

Marketing attribution: Giving credit where credit is due

Customer journey analytics for performance measurement



Contents

Introduction to marketing attribution	1
Choosing the best measurement method.....	1
How SAS can help	4
Influencing paid media decision making	5
Supporting campaign management tactics	7
Where do we go from here?	8



Introduction to marketing attribution

You've heard it said many times before: Every brand has a marketing attribution problem and all measurement methods are wrong. But like all urban myths, these statements are founded on some truth. Most organizations believe they can do better at marketing attribution. They all perceive gaps, like missing touch point data, multiple identities across devices, arbitrary decisions on weightings for rules - and uncertainty on what actions to take from results.

Broadly speaking, the holy grail of media performance measurement is the ability to analyze the impact and business value of all company-generated marketing interactions across customer journeys. Our goal is to take a transparent approach in discussing and demonstrating how SAS has built data-driven marketing technology to help organizations progress past typical attribution methods. We'll also make the business case for customer journey optimization.

As the analytics leader, SAS naturally advocates an analytic approach to address the common operational and process-related obstacles. We treat these obstacles as two sides of the same coin. The output of attribution analytics informs marketers about what touch points and sequences of activities drive conversion. This leads marketers to make strategic decisions about future investment levels, as well as more tactical decisions about what activities to run.

For years, marketers have heard about how complicated customer journey analytics can be. However, we're experiencing a pivotal moment at the interaction of marketing technologies and machine learning. Marketers are now taking advantage of automated and customizable analytics capabilities, a trend that supports an organization's approach to attribution measurement.

Choosing the best measurement method

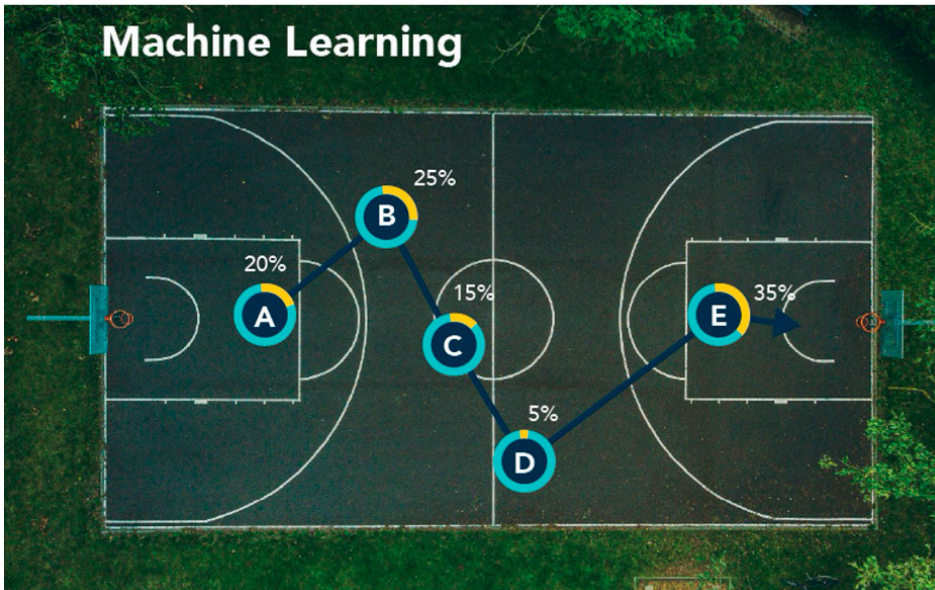
Although many brands use heuristic rules-based measurement methods, a single weighting system cannot accurately attribute credit for any given sequence of customer interactions. So there's every reason to think that the credit should vary depending on the order, time and nature of the consumer's journey.

For example, imagine a game of basketball. The objective is to score a basket (the conversion goal), and there are different ways to measure each player's impact on scoring. Rules-based attribution can be interpreted in a similar way.



To be clear, there is value in absorbing insights from approaches like last-touch, first-touch, position-based, linear and time decay. SAS is working with numerous organizations to use both rules-based and algorithmic attribution for analyzing the effects of marketing efforts.

Algorithmic attribution assigns data-driven conversion credit across all journey-based interactions preceding the conversion and uses machine learning to identify where credit is due. It analyzes both converting and nonconverting consumer paths to uncover the correlations and success factors within marketing efforts. The intent is to exploit the available data to its fullest potential.



