emfluence
MARKETING PLATFORM

Improving Marketing Attribution

NEW RESEARCH FOR B2B MARKETERS

You know that famous quote about wasting advertising dollars? Everybody trots it out whenever they talk about marketing attribution: "I know that half of the money I spend on advertising is wasted. The problem is I don't know which half."

The quote usually gets attributed to U.S. department store magnate John Wanamaker, Unilever founder William Lever, Henry Ford, J.C. Penney or David Ogilvy. Problem is, there's no proof any of them ever said it.

But while this particular attribution might be wrong, it highlights a genuine attribution problem – not knowing if you're spending your money wisely or wasting it on things that don't work. It's a real problem whether you market in B2B or B2C.

Why Attribution Matters

Attribution is becoming a major topic in many companies as they try to answer the question, "How did I make the money I made?"

Marketing automation software or B2B sales enablement tools can help you measure more accurately, but only if you use them correctly.

That's the linchpin of all marketing attribution for B2B – achieving the right integration in the initial setup and then practicing proactively for the company and following it regularly.

But the challenge is in following through and staying disciplined, making sure everyone has the discipline to use the tools as they have been set up.

> **"**
> *...the challenge is in following through and staying disciplined...* **"**

How to Use This Study and Our Recommendations

In this study, we partnered with Ascend2 and asked B2B marketers about marketing attribution to learn their challenges, pitfalls, and opportunities. Peruse our report to see the results and share them with your team. You might discover you're not as far behind your peers as you thought. Or, you'll discover things you hadn't thought of already.

Keep this in mind as you read:

From start to finish, any attempt to align sales to effort won't be easy. Realize that the path you walk with attribution is fraught with challenges and hard work. It's not for the faint of heart or for people who aren't committed to the process of measuring marketing expenses and returns, reviewing the company's current and future states, and planning for both.

We invite you to use the results of this study and our analysis and recommendation to help you fill gaps in your attribution program and to set your course for a future of growth

MEET EMFLUENCE

We are passionate about all things digital marketing. Our marketing automation platform has a unique view of the needs of the modern marketer because we built it for the agency side of our business.

We are marketers at our core so of course we are data nerds too. Another thing we are passionate about is creating software that is easy to use. We understand industry pain points and translate them into features that make sense.

emfluence can help you with everything from executing your email campaigns and marketing strategies to paid media placement, SEO, and more.

Six General Attribution Models

Attribution modeling is a framework for analyzing which touchpoints, or marketing channels, receive credit for a conversion. Each attribution model distributes the value of a conversion across each touchpoint differently.

These are six common attribution models for both B2B and B2C (although there are many others that address specific niche businesses):

- **First-Click:** Also called "first interaction" or source attribution, it gives all the credit for a conversion to the customer's first interaction. If a customer clicks on an email and purchases on the website, the email gets the credit. This is the most popular B2B attribution model.

  Pro: It's simple and straightforward.

  Con: It ignores any contribution from other channels after the first click.

- **Last-Click:** Also called "last interaction," it's like first-click attribution, but it gives all credit for a conversion to the last channel clicked. If that same customer clicks through from an email and purchases on the landing page, the website gets the credit.

  Pro: It's easy to implement and evaluate, useful for ecommerce brands with short buying cycles and only one or two touchpoints.

  Con: It ignores any interactions before the last click and commonly in B2B, the last action is an interaction with a person.

- **Last Non-Direct Click:** This model eliminates direct traffic, such as typing your brand URL into a browser or clicking from a bookmarked link, from the attribution path. These indicate your customer already knows about your brand.

  Pro: Eliminating direct traffic can reveal the marketing channel most responsible for the conversion.

  Con: It still assigns all credit for the conversion to one channel.

- **Linear:** Linear attribution assigns equal credit to every channel in a conversion.

  Pro: It acknowledges that each channel contributes to the conversion.

  Con: Assigning equal credit makes it harder to discover which channel is more effective.

- **Time-Decay:** Time-decay attribution also assigns credit across all channels involved in a conversion, but it also factors in the time when each channel interaction happened before the conversion.

  Pro: The model gives you a clearer idea of how long a conversion took. This can be useful for B2B sales with long consideration cycles.

  Con: It gives more weight to recent interactions rather than those happening farther back in the funnel.

