GUIDE TO MARKETING OPTIMISATION

Poor data quality and flawed attribution. The silent killers of Marketing ROI.

www.queryclick.com

Marketing spend is under heavier scrutiny than ever from the finance department right up to the boardroom. The need to accurately demonstrate its effectiveness for new customer growth is also becoming increasingly immediate. However, a lack of trust in their data and poor attribution models mean senior marketers often lack the right tools to push back on this.

The result? A focus on short term results and over-investment in perceived "quick-win" media like PPC which is becoming increasingly saturated by competitors who are spending heavily – and driving CPAs up as they drive ROI down.

There must be a better way – and at QueryClick we believe the answer is in rebuilding your marketing data. Rebuilding your marketing data not only improves the quality of that data – it creates a clear link between spend, the customer journey and revenue through effective attribution. and revenue through effective attribution.
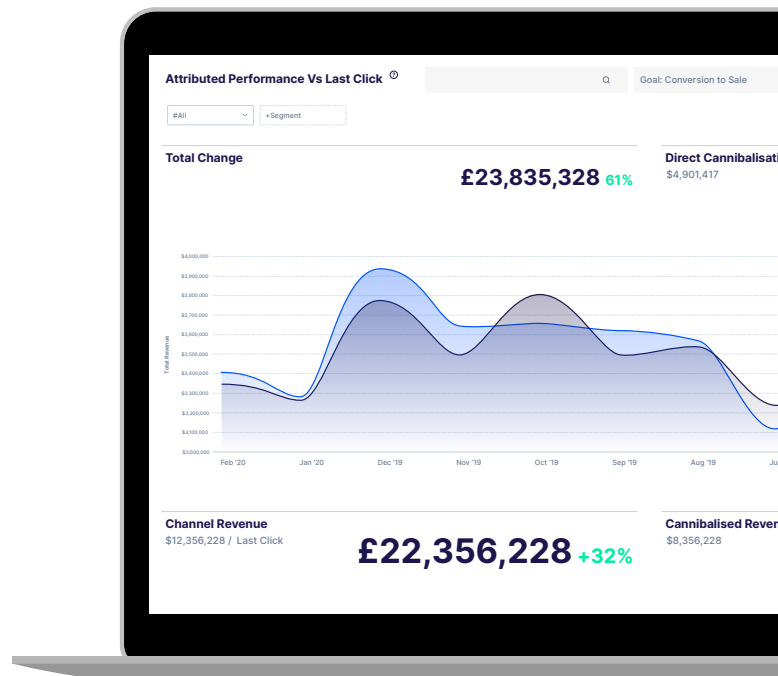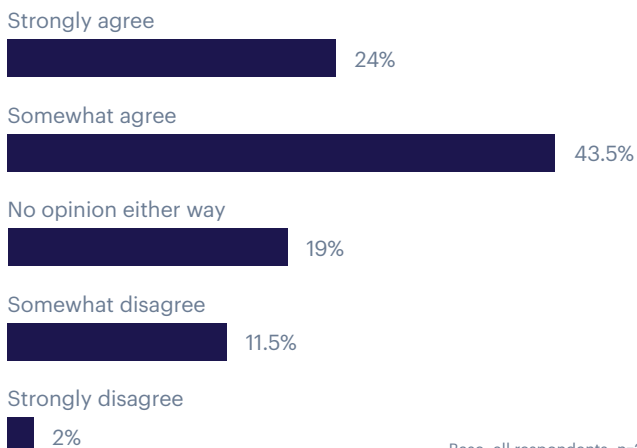
The pressure is on to justify spend.

Linking marketing spend to growth is non-negotiable now.

Marketing budgets are under the microscope more than at any time previously. And the pressure on marketers to spend accurately, efficiently and to prove marketing effectiveness in driving growth is only going to intensify.

Not only is there broad evidence that the pressure on spend is increasing but there are worrying signs that it is also directly influencing the nature of spend. In fact, research carried out by QueryClick points to the fact that 67.5% of Marketing Directors report that internal stakeholder pressure actively restricts the option to employ marketing activity with longer term payback.

The practical problem for many marketers caught in this situation is that they typically lack accurate data to enable them to push back on this.

