

How Successful Attribution Modeling Makes Search Smarter

CASE STUDY: TELECOMMUNICATION

While the main goal of attribution modeling is to determine what medium ultimately receives credit for the conversion, methodologies on the 'right way' in doing so vary. Some say equal credit dispersion among the 'assists' is the best process while others say a linear approach via distributing more weight/credit to the touch point closest to the conversion has the most merit. However, the bottom line and what inquiring marketing minds want to know is: Which assist has been the most instrumental in getting consumers from point A to point Z?

Before getting to that, there's another area that needs to be addressed - - Web analytics packages. Traditional tracking packages assign 100% of the credit to the last click that precedes the conversion. However, most do not account for the first click. Since many purchases or conversions occur only after multiple visits, that first click becomes even more important to take into consideration.

In a broader sense, analytics packages are keeping track of a lot more things than just keywords, such as data resulting from Display; e-mail...anything that can be jammed into that cookie base. So how can marketers leverage that data to show the value of all the other clicks and impressions that led the consumer to their final click?

One way of doing so is through the utilization of econometrics principles.

Econometrics modeling:

A quantitative technique to evaluate the past influence or predict the future influence on a dependent variable (typically sales in a marketing context) of independent variables which may include product price, promotions and the level and mix of media investments.

In other words, what would happen if you took out pieces of the conversion path? So if you know people started at Display and then went to Search, what happens if you shut down Display? Does the Search traffic plummet? What happens if you turn off Search? Would the consumer find their way in through direct navigation?

So by turning off pieces of the conversion funnel, marketers can identify what channel is instrumental and can ascribe more importance to it.

Let's take a look at a case study:

Applying econometric modeling, IMPAQT analyzed a telecommunications client's media spending (including Internet Display, Broadcast, Print and Outdoor) over the past two years using TNS Media Intelligence while "decomposing" Search activity into various components (seasons, trends, etc.).

This testing revealed that per \$1000, Online Display had the largest impact on Paid Search branded terms than other media.

So what key takeaways can be drawn from this knowledge? Well for starters, if the client is to run a Display Ad, he/she should expect Search impressions to increase. This also means an increase in clicks and cost. Knowing this, IMPAQT can better allocate budgets and bids which will result in greater ROI.

So really, attribution is not only about "giving credit where credit is due" but also assuring that budgets are being allocated properly and that you are achieving maximum return on investment. While there still may not be one right answer to attribution, there are steps being taken in the right direction. And it's being fueled by the data exchange between the channels.