



Four Tips to Mastering Multichannel Digital Marketing Attribution

CONCLUSIONS PAPER

Insights from the presentation *Best Practices on Leveraging Digital Data*

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Introduction

Today, customers are interacting with your product and your brand through multiple digital and analog channels. To make the most of your marketing efforts, it's important to understand how those channels work together to create sales and conversions.

You can measure channels with traditional means, counting ad clicks and site visits, but on their own, reports and numbers offer few insights to customer behavior. In fact, making sense of so much data can be overwhelming.

"You will find petabytes of data relating to your customers, your brand and opinions of your brand," said Carie Whalen, Digital Solutions Manager at SAS. "This data might come from website analytics, mobile app tracking devices, even call center conversations and a variety of social media platforms."

In the end, marketers are often left with more questions than answers, Whalen said. Some of those questions may include: How do you make sense of the data? How do you attribute customer responses to marketing actions? And how do you measure the customer experience?

Marketing in a Multichannel World

Your consumers are using several different delivery channels to interact with you up to and after the time you deliver a product, explained Dave Billbrough, Digital Solutions Architect at SAS. As a marketer, your challenge is to decide how, where and when to interact with those customers through those different channels.

"To reach a consumer with a message that is going to drive the most value for your organization, you have to understand what that consumer is looking for and what type of information will bring him further along the path of conversion," Billbrough said.

Consider the example of a consumer looking up information about your products online from a smartphone inside your store. What sort of message do you want to send that consumer versus someone doing online comparison shopping from a laptop at home?

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Digital Solutions Architect, SAS

Understanding Customer Behavior

Before you can deliver an effective message, you have to understand the behavior of the consumer relative to various marketing channels. Is he researching from home? Is he using a tablet or a smartphone? Is he using more than one channel at a time?

It is not uncommon, for example, for consumers to watch TV with a smartphone, tablet or laptop nearby, said Billbrough. If a consumer sees your commercial on TV, he may visit your website to learn more while the commercial is still airing. For this reason, you might notice more visits to your website during a commercial.

“We cannot analyze delivery channels in isolation. We have to look at them in conjunction with one another. We have to analyze the customer, and then understand the different ways that customer interacts with us,” Billbrough said.

“As customers interact with your brand across more and more channels, it becomes imperative to collect data on the ways in which they’re interacting with your brand. After you collect the data, you have to analyze it to uncover the types of communication your customers prefer, and the correct timing for that communication,” he added.

This is why maintaining awareness of the relationships between channels is essential from a business standpoint, said Billbrough. If you were to allocate resources from an underperforming channel, you could risk interfering with another channel.

“If I’m not getting the traffic I want to my website, and I send out a coupon that is only good for online purchases, does that match the type of experience the customer wants to have? I could be interfering with my customer’s experience by forcing him to use a specific channel,” said Billbrough.

The Complexity of Cross-Channel Attribution

Attribution, the process of assigning value to various steps along the path of conversion, is a hot topic for marketers, said Billbrough. Attribution tells you how much a display or a click-on-search ad contributed to a customer purchasing your product.

When it comes to attribution, Billbrough said, questions marketers ask include: Which online or offline promotion caused a customer to respond or to convert? How do I determine if it was a combination of my direct mail piece, Facebook campaign and mobile offer that drew the consumer to make a purchase? How do I divide sale attribution among those marketing actions?

Attribution, Billbrough said, is never straightforward. In a multichannel world, activities in some channels drive performance in other channels in ways you might not expect and cannot predict.

By analyzing channels in conjunction with each other, you can begin to understand how one channel drives another. From there, you can deploy resources in a way that contributes to the customer experience yet still supports your business objective.

For instance, if you find that a TV commercial is driving traffic to your website, you may want to adapt your landing page to whatever you’re promoting in the commercial, Billbrough explained. Similarly, you might get better performance on a digital channel when you supplement it with marketing on an analog channel.

Synergy should be the goal in all your marketing efforts, said Billbrough. An attribution study that bridges multiple channels will tell you how best to do that. It will also offer insight into your total media investment and the cost of acquiring a customer.

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Best Practices for Measuring Attribution

How do you set up an attribution study so you can understand the best way to integrate different channels – both analog (direct mail, banner ads, etc.) and digital – to deliver the most value? Billbrough offered some suggestions.

