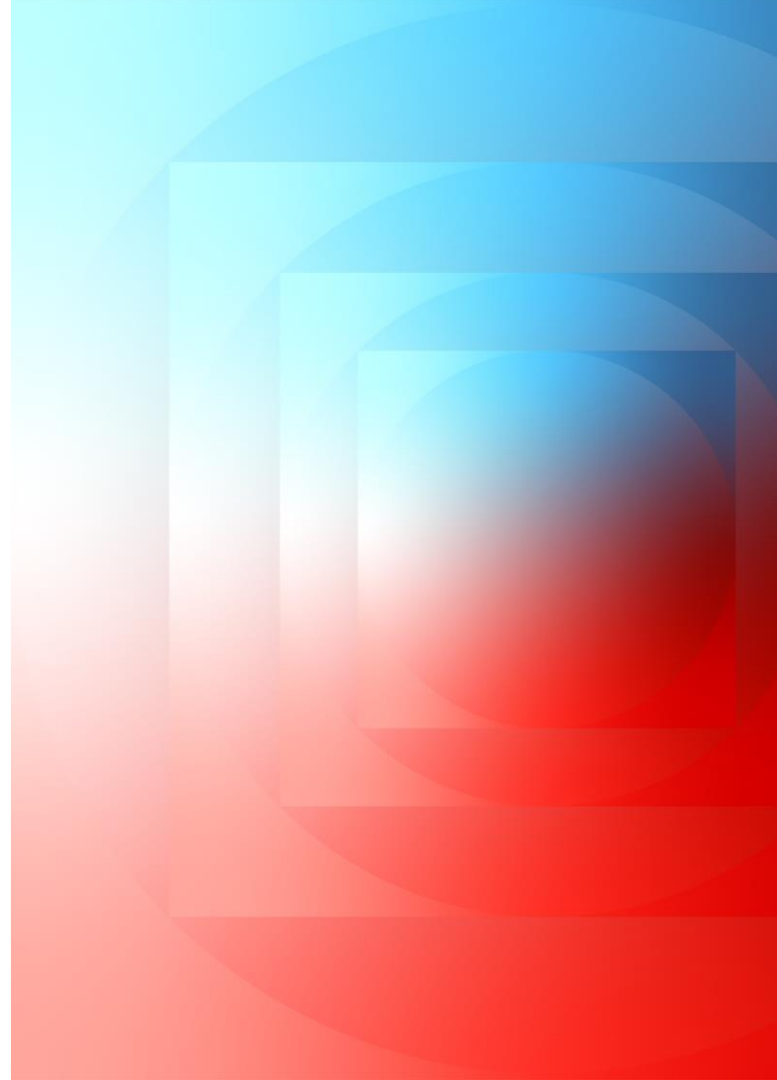

Is attribution doing more damage than good?

Prepared for MeasureUp
September 2023

Paul Sinkinson





Les Binet, group head of effectiveness at Adam&EveDDB

What is better - information that is cheap and wrong or information that is expensive and accurate? Soon, marketers may have to decide.

Goodbye,
performance
measurement.

"The idea that one channel can be given 'credit' for a given lead or sale is nearly always nonsense," Binet said. "Each sale is usually the combined result of multiple channels working together, often over a period of months or years. Instead, the question marketers need to ask is: What is the incremental effect of each channel? If I dial spend on this activity up or down, how much will my sales rise or fall?"

"The attribution modeling bogusly attributes the sales to the few factors along the customer journey at the last bit of sale, and it ignores the many factors that led up to it,"

Hello,
commercial
intelligence.



Finding the truth is hard. Real life client problems.

//

We saw a significant increase in our traffic to our home loans rates pages associated with RBA rate announcements. Unfortunately, many of our customers were clicking on paid search links in order to find the relevant pages - this would periodically flag our paid search activity as having negative ROI until we figured out how to adjust our bids around those time periods.


Fin Services client

//

We knew we had better than decent advertising, with customers engaging and generating loads of traffic. However, we weren't seeing the impact from those middle funnel channels where we had increased our investment reflected in our GA reporting.

eCommerce client



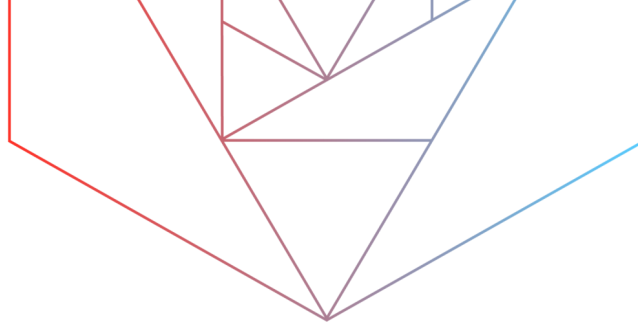


Just how bad for a business is relying solely on an attribution model?