"Internal stakeholder pressure restricts my option to employ marketing activity that has a longer payback period than last-click measures."

Strongly agree
24%

Somewhat agree
43.5%

No opinion either way
19%

Somewhat disagree
11.5%

Strongly disagree
2%

Base: all respondents, n=200

Are you sure you can really trust your data?

First port of call for any marketer looking to justify and protect spend and budget is high quality data on the true effectiveness of their existing campaigns.

But for many this is a challenge. At the heart of the problem are flawed attribution models that simply aren't fit for purpose. In fact, it's no exaggeration to say that attribution is digital marketing's broken promise. This has left many marketers struggling to create a single, joined up, data-driven view of the entire customer journey – and what is, and just as importantly isn't, working for them.

Combine this with the data silo issue many brands face – typically Paid Search, Programmatic, Social and other media types all have siloed data collection and measurement. We found channel segmentation shows significant failures in Google Stack to report accurately on attributed value, with only £920k in reported revenue vs £2.3m in actuals returned by Corvidae – a difference of 60.8%. Then add in the increasing stakeholder pressure mentioned earlier and you have a perfect storm that is leaving many marketers with little choice but to over-emphasize paid search in pursuit of rapid, Last-Click informed results.
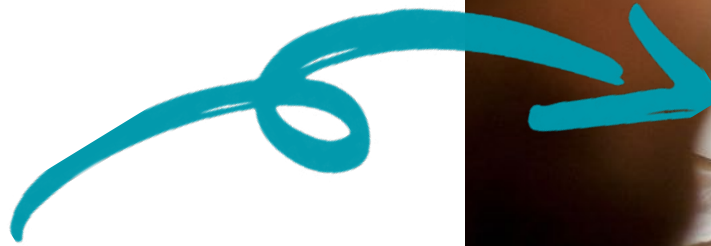
Paid search is showing its limitations.

All the above are impacting directly on the dynamics and relative merits of Paid Search as a channel.

For many it is THE main channel. All businesses love it. It is easy to switch on and switch off again. It provides immediate results and revenue flows when you spend. So, justifying your marketing investment in it can be easier in relative terms.

But it isn't the marketing "cure all" it was just a few years back. Paid Search is popular and high spending competitors are not only eroding market share, they are also driving up CPAs. Which all means that actual results and ROI is worsening over time – so where do you go from here?

Existing, flawed attribution models are part of the problem.

At the most fundamental level almost all current attribution models are historical in nature and all the evidence is that they are woefully inadequate in terms of doing what they should. For example, Last Click is the default attribution model for GA, and is a complete oversimplification where 100% of the value of the conversion is given to the last marketing engagement. In essence, this ignores all the previous points in the buyer journey: almost the same as applying no attribution at all. And Google 360 also has limitations in terms of a short lookback window and only partial attribution in relation to what is a long and complex customer journey.

So rebuilding attribution – in a way that reflects the complexity of the customer journey – has to be a key goal for all marketers. Unfortunately in the wild the vast majority of marketers - in fact over 90% of those responsible for improving marketing ROI in the UK - are unable to get to sophisticated attribution models such as these. Or even simple rules-based models such as First Click, Position Based, or Time-Decay Weighted, in an effort to provide better outcomes than a basic Last Click view.

What we see – here at QueryClick

So, that's the view from the Marketer's chair but what do we see on a day-to-day basis as we work with clients to help them improve their marketing performance? There are 3 clear additional issues that compound – and cross over with – the problems already listed.