- **Position-Based:** This model divides credit for a conversion among the channels involved, dividing 80% of the credit between the first and last interactions and portioning out the remaining 20% over the other channels.

  Pro: This model is like linear attribution in that it divides credit among the channels involved in the conversion but gives the most weight to the interactions that likely contribute the most to the conversion.

  Con: It can undervalue the channels in between those two points.

Top Benefits of Successful Attribution

What are the top benefits of successful marketing attribution?

Benefit	Percentage
Improving marketing ROI	55%
Improving the customer experience	45%
Increasing campaign optimization	43%
Improving budget/resource allocation	31%
Aligning marketing and sales teams	30%
Streamlining processes/improving efficiencies	30%
Improving personalization	26%

Developing the right attribution model for your organization takes a lot of effort. But the benefits outweigh the work.

Why? Because in business, we don't do anything unless we can generate a huge benefit. As you set out in your attribution project, you need to determine what one thing can deliver that benefit. It could be a cascade of benefits that will affect a large part of your sales and marketing efforts like these:

- How much money to spend at a conference or trade show. Should you become a gold sponsor or buy the smallest booth space offered?
- What kinds of leads should you aim for?
- What content efforts are critical for outreach during the qualification or nurturing process?
- What usually ends up being a waste of time?

CX Versus ROI

"Improving ROI" came out on top as the number one benefit of developing a successful marketing attribution model, according to our study, with 55% of marketers agreeing. But we believe the number two benefit – improving the customer experience, or CX – should be the primary motivator for getting your attribution right.

Everything you do should enable your prospect or lead to convert, whether it's a macro or micro effort.

Your customers should see you're putting your best foot forward, not just in your advertising channels but in your efforts—whether it's whitepapers, emails, social media or video. You want to improve the experience for your prospect and lead opportunities as well as your "closed-won" efforts.

Yes, everyone wants the return on their marketing investment to be higher, but we believe this often means marketing doesn't get everything it needs for budget, staff and other resources.

We all know that if we could prove how effective our marketing efforts really are, our programs would be well funded and staffed. We see a little bit of bias among the 55% who chose ROI as the top benefit.

Take away that bias, and we believe CX would become the top priority. In fact, we believe that the customer experience, budget allocation and aligning the marketing and sales teams are the most important benefits of marketing attribution.

When you have all those factors in line, everything else falls into place. You might also have other things that factor into your attribution endeavor, such as supply chain considerations, workforce development, or staffing and hiring.

This is critical in B2B work because B2B marketers are dealing with lower sales volumes than B2C marketers. That lower volume makes attribution management in B2B comparatively easier because you can manage it manually, something that's much more difficult to do in B2C where volumes are far higher.

Attribution also helps marketers become more organized in lead source, in funnel activity and how to message within the funnel. There's more immediate gratification to action in B2B. Along with the lower volumes, you can see the effect of your changes and initiatives faster.

Sales & Marketing Alignment

A key benefit of attribution – aligning sales and marketing teams – came in at number five, just ahead of personalization.

This response overlooks a key disconnect that can block your path to successful attribution. That's because every marketing team – social, email, SMS, search, print – thinks its own channel is the most important. Attribution helps you plan more effective strategy and tactics and distribute resources accurately according to effort.

At the start of your attribution discussion, you should understand that the most important things are your strategy and your alignment between sales and marketing. No matter what you do, which attribution model you use, the people in your organization must agree. You must have everyone on board so all parties can understand the process as well as the approach.

As a marketer, you can choose from several attribution models, as you can see on pages 3 and 4. But no matter which model you choose, everyone in your organization must align with your plan before you start anything, whether you use Microsoft Dynamics 365, PowerApps, Salesforce, Pipedrive or some other component in your marketing stack to measure and report attribution.
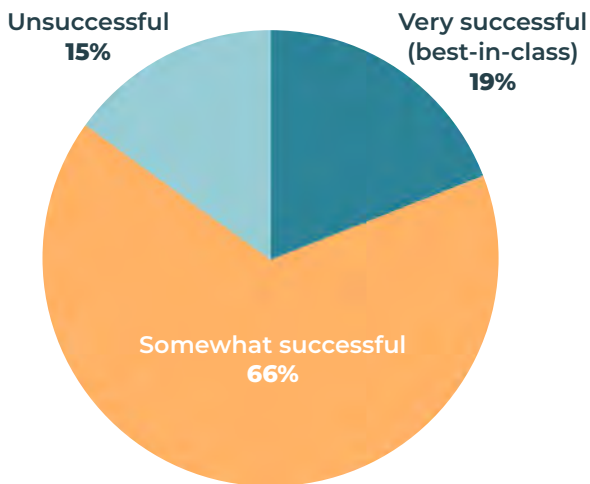
If you're focused on marketing attribution, you must take a holistic view of your organization, not one that considers only the interests and needs of your own team or sphere of influence.

