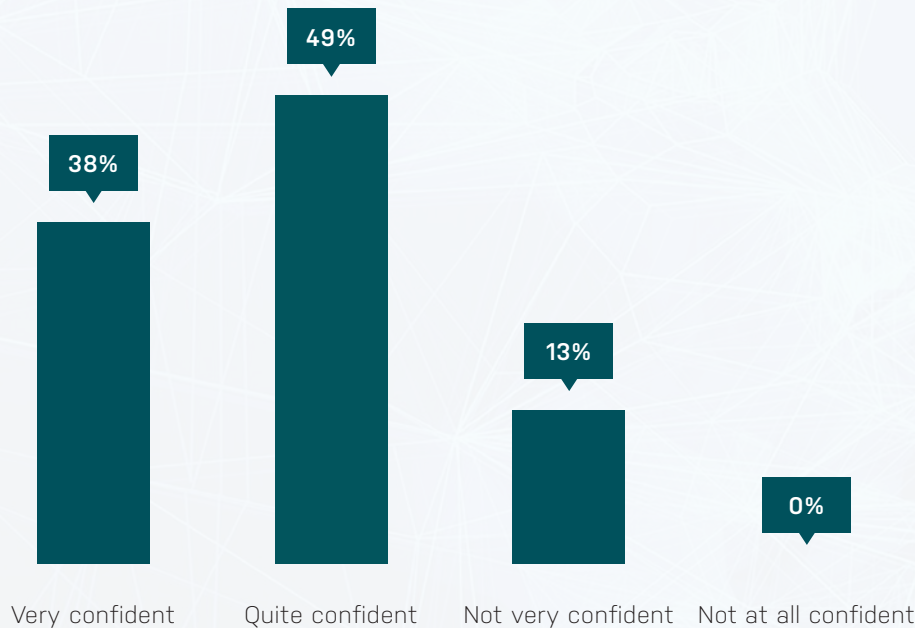
Respondents: 269

As seen in *Figure 16*, German marketers are most confident that their agencies are impartial when carrying out marketing attribution.

The UK is least confident of agency impartiality (32% say they're 'not very confident'), with more than double the number of French executives harbouring suspicions and dwarfing the 1% of German executives who lack confidence in agency suppliers.

This goes to show that knowledge really is power when it comes to attribution. To grow in the UK market in particular, it's clear that agencies and vendors need to approach executives with an education rather than sales mindset.

Confidence in attribution vendors will come from an educational approach.

Regional comparison – companies carrying out attribution
Figure 16: How confident are you that your agency is impartial when carrying out marketing attribution?

	Very confident	Quite confident	Not very confident	Not at all confident
UK	24%	44%	32%	0%
France	39%	49%	12%	0%
Germany	51%	48%	1%	0%
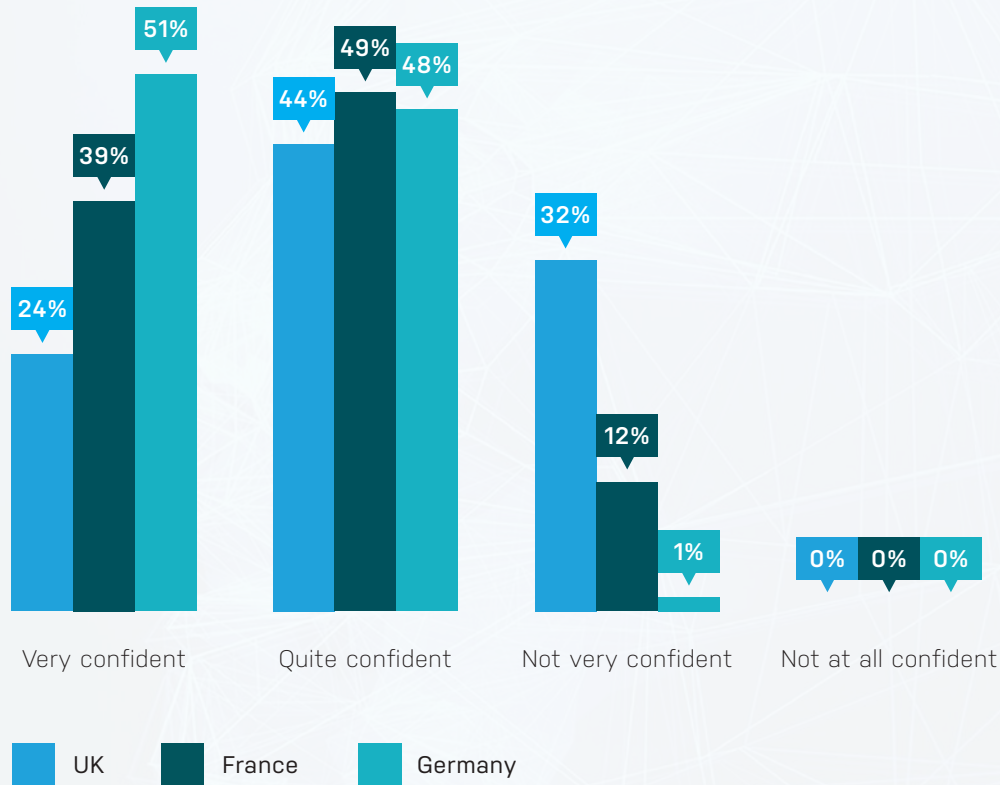
Respondents: UK – 59 | France – 77 | Germany – 105

Confidence in agency impartiality is low in the UK compared to France and Germany.
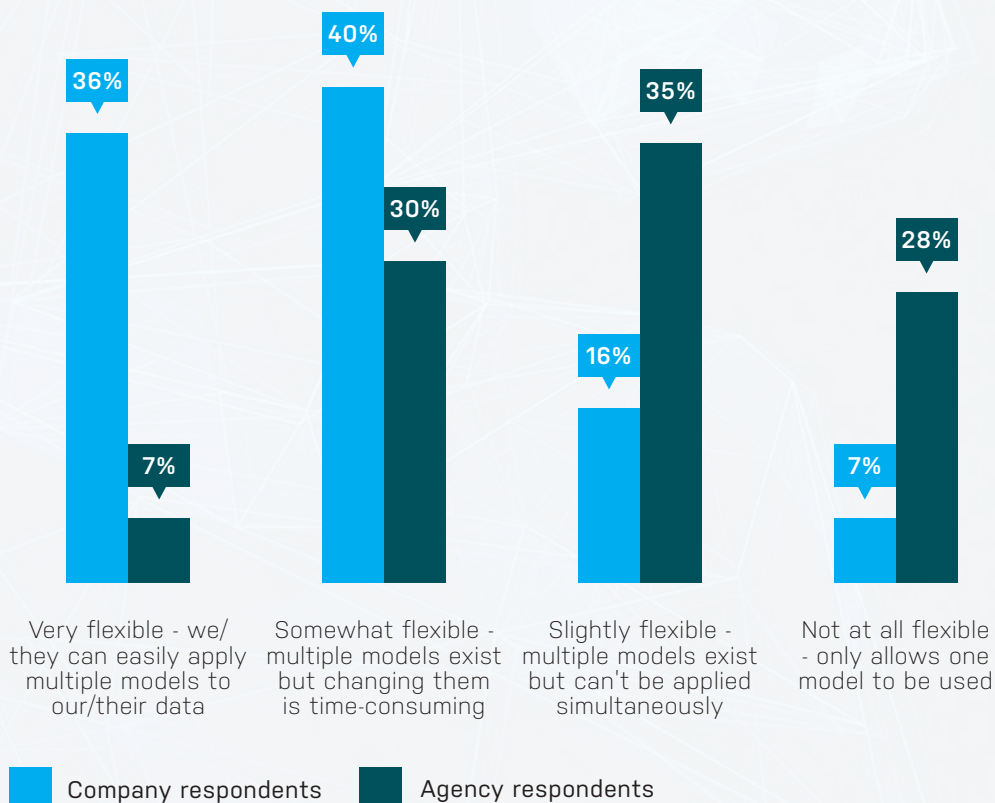
6.4. Attribution flexibility

Figure 17 shows a large discrepancy between the agency and client view of attribution flexibility. More than a third of clients (36%) are bullish about applying multiple models to their data while a scant 7% of agencies feel that clients are equipped to do so. Conversely, more than a quarter of agency representatives (28%) believe their clients can only use one model at a time while only 7% of clients fear this is the case.

This could well be down to the concern of poor communication between agency and client. There is also the sense that, with a wide range of technologies being deployed by the client across their whole organisation but an agency having a much narrower focus on one area, the latter may lack a certain 'big picture' view.

UK marketers are least bullish on their ability to be flexible. As seen in *Figure 18*, only 20% of UK executives claim they are very flexible while they match the number of agency executives stating attribution is completely inflexible at 28%. Unsurprisingly, German client-side marketers are highly confident (52%) that they can build flexible attribution systems while the majority of French marketers are more measured.

> More than a third of companies are bullish about applying multiple models to their data.

Figure 17: How flexible is your (or your clients') attribution system?

- Very flexible - we/they can easily apply multiple models to our/their data — 36% / 7%
- Somewhat flexible - multiple models exist but changing them is time-consuming — 40% / 30%
- Slightly flexible - multiple models exist but can't be applied simultaneously — 16% / 35%
- Not at all flexible - only allows one model to be used — 7% / 28%

Company respondents ■ Agency respondents ■

Company respondents: 290. Agency respondents: 77

Regional comparison – companies carrying out attribution
Figure 18: How flexible is your attribution system?

Very flexible - we can easily apply multiple models to our data: UK 20%, France 34%, Germany 52%
Somewhat flexible - multiple models exist but changing them is time-consuming: UK 26%, France 53%, Germany 42%
Slightly flexible - multiple models exist but can't be applied simultaneously: UK 26%, France 12%, Germany 6%
Not at all flexible - only allows one model to be used: UK 28%, France 1%, Germany 0%

UK   France   Germany
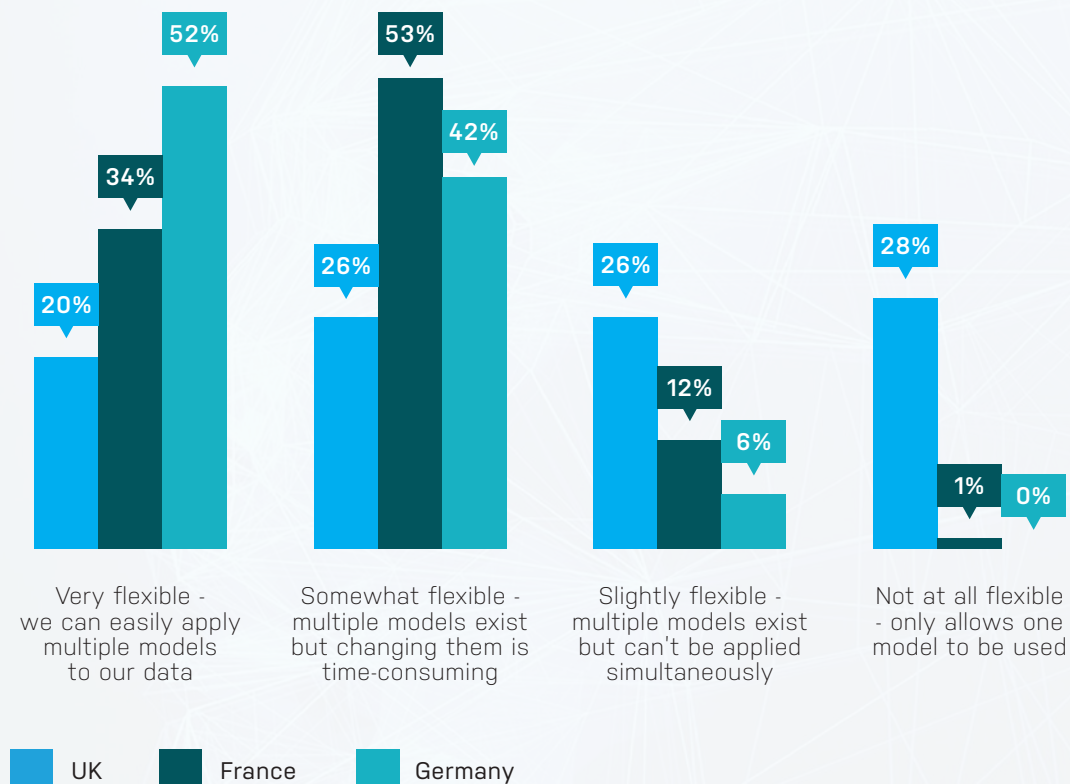
Respondents: UK – 74 | France – 69 | Germany – 106

This is also reflected in the slightly less pessimistic view that agency clients (35% of agency respondents) can access multiple attribution models but are only able to use them one at a time. Two-fifths of client-side marketers feel that they could be deploying multiple models but that it's time-consuming, indicating that they lack a degree of interoperability between technologies and/or data sources as well as potentially not having access to the right skillsets.