01 How much data is missing?

02 What is the damage of this missing data in making decisions?

03 What's the upside in changing?



What's wrong with attribution now?

Incomplete and increasingly so

Not incremental measurement

Often not what you really care about



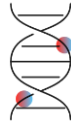
Incomplete



Seen

S: 36% of Australians have ad blockers

O: 36% of web traffic will have no referral id attached



Used

S: 54% opted out of cross app tracking

O: 54% of traffic delivered from mobile apps (owned or paid) will be unusable to a touchpoint attribution model

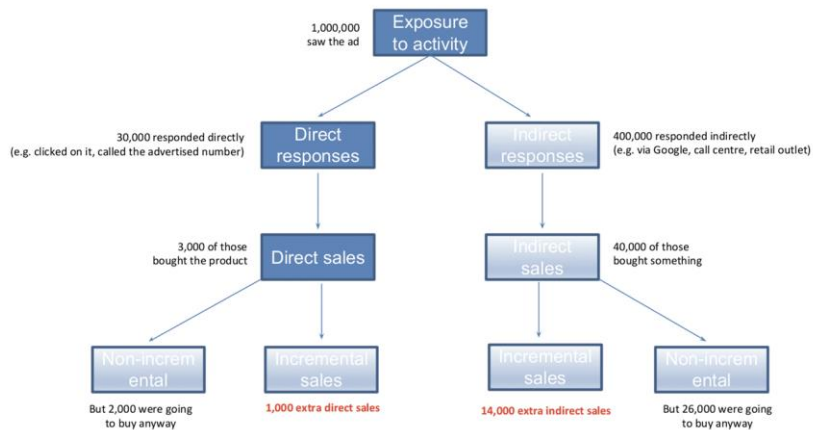


Trusted

Platform metrics are increasingly under scrutiny on validity

Not Incremental

The attribution problem



// Incremental measurement showed up to a 200% change from perceived attribution figures. This allowed us to confidently reallocate more marketing spend to mid and upper funnel channels that build brand, while maintaining strong performance and customer growth in the short term.

eCommerce client





Proxy and siloed metrics misinform decision making

For every \$1 spent, **35c of opportunity is lost** if spending is prioritised based on siloed measurement.





Will it get better? In short, no.

iOS 17 link tracking protection removal list

Parameters that will be removed:

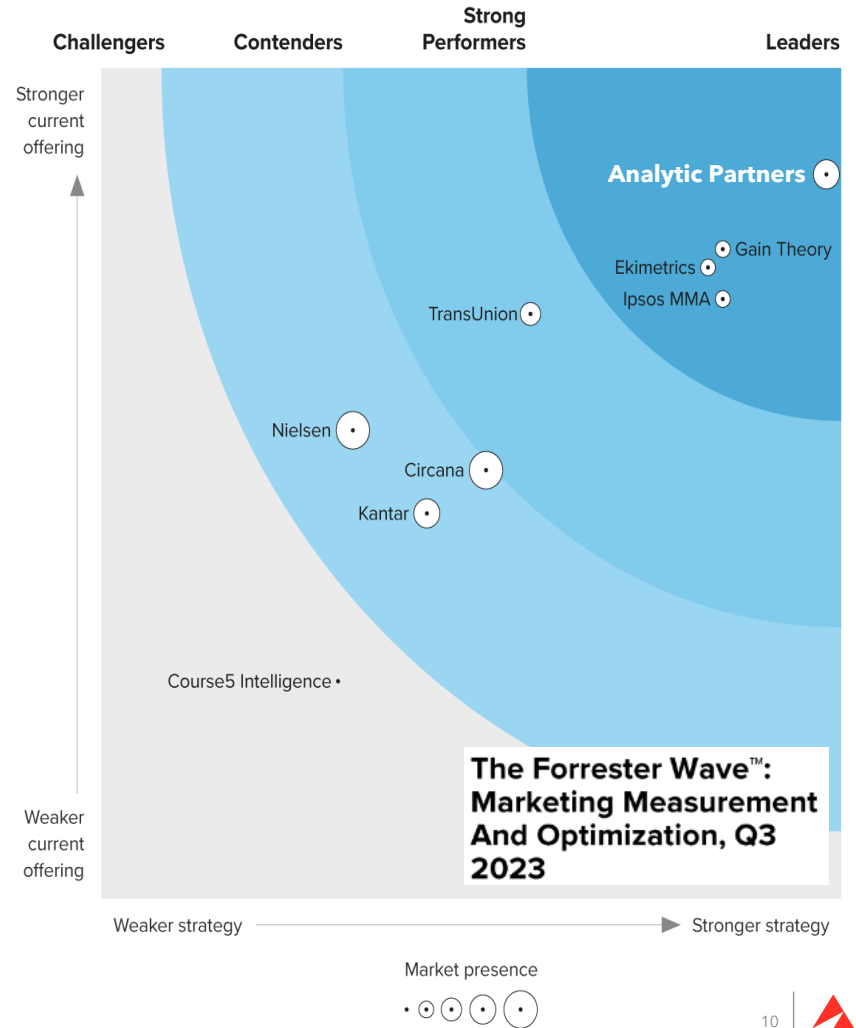
- ✘ **gclid** - Google Ads
- ✘ **dclid** - Google Display Network
- ✘ **fbclid** - Facebook Advertising
- ✘ **twclid** - Twitter Advertising
- ✘ **msclkid** - Microsoft Advertising
- ✘ **mc_eid** - Mailchimp email id
- ✘ **igshid** - Instagram