" *...we believe that the customer experience, budget allocation and aligning the marketing and sales teams are the most important benefits of marketing attribution.* "

Rating Marketing Attribution Success

How would you rate the success of your marketing attribution strategy?

Unsuccessful
15%

Very successful
(best-in-class)
19%

Somewhat successful
66%

Attribution is an ongoing, long-term process in which you continually add in and consider more data to power your attribution model. It's not a one-and-done project. It takes a lot of work up front, but then the work keeps going. That's where the 66% who say they're somewhat successful find themselves.

The 15% who say they are unsuccessful with attribution are either unhappy with their attribution models, or their data and models are a mess. They are forced to put out too many disclaimers with their attribution reports every time.

With the cyclical nature of attribution models, you must focus on your goals, your check-ins, and your progress — whether you follow agile marketing or a more traditional workflow.

Our study found 66% of marketers say they are "somewhat successful" with marketing attribution. We would rephrase that finding to say that 66% of marketers are still struggling with their marketing attribution. Their work isn't complete.

One thing to consider: where is your data? Is it all integrated in your customer relationship management tool (your CRM) or do you have outlier data?

Disconnected data can introduce flaws in your marketing attribution model because it's not complete. You have to keep making assumptions about how you make money. Your reports will always include an asterisk because you aren't dealing with complete data.

While one in five B2B marketers told us their marketing attribution strategy is "very successful," we are more concerned about the progress the 66% who say they're somewhat successful are (or aren't) making.
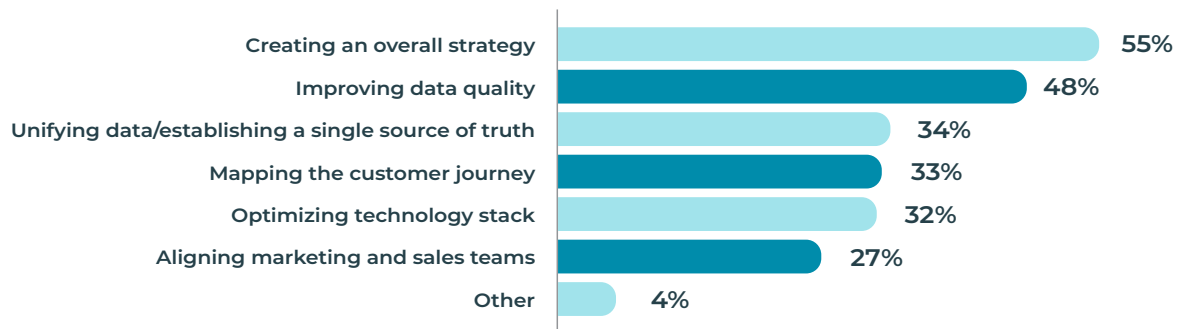
Challenges to Improving Attribution

We discussed having a strategy briefly in an earlier section of this report, but now we're going to dig in.

We were surprised to find that 55% of marketers said their biggest challenge was creating an overall strategy. We suggest that "strategy" as a concept has been overused to the point where it has become a buzzword. Many marketers don't understand what the strategy is or why it's important.

What are the top challenges to improving marketing attribution?

Challenge	Percentage
Creating an overall strategy	55%
Improving data quality	48%
Unifying data/establishing a single source of truth	34%
Mapping the customer journey	33%
Optimizing technology stack	32%
Aligning marketing and sales teams	27%
Other	4%

What is Strategy?

Strategy without tactics is just procrastination. Here, strategy says, "We want to do [X] because we want to achieve [Y] and [Z] is the general model we will use."

Within your strategy, you must define the deep realities of your organization. What's your technology stack? Who are your users? What information comes in and goes out? Where does reporting come from?