Which of these methods should your brand ultimately focus on? The answer is, it depends.

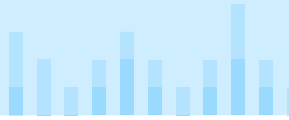
The traditional approach to putting attribution results into action assumes a positive relationship between marketing spending and conversion credit. This logic concludes that diverting resources toward better performing interactions will get a linear return. Challenging that perspective, touch point elasticity should be considered as the art of balancing price, response, supply and demand with spending a certain amount to stimulate demand while acknowledging the law of diminishing returns.

Brands will always have a limited monetary budget, and that creates competition between different marketing activities and touch points. Thus, the more a brand spends on one channel, the less it can spend on another.

Touch point interactions

With a limited budget, there's always going to be competition between different marketing activities and touch points.

- Does one channel have influence on another?
- How do we accurately measure this?



Visualize a scenario where a customer sees a display media ad and uses a search engine later that day to visit your brand's website and make a purchase. Did the customer make the purchase because of the ad? In another scenario, the customer receives a targeted email and one hour later clicks on a social media ad for that specific product. In both cases, there is a question as to how much the first activity influenced the second and how to accurately measure this.

Does the sequence of ads, A/B tests, next-best actions and retargeting matter? Does one act as a warmup for the other? And if so, what is the optimal timing between the two?

Cause and effect

Customer journeys contain multiple interactions, and the sequence of media impressions matters.

- What are the common sequences and time lags that drive conversion?
- What is the optimal timing between impressions?



This is the area where attribution and customer journeys meet. What are the common sequences of activity that drive conversion? How can you influence them?

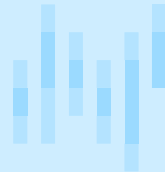
Thus far, we haven't mentioned segmentation. Can brands realistically apply a single attribution model when they have different groups of customers? If homogeneity simplifies the analysis, it might come at the cost of missed opportunities. Do customers always present themselves in a consistent way? They might have different objectives on subsequent interactions or even multiple objectives in one interaction.

Analytically speaking, these considerations and questions are not meant to intimidate. Diversifying best practice measurement approaches is exciting because marketers have an opportunity to better understand the value of channel touches, brand interactions, media impressions, recommendations and more.

Customer/brand interactions

It's not just traffic sources and off-site ad impressions that drive conversions.

- What is the impact of A/B testing?
- Do tactics like remarketing, recommendations and next-best actions influence measurement?



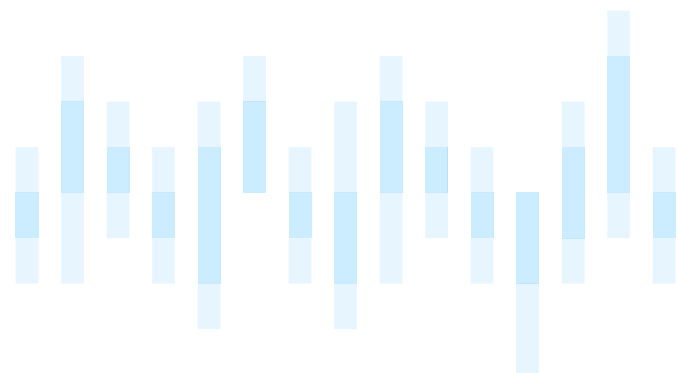
How SAS can help

SAS recognizes that attribution measurement is not a new challenge. But most organizations still have an attribution problem. The reality is that many brands have customers or prospects who fly under the radar across the interaction landscape. SAS believes the way forward is to build an evolving, comprehensive picture in the visible areas of consumer data. The SAS approach to attribution is to use first-party data to find the best method to apportion credit to the different touch points while considering interaction and timing effects. The solution includes rules-based attribution, but the focus is on a SAS developed algorithmic method.

The algorithmic measurement approach is channel independent. The data can come from any touch point. SAS considers traffic sources such as email, search or social, as well as targeted customer interactions by the brand, like site personalization or optimization tactics when calculating the share of conversion credit.