Tip 1: Collect Data Across All Channels

To understand why your customers are interacting with you the way they are, you will want to collect data across all your marketing channels, Billbrough explained.

“You want to focus on interaction data. This data might come from a store, a website or a call center. It tells you how customers interact with your brand. You also want to collect Web analytics data and offline sales and analog marketing data,” he said.

This data will allow you to develop a theory about how consumers are interacting with your brand across channels. “Understanding the human element is key to crafting an experience that will satisfy your customers,” Billbrough said.

But it's important to understand that numbers by themselves won't give you the whole story. A report that tells you how many people visited your website is simply a measure of traffic, Billbrough stated. “If I simply count page hits, I'm not analyzing the traffic, I'm just measuring it.”

In marketing, a commonly accepted wisdom is that the numbers don't lie, Billbrough said. But remember, whenever you make a decision based on a report, you're simply forming an opinion of what those numbers mean.

Tip 2: Relate Your Data to Customer Behavior

Once you collect your data and come up with a theory for how your customers are behaving, analytics can help you understand what types of communication each customer prefers and the best timing for that communication, said Billbrough.

To perform a proper analysis, you can set up a study that looks at how customers interact with your brand. You can then take the results of that study and perform a statistical test to find out within a reasonable degree of significance how much you can rely on those results, said Billbrough.

You also want to identify customers on your mobile channel who may be interacting with you in other ways. To design a conversion funnel that drives the most value, you've got to fully understand how each type of customer interacts with you on the path to conversion. That's going to involve a lot of different types of analysis and segmentation.

Tip 3: Measure Your Current Marketing Efforts

As a marketer, you want to quantify how much your existing marketing efforts are contributing to conversions. To do this, you'll need to set up the proper studies and measure KPIs, said Billbrough.

Say, for example, you want to know how much a TV commercial is contributing to an online pay-per-click marketing campaign. To find out, you might set up an experiment with four test groups:

- **Group 1.** No marketing activities. This is your control group.
- **Group 2.** A market with only your TV commercial.
- **Group 3.** A market with only your pay-per-click ad.
- **Group 4.** A market with both your TV commercial and your pay-per-click ad.

After your test period, you should measure the sales lift over the control group for each test group. So that your results are accurate, you also want to be reasonably sure that other factors within those groups remain consistent, Billbrough explained. For example, if one market is exposed to a radio ad that offers a 20 percent discount on your product – but the other markets don’t hear this ad – it could skew your results.

Defining KPIs in the digital world gets tricky, Billbrough said. One solution is to define a digital event as a success proxy for an analog marketing effort. For example, you can put a vanity URL in your TV ad (*yourbrand.com/flash/TV-ad-landing-page*) and measure traffic to that landing page as the success proxy. This would tell you how many customers visited the page as a result of viewing the ad.

Going in the other direction, you could email digital coupons to drive customers to a physical store. And then you could measure the pick-up rate for that coupon. Big box retailers are known for doing this, Billbrough stated.

Other options, he said, are to examine relationships between product page views and types of products that sell in your store. You can also look at the volume of traffic related to keywords for products within a geographic region and see how that relates to in-store sales.

Tip 4: Test Your Marketing Campaign

What if you want to make sure you’ve designed a marketing campaign that will enable you to maintain success? To do this, you want to develop, test and validate a theory that guides your marketing plan, said Billbrough.

For example, if you identify a specific subset of customers you want to maximize your relationship with, you need to develop a plan for reaching that specific subgroup and then test how effective your plan is at achieving that goal.

Be sure to make ongoing testing a part of your marketing plan. This lets you stay in front of any changes happening within a group – and will help you learn how consumers interact with brands in your space and what their preferences are.

“Remember to keep the overall customer experience in mind as you design your campaign and the testing process,” said Billbrough. “You don’t want to cannibalize one channel at the expense of another.”

Four Tips for Multichannel Digital Marketing Attribution

- Collect data across all channels.
- Relate your data to customer behavior.
- Measure your current marketing efforts.
- Test your marketing campaign.

Closing Thoughts

Marketing today is complex, and there are many different factors that drive conversions. It's impossible to get the full picture of why a consumer purchased a product simply by examining one channel or one campaign. Instead, you need to examine all the ways customers interact with your brand. That involves collecting data, doing a thorough analysis and testing your markets.