"You might think of strategy as an exercise where your team gets together and dreams big dreams about where the company should go," says RPE Origin Managing Partner and Columnist, Ryan Phelan. He is well known for insisting that strategy comes before tactics.

Two Elements of Strategy

When dealing with attribution modeling, strategy and tactics are much closer together. Strategy still comes first, but strategy is about two things:

1. Alignment: Do we all agree on the goal?
2. Measurement: How to measure for success

Measurement can be a thorny process because it's as much a political discussion (as in company politics) as a logistical undertaking. The attribution model you choose can both influence and aggravate those conditions.

Resolving Attribution Disconnects

At some point in your attribution project, you'll find each channel will disagree on how much it contributes to closing business.

If you use a last-click model, then the last channel the prospect uses before conversion gets the credit for the sale. With shared attribution, you must decide which percentage each of the participating channels will get.

This is a negotiation process that includes both the political ramifications and practical ability of your attribution system to parse it out. That discussion involves your tech stack, your conversion funnel and deal stages, how much marketing does, and how much cross-channel marketing your team does.

Earlier, we stated that strategy says, "We want to do [X] because we want to achieve [Y] and [Z] is the general model we will use."

After your team aligns on X, Y and Z, it's all horse-trading. That's the biggest challenge to improving your attribution, and it's why we agree with the 55% who perceive that creating an overall strategy is the hardest piece of the process.

But several factors are at work underneath the strategy discussion. Marketers don't always forecast what their strategy needs to entail. They don't realize they need to include their tech stack, APIs, tech partners and more in the equation.

Many of the findings in this study actually run counter to what we have found. We asked marketers for their opinions on the challenges they face. But the challenges that came out in the responses are actually components of what you should prepare to do as you build your attribution model.

> **Marketers don't always forecast what their strategy needs to entail. They don't realize they need to include their tech stack, APIs, tech partners and more in the equation.**

Six Challenges to Overcome

Look at the chart that accompanies this section of the report. You'll see that strategy is the number one most difficult challenge, with "mapping the customer journey" coming in at number six. You can reframe this list into the challenges you must overcome, or the goals you must set, to succeed with your attribution project.

Here's how we would reorder the list in terms of the elements you need for your attribution project, from most to least difficult:

1. **Develop a strategy**
2. **Align teams to that strategy**
3. **Improve your data quality**
4. **Optimize your tech stack**
5. **Unify your data and establish a single source of truth**
6. **Map your customer journey**

Remain Customer-Centered

This list ends with your customer journey. This is appropriate because it will point you toward what's most important: your customers.

You can focus better when you make your customers the center of your challenge and agree on the solution to make that happen. Your unifying message is "We're doing it for the customer," not "We're doing this so Marketing (or Sales) can get more budget."

What's most important here is that you're working to make the customer experience better, or the lead or prospect process better.
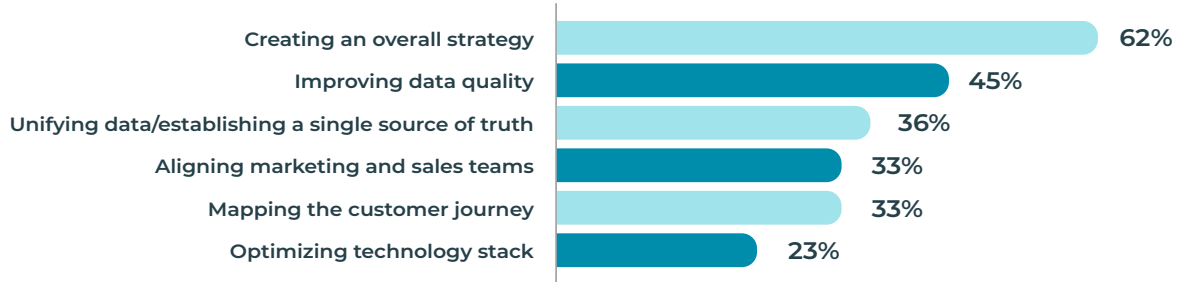
Create Your Own List of Goals & Challenges

Our list is based on the work we've done with our clients. But your goals, challenges or priorities might be different. Feel free to reorder your list according to your own needs.

Where to Focus to Improve Attribution

What are the top areas of focus for improving marketing attribution in the year ahead?