Lack of skills is something that is also noted in *Figure 29*, where 76% of respondents agree that they are challenged in attracting the right staff. Also, as seen in *Figure 34*, nearly a third blame a business culture (29%) or disparate platforms (33%), while just over a fifth (22%) point to a lack of budget or staff.

It is clear that education is at the heart of successfully engaging with attribution from a technology or vendor perspective. Impartial advice is a highly valued commodity and the research shows that there is still work to do in terms of gaining clients' trust that the information forthcoming is the most appropriate course of action.

Impartial advice is a highly valued commodity and work is still required from vendors to gain client trust.
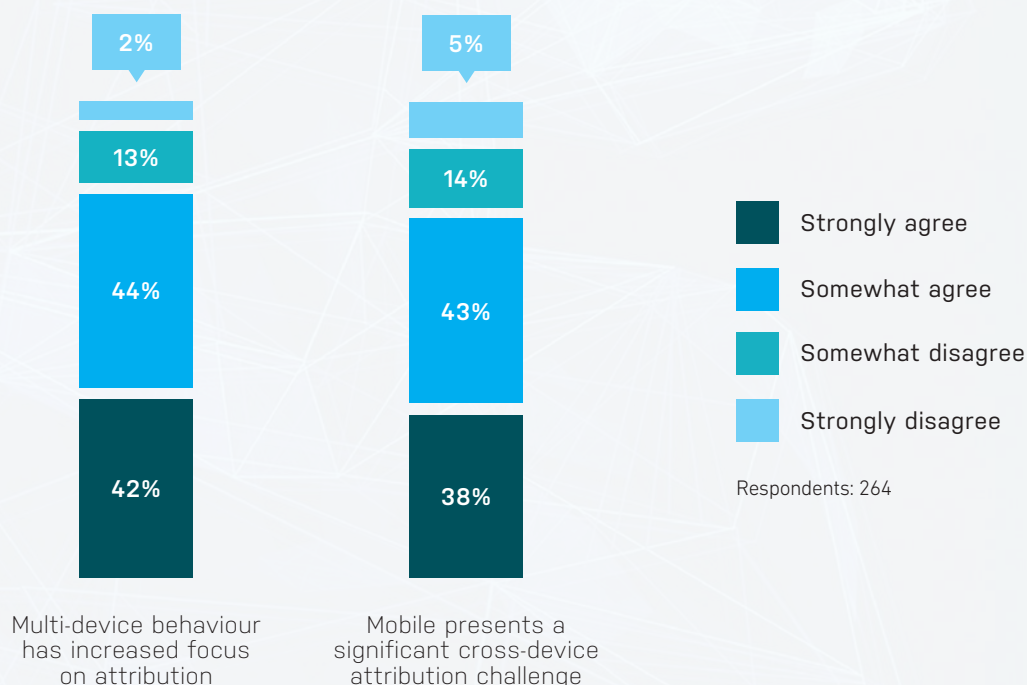
7. Multichannel Attribution

KEY POINTS

- Challenges with consumers moving between channels and devices means that tracking has become extremely important to the success of attribution. Marketers are finding this problematic; 86% agree that multi-device behaviour has increased the focus on attribution.

- Less than half of company respondents are carrying out multichannel attribution (42%), with agencies more likely (61%) to say that's the case.

- Online to offline matching is a particular barrier, with few including more than a couple of offline channels in their attribution models.

7.1. The issue of the single customer view

Company respondents
Figure 19: Please indicate whether you agree or disagree with the following statements.

Respondents: 264

Legend:
- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

Multi-device behaviour has increased focus on attribution: 2%, 13%, 44%, 42%

Mobile presents a significant cross-device attribution challenge: 5%, 14%, 43%, 38%

An explosion of devices and channels in recent years has left marketers scrambling to catch up, with consumers hopping between devices and between online and offline multiple times before converting. Simply tracking these consumers is one thing, but attributing appropriate value to each touchpoint is an entirely different matter.

Tracking consumers to create the elusive single customer view has been made easier through the advent of technologies designed to match up consumers across devices using probabilistic or deterministic methods.

Deterministic matching uses personally identifiable information (PII) to match logged-in devices to an individual and therefore to each other. While logged in, advertisers can target this specific individual across multiple devices and channels within them. The main issue with deterministic matching is scale. For the average brand, the user base is nowhere near big enough to be able to use the technique, which is dominated by data giants like Google, Facebook and Apple.

Probabilistic device matching does not rely on PII, but on analysing thousands of anonymous data points and using algorithms to match devices to a certain degree of likelihood. For example, a mobile and a tablet both connected to the same Wi-Fi network at the same times each day are likely being operated by the same person.

Difficulties emerge when you have multiple people with similar online behaviours (e.g. a family home with two teenagers) using the same Wi-Fi network on evenings and weekends at the same time, and sometimes sharing log-ins to various online platforms. These situations make matching much less accurate, before privacy concerns have even been considered. Further, unless a consumer uses one of these devices in a store, matching methods cannot help marketers to join up online and offline.

This discussion on tracking is intended to give an idea of the difficulties presented to marketers in tracking an individual's online customer journey, before being able to attribute the correct value to each stage.

86% of marketers agree that multi-device behaviour has increased the focus on attribution.

Though difficult, it is integral insight to aid budget and campaign planning. Optimisation of budget allocation to most effectively engage consumers is the key outcome of attribution, and with the journey becoming increasingly complex, optimisation of budget allocation becomes even more important.

The results of *Figure 19* reflect this: 86% of marketers agree that multi-device behaviour has increased the focus on attribution, with 42% 'strongly' agreeing. In addition, 81% agree that mobile presents a significant cross-device attribution challenge. This mobile barrier brings us back to the issue of tracking.

The established method of tracking users on desktop, using cookies, does not translate effectively to mobile, and not at all to apps. Cookies dropped while browsing on mobile are deleted as soon as the browser is closed, and browsing time on mobile is generally limited to one or two sites with short dwell times and high bounce rates. This means that gaining any impression of longer-term behaviour is almost impossible and the methods of matching discussed above must be implemented to identify and effectively target an individual. Factor in the aspect of browsers not fully closed on mobile devices as users switch between applications and the ability to view messages and emails in a preview screen, and it becomes clear that mobile highly complicates the attribution task for marketers.
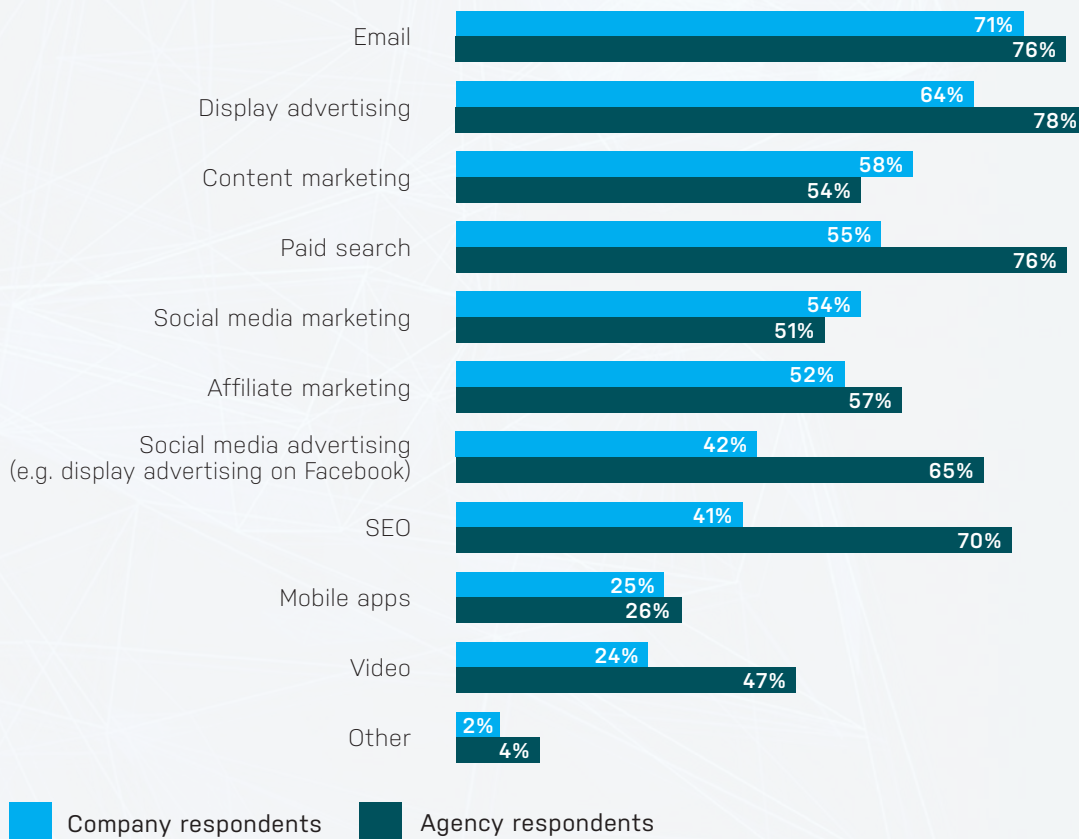
7.2. The attribution model mix

We asked respondents which digital channels were included as part of their marketing attribution models. Email was included in the models of almost three-quarters (71%), followed by display advertising (64%) and content marketing (58%). Agencies think their clients are more advanced than companies themselves indicate; the vast majority of channels were selected by a higher proportion of agencies than companies, particularly for SEO and video. The latter was selected by almost twice the number of agencies than client-side respondents.

The fact that agency clients appear to be more mature with their attribution model is not surprising given that they are often under pressure to support their suggested marketing strategies with proof of ROI and subsequently optimise these strategies through attribution insights. Competition to win and retain these clients between agencies increases this pressure.

Regionally, the UK seems to be ahead of France and Germany in terms of the number of channels being used, aside from content marketing, which appears to be widely included in Germany (*Figure 21*). Another obvious disparity is in the inclusion of search engine marketing (SEM) in attribution models; both paid search and SEO are included in the attribution of a far lower proportion of companies in Germany and France compared to the UK.

Email is included in the attribution models of almost three-quarters of companies.

Figure 20: What digital channels are included as part of your (or your clients') marketing attribution?

Channel	Company respondents	Agency respondents
Email	71%	76%
Display advertising	64%	78%
Content marketing	58%	54%
Paid search	55%	76%
Social media marketing	54%	51%
Affiliate marketing	52%	57%
Social media advertising (e.g. display advertising on Facebook)	42%	65%
SEO	41%	70%
Mobile apps	25%	26%
Video	24%	47%
Other	2%	4%

■ Company respondents   ■ Agency respondents

Company respondents: 289. Agency respondents: 74

Regional comparison – companies carrying out attribution
Figure 21: What digital channels are included as part of your marketing attribution?

