

# The State of Marketing Measurement, Attribution and Data Management.

**ClickZ**

IN PARTNERSHIP WITH:

**fospha**



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# Executive summary

**More data is created now than ever before as consumers interact with brands in increasingly complex ways across a range of interconnected devices.**

With each new interaction between a consumer and a website, app, or mobile payment system, a new data point is added to the collective stock.

If businesses can turn this data into knowledge about their audience, they can deliver highly personalized experiences that exceed expectations.

On the other hand, data without an effective strategy is meaningless.

In an attempt to seize the unprecedented data opportunity before them, businesses have invested heavily in a variety of marketing technology

(martech) software packages. Forrester projects<sup>1</sup> that investment in martech will top \$122 billion per year by 2022 in the US alone.

However, these tools can ultimately add to the complex data challenge brands already face, rather than reducing their workload. A tool is only as useful as its application, after all.

Furthermore, broader market trends will continue to shape the relationship between brands and consumers. Developments such as the launch of the General Data Protection Regulation (GDPR) in the European Union, and the announcement of the California Consumer Privacy Act (due to launch on January 1, 2020), point to a future where access to data must be earned rather than simply bought.

Concurrently, the impatient modern consumer prefers a dynamic, personalized experience when they interact with brands online. Google reports a 60% growth<sup>2</sup> in searches for “\_\_ for me” in the last two years. A one-size-fits-all approach to marketing will not cut it with such a demanding public.

Of course, without access to reliable data, brands cannot create and deliver these experiences.

There is a paradox here, but it is one that businesses can resolve. That starts by taking control of their current data and deriving accurate, accessible insights about their audience.

In partnership with Fospha, ClickZ presents *The state of marketing measurement, attribution and data management* a report based on a survey of 370 marketing professionals.

This report finds that many marketers are overwhelmed by the sheer complexity of the martech ecosystem, and at times even by their own organization’s martech stack.

First, we will look at how companies -- specifically brands and marketing agencies -- are managing their data to get a better view of their current and potential customers. Next, we analyze how they are operationalizing this data to generate insights across marketing measurement and attribution to drive business value.

Within this report, we will dive into the sometimes murky waters of data attribution, measurement, and management in the hopes of providing clear solutions for marketers moving forward.

Gone are the days of gushing money into software that creates more questions than it answers.

We hope this report will paint a clear picture of data-driven attribution and lead a puzzled marketer toward effective solutions.



**Clark Boyd,**

Author of *The state of marketing measurement, attribution and data management*



**No matter their level of data maturity, any brand can draw a line in the sand, take stock of where they are today, and start making more profitable, data-driven decisions.**

<sup>1</sup><https://www.forrester.com/report/The+US+Marketing+Technology+And+Services+Outlook+2017+To+2022/-/E-RES137651>

<sup>2</sup><https://www.thinkwithgoogle.com/advertising-channels/search/search-strategy/>

# Scope and methodology

**The core purpose of this report is to uncover the challenges brands face today in taking control of their own data to make better marketing decisions.**

Next, the report aims to provide clear recommendations to help businesses develop their level of data maturity through technology, data, and the right personnel.

The fulcrum of the report is a survey of 370 marketing professionals, undertaken in September 2018.

Respondents to the survey were split between brand/client-side marketers (63%) and marketing agency professionals (37%).

The survey was comprised of 30 questions, covering respondents' current technology solutions and the challenges they believe the digital marketing industry currently faces.

These questions were used to collect quantitative data on a range of marketing measurement technologies. Qualitative data was added through a variety of open questions throughout the survey.

These findings have been supplemented by interviews with Fospha.





# Key findings



Businesses are using **7 separate technologies** to extract insights from their data, on average.



Over one third (**34%**) of survey respondents believe that their company analyzes **less than 20% of all consumer data** available to them.



Just **33%** of brands believe that their current measurement solutions perform **accurate attribution** of all media and data.



**29%** of survey respondents use attribution technology on all digital marketing campaigns.



**Only 32.5%** of businesses have a clear view of the **customer lifetime value** (CLV) of their customers.



**43%** are “likely” or “very likely” to invest in a new marketing measurement technology in the next 12 months.



The most **important feature** of a marketing measurement technology for brands is “**quick access to actionable insights.**”



A very small minority (**just 9%**) of marketers believe their organization has an “**excellent**” understanding of multi-touch attribution.

# | Foreword from Fospha

**Fospha has a long history of helping marketers unlock insights from their data.**

We often ask ourselves why, in a heavily congested space of ad platforms and martech giants, anyone else has a right to play in the space.

**Two main themes validate why:**

**1. The Pain:** The rate of evolution in the market is incredible, but, with every new ad platform, tool and device added to a business, new silos are created making it almost impossible to make sense of your data. The irony here is that with each new technology, you are often adding a new set of data points to help optimize performance and

understand your customers better. But, this data is often trapped or hidden in the silo and not surfaced to be operationalized.

**2. The Opportunity:** For the first time, we're observing that the realities of what can be done with machine learning and AI are matching expectations. It wasn't long ago that the compute cost to run data-driven multi-touch attribution models made it not worth the ROI.

Now, however, we're able to measure the impact the precise contribution of the weather on marketing performance, rank customers based on their individual ROI and likelihood to convert and integrate the data with the ad platforms to turn insights into action at scale.

Data science is offering marketers the chance to move faster, build IP around how they engage their audiences and develop real competitive advantage. However, the absolute requirement for any of this is a foundation of joined up customer data all in one place.

We believe this is still the perfect place to 'start small and grow' on the journey to embracing data science to drive LTV at scale. This will unlock the data from silos for a joined up view of what's working across the marketing mix... and then using the data as the foundation for changing the way you not only assign budget to channels but also the way you treat your customer, define your content and creative strategy.

This document, surveying a broad range of marketers, is a fascinating report on the biggest challenges marketers have today on this journey and we are excited to share it with you.



## About Fospha

Fospha delivers marketing effectiveness and drives ROI through agile and affordable multi touch attribution, audience, and brand solutions. We build customer data platforms and use AI and data science to organize data, unlock insights, and integrate them with the marketing technologies that matter. We partner with clients to deliver better experiences for their customers and better outcomes for their business.

## Get in touch with Fospha:

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# The data challenge for brands today

**It is estimated that 2.5 quintillion bytes of data are created every single day<sup>3</sup>, which is impressive in its scale but only meaningful if it has a useful application in the real world.**

Theoretically, this creates a digital ecosystem where everything becomes measurable.

From the impact of brand advertising on digital performance through to the effectiveness of display advertising impressions, objectives such as planning, forecasting, and reporting can be achieved with pinpoint accuracy if businesses are able to capture and use relevant data.

In the process, brands can learn a significant amount about their audience, all of which feeds into better, more profitable business decisions and customer engagements.

Many brands are already aware of the potential contained within their data, but for too long that potential has remained untapped.

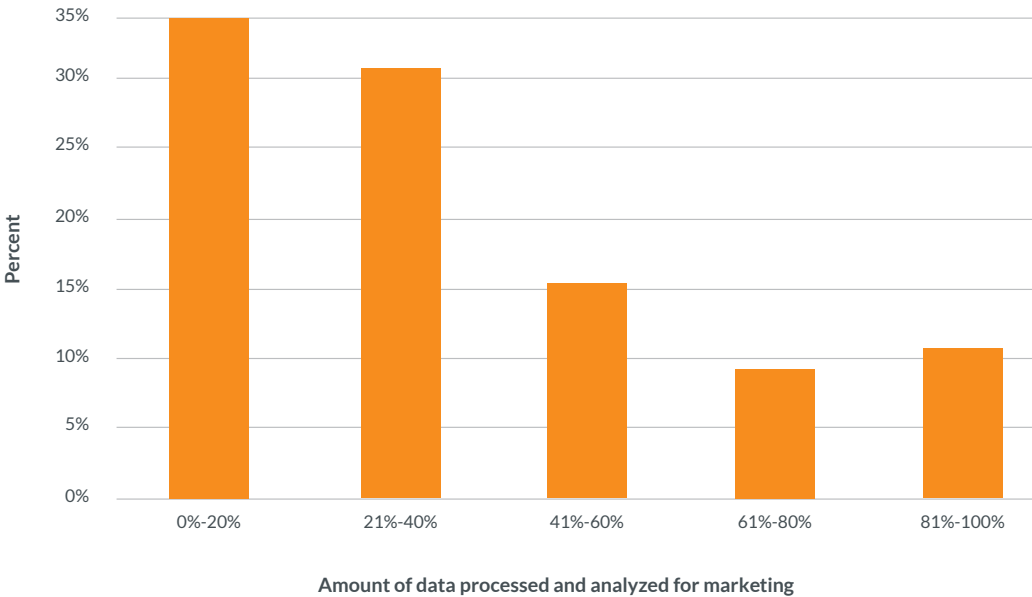
In fact, 33% of respondents to the ClickZ advertiser survey undertaken for this report cite “data complexity” as their biggest challenge today.