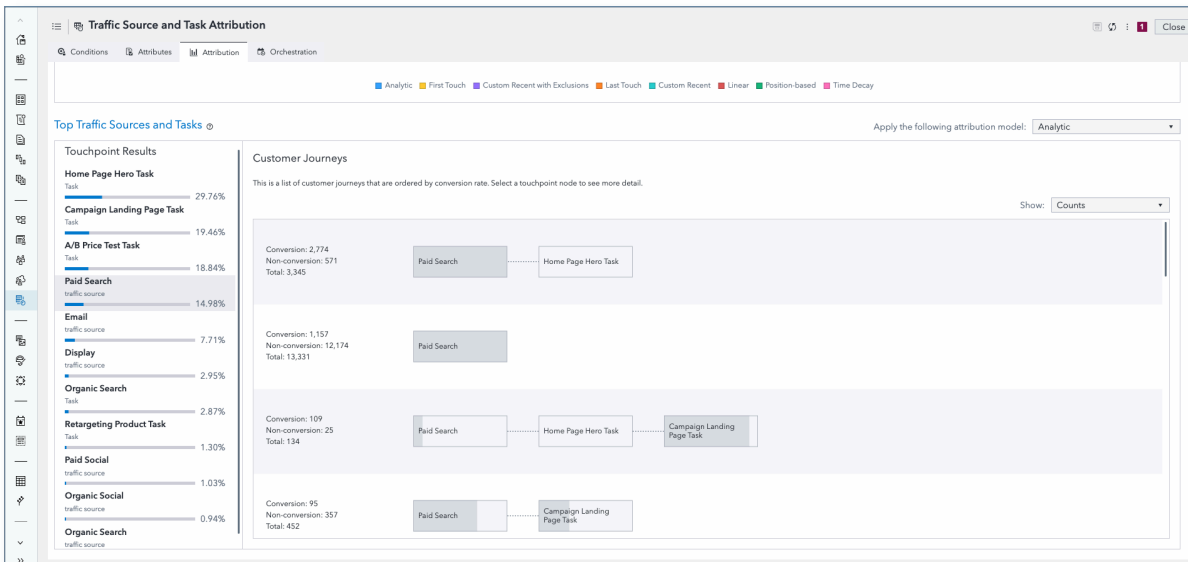
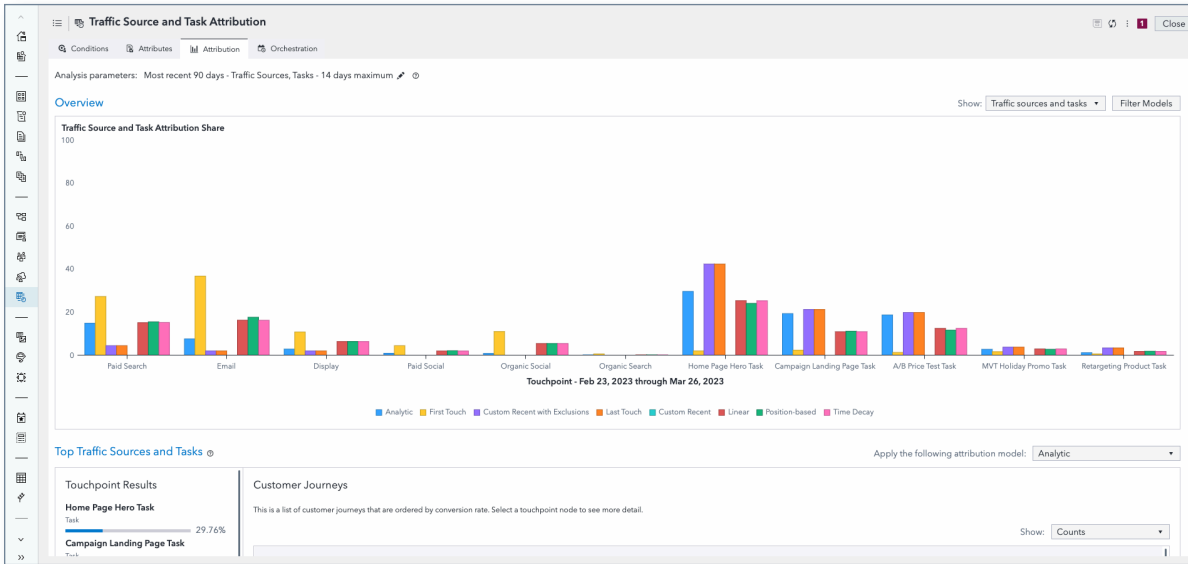
Machine learning has a valuable role to play, and recent trends in the democratization of analytics reduce the time to reach usable insights for:

