



Because every buyer's journey is different.

UNDERSTANDING THE NEED FOR MARKETING ATTRIBUTION AT THE PERSON LEVEL

by RRD and Marketing Evolution



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INTRODUCTION

Measuring marketing's effectiveness is never something you'd call easy — even during a time when a company's advertising scope was limited to television, radio, and newspapers.

With the explosion of online channels, the challenge of measurement has only gotten more complex, frustrating and unreliable.

Unfortunately, most attribution models and tools function at too high of a level. This results in generalized or even wrong conclusions that miss the real reason something is or isn't working.

Consider the validity of first-and last-touch attribution models. As their names imply, neither single-touch model provides insight into the effectiveness of any other engagements across the sales cycle. However, according to a June 2019 report from Advertiser Perceptions (as cited by eMarketer), nearly **60% of U.S. agency and marketing professionals default to a last-click attribution model.**

A BETTER WAY

Marketers must find a better way of attributing the success of their campaigns. A way that incorporates as much person-level data as possible. Without it, campaigns assume that everyone behaves identically, leaving marketers to see the average, not the person.

The good news? There is a way, and it's known as multi-touch attribution. In fact, Winterberry Group's report "The Outlook for Data 2019: A Snapshot Into the Evolving Role of Audience Insight," found that the majority (57.3%) of U.S. digital marketers consider cross-channel measurement and attribution the technique/task they plan to focus on improving the most in 2019.

Interest piqued? Keep reading.

STUCK IN THE '90s

For the longest time, single-touch attribution has worked for marketers to a certain extent. With the advent of digital marketing in the 1990s, online advertisers found a new way to define marketing success — last-click attribution.

At the time, this early form of attribution was extremely useful to marketers — the idea being that this particular ad was what drove the conversion. This became a measurement standard for marketers.

Here's the thing: we're no longer in the 1990s, and to measure like we are is a dire mistake for a number of reasons.

- **Optimized marketing spend.** By only considering the last asset or webpage that customers interacted with, last click attribution models imply that customers act with no prior thought.
- **Misleading metrics mislead marketers.** Exercising final-touch attribution leads marketers to believe that those assets are most critical to driving conversions. This results in marketers underestimating the impact of their awareness and relationship building initiatives.
- **Ignoring the standard conversion funnel.** By only accounting for a very small, bottom-of-the-funnel interaction marketers end up devaluing three prerequisites to consumers performing an action: awareness, interest, or desire.

With so many flaws apparent in single-touch attribution (i.e., last-click), it begs the question, why is this method still utilized at all?

REALIZING THE NEED FOR ATTRIBUTION AT THE PERSON LEVEL

In order to get an accurate picture of the customer journey, marketers need to properly integrate multi-touch attribution models into a complete advertising strategy. However, less than 40% of marketing professionals say they have a good-to-excellent understanding of how data-driven attribution actually works.*

When it comes to person-level attribution data, marketers can quickly determine which touchpoints across media drive the most engagement for each person. They can combine those insights across digital channels to better understand the relationship between channels, the consumer, and the impact on ROI.

Person-level data gives a detailed view of a campaign's success, which is why 43% of U.S. digital media professionals think that multi-touch attribution will provide the biggest opportunity to advertisers this year.**

* ClickZ, 2018, "The State of Marketing Measurement, Attribution & Data Management" (as cited by eMarketer)

** Integral Ad Science (IAS), "Industry Pulse: Advertising trends, technologies, and priorities that will shape the industry in 2019" (as cited by eMarketer)

The pay-off to person-level attribution



Optimized marketing spend

When marketers know which dollar is giving more benefit than another, they can reallocate their budget and maximize the value from each dollar spent and focus on more important things, like inspiring creative ideas.



Increased ROI

Every dollar spent now has an increased return value. Companies that find themselves tied to certain channels, for whatever reason, can still benefit from attribution because it maximizes the value of those channels.