Parameters that will remain:

- ✔ **UTM** - Urchin Tracking Module
- ✔ **epik** - Pinterest
- ✔ **_kx** - Klaviyo
- ✔ **tt** - TikTok
- ✔ **ir** - Impact Radius
- ✔ **dm_i** - dotdigital
- ✔ **Elevar_test** - Arbitrary ID



Mix Modelling has long been touted as the source of truth for measurement





The Analysis

Methodology

Simulated digital touchpoints built from Analytic Partners' ROI Genome™ aggregate insights on digital impression volumes and interaction/click rates.

30 day window for modelling and attribution reconciliation.

Attribution model used was even credit, removing any bias towards first, last and media flighting weightings.

Top 4 digital channels only included (Display, Video, Social, Search).

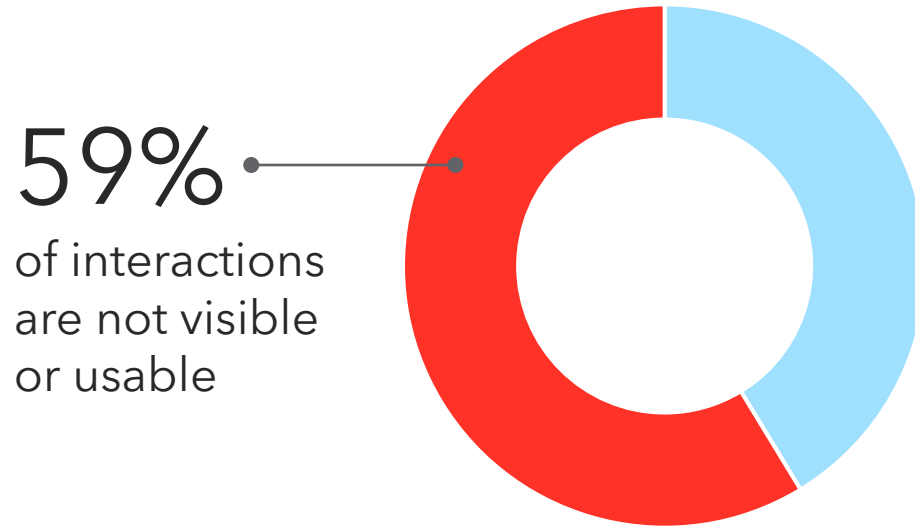
Industry benchmarks used to remove digital touchpoints at device and platform level.

Mix modelling results are aggregated insights from Analytic Partners ROI Genome™ database of \$30b worth of Australian marketing spend.



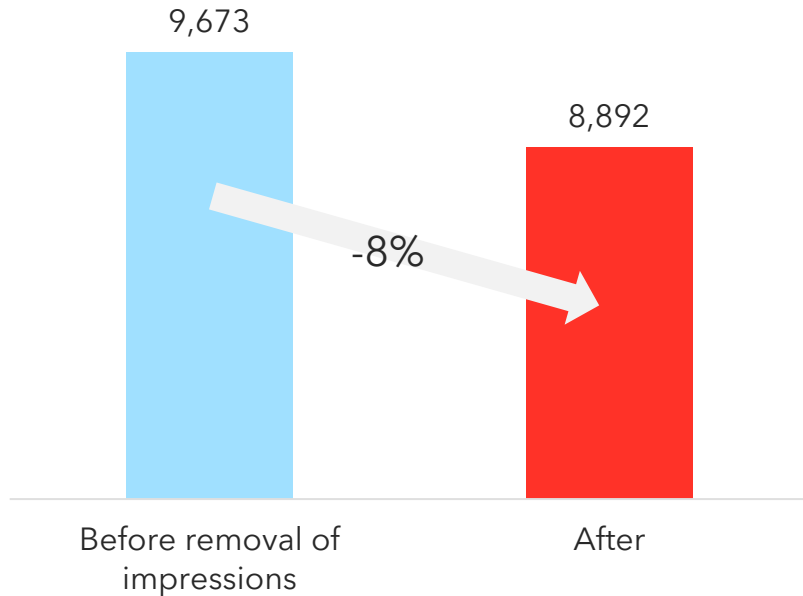
How much data is missing?