Attribution is broken, and it's screwing up your entire approach to digital marketing
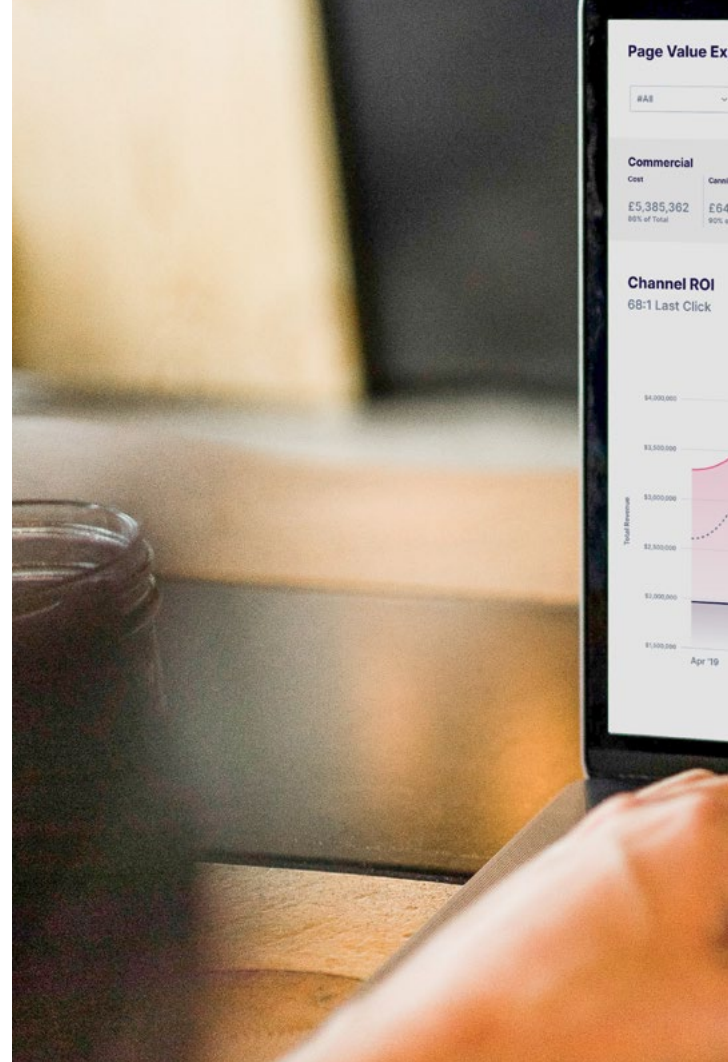
But it's likely your core analytics data is also 80% wrong.

Our extensive work with clients around data enrichment also tells us that poor attribution models are only one part of the story.

Just as important is the quality of the underlying data that you are feeding into your attribution model – and in purely layman's terms if you put rubbish in, you will simply get rubbish out. Let's take the practical example of Google's approach to collecting the vast majority of digital marketing data which is based mainly on a pixel plus cookie-based approach. The problem is that measurement is based on a device accessing a web property, not an individual who will use multiple devices in the course of even a simple transaction.

Cookies are supposed to enable "joining" of multiple sessions but do a poor job as shown in the following chart – based on work with one of the UK's largest retailers - which shows that pixel and cookie data, as employed by Google 360, generates data that is around 80% incorrect. This meant that around £8m of their revenue hadn't been attributed to any channel.

Add in the challenges of integrating data for the impact of offline activity and mobile applications and social interactions. Plus, the fact that the days of the 3rd party cookie appear to be numbered and the need for another way becomes clear. Which is why our approach at QueryClick is to completely rebuild your underlying data and use our Corvidae platform to correctly attribute value to all interactions and touchpoints across the customer journey.

Daily attributable data (i.e. Repaired broken sessions & enhanced cross device)

