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Fewer than 10% of US Marketers Think Their Company's Attribution Knowledge Is Excellent

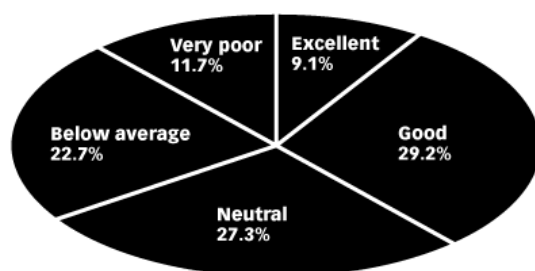**ARTICLE** | **FEBRUARY 04, 2019**

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Companies may know that more advanced attribution practices are needed to prove marketing value in today's complex media world, but that doesn't mean they understand, or easily embrace, these practices.

Only 9.1% of US marketers polled by digital marketing news company ClickZ and attribution firm Fospha rated their company's current understanding of data-driven attribution as excellent. Nearly 12% said it was very poor, while an even higher percentage (22.7%) said it was below average.

How Would US Marketing Professionals Rate Their Company's Current Understanding of Data-Driven Attribution*?
% of respondents, Sep 2018

- Very poor 11.7%
- Excellent 9.1%
- Below average 22.7%
- Good 29.2%
- Neutral 27.3%

Note: agency and client-side respondents; *Fospha's algorithmic approach which utilizes machine-learning to calculate the fractional credit of each interaction
Source: ClickZ, "The State of Marketing Measurement, Attribution & Data Management" in partnership with Fospha, Dec 13, 2018
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Marketers want a better understanding of how their ad dollars are being spent, but simple models like last-click attribution—which credits a purchase or conversion to the last ad a customer clicks—hinder marketers' analytic capabilities. That's why some are turning to tactics such as multichannel attribution, which assigns marketing credit to more than one touchpoint or channel.

We forecast that 58% of US companies will use multichannel attribution for their digital marketing efforts in 2019, up from 49% in 2017. But even though marketers are shifting to more advanced attribution practices, that doesn't mean all the companies adopting new attribution models understand them.

As part of our attribution report series, Mike Bregman, senior vice president of data, analytics and technology at ad agency 360i, spoke to eMarketer about the building blocks required for marketers who want to advance their attribution game.

Lots of marketers are trying to revamp their attribution efforts. Have you seen any advertisers that have mastered it?

No one's doing it 100%. There is no perfect solution for attribution, but there are some major components to it.

What are those components?

One is what is the organization trying to get out of it. What are the goals that they're trying to reach? How closely do the ecommerce metrics that they're optimizing align to their business key performance indicators?

From there, it becomes a data-discovery and consulting exercise. How clean is the overall data? How organized are their naming conventions? What sort of partner does the agency work with? How does the agency actually end up using it? What specific value will it have for clients?

What else should marketers consider as they shift to more advanced attribution models?

There are a lot of foundational things marketers should be doing first, like A/B testing, placebo testing, thinking about digital reporting in general and then getting value out of that. Have they thought about marketing mix modeling? How good have their historical analyses been and their overall understanding of data and data infrastructure?

Can you give me an example of when it makes sense for a marketer to not adopt multitouch attribution?

If you are trying to grow the business, you should begin with a top-down methodology. From there, you should think about content optimization and how much to invest channel-by-channel. On any two of those channels, you should optimize as much as you can. Once you've squeezed all the juice there, then you should think about multitouch attribution as the most data-heavy, granular and tactical analysis for ecommerce.

To address business goals and needs, marketing mix modeling is usually a more powerful tool. It's gotten a bad rep, but it has a lot of momentum and is widely used.

eMarketer PRO subscribers can read the report, Advanced Marketing Attribution Part 1: A Companywide Blueprint for Success (Part 1 of a Two-Part Series), now. Part 2 will be published later this month.

Not sure if your company subscribes? You can find out here.