



UWEBC
BEST PRACTICE REPORT

Measuring Marketing's Influence with Cross-Channel Data Attribution Modeling

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The Shift toward Data Attribution

Customers now expect to easily use any and all channels for a seamless experience. In order to succeed in this multichannel communication landscape, marketers must increasingly become data driven, use a multichannel approach and understand the customer journey. Cross-channel data attribution models provide insights into the customer journey by telling the story of events that impact a sale.

Our ability to better understand the digital experience of customers requires that we measure multiple touch points with digital analytic tools and piece together information from many data sources. The customer journey to conversion can include any number of the following: visits to a site, paid search ads and organic search engine results, and visits directed from other sites. It may also include marketing tactics such as display impressions, email marketing, and social networking. Another, increasingly important, source of customer information is location data generated by GPS-enabled devices.

Data attribution has been defined as the measurement of the value of each marketing contact or exposure that contributes to an outcome. While an attribution model is the rule, or set of rules, that determines how credit for sales and conversions is assigned to various touch-points in the customer conversion journey (Google, 2013; Forrester, 2012).

Another aspect that must be considered is that customers are increasingly using several different devices. According to a survey of 1,500 consumers conducted by Google (2012), four in five mobile and tablet owners plan to use their devices as part of a shopping experience. Figure 1 illustrates the breakdown of how consumers are shopping at different points in their experience. Correctly attributing which event during a multi-device customer journey contributed to conversion translates into determining profitable avenues for marketing.

Optimizing marketing for the multichannel, multi-device customer is important because these are some of the best customers. According to Moonka (2013), multichannel customers have the following advantages compare to traditional offline only customers:

- Multichannel customers are growing 3X compared to offline only customers.
- Multichannel customers typically spend an average of 5X more than offline only customers.
- Retention of multichannel customers is 2X higher than single/offline channel customers.

Where are other companies on the data attribution journey?

Despite the valuable insight data attribution offers, the development of an integrated, multichannel attribution strategy presents several challenges. Many companies find it difficult to re-work their traditionally disparate structures to develop a true cross-channel attribution strategy. In fact, a study of over 200 senior marketers revealed that 81% lack confidence in measuring ROI across multiple channels (Net Imperative, 2013).