Data visibility through attribution

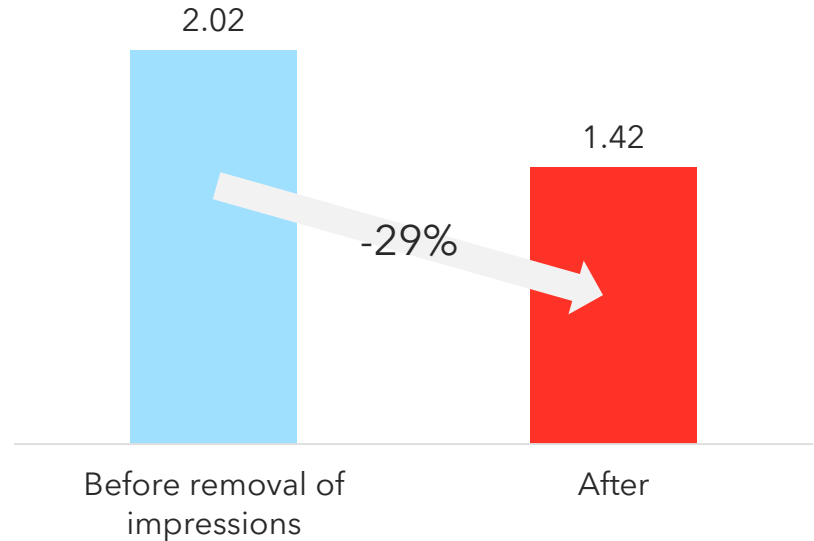


How many touchpoints and paths do we lose?

Total conversions

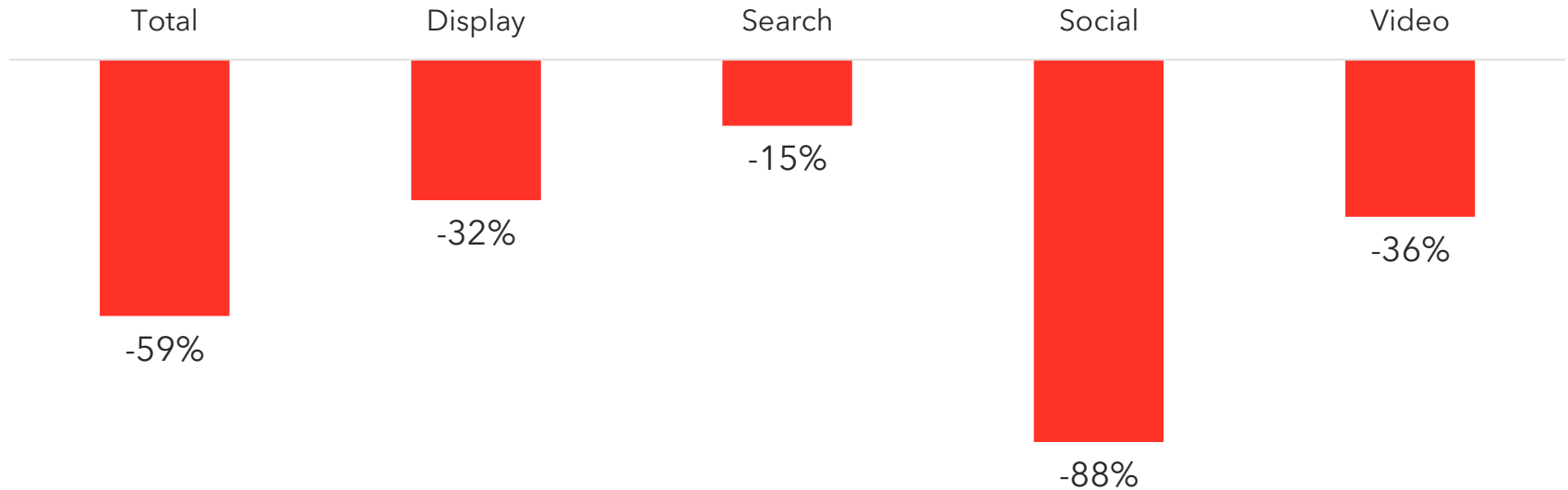


Average touchpoints per path



Which digital channels are most impacted?

% of impressions lost by tactic



Can Mix Modelling overcome this amount of missing data?