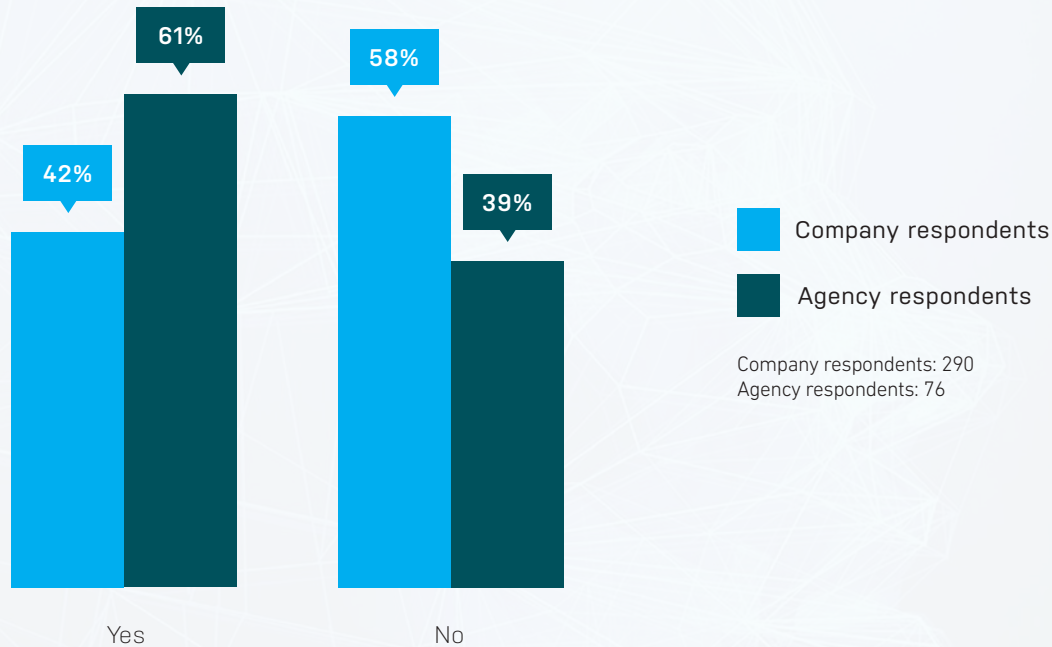| Channel	UK	France	Germany
Email	89%	67%	57%
Paid search	85%	38%	34%
Display advertising	84%	50%	54%
Social media marketing	73%	42%	46%
SEO	72%	24%	23%
Social media advertising (e.g. display advertising on Facebook)	57%	29%	32%
Affiliate marketing	56%	45%	56%
Content marketing	49%	45%	70%
Video	32%	21%	13%
Mobile apps	15%	40%	22%
Other	4%	0%	0%

Legend: UK | France | Germany
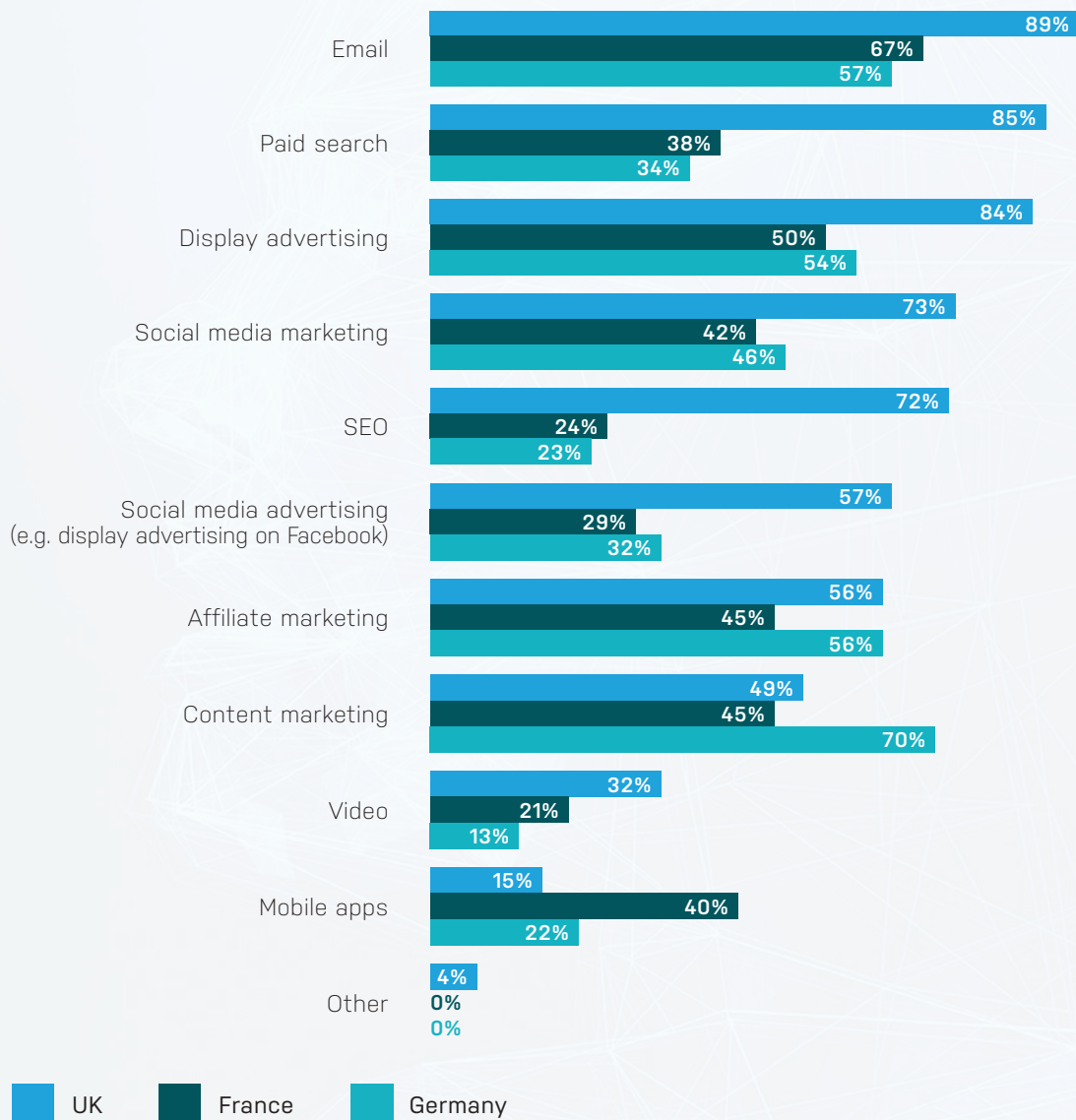
Respondents: UK – 75 | France – 78 | Germany – 105

Tracking consumers across devices is a vast barrier, but how does one follow them offline? A number of methods are being used, including e-receipts, in-store Wi-Fi, coupons, call tracking and PPC[4] , but matching up this data and cleansing it to the point where it can be used in attribution models is a task that a minority are capable of, according to *Figure 22*. Less than half (42%) of company respondents are carrying out multichannel attribution, with agencies claiming their clients are more advanced (61%).

For players with small budgets, the ability to match up offline and online customer journeys may still be a distant objective, but technological advances are making it easier. Facebook's recent Offline Conversions API means that those using Facebook campaigns have the ability to track how their campaigns drive offline action. Facebook's Ads Insights API is then needed to make the attribution more exact, so the process does require some analytical skills to implement.

[4] https://econsultancy.com/blog/67038-11-ways-to-track-online-to-offline-conversions-and-vice-versa

Figure 22: Do you (or your clients) carry out any type of multichannel attribution (i.e. joining up online and offline)?

61%
42%
58%
39%

Yes

No

■ Company respondents

■ Agency respondents

Company respondents: 290
Agency respondents: 76

7.3. Joining the dots online and offline

Those that do carry out multichannel attribution were asked which offline touchpoints were included in their attribution model. Direct mail is included in more than half of the models (56%), followed by printed media (50%). These two channels and television/radio (43%) can be included through a measurement of direct website traffic timed with the offline campaign: a method called correlation analysis.

Somewhat surprisingly, two of the easier ways to connect online to offline, loyalty schemes and coupons, are being used by just over a third of respondents and are as such the least used touchpoints for attribution models.

Though some sort of discount is the necessary disadvantage of using these methods, they are relatively easy to track. Measurement of coupons is at the campaign level, with the number of redemptions and order value being tracked by store. For loyalty schemes matched to an email address, use in-store is recorded in a CRM, and can then be matched to purchases online.

Case Study: Monsoon Accessorize

Monsoon Accessorize is using in-store and online data to provide personalised customer offers on emailed receipts.

Objectives

Up to 90% of Monsoon Accessorize transactions come from its stores, meaning the retailer struggles to capture as much online data and is reliant on its Monsoon reward card to identify transactions and loyal customers.

By using the multichannel data, the fashion retailer can provide customers with more relevant targeted offers and product recommendations.

Implementation

Using personalisation technology from RichRelevance, customers who purchase products in-store and choose to have their receipt emailed to them will then also receive personalised offers attached to the email based on their purchase. The technology is also integrated with the retailer's website and reward card scheme to provide more targeted promotions and product suggestions across the retailer's 321 UK stores.

The company claimed to be the first to be pushing multichannel personalisation, using both in-store and online purchasing habits to provide the receipt offers, using more than 125 machine learning algorithms with RichRelevance's real-time decision engine.
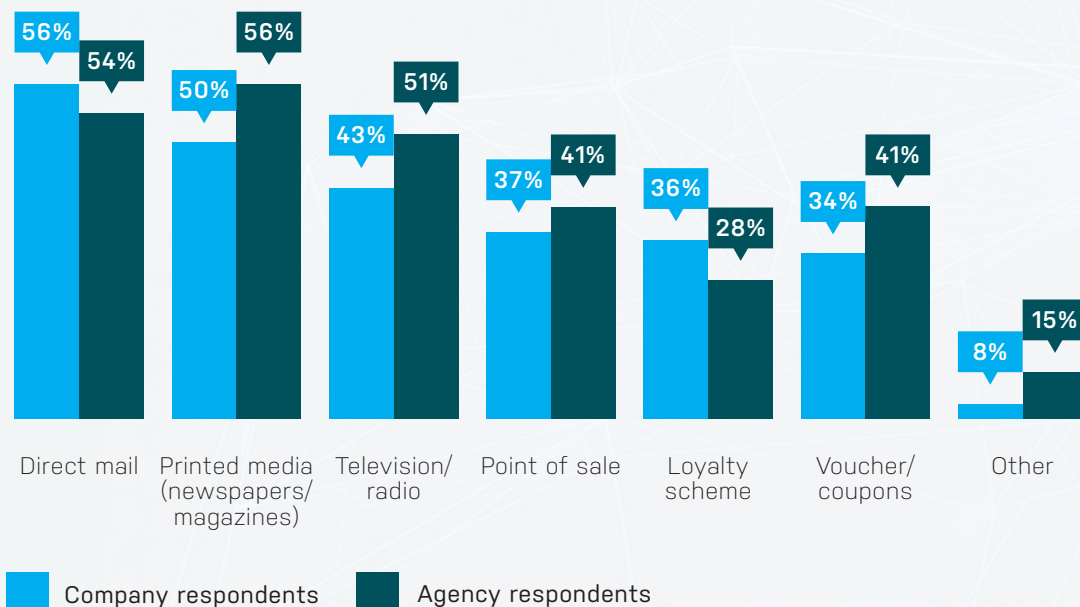
As well as personalised offers, Monsoon can also gain insights from the e-receipts, such as who the customer is, why they shop with the brand and what their value is.

Results

According to RichRelevance, the open rate of email receipts without personalisation is 19%, rising to 65% with personalisation. Similarly, the CTR jumps from 3% to 8% when an email receipt is personalised.

Source: computerweekly.com and RichRelevance

Figure 23: Which offline touchpoints are included in your (or your clients') attribution model(s)?

Touchpoint	Company respondents	Agency respondents
Direct mail	56%	54%
Printed media (newspapers/magazines)	50%	56%
Television/radio	43%	51%
Point of sale	37%	41%
Loyalty scheme	36%	28%
Voucher/coupons	34%	41%
Other	8%	15%

Company respondents: 112. Agency respondents: 39

8. Impact of Attribution

KEY POINTS

- **Insights from attribution are not being actioned fully, though attribution is impacting budgets in the majority of cases.**
- **For those increasing budgets, paid search is the most likely benefactor. For those decreasing, display advertising is likely to take the hit.**

8.1. Actioning attribution insights

The impact of attribution is the source of much discussion, and indeed frustration, for marketers. Proving its value to get senior buy-in and secure budgets can be difficult. This relies on clean data, accurate modelling and skilled analysts that can convert the output into insights and action.

The latter is a stumbling block according to the results of this survey. Almost 60% of respondents said that they don't action the insights they get from attribution according to the chart on the right; a worrying result from a fairly well-established practice.

Though three in five do not class themselves as actioning attribution insights, three-quarters say that attribution is having an impact on their spending on digital marketing channels. This impact is more likely to be a decrease in spend than an increase, according to *Figure 25*. Almost a third are decreasing spend on some digital channels, and while 5% say they are increasing spend across all digital channels, three times that are decreasing spend across all channels.

Agencies are more likely to say their clients are increasing spend. This is unsurprising, given that their clients' spend across digital channels provides their income, and they are as a result less likely to recommend decreases in spend. However, this does play into the hands of the sceptics, who would say that paying an agency to carry out attribution on their own campaign strategy on behalf of a client is, in a way, allowing them to mark their own homework.

