Introduction
Marketing attribution has been around for as long as diligent marketers have been trying to measure and track the impact of their activities. The Interactive Advertising Bureau defines digital marketing attribution as “the measurement of the value of each digital marketing contact that contributed to a desired outcome.” In other words, this is the process of defining how customers prefer to engage, and what drives the outcome you are attempting to measure.

The importance of the CMO-CIO relationship identified one large factor driving this collaboration is the drive to focus on the customer. Together these executives will lead the definition of what it means to build a 360-degree view of the customer, and how to use that understanding to build a customized, meaningful customer experience across multiple touch points. This move toward personalization is where attribution comes into play.

The increase in advertising on digital media channels, along with the importance placed on the customer journey has resulted in demand for more accurate methods of measuring ad performance and ROI. The concept of digital attribution is not new and some early methods included offer codes or designated telephone extensions. However, the increase in data from social, mobile and other digital channels has given rise to more interest in, and the adoption of cross-channel marketing attribution projects.

A recent survey of more than 600 marketing professionals in the U.S. showed that this year nearly 10% more marketers are investing in revenue reporting, compared to last year. The same study showed 38% of those who increased their revenue reporting still did not have an attribution model in place, and nearly one third had no idea which digital channels made the biggest impact on their bottom line. The inability to attribute revenue to activities in digital channels is likely not due to a lack of information on the subject, as a simple online search for “digital marketing attribution” yields more than 100 million results.
Over the past decade, Matrix Marketing Group has seen an explosion of marketing touch points that have placed increased scrutiny on the value perception of channel mix modeling. We’ve applied a top-down approach with channel mix modeling, alongside digital attribution modeling as a bottom-up modeling approach.

“Historically agencies didn’t necessarily look at data as a real asset. Digital has really been the massive driver of that.”

“If you integrate a data and analytics framework with the strengths of a marketing agency, then you significantly increase your ability to deliver a tangible impact for your clients.”

Although B2B companies may face greater challenges than consumer-driven companies, their decision makers are placing no less importance on attribution. In fact, proving ROI was the number-one digital marketing challenge that B2B marketers reported for 2015, according to one study. In the face of growing emphasis on attribution, B2B marketers are becoming more uncertain about which digital channel drives the most revenue. This uncertainty was up 6 percent from last year.

Digital attribution is not one of the easier analytics concepts to grasp, let alone implement, especially when applied to multichannel or omnichannel marketing scenarios. Most marketers and consultants express their opinions in the form of tips, tricks, or how-to guides that assume an organization is inevitably heading down the attribution path. Make no mistake, marketing attribution is a worthy endeavor. For those new to the concept, however, it can be intimidating to wade through vast amounts of detailed information, feeling as though you are playing catch-up with your peers.

This article aims to dispel some common misconceptions, provide foundational knowledge about how attribution works, and empower brands to develop and deploy their own attribution programs.

**Misconception #1: Digital attribution is only for B2C**

Marketers often typecast digital attribution as appropriate for only programs and campaigns aimed at consumers—after all, those are what draw attention. But attribution can be a useful metric for a variety of businesses, regardless of customer type, because of the increase in data being collected indicating how customers engage. Companies typically utilize CRM systems to glean relevant information about customers and prospects. Being able to access, understand, and utilize that data is often a precursor to attribution modeling. In fact, two of the primary components to venturing down the attribution path include the ability to collect data on customer touch points and the ability to define something to measure (a “conversion”).

B2B companies have been slower to incorporate digital attribution into their marketing strategies and revenue reporting models. This slower adoption rate is largely due to fundamental differences in revenue cycles, according to BrightFunnel, a B2B-focused attribution and revenue forecasting company. They explain that, “B2B companies have to navigate their marketing and sales efforts to and through multiple decision makers and evaluators.” Because of their differences in revenue cycles “consumer marketers have been quicker to solve attribution for their efforts than B2B marketers.”
The almost continual introduction of new technology is driving the rise of digital attribution strategies within all types of organizations. B2B companies are taking advantage of digital marketing tools that are designed to help companies to focus their cross-channel marketing efforts and become more efficient.