<sup>3</sup><https://www.forbes.com/sites/bernardmarr/2018/05/21/how-much-data-do-we-create-every-day-the-mind-blowing-stats-everyone-should-read/#71ec1e660ba9>



Moreover, while 51% of responding brands say they use a specific technology to extract insights from their data, 64% of brands cite that less than 40% of their consumer data is processed and analyzed to inform marketing decisions.

A very sizeable 34% of respondents believe they extract insights from less than 20% of the consumer data available to them.



**A very sizeable 34% of respondents believe they extract insights from less than 20% of the consumer data available to them.**

Figure 1. How much of your company’s consumer data do you believe is processed and analyzed, with the aim of improving marketing performance?

With only 11% of brands believing that they process and analyze 80% or more of their consumer data, there is clearly ample room for improvement.

Fortunately, recent developments in data science and artificial intelligence (AI) mean we are now at a point where accessible, actionable insights are within the grasp of any business.

Getting there means taking stock of where we are today, drawing a line in the sand, and working toward a more mature, informed approach to data, powered by technology that cuts through the complexity.

The rewards for those who achieve this goal are unprecedented in their scale and, at last, they are a realistic aim.

**Barriers to effective data usage**

Brands need access to and understanding of their own data across all platforms. This will allow them to have a transparent view of their audience’s behavior, creating a mutually beneficial relationship between brand and consumer.

There is a multitude of technologies out there that

aim to do precisely this and they come with multiple names such as analytics, attribution, intelligence, activation, loyalty, and insights platforms.

For reference, in this report we categorize this group of technologies as ‘Marketing Intelligence’ and will specify any sub-categories within this area as applicable.

Undoubtedly, there is a widespread understanding of how crucial martech is to a modern business.

The Deloitte CMO Survey 2018<sup>4</sup> reported that marketing analytics spend

will increase by over 200% within the next three years.

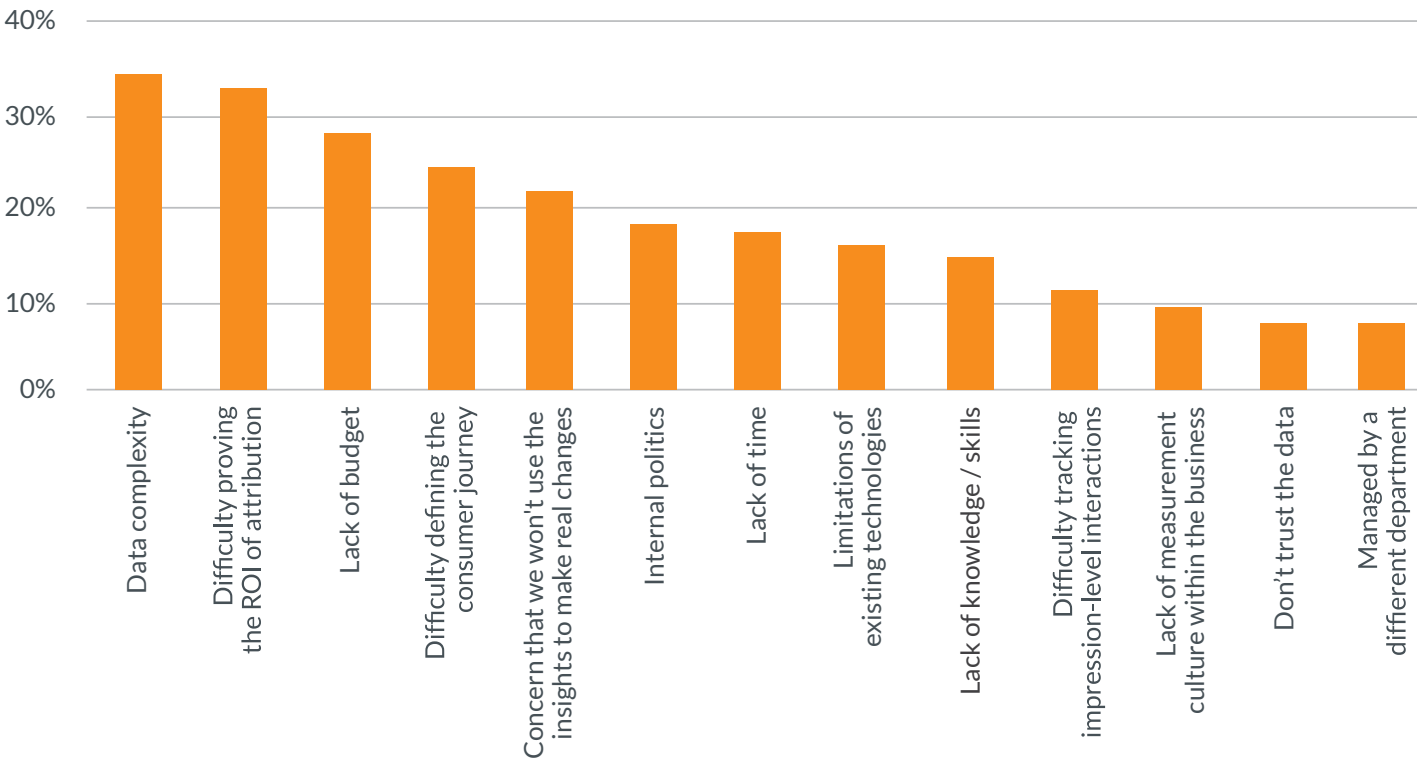
It also noted, “While marketing analytics is on the rise, a lack of trained professionals as well as tools/ processes to measure the impact of marketing analytics are the biggest obstacles to marketing leaders using marketing analytics within companies.”

This certainly tallies with findings from the ClickZ survey. In particular, the fact that increased investment in technology does not always mean better access to data-driven insights is one that permeates this report.

Brands identify numerous barriers between them and effective use of data, from ‘data complexity’ and ‘difficulty proving the ROI of attribution’ to simply a lack of budget, time, or skills.

As is shown below in figure 2, there is an interconnected set of reasons why brands are struggling to unlock the power of their data today.

Figure 2. What are the biggest obstacles to more effective usage of marketing intelligence technology at your organization? (Select up to three.)



<sup>4</sup> <https://cmo.deloitte.com/xc/en/pages/articles/the-cmo-survey-fall-2018-report.html#CMOSurveyFall>

These challenges all broadly relate to the core theme that an abundance of data and marketing technology solutions can create complexity, rather than simplicity.

Furthermore, there are obstacles within organizations, such as 'internal politics,' that can stand in the way of progress in this field. As such, there is more to this situation than the purely technological and mathematical questions that typically take the headlines.

It is also clear that businesses are unsure of the role marketing intelligence software should play, or even what they should call this technology. That lack of definition is a hindrance to progress, as it makes it almost impossible to prove the effectiveness of a solution if a company does not even know which question it is trying to answer.

In summary, without the right technology in place -- and the processes, people, and skills to make optimal use of it -- brands will continue to struggle with these challenges.

### Navigating the martech ecosystem

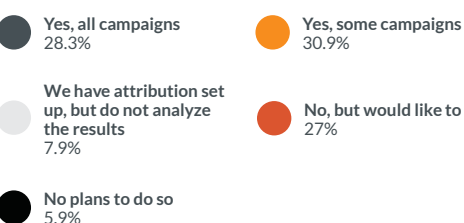
These survey results confirm what we already know: navigating the martech ecosystem is an increasingly challenging pursuit.