Improved personalization and product development

Nearly half of marketers worldwide agree a top attribution priority is being able to analyze campaigns by channel. Through multi-touch attribution, useful trends in the data will become evident and smart marketers will use that information as they create or improve upon a buyer's persona. This can then be parlayed into an improved understanding of who the customer is and what it is they want.

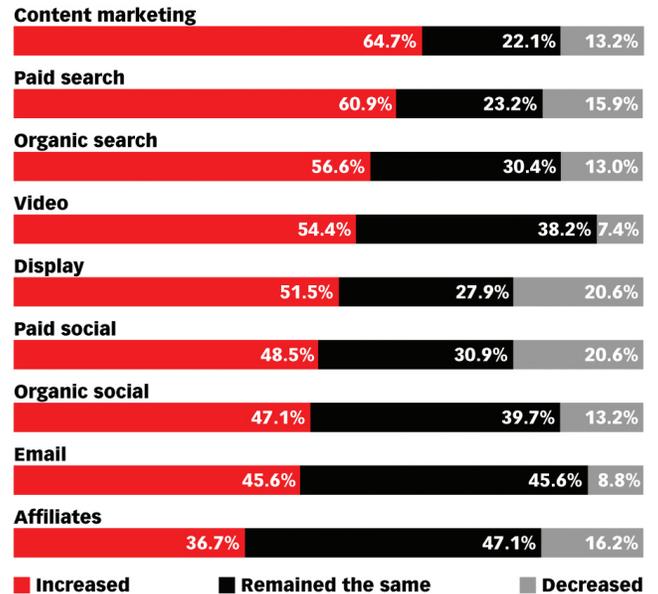


Optimized creative

Multi-touch attribution enables marketers to see what creative decisions impact each step of the process, and how they influence consumer engagement. Every change made to a marketing campaign will now be backed by reliable, real-time data.

How Has Attribution Technology Affected Marketing Budget Allocation Across Channels for US Marketing Professionals?

% of respondents, Sep 2018



Note: agency and client-side respondents; includes online and offline data sources and marketing technology providers
 Source: ClickZ, "The State of Marketing Measurement, Attribution & Data Management" in partnership with Fospha, Dec 13, 2018

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PERSON-LEVEL ATTRIBUTION AT WORK

Case study: Regions Bank

CHALLENGE

Regions Bank (like most other retail banks) has no lack of marketing channels. This includes traditional media, such as TV and radio, messages displayed on ATMs, digital advertising, and even the talk tracks of their customer service representatives and bank tellers.

The challenge for this banking giant was knowing which combinations of message, creative, and channel would remove friction from the customer journey and drive the highest return on their marketing investment. Current measurement tools included media mix modeling (MMM), which was originally built for measuring offline channels' contribution to sales.

While a simple way to get high-level answers and keep organizations aware of broad trends and patterns that have occurred over time, the lack of consumer-level insight was a problem.

SOLUTION

Marketing Evolution provided Regions a two-fold solution that effectively measured the impact of both offline and online channels. That impact was also tied back to online and offline conversions.

First, Regions Bank's first-party data, TV set top box data, and demographic data were leveraged to build a detailed view of the bank's customers and prospects. Then, Marketing Evolution ran cross-channel analysis to see in what capacity each touchpoint contributed to the bank's business goals.

RESULT

Marketing Evolution's measurement efforts returned clear, segment-level, and tactic-level media recommendations. Now Regions Bank has the ability to integrate a broad range of user-level data to:

- Reveal micro-target segments of potential customers by putting the most impactful creative into the most effective media channel at the right-time.
- Make macro-level budget recommendations.
- Understand how to optimize their spend in individual markets across online and offline channels, including Search, Radio, and TV.

Regions achieved a 100% ROI increase with people-based marketing, and increased incremental revenues from new checking accounts by 100%. Regions' marketing department doubled their contribution to the sales portfolio, and gained trust within the organization as they were able to prove their financial impact.

DO YOU KNOW ABOUT THE STRATEGIC ALLIANCE BETWEEN RRD AND MARKETING EVOLUTION?

RRD provides clients best-in-class marketing attribution capabilities through Marketing Evolution's advanced decision-making platform, while Marketing Evolution benefits from RRD's strong analytic consulting resources and customer insight capabilities.