Company respondents
Figure 24: 'We don't action the insights we get from attribution' – agree or disagree

- Strongly agree — 24%
- Somewhat agree — 33%
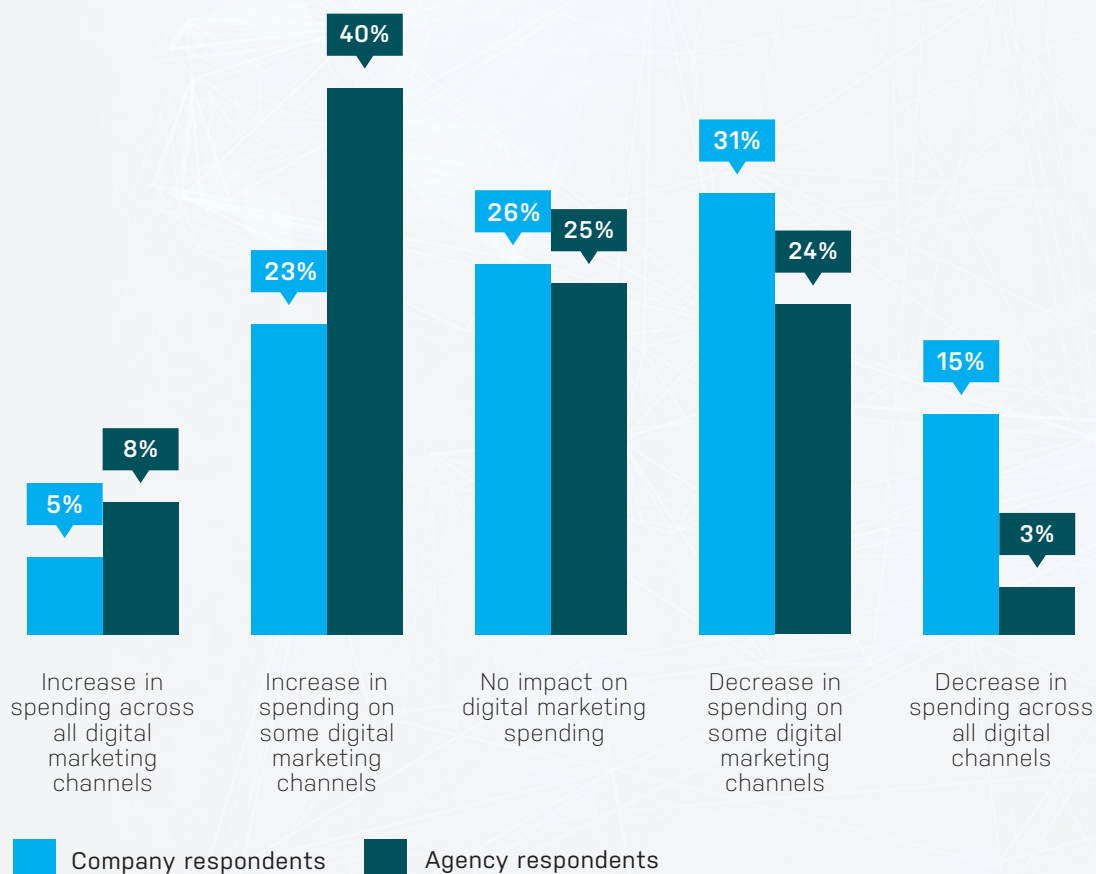- Somewhat disagree — 26%
- Strongly disagree — 17%
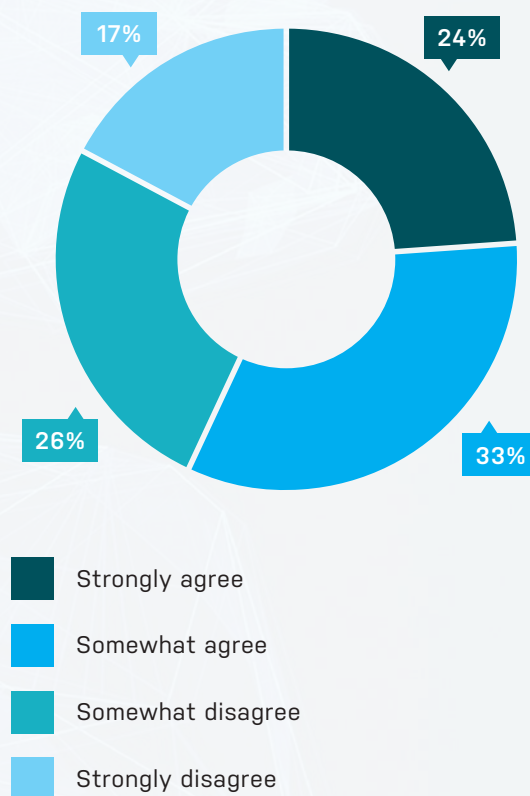
Respondents: 264

Regional results reveal that decreases in spend on digital marketing are more prevalent in France and Germany as a result of attribution modelling. A full 60% of respondents in France stated that they were decreasing spend (despite an eMarketer prediction that digital spend would return to growth in 2016[5]), and 55% of German respondents said the same. This may be as a result of wider challenges in the market and signs of a dwindling economy in Europe. Rather than invest, companies are looking for efficiencies, which can cause progress to stagnate.

Econsultancy's 2016 Marketing Budgets report[6] found that companies are much less likely to have budget for testing as board buy-in for digital has gone down. This could well be related to the economic situation, but with attribution it can be particularly difficult to prove value and ROI, reducing the likelihood of board buy-in in a time of austerity.

Attribution modelling is resulting in decreases in spend on digital marketing in France and Germany.

Figure 25: What has been the primary impact of attribution on your (or your clients') spending?


	Increase in spending across all digital marketing channels	Increase in spending on some digital marketing channels	No impact on digital marketing spending	Decrease in spending on some digital marketing channels	Decrease in spending across all digital channels
Company respondents	5%	23%	26%	31%	15%
Agency respondents	8%	40%	25%	24%	3%

■ Company respondents   ■ Agency respondents

Company respondents: 275. Agency respondents: 63

[5] http://www.emarketer.com/Article/Frances-Ad-Market-Return-Growth-Next-Year/1013071
[6] https://www.econsultancy.com/reports/marketing-budgets

Regional comparison – companies carrying out attribution
Figure 26: What has been the primary impact of attribution on your spending?
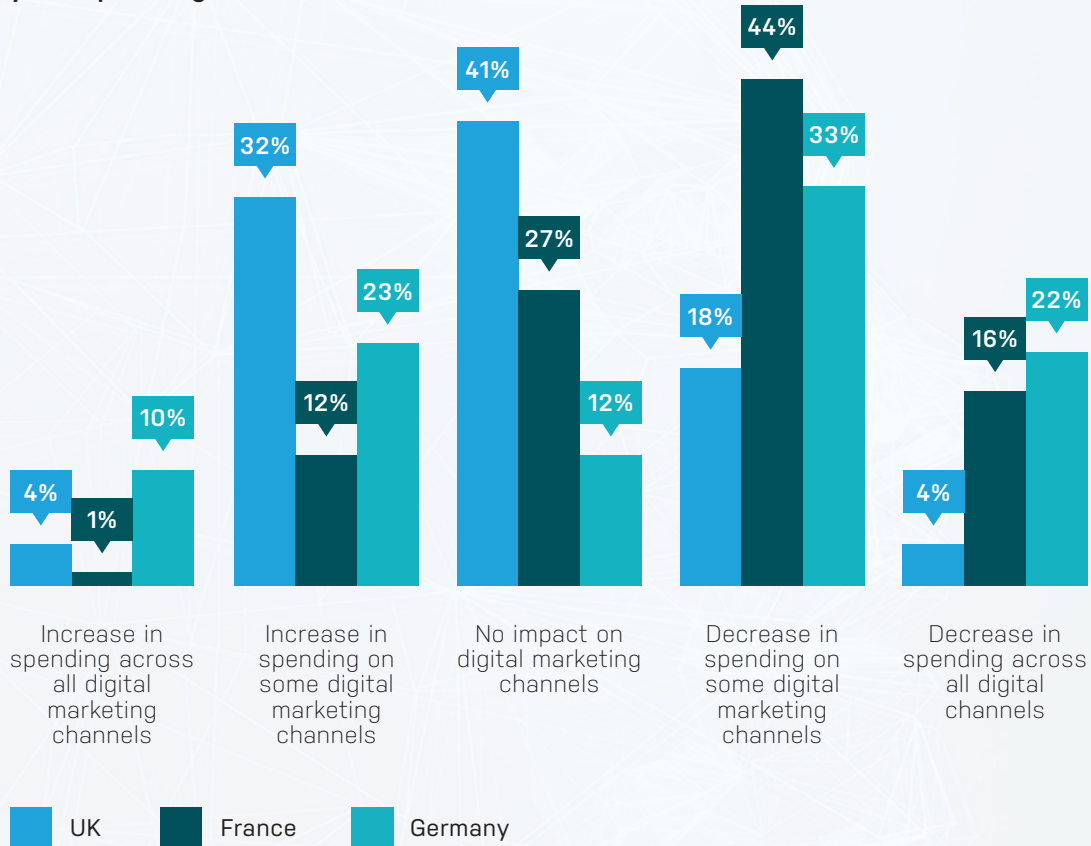
Respondents: UK – 68 | France – 75 | Germany – 103

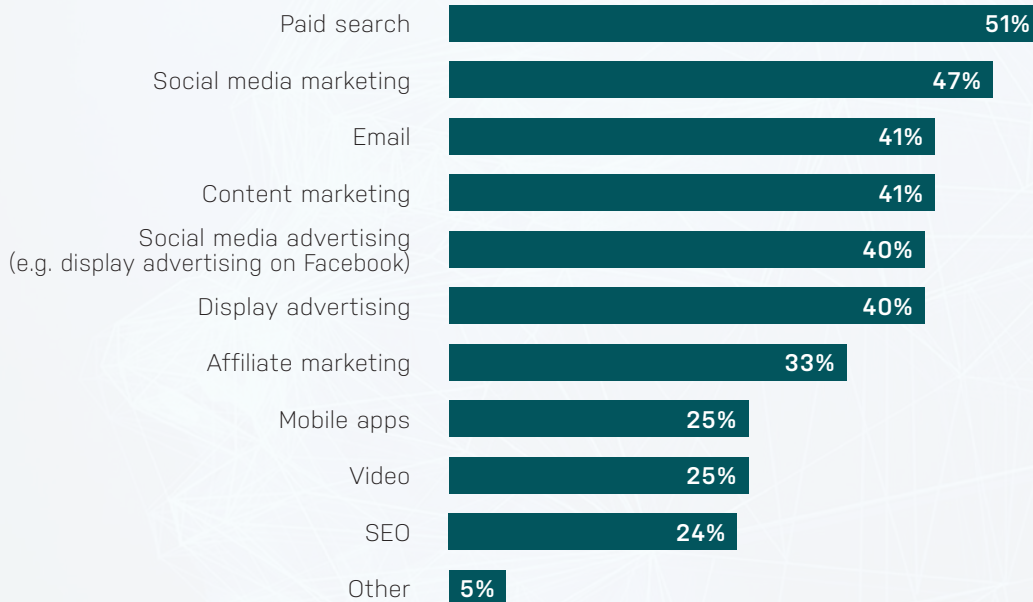## 8.2. Change in channel budgets

For those respondents that have seen an increase in budgets as a result of attribution, the most likely channel to see this additional budget is paid search, with 51% of client-side respondents mentioning it, according to *Figure 27*.

Social media marketing follows paid search in terms of the proportion of respondents increasing their budgets. *Figure 20* (Section 7.2) showed that only 54% are including social media marketing in their attribution models, indicating that some companies may be underutilising social media marketing due to a lack of attribution insight.

Conversely, for those decreasing their digital marketing budgets, display advertising is taking the biggest hit, with 54% selecting the channel *(Figure 28*). With only 9% of responding organisations using view-through as part of their marketing attribution efforts (*Figure 8* in Section 5.1), it's not surprising that display budgets are most likely to decrease as a result of attribution. Affiliate marketing and content marketing follow, with 41% and 37% respectively.
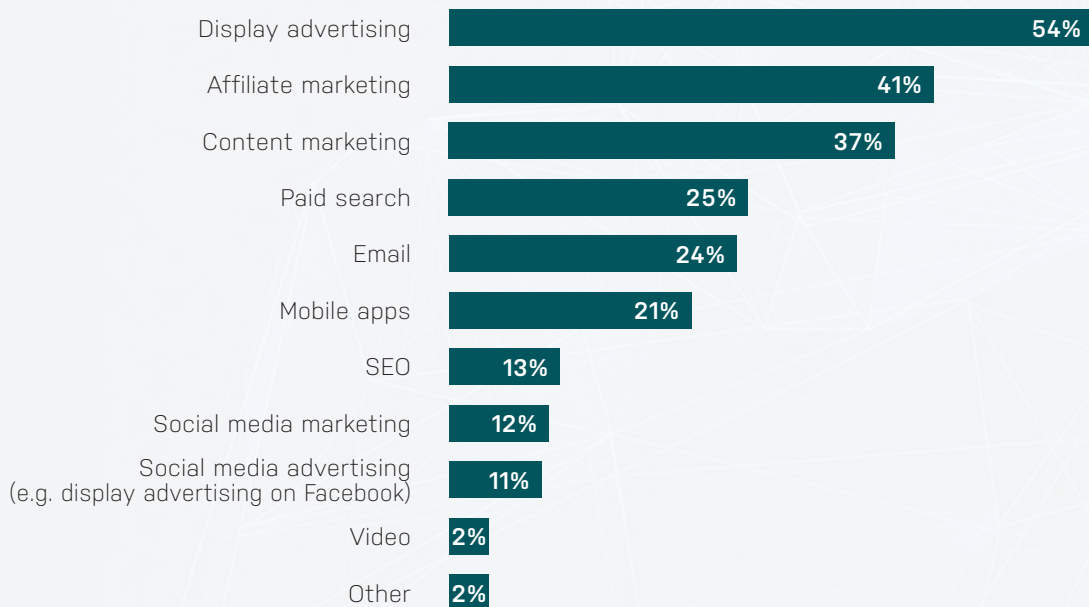
Company respondents
Figure 27: Which digital channels have seen an <u>increase</u> in budget as a result of attribution?