Corvidae

Google 360

| K | £2m | £4m | £6m | £8m | £10m | £12m | £14m |

● Non-Attributable Data   ● Attributable Data
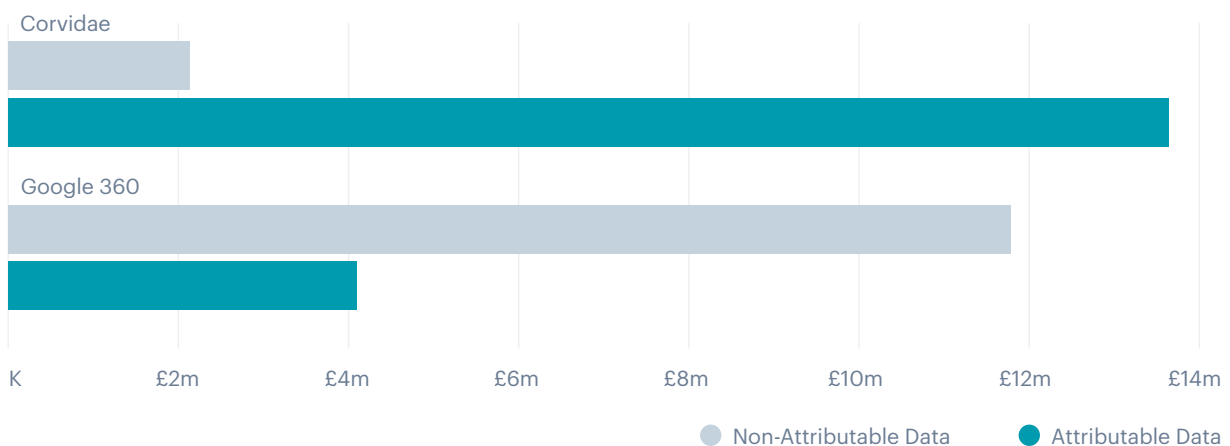
"Half the money I spend on advertising is wasted; The trouble is I don't know which half"

Marketing pioneer John Wanamaker is widely held to have said. Today, many advertising buyers must marvel: only half?

The impact on ROI of advertising waste and fraud

Lastly, advertising waste and fraud are very real issues for marketers, and both can impact heavily on marketing ROI.

Problems with advertising fraud are well recognized in the industry and range from fraudulently representing online advertisement impressions, clicks or conversions, in order to generate revenues - with some studies showing bots are responsible for ¼ of all video ad views. The World Federation of Advertisers forecasts it will cost brands more than $50 billion by 2025 and despite improvements in anti-fraud techniques like whitelisting there are still major concerns in the industry.

But the wasted impact of advertising fraud is only one part of the equation. At a wider level, advertising waste is also caused by poor data - driving poor attribution which then drives poor spend and investment decisions. To paraphrase the marketing pioneer John Wanamaker, you might have a suspicion that half of the money that you spend on advertising is wasted. But, in the absence of high-quality data and effective attribution, you don't have the means to do anything about it.

But it's not all bad news - What if you were able to...

Fix your data, see the link to revenue more clearly

- **Solve the analytics problem**, solve the "trust my data problem"
- **Apply sophisticated machine learning** to overcome the insufficient/dirty data problem and to forecast the future
- **Move from Last Click to fully attributed analysis** and forecasting across the customer journey
- Get the data you need to **justify marketing investment**

REVENUE

66.8k

10   12   14   16   18   20   22

Use your data more effectively to boost ROI

- **Use historic data** to inform how you get your future customers
- **Leverage a single data view** and measurement that works across Paid Search, Programmatic, Social and other media
- **Accurately target incremental growth activity** by using propensity to convert models

TOP PERFORMING ADS
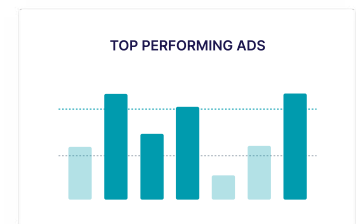
Make better spend and allocation decisions across channels

- Accurately **identify and eliminate wasted ad spend** in areas like programmatic
- **See what the real picture** is with Paid vs Direct
- **Remove over-reliance** on increasingly costly PPC
- **Better allocate budget** for increased ROI

SPEND

SEARCH Organic	5.4k ↑
REFERRAL Affiliate	2.8k ↓
EMAIL	8.1k ↑
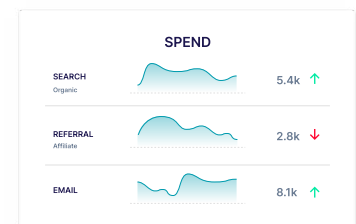
The Value of Data Rebuilding at Tesco