Area	Percentage
Creating an overall strategy	62%
Improving data quality	45%
Unifying data/establishing a single source of truth	36%
Aligning marketing and sales teams	33%
Mapping the customer journey	33%
Optimizing technology stack	23%

As we noted in Section Three, an attribution project is an ongoing process without a clear ending. You'll revisit it constantly.

We sense that the marketers in this study recognize the ongoing nature of attribution work by acknowledging what they need to work on.

Once again, strategy takes the top spot. But we would challenge the 62% who say this is where they need to focus. This implies that they don't really know what their strategy is or how well it's working, and they're stuck in that initial phase.

Four Improvement Areas

Where should you begin if you want to improve your attribution? Our recommendations reframe the six challenges found in previous sections, but we will discuss the four that will have the most impact here:

1. Create an overall strategy: If you're a marketer who is still struggling with strategy, go back to the drawing board. Ask your team: What are we trying to accomplish?

Put some guardrails around your strategy. If the discussion veers too far into company politics, bring in your C-level executives or outside advisors to help you focus and change the conversation.

Yes, you might have to throw out almost everything and start over. But that's better than finding out that you've been wrong the entire time and wasted precious resources on the wrong things.

2. Improve data quality: This is something every company will be dealing with forever. Data quality is always important. When you implement integrations, you ask "What's the data, what's the format, and does it fit into my attribution model format?"

Ensure that everyone on your team thinks about attribution at any time during your external or internal discussion. Think of it as a box to check before making any big changes: "Yes, we thought about this and no, it does not change attribution."

3. Unify data/establish a single source of truth: This is where everybody wants to be. It's harder to achieve than you think but it's closer than it used to be thanks to central data platforms (CDPs) and other technology.

Properly implementing your sales CRM is critical for achieving your single source of truth for data. We often work with companies using CRM integrations that are one big mess because there is not one person administering it holistically, with data being gathered from across the organization.

4. Optimize the tech stack: The 23% who say this is not a priority should rethink their answers. Constant innovation means marketing technology changes every two to six months. That doesn't mean you need to send out requests for proposals from tech partners every year, but you should continually monitor your tech stack and stay on top of new developments.

> **What's the data, what's the format, and does it fit into my attribution model format?**
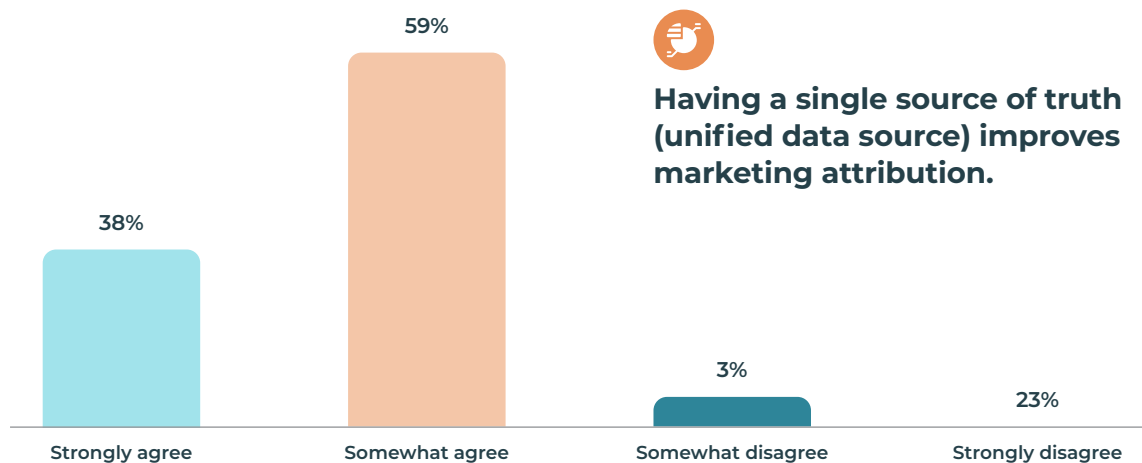
The Importance of Data Unification

From time to time we come across statistics that make us shake our heads and wonder, "What are they thinking?" This is one of those times.

Unified data that creates a single source of truth, or SSOT, is every marketer's dream. It should be every salesperson's dream, too. It should be the dream and the goal for everyone in business.