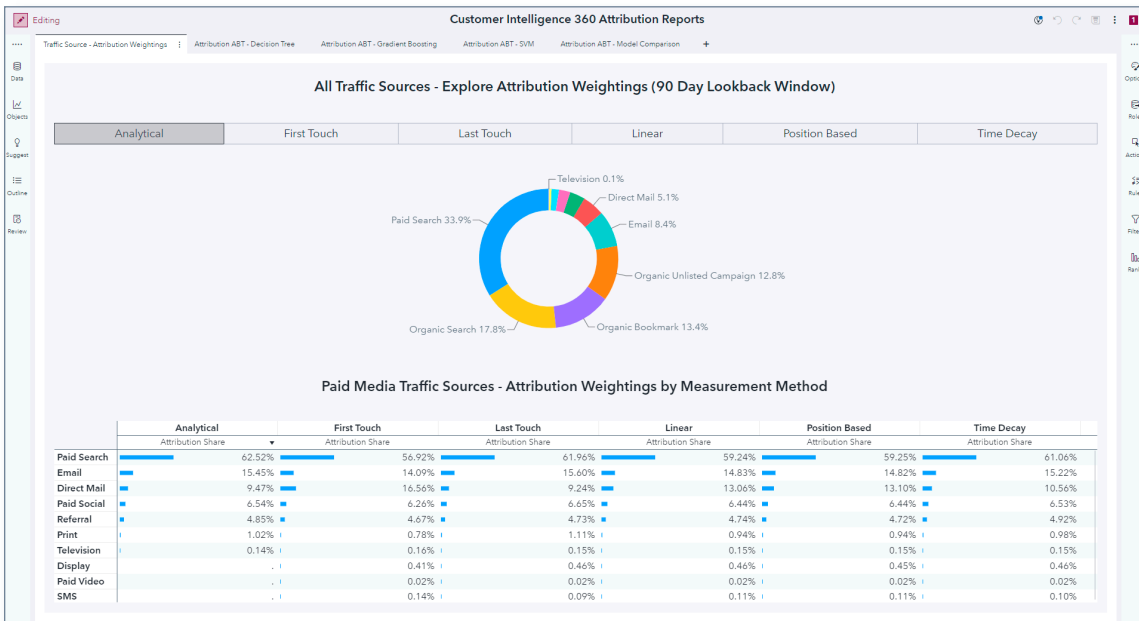
- Helping marketing teams optimize budget allocations and spending decisions for paid media.
- Supporting campaign management teams in improving their segmentation, targeting and personalization tactics.



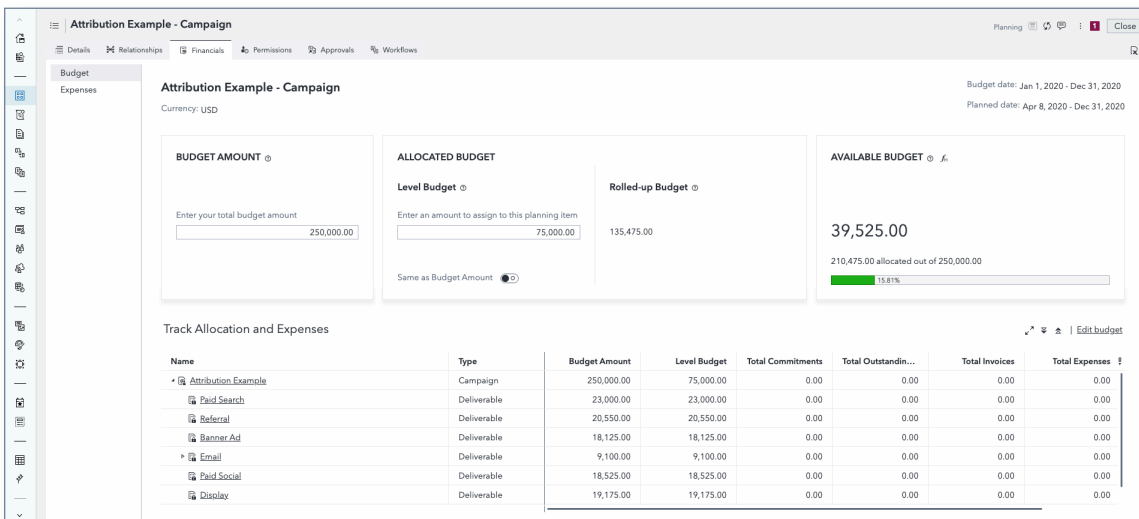
Influencing paid media decision making

One of the traditional steps of communicating with and influencing teams that make a brand's media decisions begins with visualization (or reporting) and the elegance of sharing the data story.