The end result: Industry-leading marketing measurement and optimization solutions to maximize campaign performance across online and offline channels.

THE PATH TO BETTER MARKETING ATTRIBUTION

According to an Ascend2 2018 survey, 95% of marketers worldwide feel a marketing attribution strategy is successful at achieving top priorities. And while the necessity of a multi-touch attribution strategy is apparent, your next steps might not be.

For many organizations interested in revamping their marketing attribution efforts, obstacles have typically come in threes:



Organizational roadblocks

Moving away from outdated attribution methods is a significant undertaking, and many organizations don't know where to start or even what their ideal method of marketing attribution should look like.



Existing processes

Many organizations have crafted incentives for marketing teams to drive more conversions, resulting in greater compensation or a bonus. This is a great idea in theory, except marketing teams will not want to move away from the familiar face of something like a last-click attribution—especially not without the explicit alignment of the executive level.

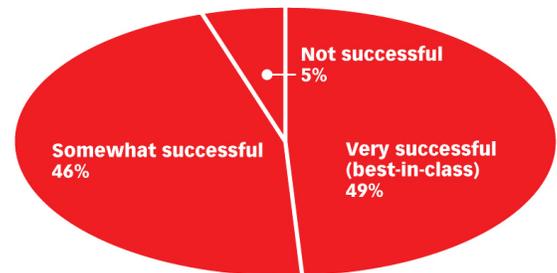


Siloed data

Departments within marketing may not be sharing customer data freely, making it difficult to understand engagements throughout the customer journey. To combat this, organizations should create a unified goal across the entire marketing team.

Organizations must take action to update their attribution strategy. Otherwise, they risk suffering from poorly executed attempts at campaign optimization.

Do Marketers Worldwide Feel a Marketing Attribution Strategy Is Successful in Achieving Top Priorities? % of respondents, June 2018



Source: Ascend2, "Measuring Marketing Attribution," July 10, 2018

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YOUR FIRST NEXT STEP: ASK THE RIGHT QUESTIONS

Even organizations that have historically been analytics thought leaders find themselves challenged to evolve their companies' measurement approaches. On one hand, marketers know that they have to be masters of data-driven decision making. On the other, there are risks in relying on the wrong partner.

To circumvent such risks in your pursuit for better attribution, consider adding the following questions to your vendor evaluation process:

- Does the vendor include brand surveys and connect person-level survey results to person-level sales results? **If not, they may be cheaper in cost, but at the expense of true optimization.**
- Ask to see the speed advantage through a live demonstration, reports from a live campaign, and documented case studies.
- Does the vendor use experimental design, e.g., is success based on a transparent measure of lift or an opaque algorithm that may fall victim to correlation bias?
- Does the vendor provide creative-level analysis that measures different creative at a person-level? **If not, you may get a one-size-fits-all conclusion, instead of understanding which creatives work best for different audiences at different consideration stages.**
- Does the vendor incorporate external and location data such as proximity to store, weather, or gas prices? **Depending on your vertical, these factors can be (very) important.**
- Does the vendor provide people-level measurement across all media channels (not just digital)? **If not, your insights might be fuzzy and vague and not reflective of the user experience with your messaging.**
- Does the vendor own media, or have other economic incentives that may conflict with their measurement services?

As you evaluate your options, remember that **the best of these new tools available** will help answer questions regarding the optimal reach and frequency within and between channels, and which messages are best for which audiences.

IMPROVE THE PERFORMANCE OF YOUR MARKETING INVESTMENTS



In a world of fragmented media and consumer attention, those who are able to rely on data-driven decision making will find real competitive advantage in the marketplace.

If improving the performance of your marketing investments (across online and offline channels) is a top priority, take some time to learn more about RRD and Marketing Evolution's strategic agreement.

We've paired RRD's deep customer insights with Marketing Evolution's attribution and optimization capabilities. This allows marketers to move closer towards truly measurable engagement with individual customers.

Interested in person-centric, unified marketing measurement?

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