- R-squared and MAPE (mean absolute percentage error), are well-known measures for Mix Modelling
 - Generally speaking, R2 is considered good if it is more than 0.8
 - For MAPE, the goal is for it to be 10% or below

Mix Modelling change after losing 60% of activity

R-Squared change

-50%

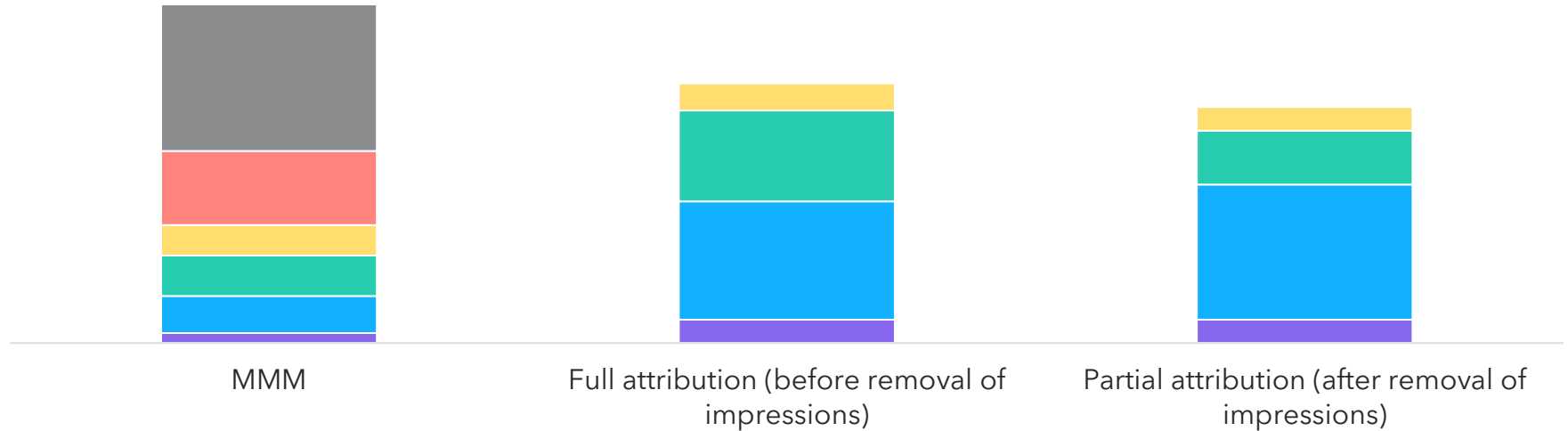
MAPE

+66%

What's the actual impact of media?

Drivers of sales

■ Display ■ Search ■ Social ■ Video ■ Other Media ■ Other Base Factors



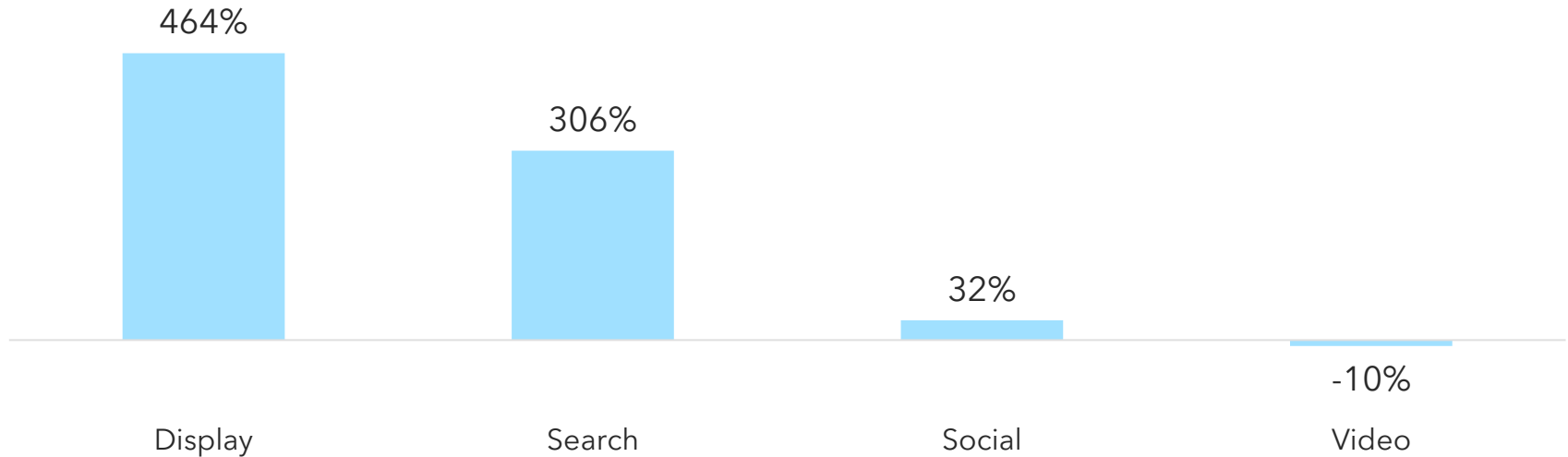
How do total results compare to Mix Modelling?