About the Presenters

Dave Bilbrough is a Digital Solutions Architect at SAS, where he helps businesses transform Web analytics into customer insights. He has more than 10 years of experience with online marketing and analysis and is passionate about helping marketers use analytics to optimize their customers' experiences. Prior to joining SAS, Bilbrough managed marketing and analytics initiatives for banks, including Wells Fargo, BB&T, E*Trade and the Navy Federal Credit Union.

Carie Whalen brings more than 15 years of automation, digital marketing and real-time decision making to her role as Digital Solutions Manager at SAS. Throughout her career, Whalen has helped customers in a range of industries automate and improve their marketing processes. Clients she has worked with while at SAS include Vail Resorts, Chico's FAS and PayPal. Prior to joining SAS, she implemented marketing solutions for Wells Fargo, AT&T and E*Trade.

For More Information

For more about SAS® Customer Intelligence solutions:

sas.com/software/customer-intelligence

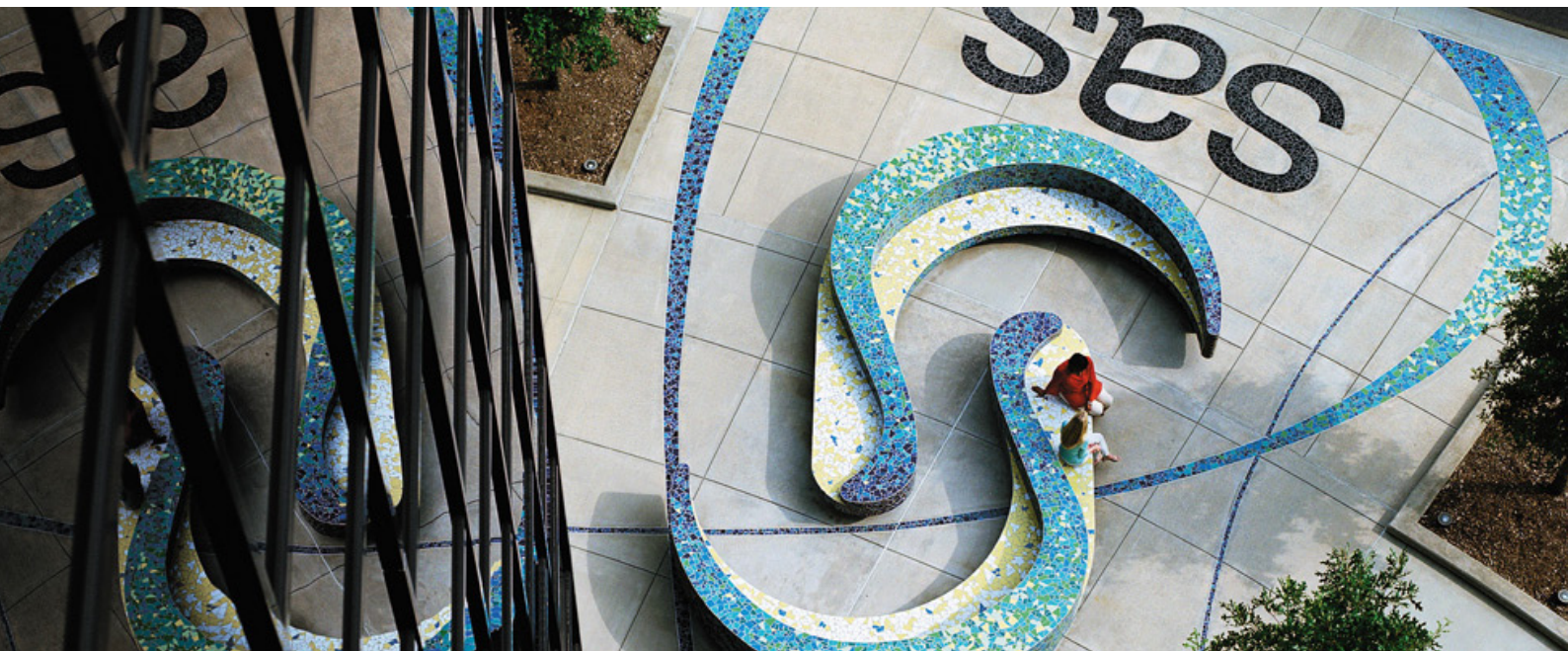
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