So we were shocked – to learn that 59% of marketers in our study "somewhat" agree that an SSOT improves marketing attribution. Why "somewhat" and not "strongly?" What else could improve attribution more than having all your data working together to give everyone the same picture?

Having a single source of truth (unified data source) improves marketing attribution.

38% Strongly agree
59% Somewhat agree
3% Somewhat disagree
23% Strongly disagree

What's Behind SSOT Skepticism

Maybe nearly six of 10 marketers believe that an SSOT is nice to have but not the only thing because they don't believe they can achieve it. We agree in part because creating an SSOT takes a lot of hard work. It requires discipline, alignment on goals, strategy and tactics and more time than most companies are willing or able to give it.

Just as surprising is the three percent of marketers who "somewhat" disagree that having an SSOT improves marketing attribution. Maybe the marketers in this group just don't understand what it is or don't have a complete understanding of the data they need to realize its power.

We shared this viewpoint with a colleague to help us understand the thinking behind this answer. Here's the response:

"Who are these 3% of people? What are they taking, and can I have some of it? I would truly love to talk to them because it makes no sense. A unified data source is an essential part of being able to allocate marketing efforts and funds."

The goal of all digital marketing is to understand where you made your money. It's about how to segment, target and recognize individuals through all their actions and their experiences with your brand, from raw lead to closed-won to renewal. An SSOT makes that holistic view achievable.

Difficulty Unifying Data

Once again, the data surprised us here. Almost the same percentage of marketers agreed "somewhat" that unifying data into a single source of truth is difficult.
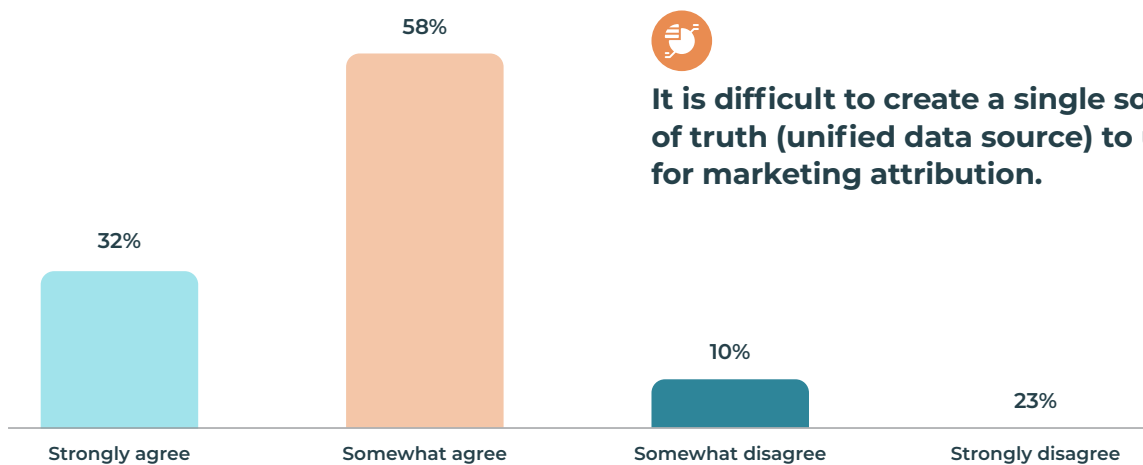
As we noted previously, creating an SSOT takes hard work. Getting an organization to align regularly is not for the faint of heart. It doesn't get easier, either.

But with all this hard work come benefits, which we discussed in Section One.

If you keep your eyes on the benefits of unifying data into an SSOT, then you recognize that your hard work pays off. We would have liked to see more people agree that creating it is hard work because we have never been part of an attribution exercise that was easy.

Recognize that creating an SSOT will be a challenge and be honest about it with your organization. Getting people in different disciplines, with different priorities, to agree to an approach can be hard. We would like to meet the 10% of marketers who think it would be no big deal to pull off.

There's no "easy" button for any aspect of running a successful business.

It is difficult to create a single source of truth (unified data source) to use for marketing attribution.

Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
32%	58%	10%	23%

> **If you keep your eyes on the benefits of unifying data into an SSOT, then you recognize that your hard work pays off.**

Marketing Attribution Platform Features

We all want marketing attribution to be easy. This expectation extends to the platforms we use to manage it.