ROI uplift: Attribution vs Mix modelling



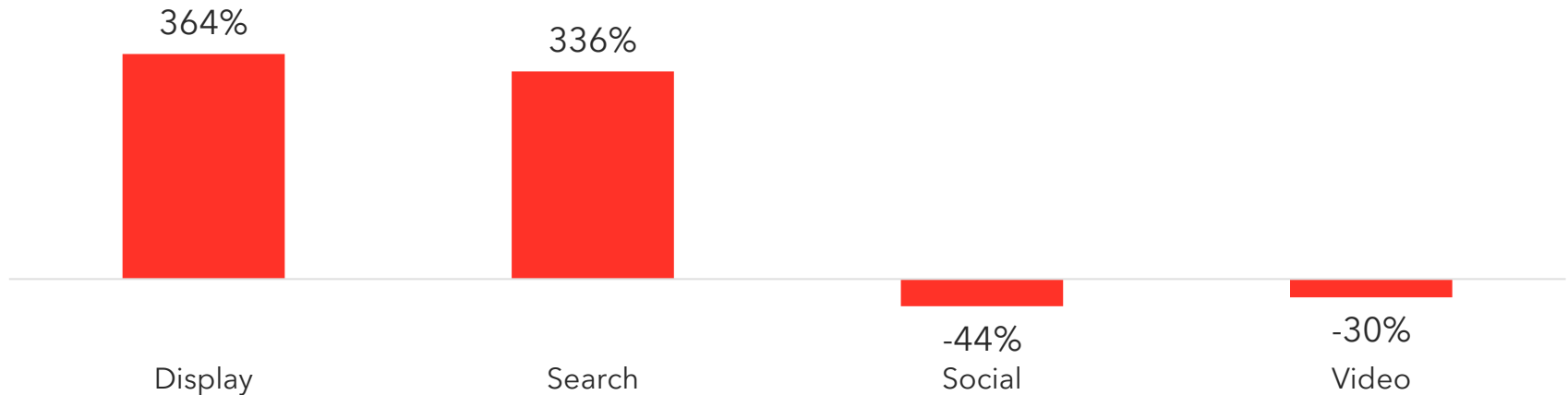
How much does this change the results?

ROI uplift: **Full** attribution (before removal of impressions) vs Mix Modelling



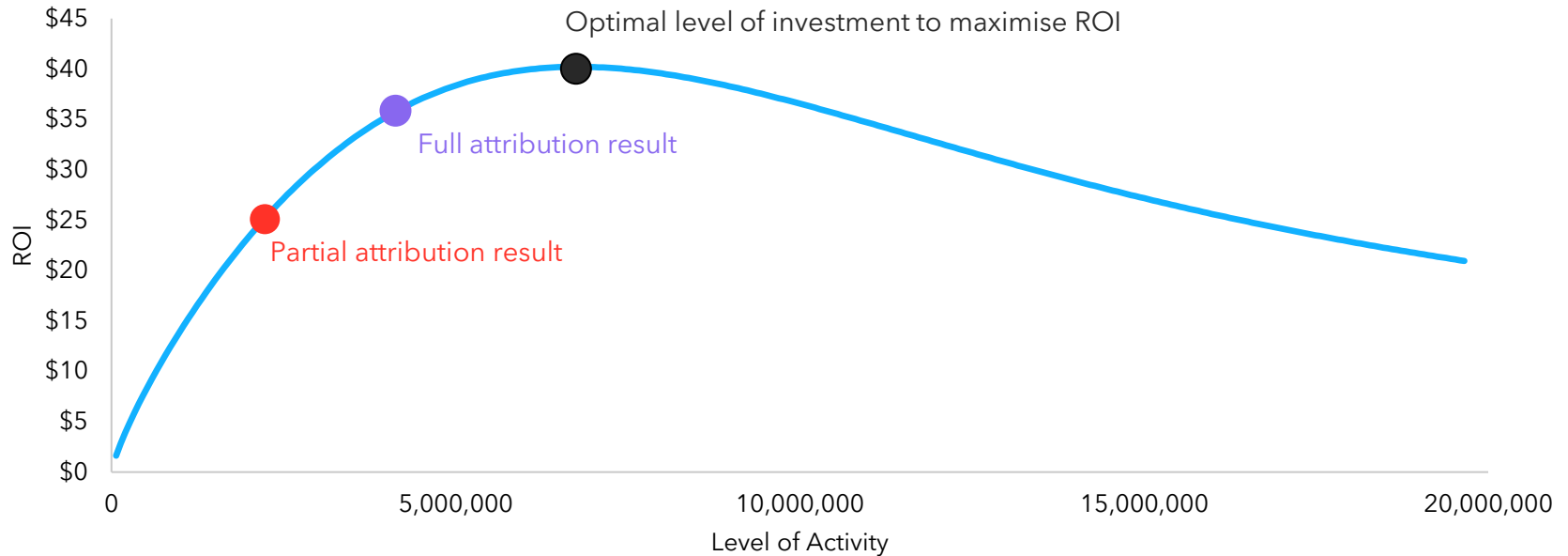
How much does this change the results?