TESCO

Challenge

Tesco had concerns that a combination of wrongly and completely unattributed marketing data – which had been "dumped" unhelpfully in the direct channel – were skewing marketing measurement and wanted a more accurate data view. They asked us to help them properly assess marketing ROI across channels and campaigns to better allocate spend.
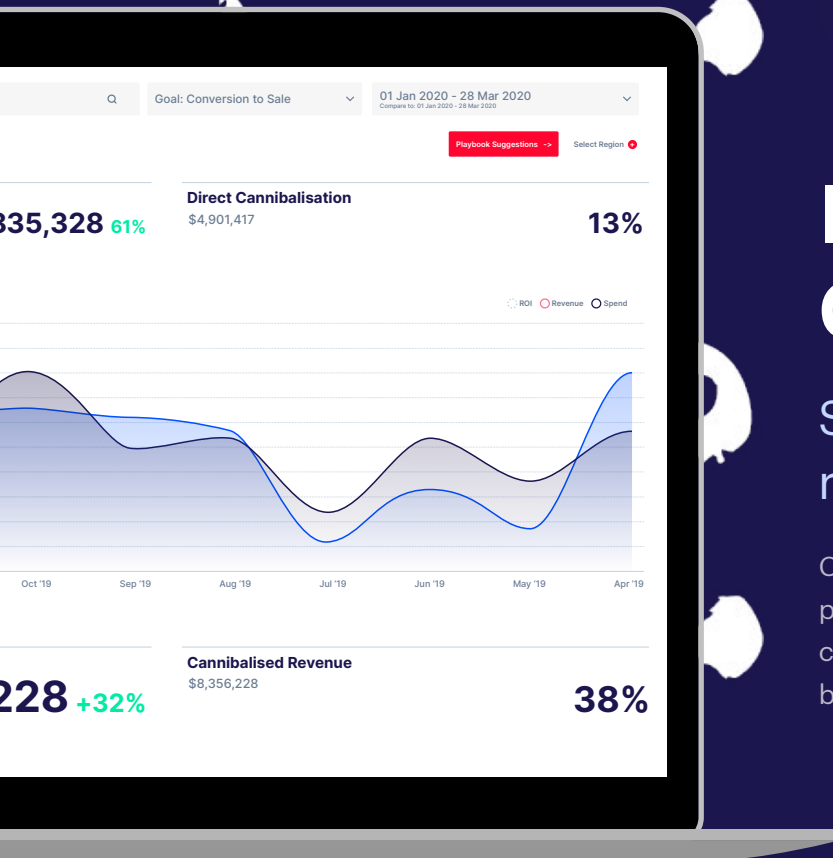
Solution

QueryClick were able to work with Tesco to rebuild their data by correctly categorizing spend including a large proportion of completely uncategorized spend. This uncovered several previously "hidden" insights that helped shape future marketing strategy including:

- In August as a whole, we **captured 2.4 million unique visitors** who converted to sale in that month

- We then associated a customer id and **linked them to 3.6 million devices** using our marker fingerprinting process

- Converting customers in August, represented 23% of all identified users and **drove 53% of total revenue online**

- A total of **19.5 million unique devices were recorded** thanks to our device deduplication and fingerprinting

Which is where QueryClick – and Corvidae – come in.

Using more than a decade of performance marketing experience with large enterprise brands, combined with years of investment in our technology, we have developed Corvidae – our SaaS based marketing attribution platform. Developed to solve the inaccuracies caused by oversimplified attribution models and poorly connected data, Corvidae allows you to accurately attribute value and radically improve your marketing performance.

| | Goal: Conversion to Sale ⌄ | 01 Jan 2020 - 28 Mar 2020 ⌄ |
| Q | | Compare to: 01 Jan 2020 - 28 Mar 2020 |

Playbook Suggestions ->   Select Region ⬤

Direct Cannibalisation
$4,901,417

335,328 **61%**   **13%**

⠂ ROI ◯ Revenue ⬤ Spend

Oct '19   Sep '19   Aug '19   Jul '19   Jun '19   May '19   Apr '19

Cannibalised Revenue
$8,356,228

228 **+32%**   **38%**

Introducing Corvidae

Stop cleaning and start rebuilding your data

Corvidae is QueryClick's SaaS marketing attribution platform and the only attribution solution which completely rebuilds your marketing data, reaching beyond Google 360 and Adobe Analytics.

Corvidae reveals up to 334% more data for attribution than market-leading competitors. Providing game changing accuracy and predictive performance.

Achieve new levels of digital marketing performance

The average Corvidae deployment reveals that up to 48% of a specific brand's marketing channel reporting is incorrect. It's poor quality data that causes this critical failure.