In this data-driven age, brands are finding it difficult to make the right decisions with the vast array of attribution technologies and tools available, so much so that some brands seem to freeze under the pressure of deciding what to do. After all, the martech '5000' has long since outgrown its moniker -- this year's total rose to a very lofty 6,829<sup>5</sup>.

**According to our survey results, 27% of brands do not use marketing attribution technology on their digital advertising campaigns, but "would like to do so."**

A further 29% use this technology on all campaigns today, 31% use it on just some campaigns, and 8% have the technology set up but do not look at the results.

**Figure 3. Do you use marketing attribution on your digital advertising campaigns?**



This survey finds that most companies do have marketing attribution set up (63% of respondents use Google attribution products), but this is of course just a first step on the road to data maturity.

The aim is not only to attribute credit for conversions across marketing channels; businesses need to evolve beyond attribution modeling toward accessible marketing intelligence.

As we will discuss in the following section, the current approach to martech is leading businesses further from their goal of attaining reliable, actionable insights from their data.



<sup>5</sup> <https://chiefmartec.com/2018/04/marketing-technology-landscape-supergraphic-2018/>

# More technology can create more complexity

**The most frequently-cited feature that brands wish their marketing intelligence technology could have is easier access to actionable insights.**

At a surface level that seems rather obvious, but it is revealing when we recall that these same companies have significantly increased their technology spending in this area.

Even after so much investment, that deceptively difficult goal remains out of reach.

**The true potential of multi-touch attribution and sophisticated data analysis lies in solving brand and marketing challenges, but these opportunities are often missed.**

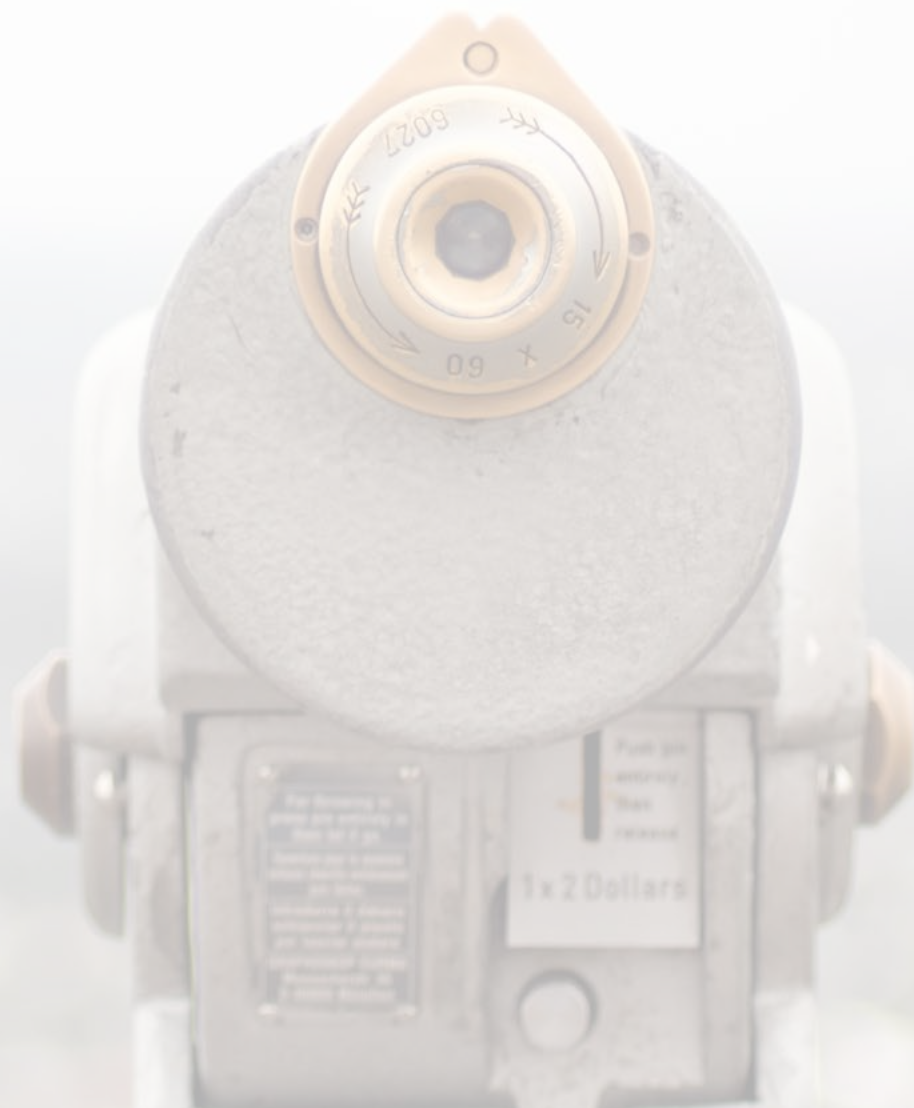
By beginning with a clear concept of the challenges a brand wants to solve by using marketing intelligence software, the partnership between vendor and client can start on a solid foundation. Still, with so many vendors to choose from, brands require guidance to ensure they partner with the right technology solutions.

## **The gap between data and insights**

According to the ClickZ study carried out exclusively for this report, businesses are using seven separate technologies to extract insights from their data, on average.

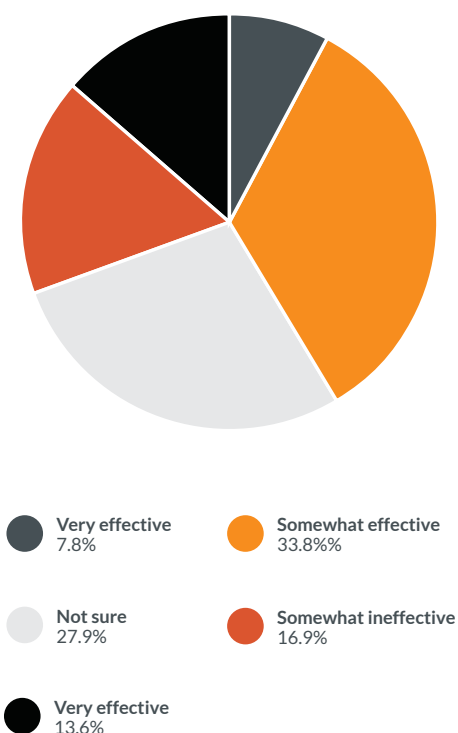
However, there are no guarantees that using these technologies means that brands are making sense of all this data. In some cases, it may mean entirely the contrary: more data and more martech solutions only add to the complexity.

In fact, just 33% of survey respondents believe that their current measurement solutions perform accurate attribution of all marketing campaigns.



Moreover, just 8% of responding brands believe that their use of third-party data is “very effective,” while 14% go as far as stating their use of this data is “very ineffective.”

**Figure 4. How effective is your company’s use of third-party data to develop an understanding of your consumers?**



If brands have extensive customer data but don’t know how best to use it for everyone’s benefit, what good does it do taking up server space?

The data that is being collected must be converted into applicable knowledge in order for brands to take better-informed and ultimately more profitable actions. That is a continuous process, rather than a one-off action.

By taking control of your data, you can drive improvements from any starting point and start to see the impact of using consumer information to provide better experiences.

### The metrics that matter

Another challenge among brands that adds to this complexity is that of business-wide agreement on performance metrics.

The definition of success will need to be adjusted for each individual brand, with metrics selected or created to guide the business toward its goals.