Although visual reporting and modeling represent crucial ingredients to customer journey analytics, the important insights emerge when the attribution weights of importance for channels connect to and optimize budget allocations for paid media spending decisions.



Marketers can use SAS® to integrate and manage end-to-end planning processes.

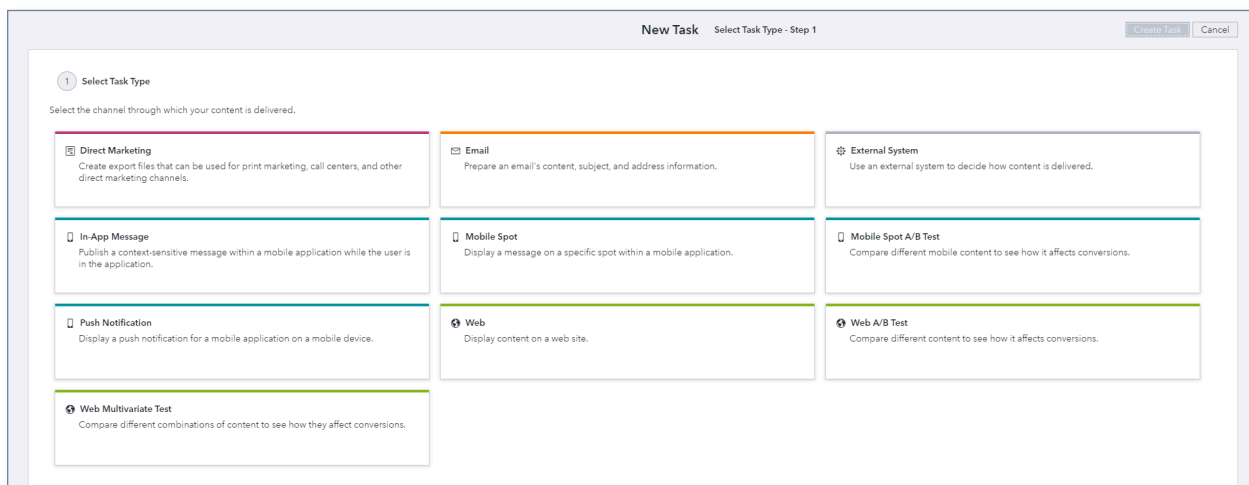
With SAS, you can:

- Plan strategically and collaboratively to ensure that your marketing plan aligns with your brand's objectives.
- Manage finances with an integrated budget that tracks expenses and automatically updates your plans and calendars.
- Use an integrated calendar to schedule and track the timing of plans and tasks for marketing efforts.
- Use workflows to manage assignments and get real-time visibility into project timelines.

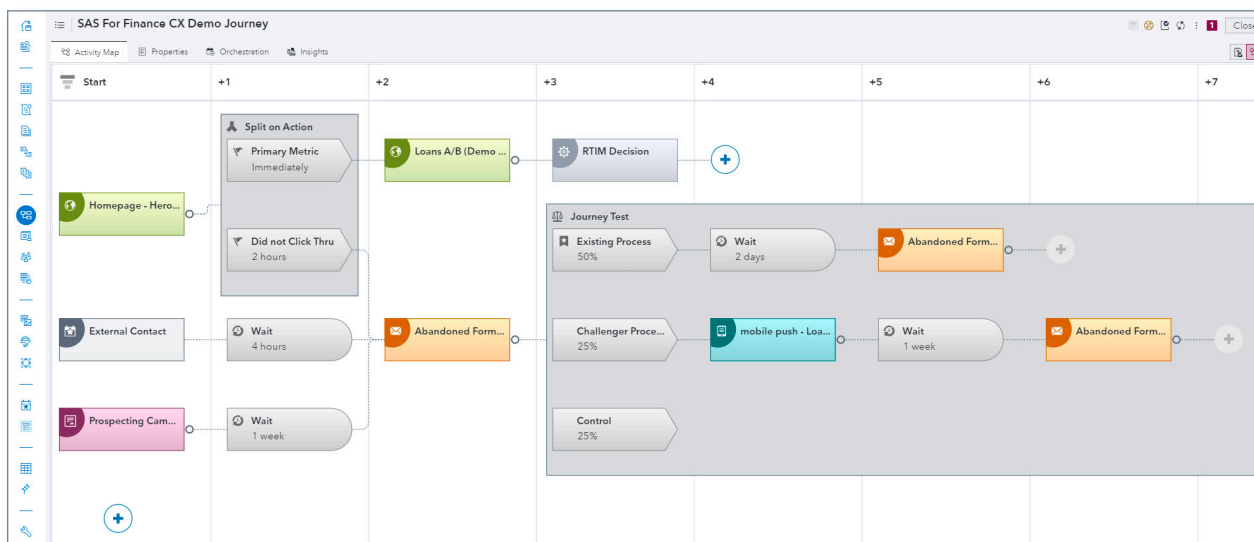
By integrating planning, execution and monitoring of your marketing objectives with the analytical scoring of attribution models, brands can make sure their objectives are on track. As you detect consumer behavior changes in future iterations of attribution measurement, you'll be able to quickly change your strategy as necessary.