We've found that a shocking 80% of this raw data is inaccurate due to assumptions made about sessions, direct traffic, channel classification and poor multi-device measurement.
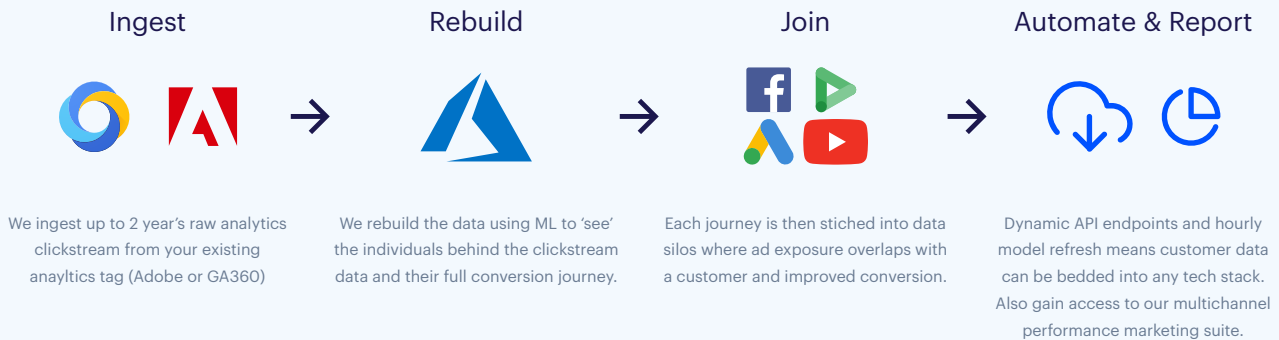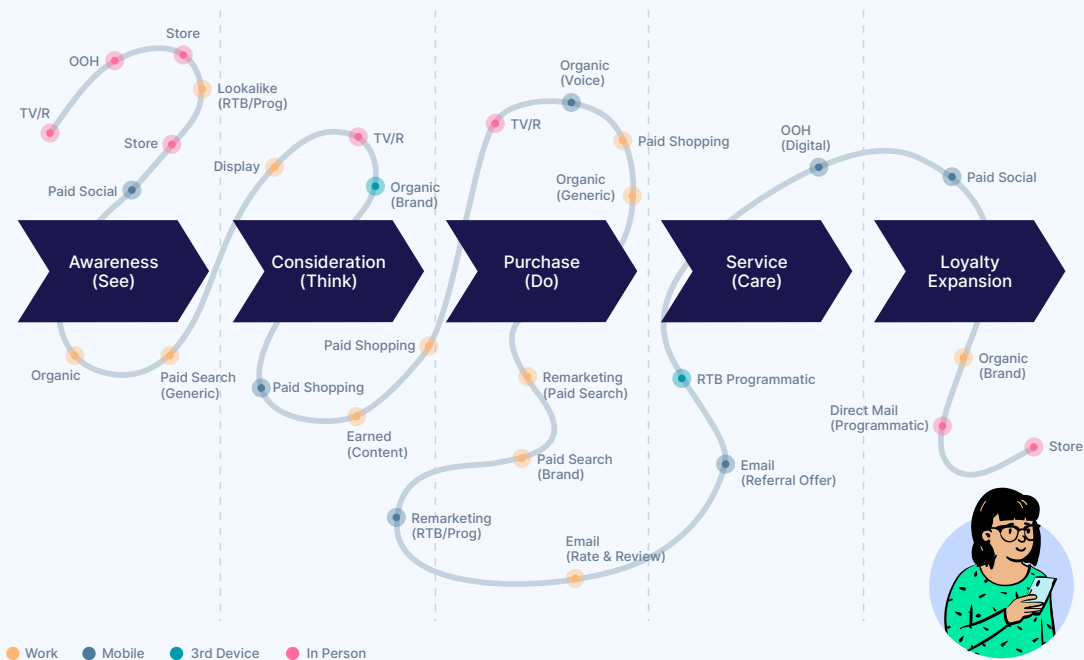
QueryClick

How it works

Using more than a decade of performance marketing experience with large enterprise brands, combined with years of investment in our technology, we have taken a sophisticated approach to dramatically improving the quality of the underlying marketing data.