ROI uplift: **Partial** attribution (after removal of impressions) vs Mix Modelling



How much does it change the decision?

Video Diminishing Returns Curve (Total ROI)



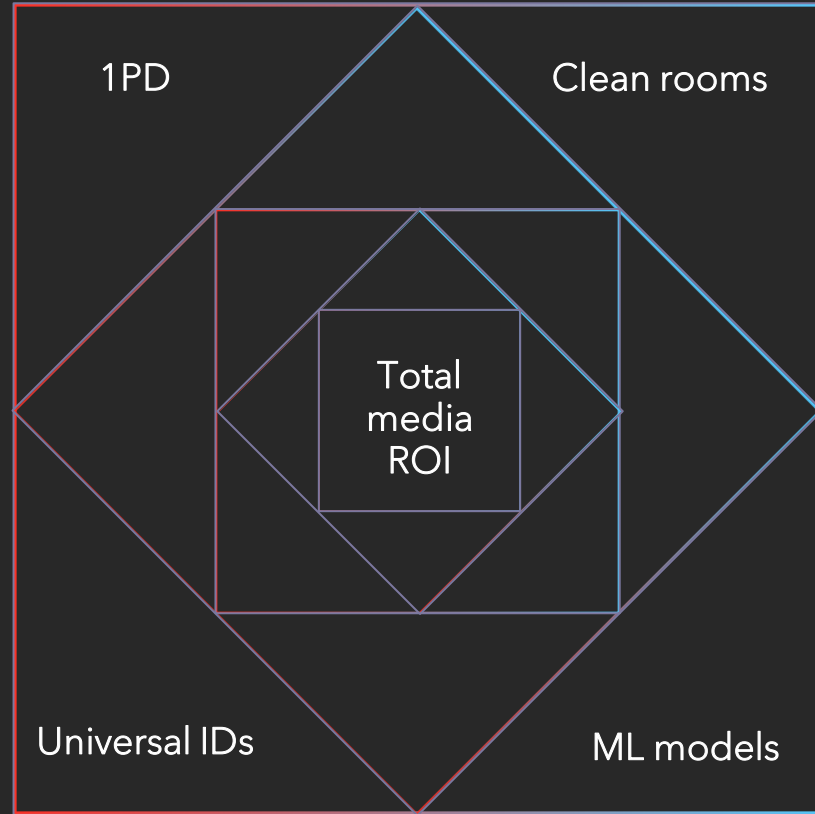
How much does it change the decision?

Channel	Attribution results vs Mix Modelling
Video	Underinvested significantly
Search	Overinvested
Social	Underinvested significantly
Display	Overinvested slightly