While these new marketing tools can empower all types of organizations and will undoubtedly aid the attribution process, they can’t overcome every challenge. Organizational silos that inhibit the sharing of information are a significant obstacle to undertaking a digital attribution project.

**MYTH #1**

Digital attribution is only for B2C.

21% B2B marketers use content marketing, who are effective at tracking ROI

86% B2B marketers use content marketing

B2B Marketers Working on Gaining a Better Understanding of What Content is Effective (and what isn’t)

- working on this now: 55%
- working on this within 12 months: 31%
- say it’s not a priority: 9%
- provided no answer: 5%

**Misconception #2: Digital attribution sits only with marketing**

Attribution is about more than accountability and effective allocation of marketing resources, and the real value is in its ability to drive a unified customer experience by providing a more transparent view of how customers engage with the brand. In order to realize this value, the digital attribution endeavor requires alignment and integration across a number of functions to be successful: the CMO and marketing team, the CIO and IT team, the CFO and finance team, the CEO, and third-party vendors.

It is crucial that these C-suite roles take what some call a closed-loop approach to marketing: working collaboratively to define objectives, deciding on an approach, sharing information, analyzing data, and creating short- and long-term strategies.

“The entire organization has the opportunity to focus on and be held accountable for the customers’ brand experience. The CMO and CIO can better collaborate toward a broader vision by leading with the customer experience and their company’s business goals.”
Executives in most organizations generally see marketing as owning the attribution initiative. In a recent Forrester survey, 68 percent of respondents identified marketing as the department responsible for the strategy. While the marketing team usually aligns and drives the strategies, as well as executes on creative objectives, if these teams cannot easily interface with IT-generated customer data, it will be difficult for them to drive an attribution strategy.

More importantly, the whole process will gain little traction without alignment across the C-suite. The CEO, CMO, CIO, and CFO must be in agreement that digital attribution is a worthy undertaking because progress depends on their teams working together. There will be bumps in the road while marketing customizes, tests, and refines attribution models to determine the most accurate channel contributions, and the implementation process will be more manageable if the proper alignment and communication channels are established across functional teams at the outset.

This alignment can also help dispel the notion that attribution modeling is an exact science and can remain static once an optimal mix has been determined.

### MYTH #2

**Digital attribution sits only with marketing.**

**CEO**
- Sets overall business objectives
- Ensures that measurement strategy is in alignment
- Interested in the impact of marketing measurement on the bottom line

**CIO**
- Gatekeeper of customer data and systems
- Must align with marketing on specific data points needed
- Must be a partner in attribution to deploy systems and resources that are aligned

**CFO**
- Sets budget parameters in line with business objectives
- Requires cost justification for an attribution strategy spend
- Must understand how marketing activities impact the bottom line

**CMO**
- Primary advocate, owner, and driver of the attribution initiative
- Must understand how attribution will integrate with business objectives
- Must make strategic measurement decisions
**Misconception #3:**
Digital attribution models are exact and static

It is well known that attribution modeling can be complex and confusing for those of us who do not hold statistical analysis or data science degrees. There are a wide variety of models available, but perhaps none of them align with your goals and tactics. Finding the attribution mix that is most accurate for tracking your customers’ journey will surely require customization.

Continual monitoring and refinement is also a must. A recent Duke Fuqua School of Business survey asked leading CMOs about the factors preventing their organizations from furthering their marketing analytics initiatives, and the top answer was that current analytics “do not offer sufficient insights”. This suggests an environment where additional spending on measurement could be a tough sell without an understanding that customization is essential for increased accuracy in attribution modeling.

"Multi-channel attribution modeling and analysis is not a one-time effort, it is something you’ll do all the time. Not every day, but at least do an operational review every two weeks and a strategic review (with recommendation for changes) every month.” – Avinash Kaushik, cofounder and CEO of MarketMotive

Popular software solutions offer a variety of out-of-the-box models to get marketers started on a attribution project. These models include last interaction, first interaction, linear attribution, and time decay, but this article will not delve into a critique of specific attribution models, as it is a lengthy topic worthy of its own discussion. However, most marketers would probably agree that first interaction and last interaction models are a bit antiquated in today’s world of digital, cross-channel marketing because they do not account for the many steps in a customer journey. Attribution modeling also has difficulty accounting for certain offline touch points like billboards, magazine, newspaper, and bus advertisements.