Combining this with machine learning models we can intelligently connect single customer journeys across multiple online and offline marketing channels.

Ingest

We ingest up to 2 year's raw analytics clickstream from your existing anayltics tag (Adobe or GA360)

Rebuild

We rebuild the data using ML to 'see' the individuals behind the clickstream data and their full conversion journey.

Join

Each journey is then stiched into data silos where ad exposure overlaps with a customer and improved conversion.

Automate & Report

Dynamic API endpoints and hourly model refresh means customer data can be bedded into any tech stack. Also gain access to our multichannel performance marketing suite.

Building a complete customer view

Awareness (See) — Consideration (Think) — Purchase (Do) — Service (Care) — Loyalty Expansion

Legend: Work | Mobile | 3rd Device | In Person

Rebuilt, accurate marketing data allows multi-touch attribution models to perform as they were intended. Only with Corvidae can the true value of upper funnel activities be justified and wasted spend eliminated.

Corvidae's individual 360 degree customer view that also includes probabilistic modelling, join journeys together that were previously unidentifiable. Only then can the marketing mix be correctly optimisaed.

Deploy more powerful customer acquisition feeds as they are now based on a complete customer view.

Game changing benefits for your digital marketing campaigns

Transform data accuracy

- Completely rebuild analytics data to eliminate inaccuracy that prevents effective attribution

- Increased marketing performance insight, down to individual campaigns & impressions

View the complete customer journey

- Unified analytics online and off – a genuinely accurate single point of truth

- 2-year lookback & patented conversion path session stitching across data silos

Maximise return on investment & reallocate spend

- Identify wasted & cannibalising spend in any marketing campaign in your mix

- Better allocate budget for increased ROI, & maximise reach at the lowest CPA

CASE STUDY

Maximising Channel ROI and Reallocating Spend at Wiggle

Challenge

Wiggle wanted a clearer view of marketing impact across all of their channels in order to be able to allocate future spend to maximize their ROI. In addition to improving their core data, they wanted to allocate spend more effectively on the basis of multi-touch attribution which placed value on customer touchpoints right across the customer journey.

Solution

Initially QueryClick rebuilt a highly accurate data view for Wiggle. This created a solid base to use the Corvidae platform to get a much more sophisticated view of channel revenue contribution and optimize channel spend. This had a number of key benefits:

- compared to last-click attribution, Wiggle's **attribution changed by £39m**

- **uncovering £48m of digital revenues which were incorrectly attributed** for one of Wiggle's £100m turnover B2C brands

- **identifying £16.1m more revenue attributable via paid channels** than their existing Marin & Google media mix model suggested

- establishing that, in the UK, Wiggle's generic search terms were **3x more valuable to incremental revenue generation** than previously reported

Correctly value content & build top of funnel

- Identify content that works in the earliest stages of customer interaction
- Value brand activity and non-converting content & impressions to put all marketing activity to work

Automate customer acquisition

- Access multichannel feeds to automate incremental customer acquisition at lowest CPAs
- Convert customers based on their probability to convert at any given moment in time

Enable dynamic data science analysis & action

- Perform advanced data science, such as price elasticity, on your customer data lake
- Data science views available for use as API endpoints for bid automation

CASE STUDY

Automated Customer Acquisition at Vitality

Challenge

Vitality were keen to use the full extent of their data from right across the customer journey – which included both on and offline data - to improve the performance of their automated customer acquisition activity.

Solution

We worked with Vitality to use the predictive attribution modelling in the Corvidae platform to feed enhanced data from both "pre-website" and "onsite" journey activity into a sophisticated probability model. Which was able to predict propensity to convert and increase ROI by reducing waste through better retargeting and significant improvements in CPA. This had a number of benefits for Vitality including:

- Delivering **4x more conversions at ½ the CPA** of Vitality's existing Google model
- Prospecting for incremental revenue via programmatic display **delivered a 3.8:1 ROI**

- Providing an **overall ROI of 40:1** for its deployment of Corvidae

Can we help?

If you need better quality data and the type of highly accurate attribution to drive game-changing in your marketing ROI.

Talk to us now.

Contact Us Today