Supporting campaign management tactics

Attribution measurement has always had the potential to provide more insight than just channel performance. Getting customers and prospects to your brand's website or app is only half the battle. Brands need to understand which customer interactions provide predictive power in meeting desired conversion goals. And as soon as brands identify audience segments associated with higher propensities, the opportunity to act becomes critical.



Segmentation and targeting should be freed from channel silos and, once defined, be available for personalization and testing across channels. The intent is to better understand and manage customer activity, regardless of channel, in alignment with a brand's goals and objectives. Ultimately, both the analytical-minded and the creative-minded should be unified.



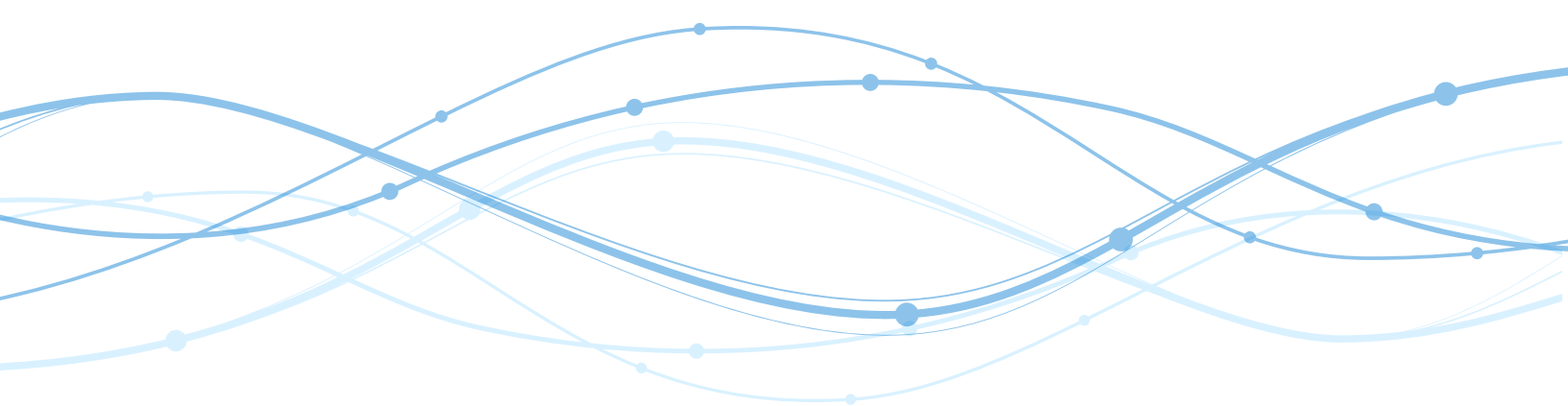
Where do we go from here?

Marketing performance measurement is becoming increasingly data driven, applying sophisticated, statistical analytic approaches to link marketing to revenue. Marketers who overlook this trend will risk falling behind competitors who embrace these powerful tools and analytic techniques.

As more brands rely on analytic insights to pursue superior financial performance and lasting brand loyalty, marketers will have no choice but to adopt AI-powered tools and techniques and use performance insights to optimize marketing results.

With SAS, you can better analyze the impact and business value of all company-generated marketing interactions across the complex customer journey. Marketers can then make strategic decisions about future investment levels, as well as more tactical decisions about what activities to run.

Learn more about SAS solutions for [marketing attribution](#).



Learn more about SAS solutions for [marketing](#).