Channel	Percentage
Paid search	51%
Social media marketing	47%
Email	41%
Content marketing	41%
Social media advertising (e.g. display advertising on Facebook)	40%
Display advertising	40%
Affiliate marketing	33%
Mobile apps	25%
Video	25%
SEO	24%
Other	5%

Company respondents: 75

Company respondents
Figure 28: Which digital channels have seen a <u>decrease</u> in budget as a result of attribution?

Channel	Percentage
Display advertising	54%
Affiliate marketing	41%
Content marketing	37%
Paid search	25%
Email	24%
Mobile apps	21%
SEO	13%
Social media marketing	12%
Social media advertising (e.g. display advertising on Facebook)	11%
Video	2%
Other	2%

Company respondents: 125

9. Skills for Attribution

KEY POINTS

- 76% of respondents are struggling to find the right staff to deal with attribution.

- 31% of companies and 47% of agencies say they (or their clients) are relying on vendor training when it comes to using their tools; in Germany this is true for two-fifths of respondents (42%).

- A quarter of companies in the UK expect analysts to maintain and develop their own skills independently. In France and Germany, nearly two-fifths (37% and 36% respectively) run their own training schemes, with a clear progression path.

- 'On the job' training is the norm in a fifth (21%) of companies, but is reliant on there being skill already within the business to be passed on.

As with any business process, having the right skills within your team to implement and action attribution models is an essential step toward success. Even if a company invests in tools perfectly suited to their needs, staff need to be able to work with this technology, and for those outsourced elements of the chain there needs to be someone internally responsible for managing these relationships.

9.1. Attracting the best staff

Approximately three-quarters (76%) of respondents agree that they are challenged when it comes to finding the right staff to take advantage of marketing attribution *(Figure 29)*. With only 5% answering that they 'strongly disagree', this is clearly an area in which hiring is not an easy process.

Part of this could be down to the fact that the field is so complex and expansive. Attribution remains a challenge of data quality and analytical skills, and though most companies are at some point along the path, very few are able to say they've achieved their goals.

With the industry still developing attribution techniques and technologies, and simultaneously developing the skills to use them, there is no one candidate that 'knows it all'. This report has shown that the value of accurate attribution has been acknowledged, and as a result, those individuals with a thorough understanding of the field are in high demand.

Respondents: 264

Company respondents
Figure 29: 'We are challenged in attracting the right staff to take advantage of marketing attribution' – agree or disagree

- 5%
- 24%
- 19%
- 52%

Legend:
- Strongly agree
- Somewhat disagree
- Somewhat agree
- Strongly disagree
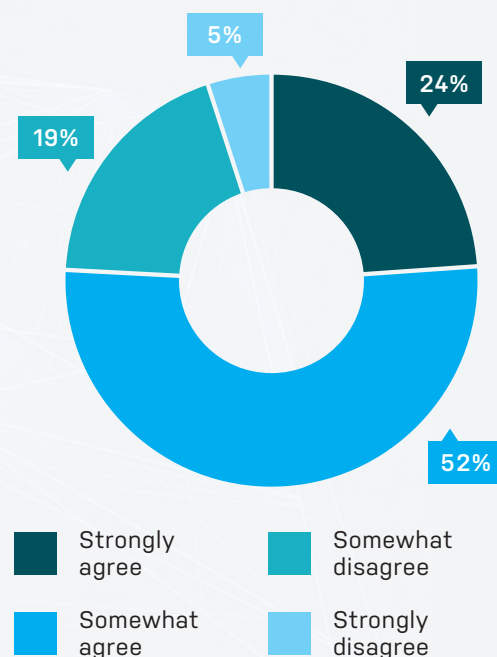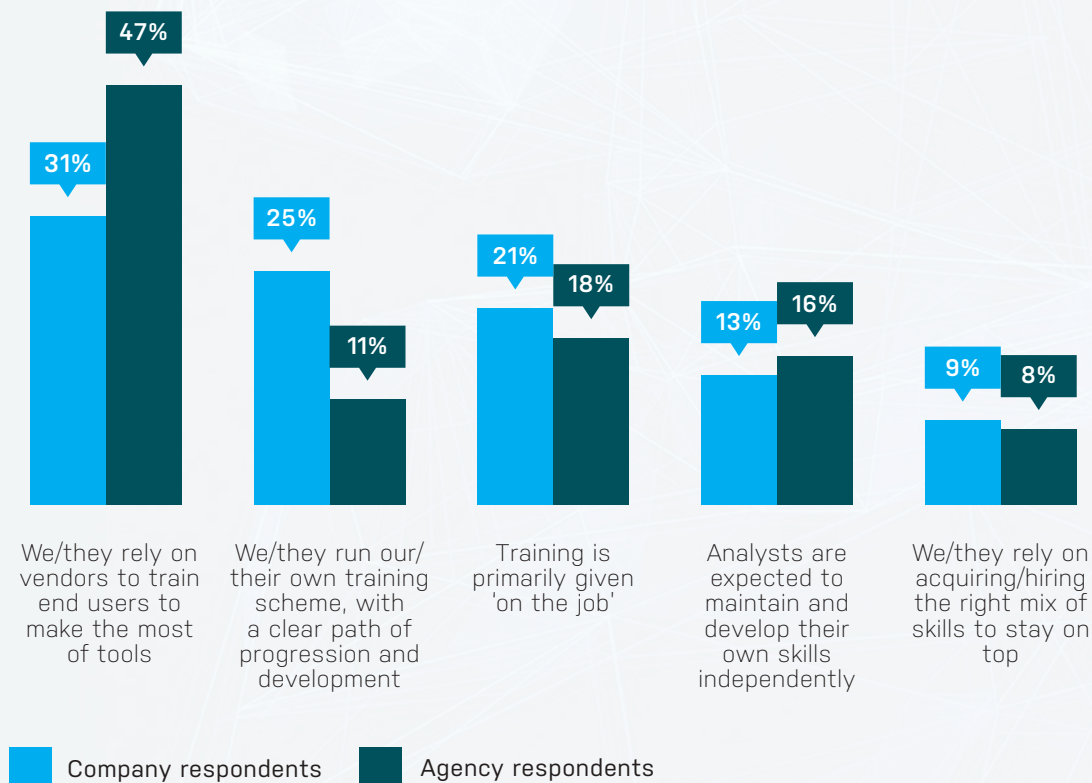
9.2. Resources for training

Respondents were asked about their internal strategy for ensuring that teams and individuals have the appropriate level of skills in line with company objectives for marketing attribution. Just under a third of companies (31%) and close to half of agencies (47%) reported that they or their clients rely on vendor training *(Figure 30)*.

These relatively large proportions reveal a reliance on vendor expertise for training, and indicate that vendors have a responsibility and an opportunity when it comes to offering clients help with their tools. As a result, vendors need to be prepared to keep educating their clients regarding attribution, and realise the importance of their consultancy and customer servicing capabilities in their role as a supplier.

A quarter (25%) of companies run their own training schemes, 'with a clear path of progression and development', which are likely those that have fully embraced attribution and have the budgets to support in-house attribution modelling. It is encouraging that some companies are equipping their employees with capabilities for attribution, and this could be a vital step in retaining the best staff, helping to bridge the earlier issue of struggling to hire people within this field.

The results reveal a reliance on vendor expertise for training.

Figure 30: What is your organisation's (or your clients') strategy for ensuring that teams/individuals have the appropriate level of skills in line with objectives for marketing attribution?

Company respondents: 275. Agency respondents: 62

Regional comparison – companies carrying out attribution
Figure 31: What is your organisation's strategy for ensuring that teams/individuals have the appropriate level of skills in line with objectives for marketing attribution?
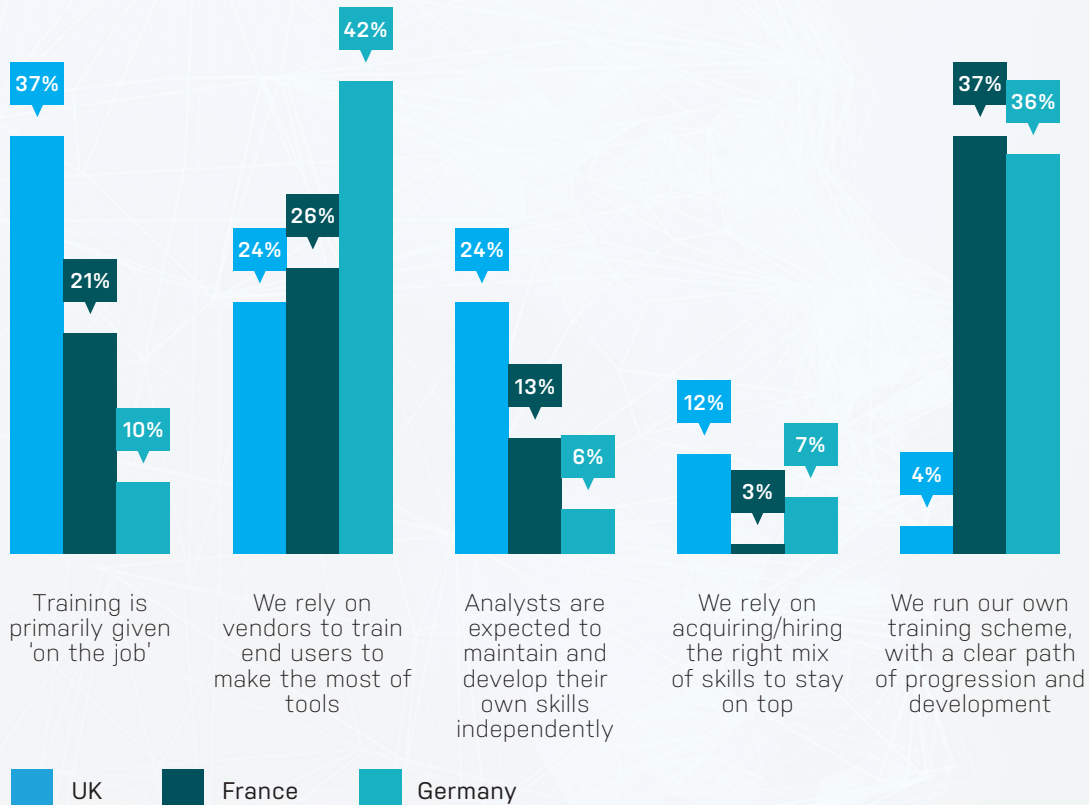
Respondents: UK – 68 | France – 76 | Germany – 104

'On the job' training is common for around a fifth of respondents (21% of companies; 18% of agencies). This is reliant on there already being skills within the business, and the people with those skills having the time and resource to help those earlier on in their attribution journey. A further 13% of companies rely on their analysts to maintain and develop their skills independently. Although admirable if successful, this approach requires driven employees and high discipline levels; a desirable skillset that, it could be argued, is all the more deserving of investing in through training.

When comparing these answers between respondents from the UK, France and Germany *(Figure 31),* there are some noticeable differences in learning styles. For UK respondents, 'on the job' training was the most popular method, cited by 37%. Also popular were training from vendors (24%) and self-maintenance of skills from analysts (24%).

Close to two-fifths of respondents from France (37%) reported that they run their own training scheme, 'with a clear path of progression and development'. This could imply a realisation of the importance of growth and development of employees, in order to ensure that the best workers are kept on and can learn with the company, potentially leading to an increased sense of loyalty to the business as their skillset grows. Vendor training (26%) and 'on the job' training (21%) were also popular among French respondents.

Respondents based in Germany gave the highest priority to vendor training (42%), ensuring that the skills and techniques needed for tools are delivered by the companies who are expert in that particular technology. Outsourcing this training means both that resources do not have to be made available in-house, and that employees are learning all the capabilities of the specific system they are working with directly from the vendor.

9.3. The biggest skills gaps

Company respondents
Figure 32: In which areas are the biggest issues and gaps?
Please rank your first three choices in order.