An organization should regularly examine its digital ad spend and compare it to overall spend because diversifying the digital media mix, and ensuring an optimal mix of placements is an important element of both attribution and customer

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**MYTH #3**

Digital attribution models are exact & static.

**Types of attribution models**

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experience. This can be based on a number of factors including the stage of the customer journey, engagement platform, message, or call to action. No matter how simple or arduous the process of establishing an attribution system, marketers should continue refining their modeling and measure a shifting range of channels, based on how channels are performing, how customers are engaging with the brand, and any changes to ad placements. Sticking with a standard or static model may lock in incorrect assumptions about the customer path—and everything else.

All of these specifics around attribution modeling might have you wondering if it is worth the effort. The short answer is maybe. This leads us to the final misconception on our list.

**Misconception #4: Digital attribution is a must**

The benefits of establishing an attribution effort within an organization can be far-reaching. Digital methodologies, paired with new marketing technologies, can track and account for consumer activity in ways not previously possible. The ability to analyze and understand the available data points, as well as translate them into a tangible understanding of ROI, is where the real value lies. Forrester Research analyst Tina Moffett writes that attribution is “the most effective approach to marketing measurement.”

However, marketers should take a pragmatic approach to introducing digital attribution and launching a campaign to get the entire C-suite on board. Not every organization will find the results worth the considerable effort of a major initiative. Approached strategically, attribution is a long-term investment of both time and resources and, as Moffett explains, “Adoption is low because it is a difficult task.” She points to the fact that many organizations view attribution not as a strategic initiative, but as a side project most appropriately headed by mid-level managers. Moffett also says that customer purchase paths are often convoluted and that the vast amounts of available customer data make it difficult to integrate and correlate patterns.

Many companies simply cannot afford the large price tag that accompanies full investment. Implementing an attribution-measurement strategy can cost hundreds of thousands of dollars, if not millions, depending on how many systems or platforms are being integrated. These high costs are often associated with factors such as campaign volumes and the customization of models as well as the dedicated resources needed to manage the software platform. Stakeholders may balk at the steep learning curve for standing up an attribution effort, since the customization and refinement require managers who are well-versed in the modeling principles.

In addition, attribution may not be right for you if: your digital ad spends are only a small portion of your budget, your digital media mix is not diversified across a wide range of channels, or your planned digital spend is not part of a long-term strategy.

Attribution modeling strategy often takes time to yield insights and benefits. As a platform is activated and data is fed into the model, insights are typically only gleaned going forward; there is limited ability to analyze past customer interactions. Naturally, once the platform is turned on, the insights and benefits begin to build incrementally.
Digital attribution is a must.

MYTH #4

Planning for the Future

Marketers – not to mention CEOs – must consider a number of variables when evaluating whether an attribution strategy is appropriate. The decision is only complicated by the increasing speed of digital marketing and the pressure on marketers to act fast and keep up. The challenge for executives is factoring the level of understanding and buy-in needed across the entire organization to make an informed decision about how to move forward.

We work with clients on a wide variety of projects, and digital marketing attribution is just one of the ways we can help a business plan for its future. Realizing business impact starts with understanding our client’s goals so we can ask the types of questions needed to develop the right approach. Our experience has shown that what an organization needs is a partner who understands its business and its industry, and brings a clearly defined set of methods for solving business-critical challenges.

In an increasingly digital world, generating and analyzing data is the driving force behind digital attribution, marketing optimization, and delivering a compelling customer experience. We help our clients identify the strengths in their existing customer data to start the process of building the systems that will allow them to recognize their customers and provide them with a meaningful experience no matter their level of interaction with the organization. By developing a holistic understanding of an organization’s internal systems and what they know about their customers, an initial attribution solution can be built on a foundation that will scale up as markets acquire new data sources, and fill in gaps that have been identified in project planning.

Digital attribution is a complex and moving target that often changes faster than the business cycle. While not every company will – or should - invest in a full-scale program, many have moved in that direction, keeping up with changing technologies, customer behaviors, and markets.

Get help today.