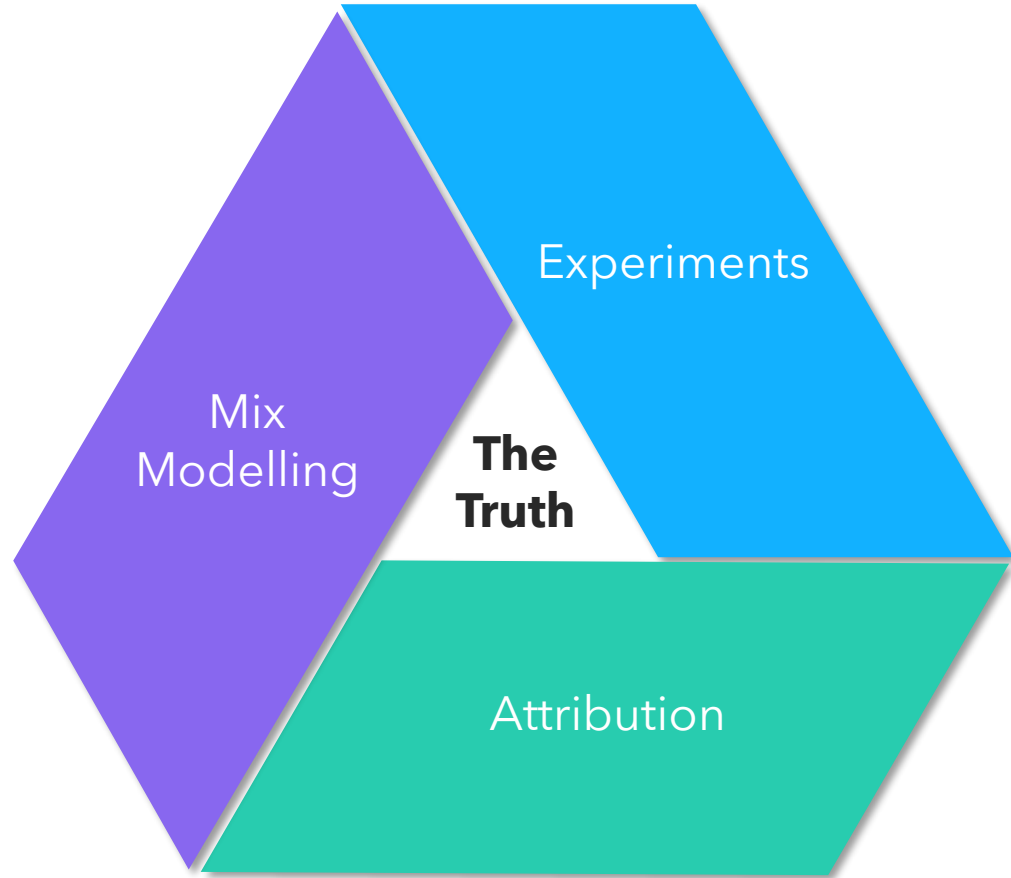


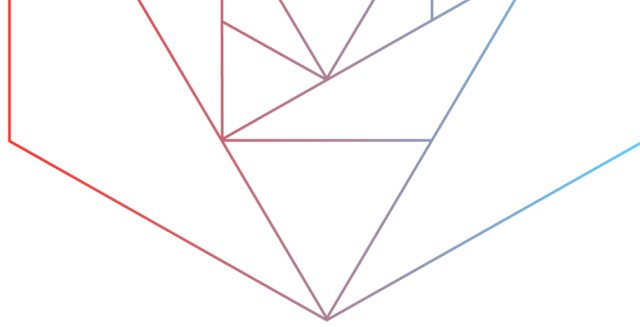
So what?

There's no easy or single fix



The answer





Experiments and calibration are your
best advantage

Speed

Accuracy

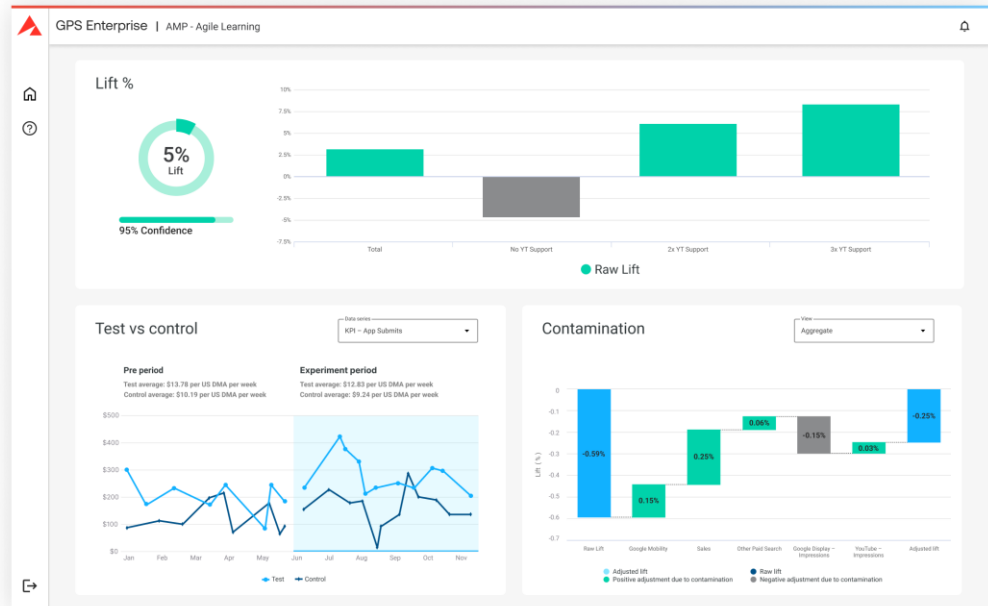
Growth

Agile Learning: Complement to Commercial Mix

Benefits:

- Ongoing experimentation
- ROI Genome™ intelligence
- Guided design
- Contamination monitor

A unique approach to experimental design



Fly wheel of optimisation

Hamish Morgan
Global Analytics Director
Les Mills

We knew attribution gave us an incomplete view of our acquisition spend and **was underestimating** our upper funnel work

We've implemented experiments as short term solutions for day to day reporting/optimisations

But we knew we needed a more holistic approach for bigger decisions and **added Mix Modelling to our mix of measurement**

Some of the best insights have come from what's not worked and we're on a **journey now to really drive up our ROI**

The long term goal is to establish a fly wheel of optimisation whereby we work with all our partners to continuously execute experiments across our campaigns that feedback into our decision making.



Thank you

A decorative footer consisting of several overlapping, semi-transparent geometric shapes in shades of red, orange, and blue, creating a modern, abstract design.