First choice	Second choice	Third choice
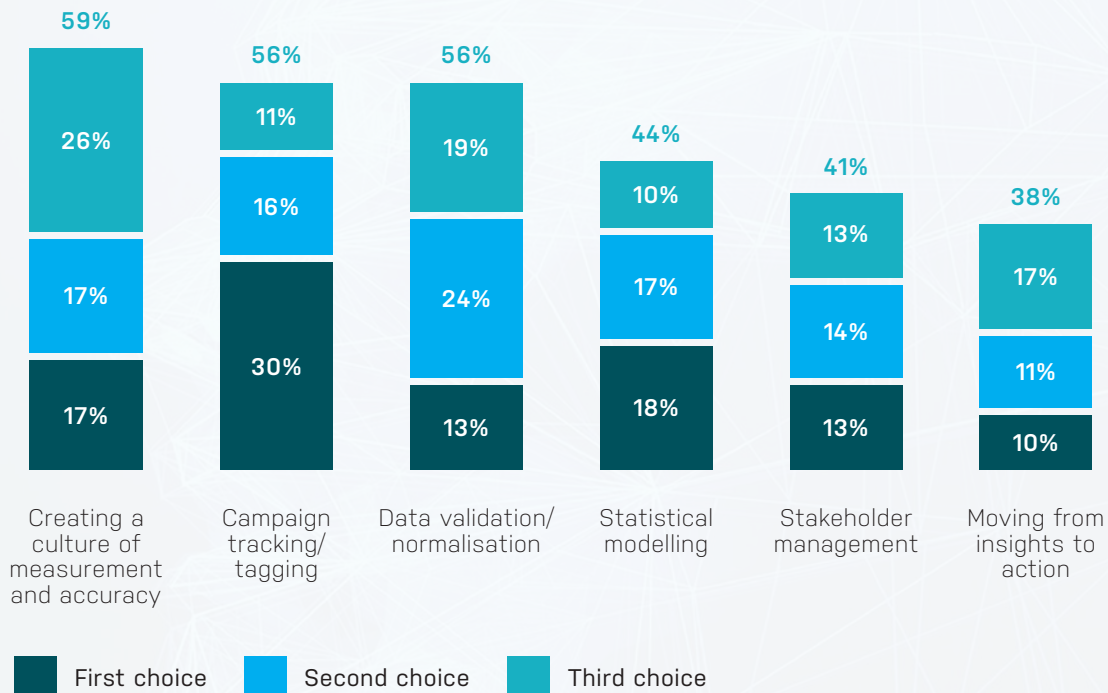
Respondents: 270

When asked about areas with the biggest issues and gaps, there were three answers which featured in the top three for over half of respondents *(Figure 32)*: creating a culture of measurement and accuracy (59%), campaign tracking/tagging (56%) and data validation/normalisation (56%).

Creating a company culture where measurement and accuracy are a focus can be a barrier for many. The importance of clean data needs to be realised across the company in order to start to accurately bring together the many types and sources of data from across the business. With many companies operating within silos, it can take real effort to bridge these gaps and align every team with the purpose of pooling and examining data. Until these data collection methods are in place, attribution is unlikely to be accurate or effective.

Similarly, campaign tracking and tagging is an integral stage but one that is manual and time-consuming. The significant time investment and sometimes tedious nature of the job is one reason that tag management services remain popular. Completing this trio is data validation and normalisation, and the three processes form the foundation for all attribution models.

The fact that these three foundational practices have been cited as the most common top-three issues demonstrates the perception that attribution beyond first or last click is a barrier too high to climb for many. Both time and money must be invested to set up these processes and transform company culture in order for attribution to become as effective and well-functioning as it could be.

Agency respondents agreed that campaign tracking/ tagging was a top-three issue (59%), but statistical modelling (56%) and moving from insights to action (52%) were also ranked highly *(Figure 33)*. Statistical modelling echoes the earlier comments about the foundational, functional stages which must be implemented and done correctly – it could potentially seem overwhelming to a company or team not well-versed in in-depth data analysis. For some companies and agencies, an outside vendor is required at this stage due to a lack of internal skills.

Agency respondents
Figure 33: In which areas are the biggest issues and skills gaps? Please rank your first three choices in order.
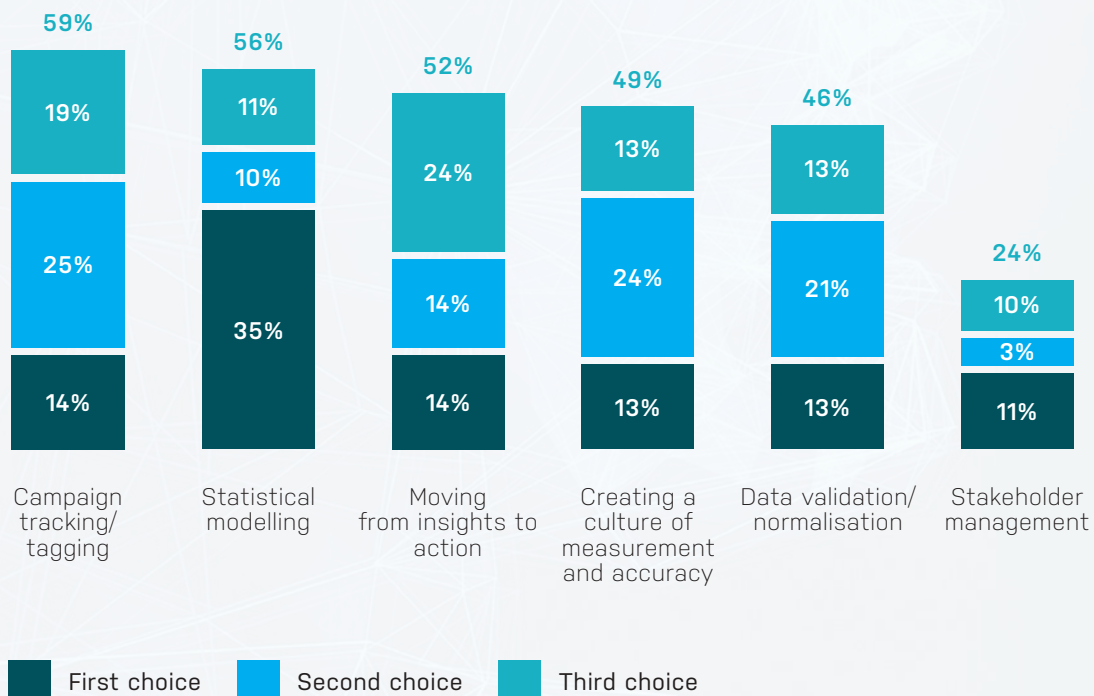
Respondents: 63

Moving from insights to action is another area where agencies and their clients will be keen to narrow skills gaps, as the earlier stages of the data collection and validation process are rendered useless if they are not used to inspire action. Simply gathering is not enough; the data should be the key to further improvements to every process and every stage within the customer journey.

59% of companies agree that campaign tracking is a top-three issue.
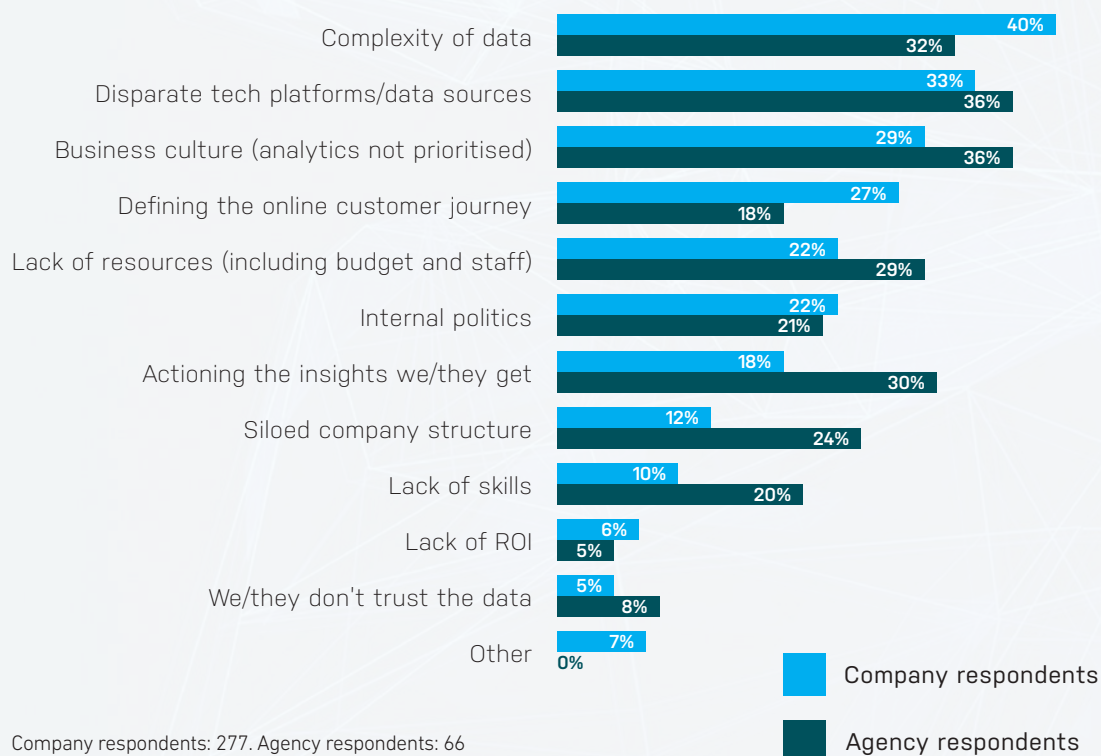
10. Barriers to Success

KEY POINTS

- In the UK, 42% of companies see complexity of data as a major barrier to success when it comes to attribution. In France this is true for 36% of companies, and in Germany 37%.

- Disparate tech platforms are causing problems for 33% of companies – they are struggling to consolidate all their different data sources in order to look at attribution.

- Around a third of companies (29%) say that business culture is one of the barriers they face, with analytics not being prioritised.

Alongside the skills gaps discussed in Section 9.3, there are other barriers to the effective implementation of attribution practices within any company. Attribution is a process which many are still striving for, and it is an area in which few feel confident and assured in their end-to-end process.

Most companies are at some stage of the attribution journey and an abundance of tools and specialists are available to help, but uncertainty still exists within organisations, and as a result, the state of attribution modelling among the majority has not progressed as fast as it might have in recent years.

10.1. Complexity of data: a problem for many

Figure 34: What are the greatest barriers to using attribution more effectively?

Barrier	Company respondents	Agency respondents
Complexity of data	40%	32%
Disparate tech platforms/data sources	33%	36%
Business culture (analytics not prioritised)	29%	36%
Defining the online customer journey	27%	18%
Lack of resources (including budget and staff)	22%	29%
Internal politics	22%	21%
Actioning the insights we/they get	18%	30%
Siloed company structure	12%	24%
Lack of skills	10%	20%
Lack of ROI	6%	5%
We/they don't trust the data	5%	8%
Other	7%	0%

Company respondents: 277. Agency respondents: 66

For two-fifths (40%) of companies, complexity of data is a barrier to the more effective use of attribution *(Figure 34)*, and this feeling of overwhelming data is discussed in Section 9. Often there is siloed analysis of data among teams, using different tools and methodologies to evaluate their own channels, rather than there being one holistic approach. The resulting collation of these siloed datasets is a pain point for many marketers.
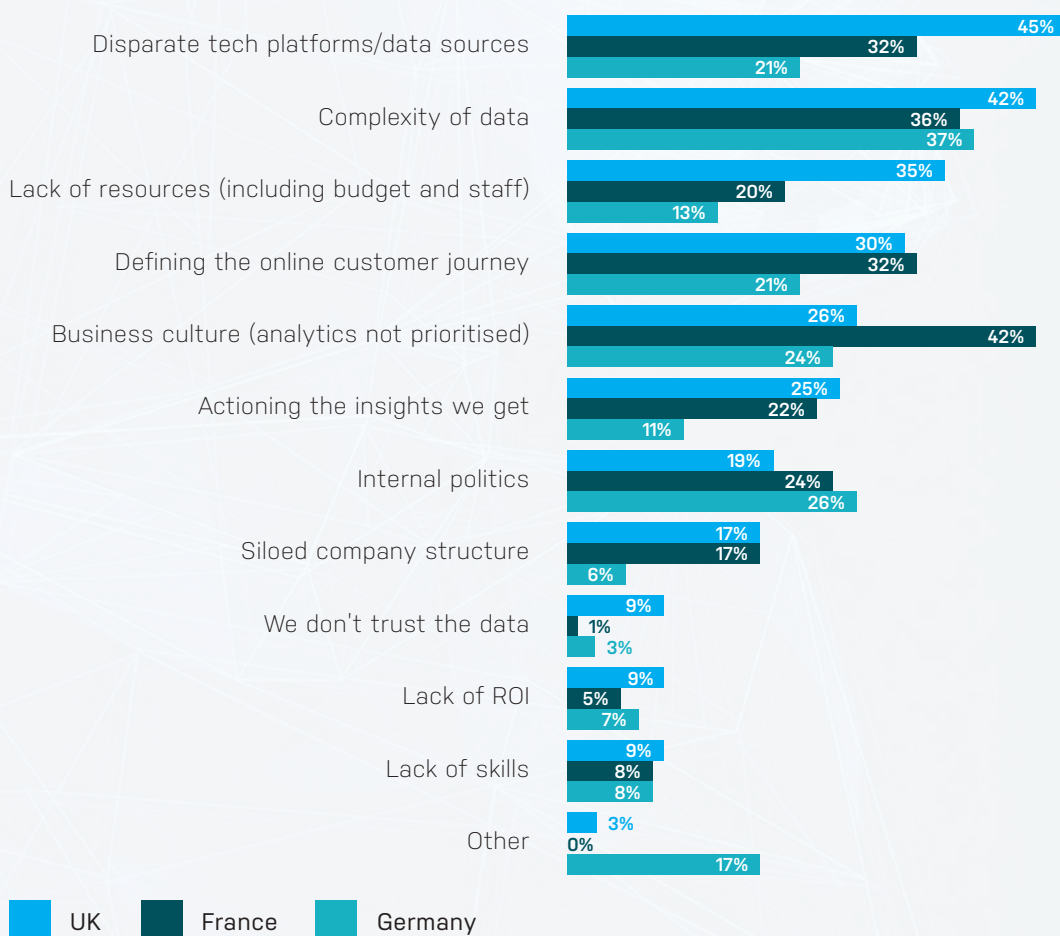
Disparate tech platforms are also causing problems for around a third of respondents (33% of companies, 36% of agencies), and echo the sentiments of previous charts: it's all about the data, and data overload is a very present problem.