It is important to conceive of metrics in that sense; they have a practical use in directing a business toward the outcomes it wants to

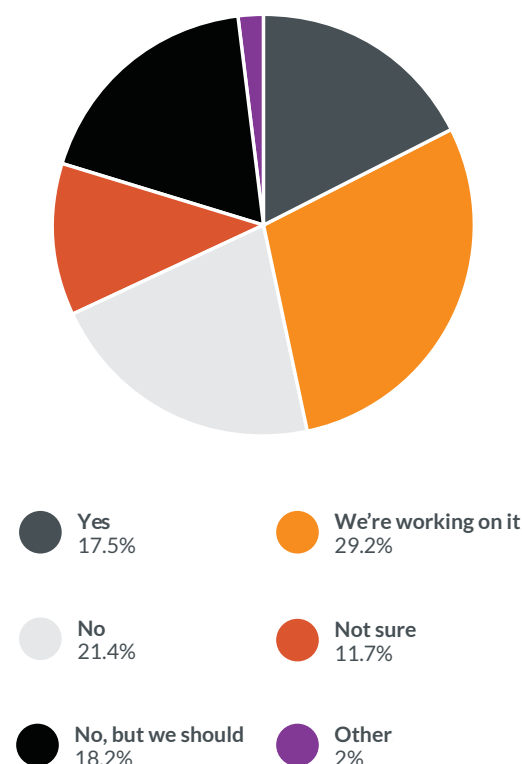
achieve. This is in contrast with the one-size-fits-all approach that sees brands attempting to fit their strategy into someone else’s definition of success.

From this position, it is possible to understand where a marketing intelligence software vendor can enable more effective strategic decisions.

Consumer data can be used to surface qualitative insights about an audience through quantitative means, but only if the brand in question knows what it is looking for.

The ClickZ survey asked respondents whether their company uses a shared metric, such as Customer Lifetime Value (CLV), to measure marketing effectiveness.

**Figure 5. Do you use a shared metric across departments (such as Customer Lifetime Value) to measure the effectiveness of marketing campaigns?**



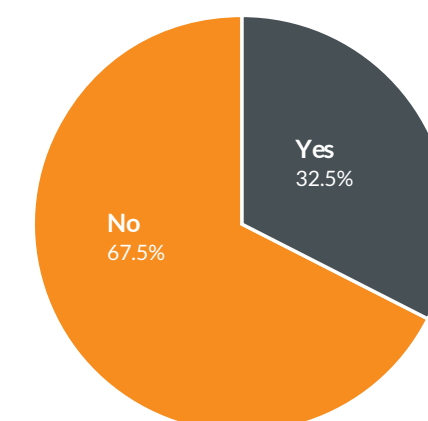
According to our survey, only 17.5% of brands claim to use shared metrics for measuring the impact of marketing activities and 29.2% say they’re “working on it.”

A whopping 21.4% of brands report that their companies simply doesn’t use shared metrics and 18.2% admit, “No, but we should.”

For example, one team might measure success through increased social media engagement, while another measures success based on website bounce rate. This inconsistency makes it too easy for companies to lose sight of what success means, and it also makes it much more difficult to make use of a marketing intelligence platform.

Furthermore, of the brands surveyed, only 32.5% are reported to have a clear view of their customer lifetime value (CLV). That means 67.5% of brands out there don’t have a company-wide understanding of how valuable a new or current customer will be.

**Figure 6. Does your business have a clear view of your customer lifetime value (CLV)?**



Without a clear agreement on customer habits and identity or metrics of marketing activity, companies are unable to market and see ROI to its fullest potential.

If brands want to see continued success and stay on par with or ahead of competition, they will need to reckon with this internal inconsistency and inability to properly utilize customer data.

### Access to impartial data is essential

Some brands report finding it difficult to trust the data that they do acquire. And some, even if they do trust it, find it hard to believe that using the data will make any real difference to their overall success.



**In the ClickZ survey, 21% of respondents stated that they do not believe the data from their marketing measurement platform is impartial.**

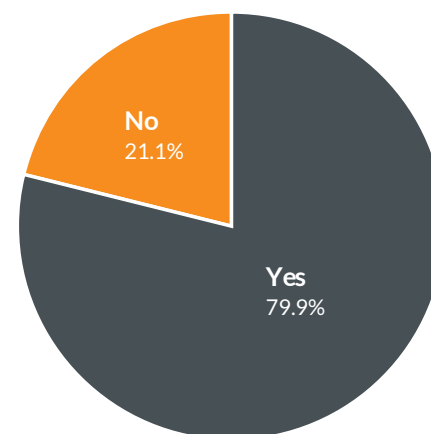
In particular, these brands referred to the significant level of control that vendors have over their data.

Companies like Google and Facebook are data businesses, after all. Relying strictly on online activity, these brands acquire tremendous amounts of user data daily. Protecting this data, their most valuable asset, is extremely important to their ambitions.

However, over-protecting could lead to a more fragmented future where data sits in walled gardens to an even greater extent than it does today.

Brands need access to their own data, across social media, search marketing, display advertising, and offline campaigns. There is clearly a concern that when a brand is wedded to one particular suite of marketing products, they may not gain access to the full picture of how their audience behaves.

**Figure 7. Do you believe that the data from your marketing intelligence platform is impartial?**

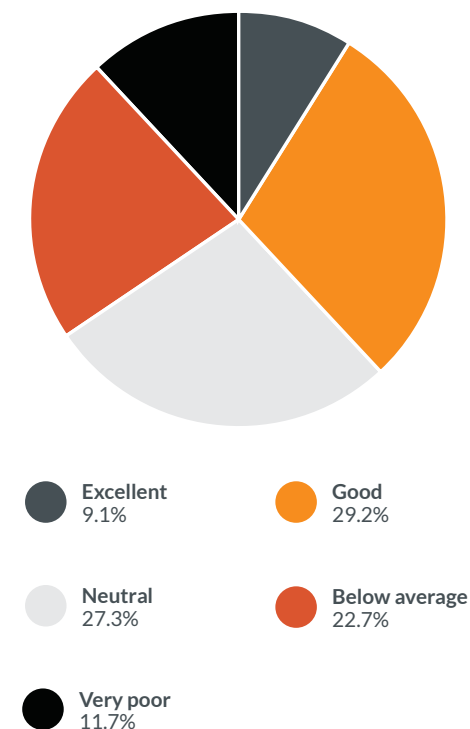


### Challenges with understanding attribution

The term “attribution” in regards to marketing refers to the process of identifying user actions that contribute to a larger desired outcome, assigning value to these

actions. When asked to rate the overall understanding of data-driven attribution in their companies, results varied:

**Figure 8. How would you rate your organization’s current understanding of data-driven attribution?**



Of the brands surveyed, 9.1% report an excellent overall understanding of attribution and 29.2% report a good understanding. That puts 61.7% of brands at “Neutral” or below. This could pose a potential problem for this 61.7%.

**Data-driven attribution is crucial in creating a clear image of the consumer for the brand.**

Through understanding and analyzing attribution, brands can see what is causing user activity and can create hypotheses to potentially explain the “why” behind that user activity.

Without understanding data-driven attribution, brands are left with an increasingly opaque image of the consumer, unable to adequately cater and market to fit consumer needs and habits.

Working to not only better understand but also protect all of this data is no longer optional for brands. The General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), and Cambridge Analytica scandal are bellwethers of a changing

relationship between individuals and their personal data.

With all of this data, brands should be able to build more accurate models of their audience’s behaviors.

This report finds that brands struggle with the challenge of synthesizing the various components of a martech stack to create a single view of their audience.

Having a foundational layer upon which all marketing activities and data should be created is an essential component of a marketing stack.





# The business impact of ineffective consumer understanding

**The consequences of ineffective consumer understanding on the business are numerous.**

To begin with, when a brand does not fully understand their consumers, it cannot fully understand how to effectively allocate marketing dollars.

Without a clear picture of the consumer, the brand marketer creates plans with incomplete information, potentially wasting marketing dollars on ineffective campaigns or other marketing efforts.

**In fact, over the next five years, brands are expected to increase their allocated funds for digital marketing from 44% of their budgets to 54%<sup>6</sup>.**

Facing fierce competition, brands need to know exactly who their consumers are in order to appropriately plan and market, otherwise brands stand to lose customers.