We've seen this in our experience – an almost Pollyanna expectation that setting up an attribution model is just a matter of clicking a few buttons.

We're here to tell you it won't be easy.

Maybe we're spoiled by all the new Martech tools that work right out of the box. You need to find the marketing attribution platform that works best for your company.
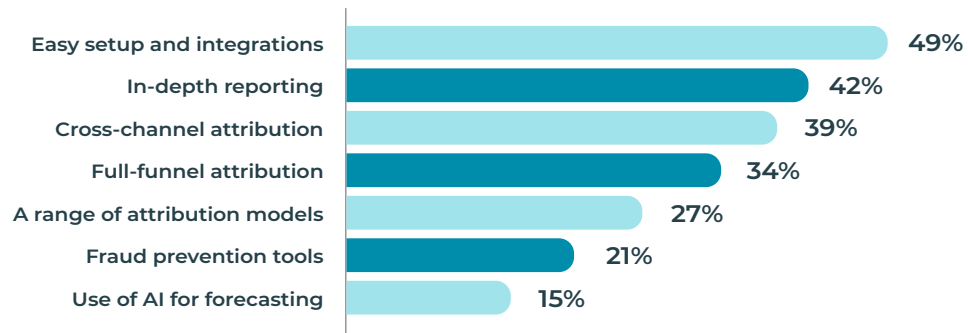
Focus on meeting your requirements AND ease of use. You want to be able to access the data without a doctorate degree but you want the platform to be the doctor and present the answers.

Marketers today have a myriad of challenges, not the least of which is gathering data and aligning that data with insights. emfluence's intuitive platform was designed to simplify the job of today's modern marketer so they can report on successes without needing to get lost in the numbers.

Yet here we are, with nearly half of all the marketers in our study saying "easy setup and integrations" is an essential feature.

What are the most critical features of a marketing attribution platform?

Feature	Percentage
Easy setup and integrations	49%
In-depth reporting	42%
Cross-channel attribution	39%
Full-funnel attribution	34%
A range of attribution models	27%
Fraud prevention tools	21%
Use of AI for forecasting	15%

Our views on three of the other features marketers consider critical in an attribution platform:

1. In-depth reporting: All the features listed, from ease of use to using AI for forecasting, are important. But the 42% of marketers who identified this second most popular feature zeroed in on something that could make or break your success.

Along with reporting goes segmentation. You must be sure you can act on your reporting, that you can click into a segment easily and launch a campaign to it.

2. Full-funnel attribution: It's important to map your funnel and find the stage where you make the most money and where you lose the most people. Full-funnel attribution not only gives credit to the right channels but also shows you where your leaks are.

You might assume that most fallout happens when moving from raw lead to lead or from lead to prospect. But a detailed analysis can show you where that fallout happens in the funnel.

3. AI for forecasting: Many companies boast about using AI. The problem is that AI is still way down the road in fully utilizing that theory. AI is customized to each company using it because you need to define what's important and what isn't.

As an example: Do you know what happens when customers click on an email campaign or a newsletter? Does that signal whether those customers are more or less apt to renew or buy again? To be successful with AI in attribution, you must weigh everything and teach the machine how to interpret the signals your customers are sending.

CDPs offer an alternative to put these signals together and predict actions. But many marketers see AI as making decisions and launching actions, so they don't have to do them. Many of the things we want to have done automatically by AI can already be done right now in propensity models.

> *"Full-funnel attribution not only gives credit to the right channels but also shows you where your leaks are."*

Conclusion: Looking Forward

Accurate attribution is the golden egg for every organization. In the B2B world, it's the one thing you must achieve. We've seen many different attribution models among the companies we have worked with. Most of those are last-click. We assume most companies in this study use last-click because the tools in their tech stacks use it.

If it's not last-click, it could be first-mover — who brought the companies into the sales process. It negates the effort from other channels like email, video conferencing, and other touches. All of these could influence the sales process from prospect to lead, from lead to closed-won, from closed-won to renewal.

We hope this report helps you understand the challenges and rewards that come with attribution. Use it to guide your research and increase your proficiency in figuring out the right attribution model for your company.

Now it's time for your own take. What are your challenges in moving toward data unity and discovering exactly how and where your company makes money? **Speak with one of our marketing automation experts today** to learn more about the emfluence Marketing Platform and how it can help you overcome your challenges with marketing attribution.