The business culture (namely non-prioritisation of analytics) causes problems for 29% of companies and 36% of agency clients, and this is a recurring issue when it comes to data and analytics. In recent Econsultancy research into predictive analytics[7], 39% of companies agreed that it was a barrier to the effective implementation of their predictive analytics programmes.

40% of companies find the complexity of data to be a barrier to effective attribution.

Regional comparison – companies carrying out attribution
Figure 35: What are the greatest barriers to using attribution more effectively?

Barrier	UK	France	Germany
Disparate tech platforms/data sources	45%	32%	21%
Complexity of data	42%	36%	37%
Lack of resources (including budget and staff)	35%	20%	13%
Defining the online customer journey	30%	32%	21%
Business culture (analytics not prioritised)	26%	42%	24%
Actioning the insights we get	25%	22%	11%
Internal politics	19%	24%	26%
Siloed company structure	17%	17%	6%
We don't trust the data	9%	1%	3%
Lack of ROI	9%	5%	7%
Lack of skills	9%	8%	8%
Other	3%	0%	17%

■ UK ■ France ■ Germany

Respondents: UK – 69 | France – 76 | Germany – 104

[7] https://econsultancy.com/reports/predictive-analytics-report

Among UK respondents, disparate tech platforms and complexity of data are viewed as the greatest barriers (45% and 42%, respectively – see *Figure 35*). For respondents based in France, complexity of data ranked in second place (36%), with business culture seen as the biggest problem for two-fifths of respondents (42%). Among German respondents, complexity of data ranked far above the next most commonly cited barrier (37% compared to 26% for internal politics).

The regions are in agreement that complexity of data is one of the biggest barriers to effective attribution simply due to the sheer quantity available through the increasing diversity of touchpoints.

With mobile options (through apps and browsing) increasing the complexity of the customer journey, consumers are now able to communicate with brands in more ways and in more places than ever before.

It seems that confidence needs to grow in the realm of data collection and understanding before companies can begin to fully understand the complexities of attribution on such a multichannel customer journey.

Confidence needs to grow in the realm of data before companies can fully understand the complexities of multichannel attribution.

11. Top Ten Actionable Attribution Tips

1. Unify your data points in one platform to gain a holistic view

Forming a holistic view or 'single customer view' should be the goal of the majority of marketers aiming to optimise their media mix. To enable this, channel data must be cleansed and unified into a consistent format so that it can be plugged into a modelling system. With the study finding that a third of companies blame disparate tech platforms and data sources for lack of progress with attribution, unifying data and technology is a clear starting point for developing insightful attribution models.

2. Leverage data points effectively to invest in your most profitable channels through allocating budgets effectively

One of the benefits of attribution is having a better understanding of the most effective channels, and with this understanding comes the ability to optimise budget allocation across channels (a benefit felt by 72% of survey respondents). This benefit hinges on actioning the insights provided by an attribution model. Even if you need to begin with small changes, by actioning the insights into the profitability of channels through adjusting budgets, the return on investment in attribution will begin to be realised.
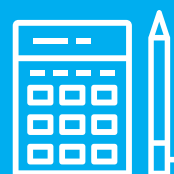
3. Learn about your customers through your data and apply these learnings to your media strategy

Build rich personas by utilising the multichannel data that has been brought together into one platform and build on them by learning which channels are most successful for each persona through the results of your attribution model. Through this process, the understanding of customer behaviour is continuously improved, and the media mix optimised, leading to greater returns with time.

4. Cost/Benefit - invest resources and time into attribution to really learn about your customers and what impacts your real business goals

Attribution modelling will not bring returns without action, and this action requires business-wide commitment. Make investments before, during and after the actual modelling process (examples include data cleaning, attribution technology and analyst time, respectively) to enable the benefits to be realised. Investment in time and money is required. Setting objectives, implementing and optimising customer profiles and the subsequent media strategies is also required - all of which is driven by attribution insights.

5. Ask yourself what are the key questions for the business that need answering in data

Know your objectives for attribution from the start of the process and share these objectives through the business, with individual KPIs applied where appropriate. A clear set of goals from the outset will help you to decide the nature of the data included in the attribution model, and the specific model used. Models vary widely, and the one chosen needs to be supported by a business case with clear objectives. Once the model is chosen, think of the key stakeholders and other teams that need to contribute, and ensure the strategy is communicated to and supported by all. By concentrating on building internal skillsets and providing high-quality training, employees will feel empowered when it comes to handling data, which in turn increases the effectiveness of attribution.

6. Vendor research

Finding the right vendor takes time, but it is recommended to find the best fit for your business. Prepare a list of questions that need answering and get live demos to get a feel for whether the data points would be helpful. A lack of knowledge and time and technology limitations were all cited as barriers to successful attribution in this report. Ensure that these won't be barriers for you by enlisting the vendor that will provide you with the right level of support for you. Think about training: how are you going to make sure your team are skilled and equipped with the knowledge needed to use the technology once you've invested in it? Ensure you know the route you're likely to go down (in-house training, vendor training, employee-led training) before enlisting an attribution vendor.

7. Try different models that align to your business goals

Algorithmic models for attribution rely on rich, solid data sets and as such tend to be used by those further up on the data maturity scale, but there is no reason why companies at all levels can't aim towards this. Try to remove biases through last-click/first-click models and see which channels really drive your business forward as a part of the whole marketing mix. Experimenting with different attribution models and methods allows you to determine what works best for your data and which processes will most effectively help to meet business needs.

8. Communicate cross-functionally

Teams working in a siloed fashion can create barriers to general digital transformation but also to the success of individual strategies like attribution modelling. It is key to understand the goals of each team and what success means to them in order to contribute to a proper attribution model that benefits all parties. The study showed that 40% of companies are feeling overwhelmed by the complexity of data, which can in part be down to this siloed working culture. Disparate tech platforms are causing similar problems, so invest time and effort into bringing these separate pots and separate teams together to create a full picture of the data and resource available.

9. Trial and error

Attribution has its fair share of challenges, and knowing where to begin is often the biggest. It's important to remember that to drive innovation and deliver a strong customer experience, marketers must be able to understand and demonstrate the effectiveness of their campaigns. Consolidate your data first and understand which channels deliver results aligned with assigned budgets. Use this as your first step and then move into the modelling of the data, making small changes each time to try and move closer to your goal. Improve step by step and continue to learn with each one of those tests.

10. Flexibility

Allow some flexibility in your attribution platform. Attribution is not a problem to be solved and left alone; it requires work and development as with any element of the marketing mix. Your attribution model should be dynamic and allow for changes in rhythm when it comes to customer behaviour. It's important to recognise that patterns of behaviour may change according to product, season or campaign and your attribution model should allow you to react to this. In addition to this, models and technologies are improving all the time to reflect the fact that attribution is not the perfect science – close to three-quarters of respondents believe that a perfect attribution model is impossible to achieve. By allowing flexibility within your model these improvements can directly impact your marketing optimisation much sooner.

12. Appendix: Respondent Profiles

Figure 36: Which of the following most accurately describes your role or type of organisation?

- 25%
- 75%

■ Client-side (part of an in-house team)
■ Agency/vendor/consultant
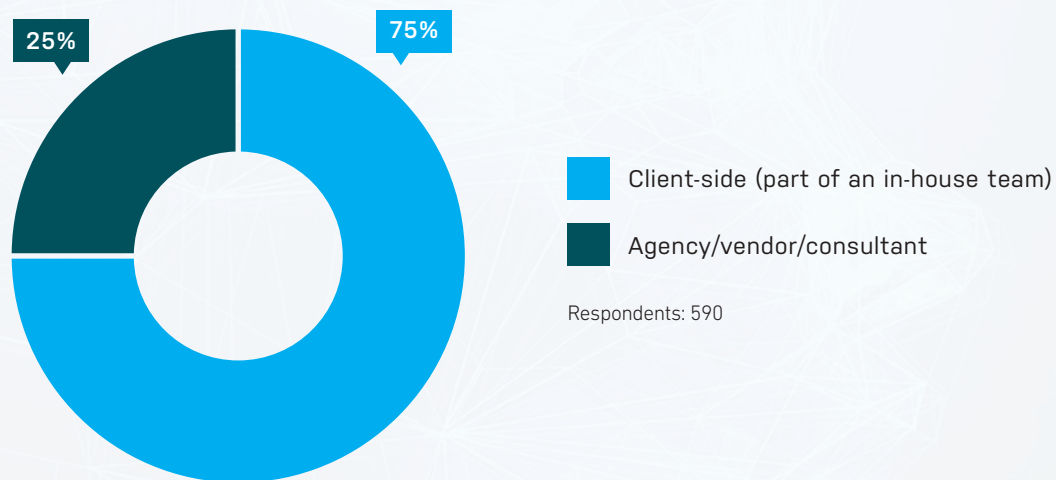
Respondents: 590

Figure 37: In which region are you based?

Europe	Middle East	North America	Asia	Australia/ New Zealand	Africa	Other
94%	2%	2%	1%	1%	0%	1%
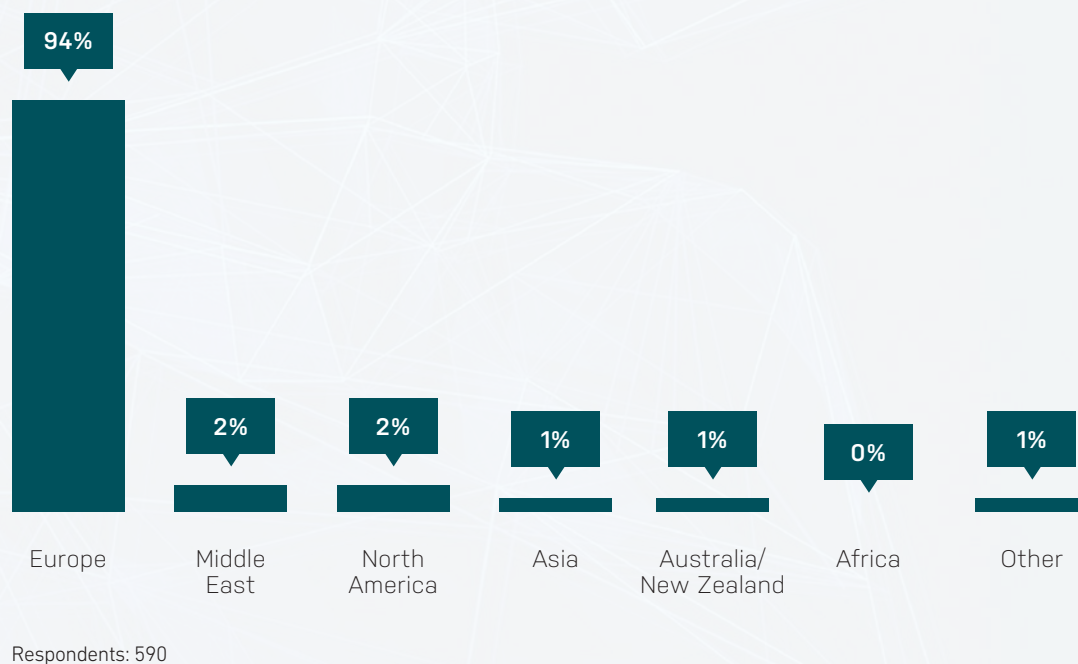
Respondents: 590

Respondents based in Europe
Figure 38: In which of the following countries are you based?