<sup>6</sup> <https://www.slideshare.net/christinemoorman/the-cmo-survey-highlights-and-insights-report-august-2018>

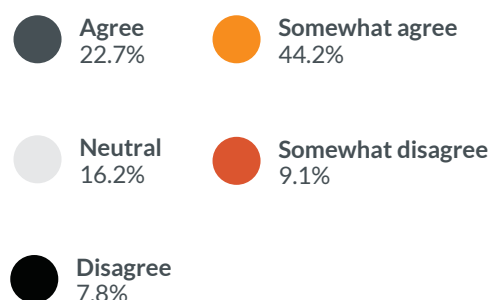
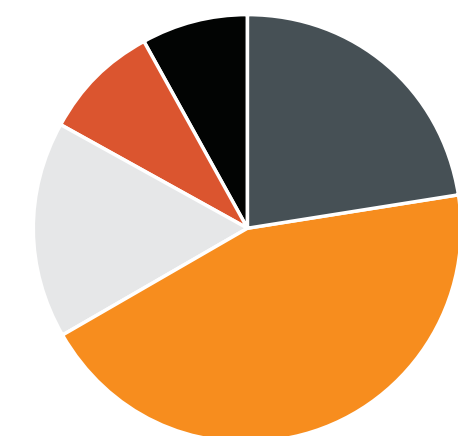


As prices go up, brands absolutely cannot afford to waste funds on marketing that doesn't work.

And yet, the 2018 *Global Data Management Benchmark Report*<sup>7</sup> from Experian finds that a huge 89% of executives believe poor data quality is currently undermining their ability to deliver exceptional consumer experiences.

This aligns with the findings from the ClickZ survey undertaken for this report. When asked to agree or disagree on whether insights from marketing intelligence platforms directly inform digital strategy, 22.7% of brands answered, "Agree," and 44.2% of responded with "Somewhat agree." That leaves 33.1% of brands reporting "Neutral" or below, meaning that 33.1% of brands are overspending in areas that do not necessarily drive performance.

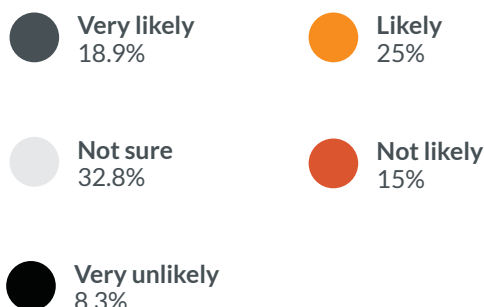
**Figure 9. Please agree or disagree with the following statement: Insights from our marketing intelligence platform directly inform our digital strategy.**



#### Brands plan to invest in new attribution technology

To follow up, brands were asked how likely they were to implement new attribution technology to their company within the next year. 18.9% reported "Very likely" and 25% reported "Likely."

**Figure 10. How likely are you to implement a new planning, measurement, or attribution technology within the next 12 months?**



This question refers explicitly to new technology, so this is not to say that the other 56.1% that answered "Not sure" or below won't step up their game with the technology that they already have. However, this is generally still an indication that many companies still are

not prioritizing finding real results through attribution technology.

Spending without regard to the insights of marketing intelligence is an easy way for brands to lose money and customers.

If building marketing strategies is not directly allied with a clear understanding of consumer information from marketing intelligence platforms, making the case for ROI is debatable. As martech spending continues to rise, so does the risk of misallocating funds. Brands need to be hyper-aware of who their customers are in order to spend effectively.

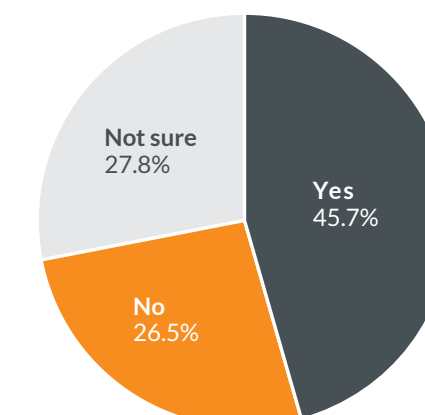
#### Marketing attribution directly affects strategy

As Figure 11 shows, a significant 45.7% of all responding brands have changed their cross-channel marketing budget allocation as a result of marketing attribution findings.

27.8% are unsure and just 26.5% say marketing

attribution has not affected channel investment plans.

**Figure 11. Has marketing attribution influenced your spend allocation across online channels?**



A company's misunderstanding of their consumers also ultimately takes up significant time and resources, as staff are forced to work to gain value from technology that does not automate tasks for them.

The impact of this is under-achievement against business metrics -- but it also weakens the case for further spending in this area. There is a need for marketers to enable better decisions through data, quickly.

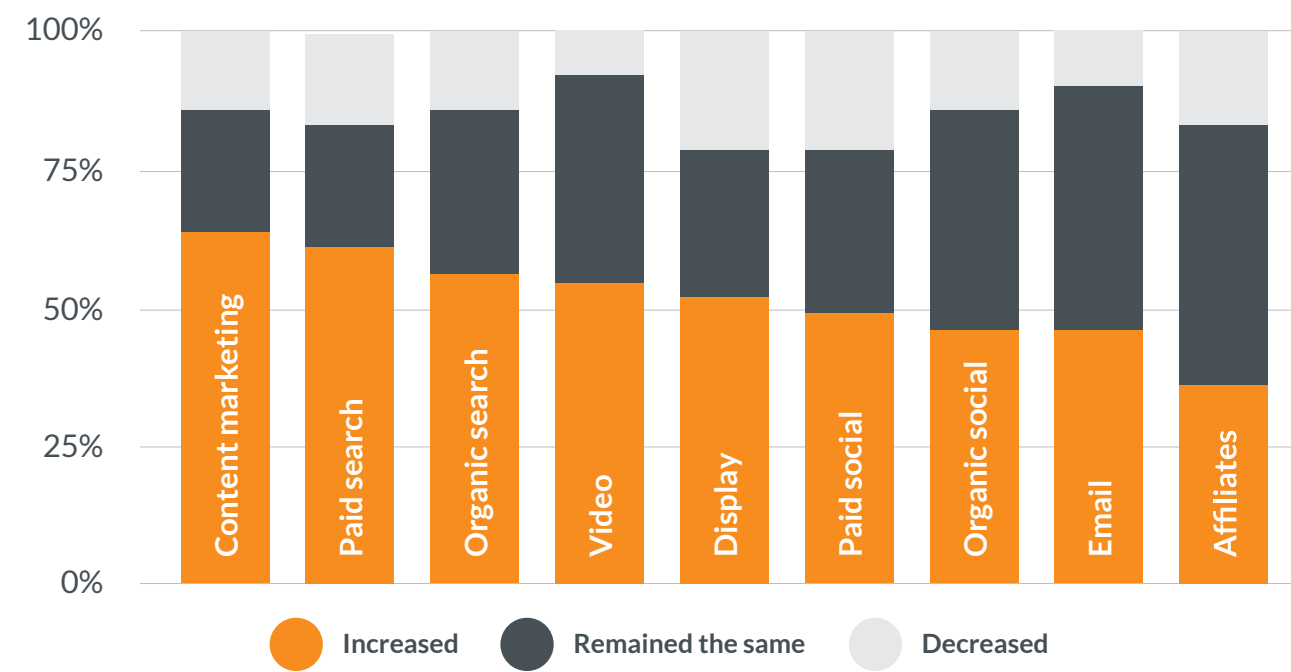
It is telling that among respondents who have altered their marketing budget plans based on data-driven insights, the majority have increased their investment in digital marketing.

This is particularly true in the areas of content marketing, paid search, and organic search.

After using attribution technology to understand campaign performance, 65% of brands increased their investment in content marketing, 61% did so for paid search, and 57% of brands spent more on organic search.

This occurs when a brand realizes that they have undervalued the impact their activity through each channel has had, or when they identify further room to grow by allocating more budget to specific areas.

Figure 12. The impact of attribution technology on marketing budget allocation across channels.



	Increased	Remained the same	Decreased
Content marketing	64.7%	22.1%	13.2%
Paid search	60.9%	23.2%	15.9%
Organic search	56.6%	30.4%	13%
Video	54.4%	38.2%	7.4%
Display	51.5%	27.9%	20.6%
Paid social	48.5%	30.9%	20.6%
Organic social	47.1%	39.7%	13.2%
Email	45.6%	45.6%	8.8%
Affiliates	36.7%	47.1%	16.2%

Across all digital marketing channels, brands are significantly more likely to increase than decrease their budget once they have conducted a thorough review of their performance data.