UK	48%
Germany	25%
France	17%
Other	10%
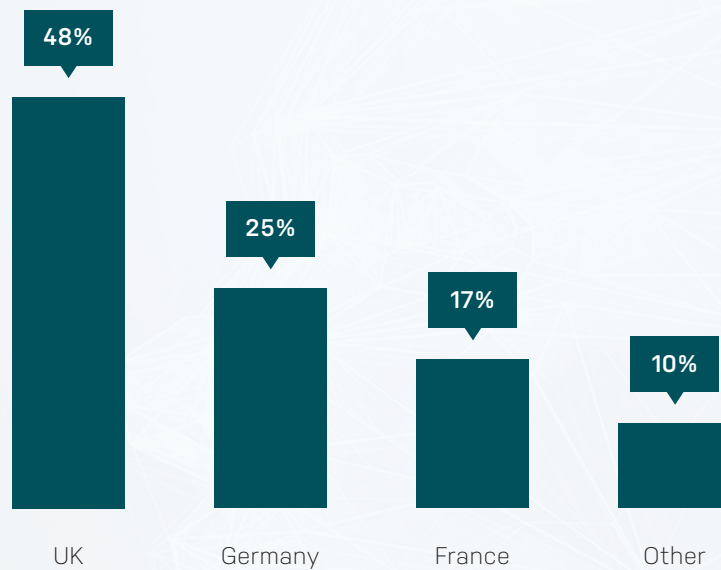
Respondents: 531

Figure 39: Which best describes your job role?

	Company respondents	Agency respondents
Manager	34%	33%
Director/senior director	23%	23%
C-level/general manager	18%	8%
Junior executive/associate	11%	11%
Board level	3%	13%
VP/SVP/EVP	6%	7%
Other	4%	4%

■ Company respondents   ■ Agency respondents
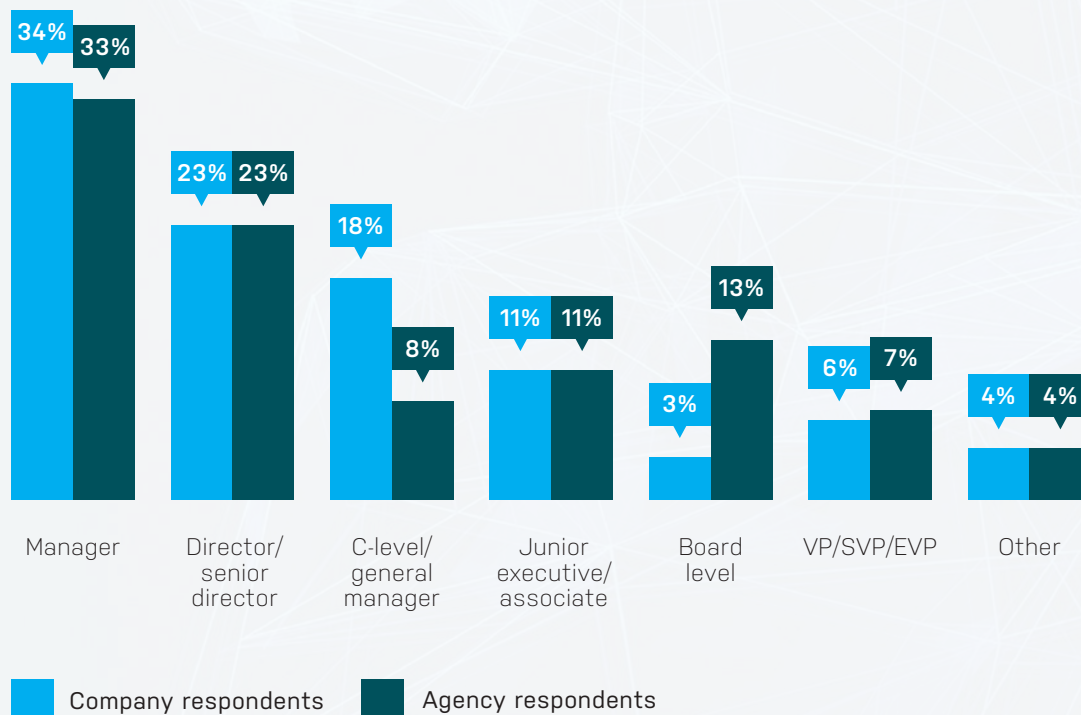
Company respondents: 408. Agency respondents: 136

Company respondents
Figure 40: In which business sector is your organisation?

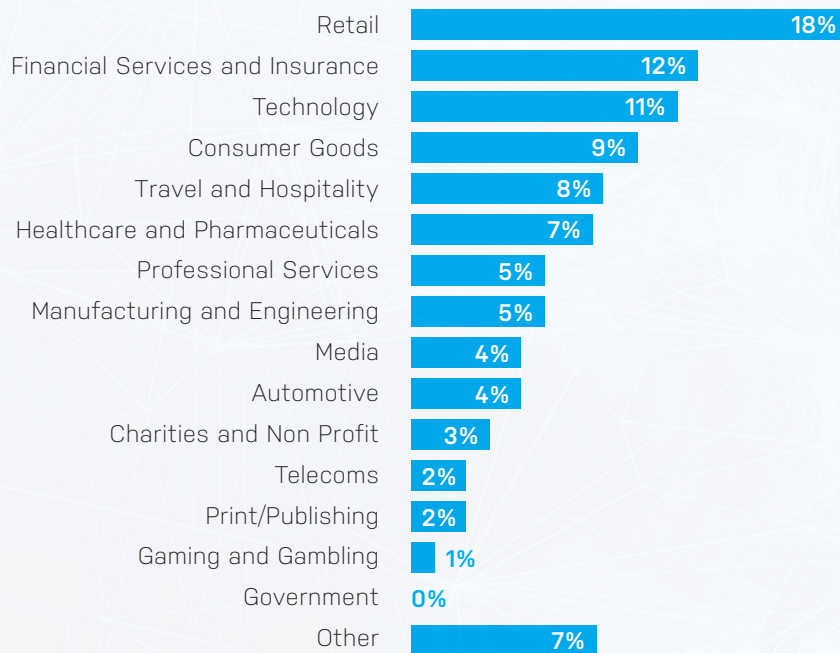| Sector	Percentage
Retail	18%
Financial Services and Insurance	12%
Technology	11%
Consumer Goods	9%
Travel and Hospitality	8%
Healthcare and Pharmaceuticals	7%
Professional Services	5%
Manufacturing and Engineering	5%
Media	4%
Automotive	4%
Charities and Non Profit	3%
Telecoms	2%
Print/Publishing	2%
Gaming and Gambling	1%
Government	0%
Other	7%

Respondents: 410

Company respondents
Figure 41: Are you more focused on B2B or B2C marketing?

Category	Percentage
B2C marketing	36%
B2B marketing	39%
B2B and B2C (equally)	25%
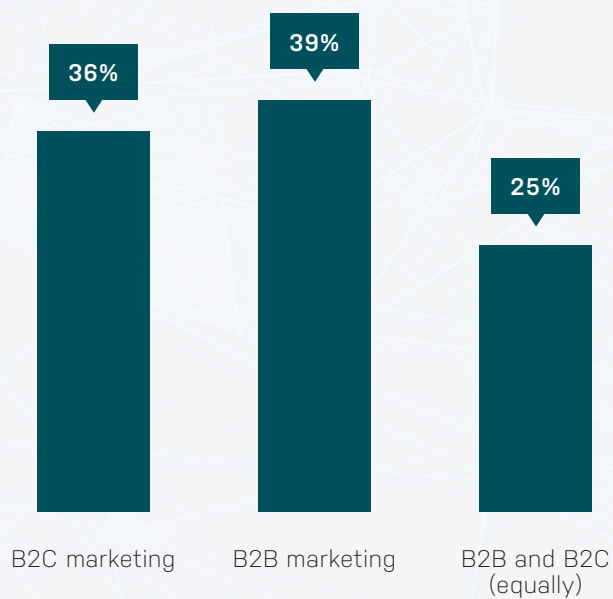
Respondents: 409

Agency respondents
Figure 42: Which type of company do you work for?

Digital agency	32%
Integrated agency	15%
Tech vendor	12%
Media agency	8%
Management consultancy	7%
Independent consultant	5%
Analytics/optimisation agency	5%
PR/communications agency	3%
Market research agency	2%
IT services	2%
Web design agency	1%
User experience specialist agency	1%
Other	6%
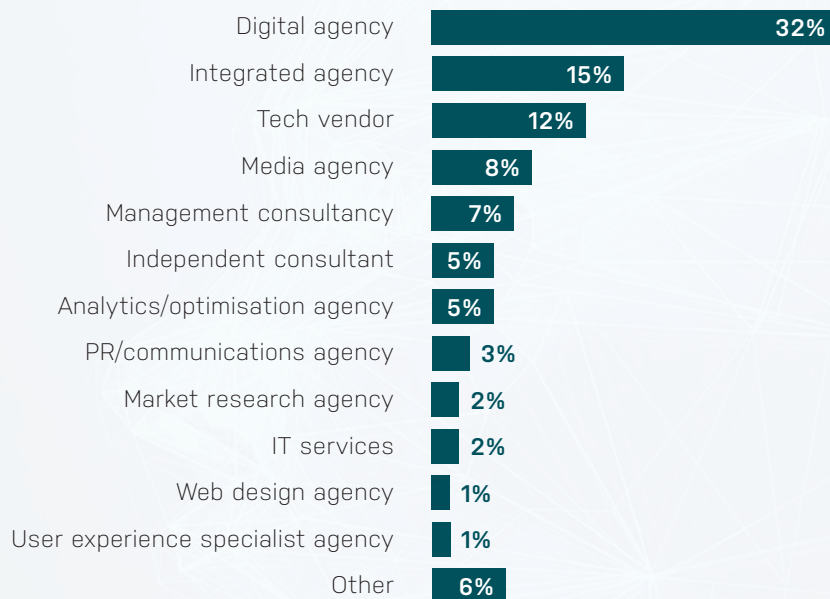
Respondents: 137

Figure 43: What is your annual company turnover?

	<£1 million	£1-10 million	£10-50 million	£50-150 million	More than £150 million
Company respondents	7%	11%	12%	19%	51%
Agency respondents	26%	42%	15%	8%	9%

■ Company respondents   ■ Agency respondents
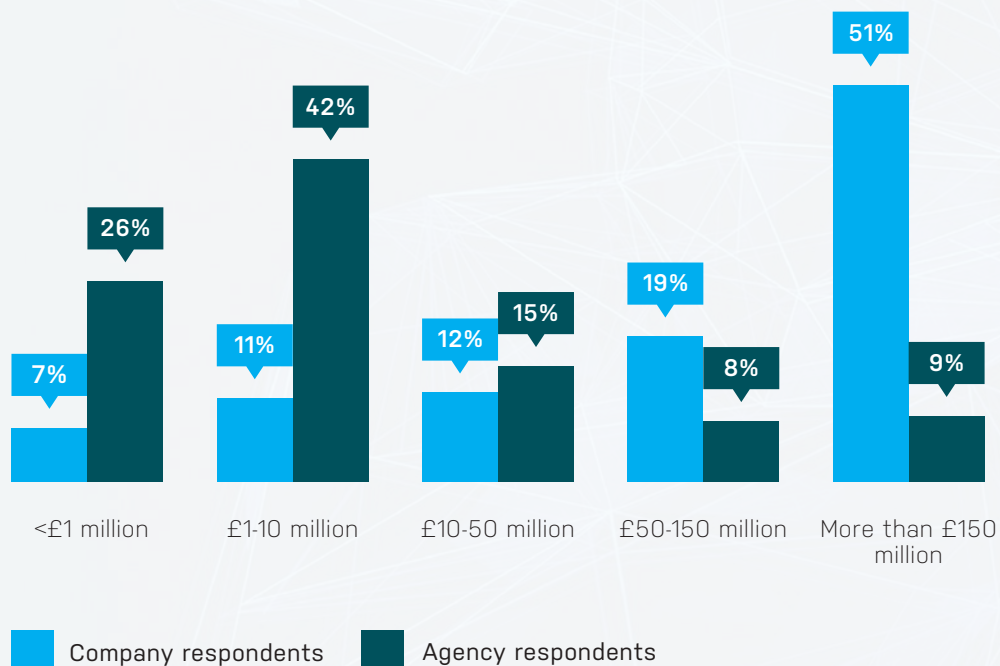
Company respondents: 422. Agency respondents: 144