Accurate multi-touch attribution is essential as an exercise in diagnostic or descriptive analytics, as it shines a light on the consumer engagements that mattered most in the run-up to a conversion. However, as these new findings demonstrate, it is just as crucial for future planning. If a brand knows where and when they can reach their audience most effectively, they can spend accordingly and closely monitor the impact.

As a result, this marketing intelligence exercise becomes a driver of performance, rather than just a performance dashboard.





# How businesses are approaching this today

**According to ClickZ data, Google Analytics is the second most popular solution to the attribution problem, often giving brands a basic and important understanding of user activity and habits.**

The most popular software is Google Attribution 360, used by 51% of respondents.

Many businesses are still using predetermined criteria and do not have an attribution model of their own that reveals deeper analyses and insights.

On the following page, we display the out-of-the-box attribution models that a significant number of businesses still use as standard today. Each of these models has its benefits, but none are perfect and it remains surprising to learn that just 9% of marketers feel their business has an “excellent” understanding of multi-touch attribution.

**Figure 13.** ‘Out-of-the-box’ attribution models that many businesses use today

### Last Click

All credit is attribution to the **last** channel interaction.

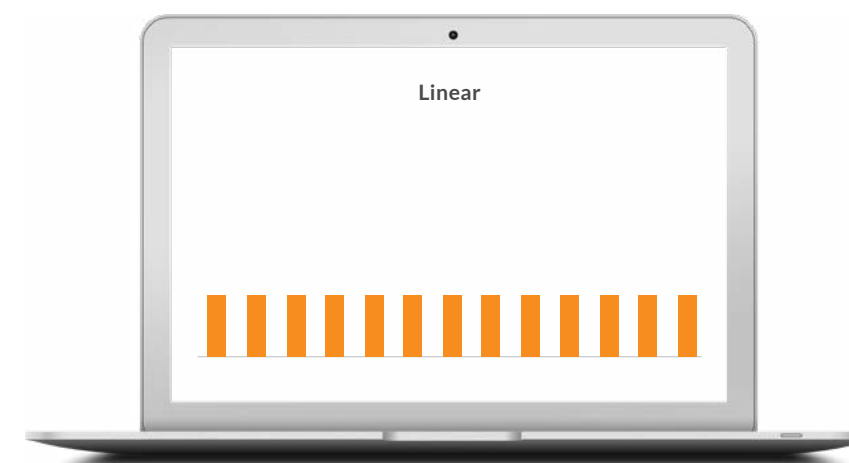
**Con:** You don't know where your customer comes from



### Linear

Assigns **equal value** to every interaction, regardless of the role they actually played in the conversion

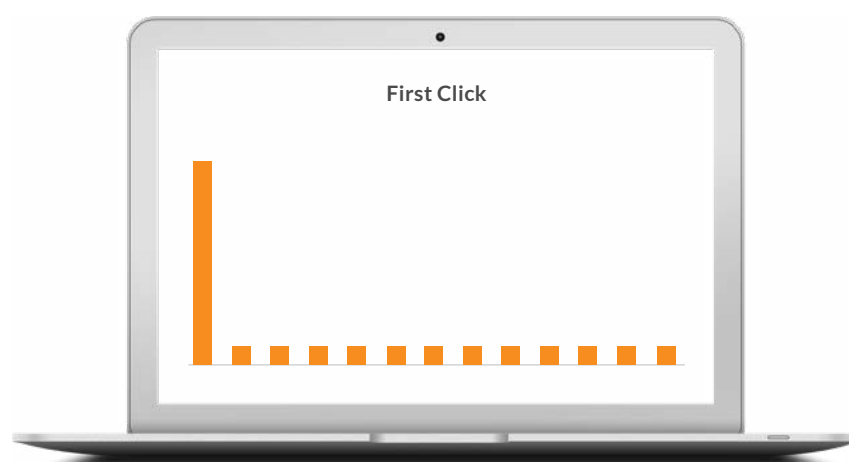
**Con:** Rewarding all channels equally is like everyone winning first prize - unrealistic



### First Click

All credit is attribution to the **first** channel interaction.

**Con:** The majority of purchases don't happen on the first visit



### Time Delay

Value credited relative to proximity to conversion

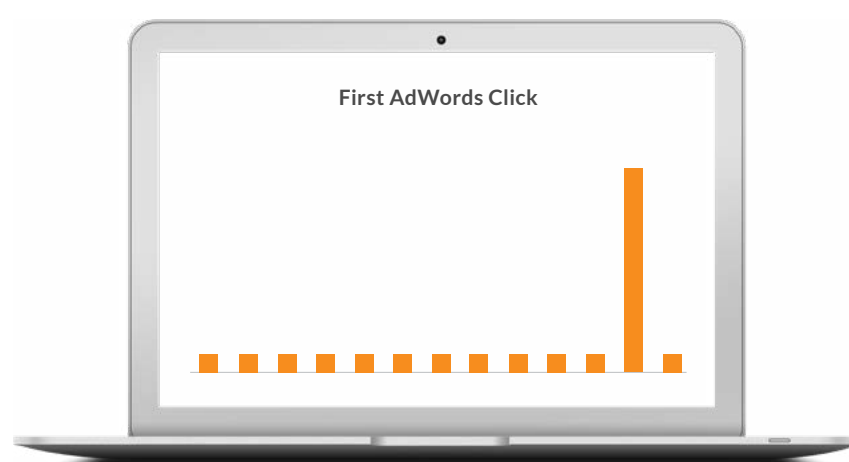
**Con:** Still optimising for last clicks



### First AdWords Click

Assigns **100% value** to last Google Ads click

**Con:** Google Analytics telling you how well Google AdWords are performing



### Position based

Default value attributed **40% to first touch, 40% to the last** and 20% spread across all others

**Con:** Still not a reflection of the actual customer journey



Another solution that companies often turn to are standalone attribution providers or all-in-one platforms.

These platforms often promise to provide what they call a ‘single customer view.’ Chasing this objective does not lead to better decisions today and often leads companies further from their stated objective. In fact, it can make company goals unachievable and impede them from building better models with the data available to them.

According to a survey respondent, “Most technologies have one or two brilliant core functionalities, but the rest is there to dress up the package as something more robust than it actually is.”

Others can see the value in the insights their platform

delivers, without being fully convinced of its exactness: “Our data is directionally correct, but I don’t believe it is as accurate as it could be.”

The aim of the company through the use of this technology should be not to create a perfect model of attribution, but rather to create the most accurate, transparent, and useful model of real customer journeys, wherever they are.

Though tools like Google Analytics are excellent in painting an image of the consumer using broad brush strokes, brands really need the nitty-gritty details.

These solutions pose other challenges for brands as well. For example, impartiality is far from guaranteed when using larger third-party solutions.

79% of surveyed brands believe that the data from their current technology is impartial, which is a healthy majority but still leaves a sizeable 21% of brands who are skeptical of their own data’s objectivity.

There are subtle but still notable distinctions across the major technology providers. 39% of current customers believe Google Attribution 360 is working well for them and 41% of Adobe Marketing Attribution users felt the technology provides accurate analysis of all campaigns.

While these tools may work for brands in many ways, they ultimately cannot provide the single customer view that they promise to deliver.

Adding to the list of challenges, using third-party data doesn’t always sit well with brands.

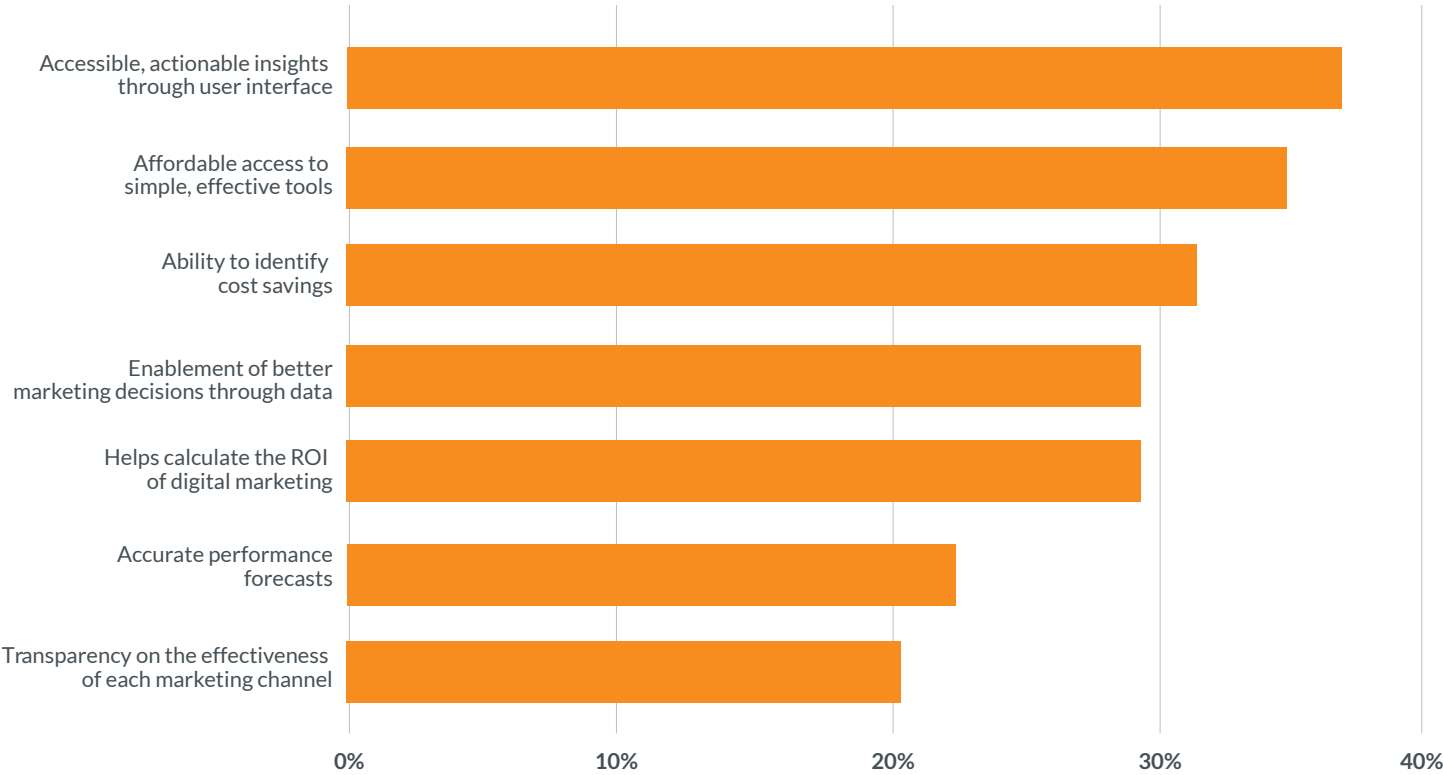
“Google has too much control over our data,” one ClickZ respondent admits.

Having the proper tools to acquire and understand their own data puts the power back into the hands of the brands.

Ultimately, brands need marketing intelligence software that is reliable,

accurate, agile, and impartial. Brands need to be focused on delivering and sharing knowledge within their organization to enable better long-term decisions across all marketing activities.

Figure 14. What do you look for when assessing marketing intelligence vendors? (Please select up to three.)



Value	Percent	Value	Percent
Accessible, actionable insights through user interface	37%	Customer support team	15.8%
Affordable access to simple, effective tools	34.9%	Calculation of metrics such as customer lifetime value	14.4%
Ability to identify cost savings	31.5%	Single view of the customer	13.7%
Enablement of better marketing decisions through data	29.5%	The agility to adapt to changing user behaviours	13.7%
Helps calculate the ROI of digital marketing	29.5%	Integrations with other software packages	11.6%
Accurate performance forecasts	22.6%	Independent, reliable view of your data	11%
Transparency on the effectiveness of each marketing channel	20.5%	Dedicated data protection team	8.9%
Integration of online and offline data	17.1%		

When asked what they consider when choosing marketing intelligence software, above all, brands said accessible, actionable insights through user interface. Marketers want to see the data clearly and glean actionable next steps through it.

Following that, brands said they consider both a software's simplicity and its ability to identify cost savings.

While these are certainly important things to keep in mind, the true purpose of marketing intelligence software is to identify how and where brands can be making better and more accurate marketing decisions via consumer data. However, this falls behind the three aforementioned considerations, signaling that brands may need a general mental overhaul on their understanding of consumer data in relation to marketing goals.





# The data maturity model

**There is an evolutionary process at play here.**

All brands can take stock of their current maturity and use this to plan their development. In other words, brands can use what they already have to grow even further. The key point here is that no matter where a company sits on this spectrum, there is always room for improvement.

A company's first step in improving data maturity is adding a new analytics platform, which can have a huge, immediate impact. When used properly, an analytics platform will provide brands with clarity, transparency, and a better performance analysis. Businesses can then build off of this by investing in attribution software and marketing automation, streamlining strategies based on understanding the data and enabling informed, data-based decisions.

To take it one step further, brands should implement an all-in-one customer data platform to incorporate more data sources into the analysis of their customers and the effectiveness of their marketing. A clearer strategy should emerge from using this technology, but brands should have their antennas up because the opposite can often occur. With so much information and so many directions to take it in, it's easy for companies to lose sight of goals and metrics. However, with effective data software and a clear, company-wide strategy, brands will be set up for a world of success.

Decision-Making and Data  
Maturity

Ultimately, the quality of a brand’s decision-making is directly correlated with the level of data maturity. Brands need to be careful to make thoughtful decisions about the technologies and marketing strategies they invest in. To make these thoughtful decisions, brands need to have a clear and transparent understanding of their data.

According to ClickZ research, we’ve found that the average brand invests in seven tools that are specifically designed to extract insights from customer data. Inevitably, there is crossover in functionality, a sense of unkept promises, and a waste of company resources.

Technologies that are more expensive and more complex don’t necessarily offer more benefits, nor can they offer the same initial boost that an analytics platform can provide. Additionally, new tools may simply tell a brand what they already know or worse, contradict and confuse a brand’s goals and ideas.

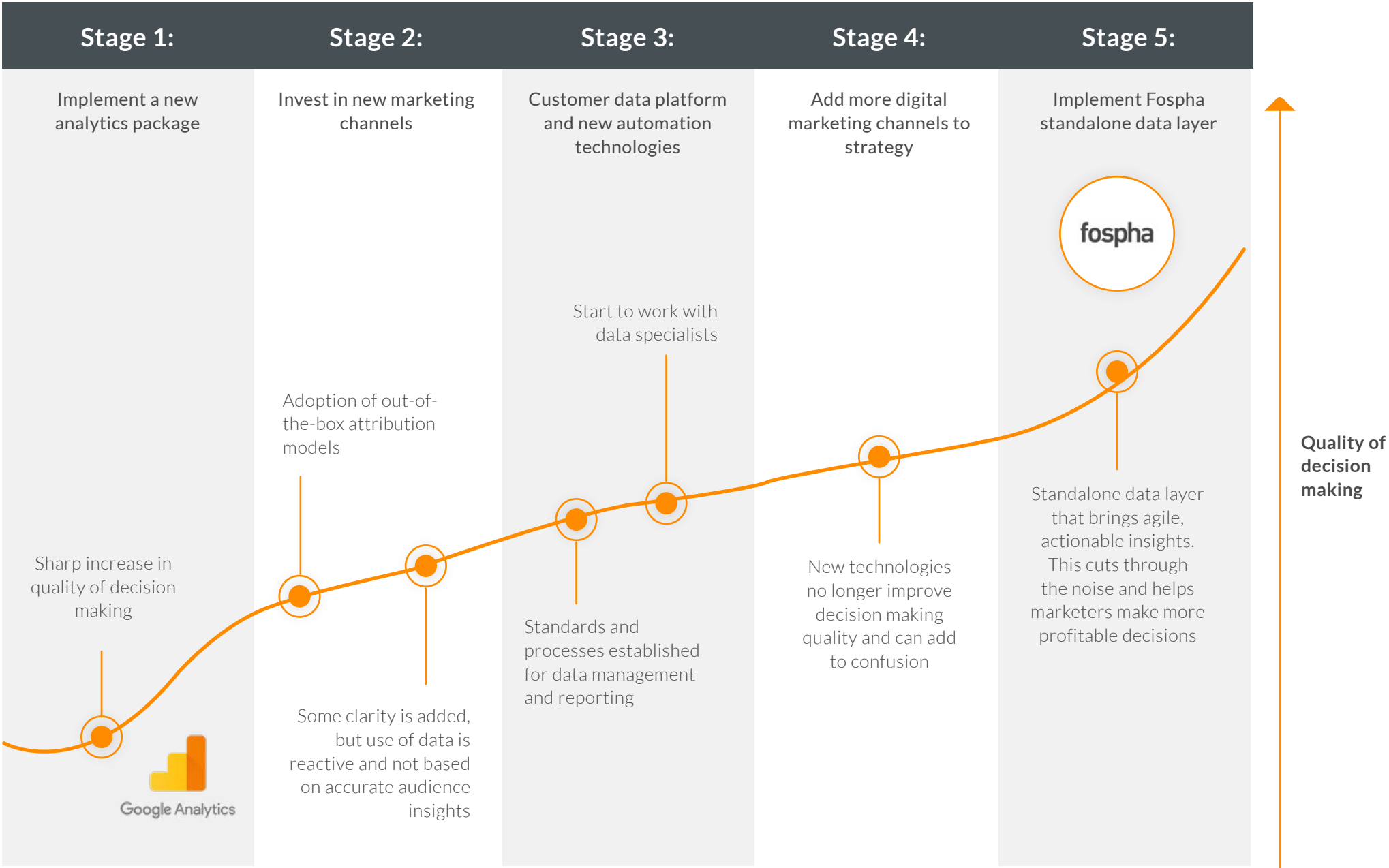
Rather than spending more money on more tools, brands can and should unlock the potential of their current data by engaging with an independent data analysis platform. The insights from such an analysis will better shape company decisions, creating data-based goals and motives. This is the next evolutionary step and provides a tangible improvement in decision-making, similar to the boost provided by implementing an analytics package.

By partnering with Fospha, brands have the power to take control of their current data, opening the door to better strategies and marketing decisions based on clear and transparent insights. Within these strategies, brands can develop success metrics like customer lifetime value to measure what really matters to the business and to maximize the potential of marketing campaigns.

For example, more brands can start thinking about and strategizing for how they can gain control of their first-party data rather than relying

strictly on third party. Though this certainly will take time, money, and serious effort, the results could be astronomical.

Figure 15. The data maturity model.



# I Key trends and tips

The following are the key tips brands can follow to directly address some of the challenges our survey answers highlighted:



## Focus on value:

Data is ultimately a brand's support system. When used effectively, it will add tremendous value to your brand. When not, it will only be a huge missed opportunity.

Even if you're still working out how to process and understand user data, you can take your first steps in the right direction by defining what success looks like for your brand. From there, determine the metrics that will help your brand measure this success and create a dashboard that charts it all.

64% of survey respondents believe their company analyzes under 40% of all consumer data.

Before working to incorporate third-party data sources, extract maximum value from the customer data you already have.

Making sure teams and players across the board agree on the terms of your brand's success is key in keeping the vision for your brand streamlined and your eyes on the prize.



## Be directive with your technology strategy

Clearly identify and articulate your brand's challenges that need solving. Ensure that the data companies you work with -- whether that is attribution providers, DMP's, CRM vendors, or otherwise -- are using the data to help you find the answers you need and create sustainable solutions.

If your attribution and data vendors aren't effectively using your data to help you solve problems, you have the choice to make a change and find partners that actually can create change and growth.

The ClickZ survey found that brands invest in 7 separate technologies to tackle data analysis and insights, and 44% plan to invest in at least one more over the next year. Without a strategy, this investment will not necessarily deliver positive returns.

Use the data maturity model in the previous section of this report to understand how your business stacks up. The good news is that no matter your current level of maturity, partnering with a standalone marketing intelligence vendor can instantly unlock previously unseen opportunities.

# I Key trends and tips



## Identify partners that can make your life easier

Data solutions and partners need to be able to integrate and evolve with your business. Look for partners and vendors that simplify the complexity, consolidate fragmented data from within the business, and integrate it with your internal business systems and marketing technologies. Data-driven insights should be accessible and practical, and they should enable more effective decisions.

Identify the partners that can educate your business in the crucial areas of data science and multi-touch attribution. Just 9% of marketers believe their organization has an “excellent” understanding of this discipline, so there is a competitive advantage to be gained by making this a priority.

Connect this intelligence to the people that matter in your organization and watch your business grow.



## Find appropriate measures for success

Marketing measurement should not be a restrictive force. Instead, it should provide a healthy perspective on the success of marketing strategy over time.

One approach to this is to work towards customer-focused metrics, such as customer lifetime value (CLV). It is therefore surprising that just 32.5% of businesses have a clear view of the CLV within their data set.

Moreover, only 17.5% of responding brands use a shared metric like CLV to judge the success of marketing strategies.

Uniting efforts around such measures can keep teams focused on delivering for the business, rather than just their channel performance. Technology partners can help you both calculate and track these numbers within a tailored reporting dashboard.





# Better data for better decisions: The Fospha solution








**Brands need a standalone data layer that informs all online and offline marketing.**




While third-party data can certainly be valuable, insights from specific user actions and data sets will -- at the very least -- direct brands toward clear, measurable metrics.

Fospha delivers by putting companies in control of their first-party data as a foundational layer upon which strategies are built and measured. By being in charge of customer data, brands can set clear success metrics and create plans to meet and exceed those metrics.

Figure 16. The data sources that typically inform a marketing strategy

These data sources can be, but are not limited to:

-  Website visitor data
-  CRM data
-  Display advertising data
-  Affiliate cost data
-  Phone call data
-  Google merchant centre
-  Paid search data

-  Point of sale data
-  Data from customer service
-  Data from internal order system
-  Financial data
-  Google Webmaster tools

Fospha achieves this by Markov chain models, identifying patterns in past consumer data to predict their future actions. A Markov chain describes a sequence of possible events, the probability of a each event depending on a previous event.

Using this model leads to a greater understanding of not

only the potential impact of each action and channel, but also clusters of channels and how they work in specific sequences for the consumer.

Channel-specific models:

Look at real visitor data to determine the role an individual channel has played in a conversion.

Do not consider the interaction between various channels.

Lead to inaccurate attribution of marketing spend.

Data-driven models:

Look across all visitors' entire journeys and assign real values to each of the touchpoints.

Do consider the interaction between various channels.

Leads to accurate attribution of marketing spend.

As a result, for example, it is possible for brands to understand the relationship between Google and

Facebook when it comes to user experience and habits, beyond the simplistic, third-party studies in today's market.

Our preferred Data-Driven Model: The Markov Model

All the channels are 'states', and the probability that a customer moves from one channel to another is a 'transition probability.'

Looking through all the customer journey, and their various paths to conversions, gives the channels 'transition probability.'

Remove a channel and seeing how many conversions are expected.

The **difference** between the **actual** number of conversions and expected conversions without that channel is the **channel' value!**

At the end of the day, what brands need to remember is that the direct financial impact of accurate attribution goes well beyond simply more efficient spending in display and paid search.

Gone are the days of pushing money into a channel and hoping it works. To stay ahead, brands need to understand how to make more effective investment decisions through predictive analytics, ultimately giving the brand a transparent understanding of why they're spending the way they are.

For example, this could also take the shape of setting company-wide Customer Lifetime Value calculations, giving brands clearer metrics for consumer success. Through making marketing decisions that better fit the needs of the consumer, brands can identify and maintain the lifelong customer.

Marketing attribution software can sometimes seem flashy and complicated, luring brands in with large, shiny promises of 'opportunity'. However, a business doesn't necessarily become successful by using the flashiest product.

Rather, it will see substantial success when using the most effective product. Software

and service mean using the best technology, but also getting the most out of said technology.

This is where Fospha comes in. Through our innovative software, your company can finally gather and organize the first-party customer data it needs, equipping you with actionable tools to find and retain the lifelong customers you seek.

It's time to take control of your data, transform the impact of your marketing, and improve your ROI by using Fospha's attribution tools. Allow us to be your marketing intelligence partner. Learn more and get in touch at [www.fospha.com](http://www.fospha.com).



# I Notes

# I Notes



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